



**REGULAR MEETING OF THE WOU BOARD OF TRUSTEES**

**MEETING NO. 25 - OCTOBER 17, 2018**

**12:00 PM – 6:00 PM**

**WERNER UNIVERSITY CENTER, COLUMBIA ROOM**

**AGENDA**

[wou.edu/livestream](http://wou.edu/livestream)

- I. CALL-TO-MEETING/ROLL CALL
- II. CHAIR'S WELCOME
- III. LUNCH/SHOWCASE: [EMERGENCY PREPAREDNESS UPDATE \(Appendix A\)](#)
- IV. [CONSENT AGENDA \(July 18, 2018 meeting minutes\)](#) page 1
- V. PUBLIC COMMENT
- VI. SHARED GOVERNANCE REPORTS
  - (1) [Faculty Senate](#) page 13
  - (2) Staff Senate
  - (3) ASWOU
- VII. [PRESIDENT'S REPORT](#) page 14 ([President's Cabinet Reports - Appendix B](#))
- VIII. BREAK
- IX. ACADEMIC & STUDENT AFFAIRS COMMITTEE (ASAC)
  - (1) Committee Chair Report
- X. EXECUTIVE GOVERNANCE & TRUSTEESHIP COMMITTEE (EGTC)
  - (1) Committee Chair Report
- XI. OCTOBER DISCUSSION THEME: [ENROLLMENT UPDATE \(Appendix A\)](#)
- XIII. BREAK



XIV. FINANCE & ADMINISTRATION COMMITTEE (FAC)

(1) Committee Chair Report

(2) Committee Recommendations for Board Action/Discussion

(a) [FY2018 August 31, 2018 Management Report](#) page 32

(b) [Board Statement on Quasi-Endowment Funds](#) page 39

(c) [Board Statement on Investment of Quasi-Endowment Funds](#) page 41

(d) [Selection of Investment Manager for Quasi-Endowment Funds](#) page 45

XV. FINAL ANNOUNCEMENTS

XVI. ADJOURNMENT



**DRAFT MINUTES  
REGULAR MEETING OF THE WOU BOARD OF TRUSTEES  
JULY 18, 2018  
12:00 PM – 6:00 PM  
WERNER UNIVERSITY CENTER, COLUMBIA ROOM  
MEETING NO. 25**

**I. CALL-TO-MEETING/ROLL CALL**

Chair Betty Komp called the meeting to order at 12:01 PM and asked Secretary Ryan Hagemann to take roll and make announcements.

The following trustees were present:

Zellee Allen  
Jaime Arredondo  
Jim Baumgartner  
Zoe Chan-Tuyub  
Gayle Evans  
Rex Fuller  
Betty Komp  
Cec Koontz  
Gavin Keulks  
Malissa Larson  
Lydia Muniz  
Lane Shetterly

The following trustees were absent:

Jenny Mladenovic

**II. CHAIR'S WELCOME**

Chair Betty Komp welcomed the Board and audience and asked all of the new trustees to introduce themselves. After the trustee introductions, Komp recognized Trustee Koontz to share some words about Trustee Baumgartner's service as Board Chair. After recognition, Baumgartner offered some words to the Board. Komp outlined minor changes to meeting and board organization.

**III. LUNCH/SHOWCASE: CAMPUS MASTER PLAN  
(*Strategic Plan Update – Appendix A*)**



Chair Komp introduced representatives from SRG Architects to update the Board on Master Plan progress. SRG noted, at the outset, they were pleased the WOU Master Plan was practical, visionary, and transformative. SRG took care to outline the process that led to the draft Master Plan, including the steering and focus teams. SRG discussed enrollment assumptions and the impact on the draft Plan. The architects focused attention on space optimization studies and how the usage patterns might impact the scope of the draft Plan. Komp asked if SRG had studied parking and SRG replied that parking was an important feature, both in terms of capacity and circulation.

SRG pivoted to describing the east-west and north-south circulation patterns of the campus. The architects also discussing campus housing and optimal uses of Parking Lot H behind the Werner University Center and the Grove. SRG discussed the long-term vision for athletics facilities and buildings, as well as the emergence of an arts district. Trustee Allen broached the closure of Monmouth or Church Avenues. SRG mentioned that the steering group had discussed the topic. Trustee Shetterly asked about funding for the Master Plan and Vice President Hagemann updated the Board on the legislative capital process.

Baumgartner asked about construction schedules and projects during the academic year and SRG described how a project schedule might accommodate the academic year. Shetterly asked follow-up questions on the relocation of parking and Allen asked about the enhancement and incorporation of public transportation. Trustee Arredondo noted the student-centeredness of the draft Plan.

#### IV. [CONSENT AGENDA](#) (April 18, 2018 meeting minutes)

Komp called for motion to approve the consent agenda, consisting of the minutes for the April 18, 2018 Board meeting. Koontz moved approval, and Shetterly seconded the motion.

The following trustees voted in favor of the motion:

Jaime Arredondo  
Jim Baumgartner  
Zoe Chan-Tuyub  
Gayle Evans  
Betty Komp  
Cec Koontz  
Gavin Keulks  
Malissa Larson  
Lydia Muniz  
Lane Shetterly



No trustees opposed the motion.

Fuller is non-voting.

Allen abstained.

The motion passed.

## V. PUBLIC COMMENT

Komp asked Hagemann for the public comment list. She reminded the audience of the Board Statement on the Conduct of Public Meetings and the Board's guideline of three minutes per person for public comment. Dr. Emily Plec, Professor Ted deChatelet, Dr. Mark Perlman, Dr. Karla Hill, and Dr. Scott Beaver all offered public comment about the state of WOU-WOUFT faculty negotiations.

## VI. SHARED GOVERNANCE REPORTS

### (1) [Faculty Senate](#)

Komp recognized Dr. Greg Zobel, Faculty Senate President, for a brief report on the Faculty Senate. Dr. Zobel discussed general education reform, the BA/BS task force, Senate committee reorganization, and the on-line summer institute implemented by Dr. Weiwei Zhong.

### (2) Staff Senate

There was no update from the Staff Senate at the July 18, 2018 meeting.

### (3) ASWOU

Komp recognized Evelyn Guzman, ASWOU President, for a brief ASWOU report. Guzman discussed the organization of the new ASWOU cabinet, new student week presentations, and enhancing student participation.

## VII. [PRESIDENT'S REPORT](#) [\(President's Cabinet Reports – Appendix B\)](#)

Komp asked President Rex Fuller for the president's report. Fuller addressed the following items with the Board:

- Introduction of the new Vice President for Finance & Administration Dr. Ana Karaman



- Implementation of the new campus budget process
- Phase-out of the fixed tuition rate Western Promise program
- Commencement update
- Fall 2018 enrollment update
- Search for a new Provost & Vice President for Academic Affairs
- Program review
- Seven-year accreditation cycle and annual preparations for a final report
- Legislative preparations and update
- Interaction with HECC in the development of a 2019-2021 budget proposal
- Changes to the bike rental program and search for a new vendor
- Fundraising for the Jack Morton Lobby in the renovated OMA building
- WOU-WOUFT bargaining update
- Quarterly outreach activities

After the report, Arredondo asked about eligibility for financial aid programs and the marketing to reach eligible students. Executive Director of Marketing and Strategic Communication Erin McDonough discussed approaches to scholarship marketing.

#### VIII. BREAK

#### IX. FINANCE & ADMINISTRATION COMMITTEE (FAC)

- (1) Committee Chair Report

Komp asked FAC Chair Koontz for a brief committee report, leading into the items on the Board agenda from FAC for action.

- (2) Committee Recommendations for Board Action/Discussion

- (a) [FY2018 May 31, 2018 Management Report](#)



Komp asked Koontz to introduce the FY2018 May 31, 2018 Management Report. Koontz noted that May was not a particularly busy month, but called attention to the \$2M reduction in the fund balance and services & supplies expenditure increases. After discussion, Komp called for a motion to accept the report as presented and included in the written docket materials. Koontz moved acceptance, and Muniz seconded the motion.

The following trustees voted in favor of the motion:

Zellee Allen  
Jaime Arredondo  
Jim Baumgartner  
Zoe Chan-Tuyub  
Gayle Evans  
Betty Komp  
Cec Koontz  
Gavin Keulks  
Malissa Larson  
Lydia Muniz  
Lane Shetterly

The following trustees opposed the motion.

Fuller is non-voting.

There were no abstentions.

The motion passed.

(b) [FY2019 Budget](#)

Komp asked Koontz to introduce the FY2019 Budget. Koontz observed that the FAC went through the budget in enormous detail and that interim Vice President for Finance & Administration Dr. Jay Kenton had prepared the budget. Komp noted the student wage budget adjustments, Salem operation funding, additional programmers in University Computing Services, and inclusion of an operating reserve. Baumgartner asked for clarification between the fund balance and the operating reserve. Shetterly inquired if there was a plan to increase the operating reserve over time.

Koontz noted the budget assumptions that assisted in the construction of the proposed budget, including a slight increase in enrollment and increase in fee remissions for students. She described the precarious nature of state funding. Baumgartner asked about process and the approval of a budget in July and October.



After discussion, Koontz, as FAC chair, called for a motion to approve the FY2019 Budget as presented and included in the docket materials. Baumgartner moved approval, and Komp seconded the motion.

The following trustees voted in favor of the motion:

Zellee Allen  
Jaime Arredondo  
Jim Baumgartner  
Zoe Chan-Tuyub  
Gayle Evans  
Betty Komp  
Cec Koontz  
Gavin Keulks  
Malissa Larson  
Lydia Muniz  
Lane Shetterly

The following trustees opposed the motion.

Fuller is non-voting.

There were no abstentions.

The motion passed.

(c) [Quasi Endowment](#)

Komp asked Koontz to introduce the quasi-endowment proposal. Koontz described the quasi-endowment as a flexible method to earmark funds for student scholarships. She noted after robust FAC discussion, the committee recommended that the quasi-endowment be funded in stages, with the final installment coming at the October 2018 meeting after due diligence and additional information. She asked Karaman for an explanation.

Karaman described her meetings with the State Treasurer and necessity of a university investment policy. She offered several options for the investment of a quasi-endowment, including the state treasurer, the WOU Foundation, and a separate money manager. Karaman noted that she would prepare a quasi-endowment policy and investment policy for the Board's consideration at the October 2018 meeting. Shetterly asked for a technical description of a quasi-endowment and Karaman stressed its





liquidity and the Board control over the endowment. Shetterly noted the possibility of a social investment fund.

Baumgartner asked about other uses of the surplus, and Koontz observed that the funds were one-time surplus funds and should not necessarily be considered for items that would create a higher base budget commitment. Fuller stressed the one-time nature of the funds. Shetterly asked if quasi-endowments were common and Karaman noted that they were. Koontz shared that she was asking the Board to approve the concept, with the policy and other final decisions to come to the Board at the October 2018 meeting

After discussion, Komp called for a motion to approve the creation of a quasi-endowment as presented and included in the docket materials. After further discussion and clarification about the two-step process to bring back other decisions at the October 2018 meeting, Baumgartner moved to ask the Finance & Administration Committee to devise a complete plan for a quasi-endowment to come to the Board in October, and Shetterly seconded the motion.

The following trustees voted in favor of the motion:

Zellee Allen  
Jaime Arredondo  
Jim Baumgartner  
Zoe Chan-Tuyub  
Gayle Evans  
Betty Komp  
Cec Koontz  
Gavin Keulks  
Malissa Larson  
Lydia Muniz  
Lane Shetterly

The following trustees opposed the motion.

Fuller is non-voting.

There were no abstentions.

The motion passed.

(d) [2019-21 Capital Budget update](#)



Komp noted that Hagemann had already updated the Board on the 2019-2021 Capital Budget submission to the Higher Education Coordinating Commission.

X. JULY DISCUSSION THEME: STRATEGIC PLAN UPDATE

[\*\(Strategic Plan Update – Appendix A\)\*](#)

Komp asked Fuller to turn to the July discussion of the strategic plan. Fuller started with revisiting the goals and outcomes embedded in the Plan. He reminded the Board of the University's mission and stressed that the Plan is possible because of the work of faculty. Fuller shared the connection between the university goals established last year with the Board and the strategic plan. He noted progress on the University Budget Committee, University Technology Committee, and general education redesign. Allen asked about out-of-state transfer partners. Fuller discussed the first-year and sophomore retention rates, as well as six-year graduation rates.

Fuller continued the overview of the strategic plan with reminding the Board about the dashboards it previously approved, including a measure for the diversity of faculty and staff, as well as the net cost of attendance. Fuller highlighted the five initiatives embedded in the plan, as well as goals under each initiative. He called attention to capital progress, Salem programming, institutional learning outcomes, advising improvements, budget decentralization, and a salary study for faculty. Baumgartner asked why the university would pursue a faculty salary study and Fuller stressed the strategic goal of fair, competitive salaries and compensation.

Fuller also discussed community engagement, stressing initiatives such as internships, general education reform, food pantry, and alumni connections. He also observed the possibility of campus climate surveys and Monmouth's statement on inclusivity. For accountability, Fuller stressed budget decentralization and data-driven decision-making. The president focused on sustainability and stewardship to conclude, offering promotion of new undergraduate programs, reorganization of The Research Institute, and professional development. Baumgartner noted the importance of strong relationships with the community and measureable outcomes. Arredondo asked if there was a single document that contained all of the goals and progress. Keulks asked the Board not to forget qualitative assessment, as well as measureable outcomes.

XI. BREAK

XII. ACADEMIC & STUDENT AFFAIRS COMMITTEE (ASAC)

(1) Committee Chair Report

Komp recognized ASAC Chair Shetterly for a brief committee report. Shetterly turned to the ASAC action items on the Board's agenda.



(2) Committee Recommendations for Board Action/Discussion

- (a) [Proposal for new degree program: MA in Organizational Leadership \(MA in Organizational Leadership – Appendix A\)](#)

Shetterly described the proposed MA in Organizational Leadership, an essential component of WOU's Salem presence. Baumgartner asked for clarification about the location of the position and Professor David Foster offered that it is targeted to Salem populations, but, because it was on-line, any student could take advantage of the program. Fuller stressed that the degree was an MA in Organizational Leadership and not a MBA. Keulks inquired about the relationship between the undergraduate degree in public administration and the new MA in Organizational Leadership.

After discussion, Shetterly stated the committee's recommendation as a motion to approve the degree program as presented and included in the docket materials, including Appendix A. Koontz seconded the motion.

The following trustees voted in favor of the motion:

Zellee Allen  
Jaime Arredondo  
Jim Baumgartner  
Zoe Chan-Tuyub  
Gayle Evans  
Betty Komp  
Cec Koontz  
Gavin Keulks  
Malissa Larson  
Lydia Muniz  
Lane Shetterly

The following trustees opposed the motion.

Fuller is non-voting.

There were no abstentions.

The motion passed.

- (b) [Endorsement of WOU participation in Willamette Promise](#)



Shetterly continued with the proposed Board's endorsement of the Willamette Promise. After a brief discussion led by Associate Provost Dr. Sue Monahan, Shetterly called for motion to endorse WOU's participation in the Willamette Promise as presented and included in the docket materials. Koontz moved approval, and Arredondo seconded the motion.

The following trustees voted in favor of the motion:

Zellee Allen  
Jaime Arredondo  
Jim Baumgartner  
Zoe Chan-Tuyub  
Gayle Evans  
Betty Komp  
Cec Koontz  
Gavin Keulks  
Malissa Larson  
Lydia Muniz  
Lane Shetterly

The following trustees opposed the motion.

Fuller is non-voting.

There were no abstentions.

The motion passed.

(c) Fall 2018 Enrollment Update

Shetterly acknowledged Vice President for Student Affairs Dr. Gary Dukes for any follow-up to enrollment data presented by the president. Dukes noted an increase in applications and positive signs from first-year and transfer populations. Shetterly highlighted the significant increase in applications from Latino students.

(d) WOU's Salem Presence Update  
[\(WOU in Salem – Appendix A\)](#)

Shetterly asked Monahan to update the Board on WOU's presence in Salem. Monahan stressed data about working adults with degrees and the number of Oregon adults with some college, yet no degree. She explained the targeted degree programs for Salem and structure conducive to adult participation. Monahan shared progress with negotiations with Chemeketa Community College about space and degree partnerships.



Baumgartner asked about the veracity of the projections. Fuller stressed that the Salem programs would not displace Monmouth students. Arredondo inquired as to how students and interested persons would find out about the new Salem programs. McDonough shared that her unit added capacity in enrollment marketing. Koontz applauded the move to target new students and new markets.

### XIII. EXECUTIVE GOVERNANCE & TRUSTEESHIP COMMITTEE (EGTC)

#### (1) Committee Chair Report

Komp, as EGTC Chair, offered a brief committee report.

#### (2) Committee Recommendations for Board Action/Discussion

##### a) Committee Assignments

Komp announced the new committee assignments for trustees at the outset of the meeting. The assignments were included in the red Board folder.

### XIV. FINAL ANNOUNCEMENTS

Komp asked for trustees for any final announcements. She shared that the Board's Office would be scheduling additional training and a tour for the new trustees.

### XV. ADJOURNMENT

Komp adjourned the open session of the Board meeting at 5:08 PM and asked the audience to clear the room to permit staff to prepare for the executive session.

### XVI. EXECUTIVE SESSION

After the room was clear, Komp asked Hagemann to make the necessary announcements. The board met pursuant to ORS 192.660(2)(f) (to consider a record otherwise exempt from disclosure) and ORS 192.660(2)(i) (to conduct the employment-related performance of a chief executive officer) The media was authorized to attend the executive session pursuant to ORS 192.660(4) provided that the information shared and discussed in the executive session remain undisclosed, but no representatives of the institutionalized news media attended. Pursuant to ORS 192.660(6), no final action was taken in executive session.

In addition to Board members, Secretary Hagemann was permitted to attend the executive session.



After required announcements, the Board conducted President Fuller's performance evaluation consistent with ORS Chapter 192 and the Board Statement on the Performance Evaluation of the University President.

After the executive session, Komp returned to open session to adjourn the meeting at 6:05 PM with a quorum (Allen, Arredondo, Baumgartner, Chan-Tuyub, Evans, Fuller, Komp, Koontz, Keulks, Larson, Muniz, Shetterly).

A handwritten signature in black ink, appearing to read "Ryan James Hagemann".

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Ryan James Hagemann  
Secretary to the Board of Trustees

## **General Education (GenEd) Reform Process**

- Process is making good progress
- GenEd Director, First Year Seminar Director, and Chair of GenEd continue to meet and support faculty, offer ongoing updates and information to faculty, and they are keeping faculty informed through Faculty Senate

## **BA/BS Task Force, Proposal**

- As of 9 October 2018, before the Faculty Senate meeting, no BA/BS proposal has been adopted or accepted. There is a revised proposal under discussion on 9 October and, most likely, a vote about this or an amended proposal on 23 October.
- There are an array of diverse faculty concerns that have been expressed throughout the process.
- Background:
  - There was a Faculty Senate planning session during convocation week where the BA/BS was discussed and an alternative from Flesch and Huston was reviewed. That meeting was constructive; many people commented on valuing the time and discussion involved.
  - Reminder: the BA/BS task force disbanded some time ago

## **Fall 2018**

- Call for Senate Faculty members to join the Committee on Committees goes out on 9 October 2018. Their charge is to review Faculty Senate committee structure and workload and to suggest possible changes and adjustments.

## **Shared Governance**

- Staff Senate Executive Committee and Faculty Senate Executive Committee will meet with Interim Provost Rob Winningham on Tuesday, October 30th, to plan agendas for two additional 5th Tuesday joint Senate meetings in January and April 2019.

## **Accessibility**

- Recent implementation of changes in technology to support student accommodations has generated discussion around accessibility and students' civil rights. This is productive and helpful--good to see more campus engagement on the topic of accessibility.
- Thank you to President Fuller for supporting the Live Captioning of his State of the University address during Convocation week. Important modeling of wise use of accessible technologies.



**Board of Trustees, October 17, 2018**

**President's Report**

**1. Bargaining update—WOUFT**

As I reported at the July BOT meeting, Western and WOUFT began bargaining in January 2018 over terms pursuant to an economic re-opener that will expire in July 2020. The last bargaining session was held on June 20, 2018, a few days before the end of the statutorily mandated 150 day bargaining period.

On June 25, 2018 WOUFT filed for mediation and both parties met in mediation on August 30th and September 6th. A tentative Agreement was reached by the Parties on September 6th that was later ratified by WOUFT on September 19, 2018.

Key elements of the two-year contract include:

- For tenure/tenure-track faculty, a flat base salary adjustment of \$2800 in 2018-19 and \$2350 in 2019-20. This increase structure satisfies three of Western's key objectives entering bargaining: 1) it provides equity in increase across the salary table; 2) because the newer faculty at the lower-paid range of the salary table will receive a bigger percentage increase than those at the higher ranges, it aids in faculty retention of those faculty members pursuing tenure; and 3) it increases Western's ability to offer competitive salaries during new faculty recruitment. Specifically, and by way of comparison, the 2-year average increase at step 37 is 5.6% compared to an increase at step 4 of 9.6%. Overall, these changes should help in hiring and retaining new faculty in many disciplines.
- For non-tenure-track faculty, a new structure establishing enhanced salary minimums based on the faculty member's years of service to WOU and their highest degree completed, was created to provide minimum benchmarks in five-year increments, topping out at 20+ years of service. Non-tenure-track faculty whose salary already exceeded the minimum or was within a close range below the new applicable minimum will receive increases of 4% in 2018-19 and 3% in 2019-20.
- \$70,000 increase in the faculty development monies. This increase moves the funding from \$200,000 per year to \$270,000 per year and enhances our capacity to support scholarly work of the faculty. This is consistent with the Strategic Plan: Academic Excellence 2.2 Increase faculty development support for scholarly and creative pursuits as well as innovative curricular design and delivery efforts.





- Letter of agreement for a tenure relinquishment program, allowing for a one-time 6% salary adjustment in exchange for retirement and tenure relinquishment at the close of that academic year. This arrangement is established at most other public universities and permits crucial salary savings and academic flexibility in some academic units, while benefiting the retiring faculty member in their final year.

## 2. Strategic Planning Implementation – Fall retreat

- WOU established the University Council which has general oversight for ensuring mission fulfillment. The Council met two times each term last year and developed a set of actions items that were reviewed at a retreat in September.
- A key outcome of the meeting was to identify a need to focus on improving retention and graduation rates—that is to improve student success for what many call the “murky middle” and to identify new pathways for increased enrollment. This will include new locations such as Salem including improved access through hybrid programs as well as new programs that serve new markets such as health science and organizational leadership.
- Last year, we also continued our work with the University Budget Advisory Committee (UBAC) to implement a more transparent budgeting process. Going into this year, we have made several exciting changes:
  - We have added designated seats for SEIU and WOUFT;
  - We are nearly ready to roll out a new online submission system for proposals;
  - This year, the UBAC will be the first to review proposals for initiatives and efficiencies that are submitted for consideration, and this is quite different from last year's process which included an initial evaluation by the Cabinet members who forwarded a subset of proposals to the committee for consideration; this year, the recommendations of the UBAC will be used by the Cabinet in its review as the process unfolds in 2018-19;
  - Finally, we will be calling for budget proposals that address (1) **affordability for students and (2) new programs**, which can be new programs and/or pathways and locations that are designed to **grow enrollment**.
  - Affordability refers to the net cost of attendance—tuition, fees, housing less tuition remissions. With our population of students from low and middle income families, we need to be attentive the net cost of attendance. Both affordability and new programs are directly tied to *Forward Together* strategic priorities: student success, academic



excellence, and sustainability as these impact enrollment growth, student retention, and degree completion.

An all campus communication calling for proposals will be sent out in early October.

- Following input from governance groups, we have established a University Technology Advisory Committee, which will begin in fall 2018. All members have been appointed and the first meeting will be in early November. Bill Kernan will serve as co-chair and the other co-chair will be selected from the committee. The committee already has a website with its charge and membership.

**Charge:** The University Technology Advisory Committee (UTAC) is an advisory committee charged with receiving, developing, and submitting recommendations related to the use of technology for university technology systems and academic technologies that are aligned with the strategic plan, *Forward Together*.

**Some Key Responsibilities include:**

1. Create and maintain a Campus Technology Plan (CTP) that articulates a vision for implementation, adoption, integration, and maintenance of technologies across campus that are aligned with the WOU Strategic Plan.
2. Review new building and renovation projects that are pertinent to the academic technology environment.
3. Develop and monitor policies related to university technology systems and academic technologies.
4. Prioritize proposals for new university technology systems and academic technologies and present technology financial-purchasing recommendations and plans to University Budget Advisory Committee.
5. Explore and engage in reviews of new developments in university and academic technologies for potential use, relevance and future needs of the university.
6. Evaluate the progress and success of technology initiatives.



3. Fall 2018 Enrollment

Enrollment Report (M-Report)	This Year	Pct	Last Year	Pct	Change	Pct Change
Term:	Fall 2018		Fall 2017			
As of:	10/8/2018		10/9/2017			
Total Enrollment	5,060		5,273		-213	-4.0%
Total Credit Hours	64,398		66,727		-2,329	-3.5%
Total FTE *	4,354.6		4,513.7		-159.1	-3.5%
Total UG Enrollment	4,586		4,775		-189	-4.0%
Total UG Credit Hours	60,712		62,812		-2,100	-3.3%
Total UG FTE *	4,047.46		4,187.47		-140.0	-3.3%
Total GR Enrollment	474		498		-24	-4.8%
Total GR Credit Hours	3,686		3,915		-229	-5.8%
Total GR FTE *	307.16		326.25		-19.1	-5.9%
Male	1,826	36.1%	1,930	36.6%	-104	-5.4%
Female	3,152	62.3%	3,302	62.6%	-150	-4.5%
Other	82	1.6%	41	0.8%	41	100.0%
<b>Undergraduate Breakout</b>						
Resident	3,428	74.7%	3,553	74.6%	-125	-3.5%
Non-Resident, Other State:						
- WICHE/WUE	781	17.0%	781	16.4%	0	0.0%
- Non-WICHE/WUE	71	1.5%	62	1.3%	9	14.5%
Foreign/International	192	4.2%	269	5.7%	-77	-28.6%
Total	4,588	100.0%	4,760	100.0%	-172	-3.6%
<b>Graduate Breakout</b>						
Resident	376	79.3%	397	79.7%	-21	-5.3%
Non-Resident, Other State:						
- WICHE/WUE	4	0.8%	1	0.2%	3	300.0%
- Non-WICHE/WUE	57	12.0%	49	9.8%	8	16.3%
Foreign/International	32	6.8%	42	8.4%	-10	-23.8%
Total	474	100.0%	498	100.0%	-10	-23.8%



Enrollment Report (M-Report)	This Year	Pct	Last Year	Pct	Change	Pct Change
All Students By Race Ethnicity (IPEDS Definition)						
Hispanic	794	15.7%	780	14.8%	14	1.8%
American Indian/Alaskan Native	69	1.4%	85	1.6%	-16	-18.8%
Asian	206	4.1%	228	4.3%	-22	-9.6%
Black/African American	175	3.5%	180	3.4%	-5	-2.8%
Pacific Islander	121	2.4%	139	2.6%	-18	-12.9%
White	3,088	61.0%	3,293	62.5%	-205	-6.2%
Two or More Races	130	2.6%	20	0.4%	110	550.0%
Total	5,060	100.0%	5,273	100.0%	-213	-4.0%
All Students By Class						
Freshmen	1,089	21.5%	1,103	20.9%	-14	-1.3%
Sophomores	828	16.4%	870	16.5%	-42	-4.8%
Juniors	1,119	22.1%	1,236	23.4%	-117	-9.5%
Seniors	1,461	28.9%	1,486	28.2%	-25	-1.7%
Graduate Masters	410	8.1%	444	8.4%	-34	-7.7%
Total	5,060	100.0%	5,273	100.0%	-213	-4.0%
New Freshmen	717		698		19	2.7%
Transfer Students	533		572		-39	-6.8%
Continuing Students	2,803		2,956		-153	-5.2%
*Note: -100 FTES → a loss in expected tuition revenue of about \$350,000 per term (assuming current mix of resident and non-resident tuition)						

Final census for fall will occur on Friday, October 19. At that point we will be able to revise our budget plans to align with expected revenues from tuition. Since the FY2018-19 budget assumed a 1% increase in enrollment, it is likely that some adjustments will be needed.

The Board approved budget is based on **an increase in enrollment of 1%**--about 50 students. This was based on an increase in new students—which we have achieved. We also expected to see our retention rates continue to improve. Our fall 2018 retention rates are not finalized, but, it appears that one of our greatest challenges lies in our efforts to see students persist and graduate. This is highlighted by the decrease in the number of continuing students noted above.



#### **4. Academic Affairs**

##### **Master's Degree**

The Organizational Leadership Master of Arts Program was approved by the Provost Council and will now be reviewed by Higher Education Coordinating Commission (HECC).

##### **Salem Campus**

Winter 2019 we will start offering classes at Chemeketa Community College's Center for Business and Industry. There will be select courses offered Winter 2019 and Spring 2019. Beginning Fall 2019, we anticipate offering programs in Organizational Leadership, Psychology, Criminal Justice, Business, Interdisciplinary Studies, Information Systems, Liberal Studies and a Certificate in Professional Writing. The courses will generally be offered in hybrid format with most courses meeting once a week in the evening or on Saturdays. This program is primarily designed for the working professional.

##### **Doctor of Physical Therapy**

Academic Affairs is working with both internal and external advisory groups to develop a Doctor of Physical Therapy (DPT) proposal. Last year 1000 prospective students applied for 100 spaces at George Fox University and Pacific University, indicating a very high need in the state. A program proposal is scheduled to be submitted into the Faculty Senate Curriculum Portal this fall. The full approval process, including national accreditation for physical therapy programs, could take two years or more. This would be WOU's first doctoral program. The program could generate significant revenue and has the potential to bring undergraduates to WOU to prepare for graduate programs in health science and healthcare fields.

##### **General Education**

General Education efforts are underway and a faculty led team is providing excellent support to their colleagues who want to create new courses for the general education curriculum. For example, each week during fall term Dr. Shaun Huston, First Year Seminars (FYS) Coordinator, will be offering workshops to help faculty create FYS courses.

##### **Civility, Equity, Diversity and Speech**

There will be a number of efforts focused on civility, equity, diversity and speech on campus this year. Dr. Stokes-Dupass is a diversity expert and will present on February 1, 2019. Dr. Asao Inoue is a racial bias in the evaluation of writing discussion expert and will present on October 29, 2018. A working lunch with President Rex Fuller, Vice President Ryan Hagemann, Interim Provost Rob Winningham, and Faculty Senate Executive Committee will take place on October



12, 2018 in order to discuss speech on campus. Associate Provost Erin Baumgartner is beginning conversations with the goal of convening opportunities to discuss gender equity on campus.

## 5. Vice President and General Counsel

### **2019 Legislative Assembly and Higher Education Coordinating Commission**

Western Oregon University (WOU) and colleagues from the other six public universities and OHSU continue preparations for the 2019 Legislative Assembly. The Higher Education Coordinating Commission, as reported in the last VPGC report at the July 2018 Board of Trustees meeting, submitted its operating and capital budget requests for the public universities to the Governor. The Governor will assemble a Governor's Recommended Budget (GRB) by December 1.

While, considering PERS, PEEB, and labor costs, the universities have asked for a minimum **\$130M increase to the Public University Support Fund** in order to keep resident, undergraduate tuition increases **under five percent**. This point, believe that the Governor may provide the PUSF with a \$40M increase. While better than flat-funding, which is what the Governor did in her GRB in 2017, an increase of this increment in state appropriation would likely spell significant tuition increases and/or budget cuts at all seven public universities. The universities continue to monitor and advocate for a GRB with an increase of at least \$130M.

### **Student Success Center**

WOU's new Student Success Center—the University's top capital priority—will replace the Old Education Building, which was built in 1965. Located in the heart of campus between the Werner University Center and the Hamersly Library, the site offers a critical intersection for a spectrum of services, offices and resources to enhance student success, from persistence to graduation to the workforce or graduate school. The University retained SRG, a Portland architecture firm, to conduct a feasibility study to determine whether the existing facility should be renovated or demolished. SRG recommended replacing the 35,000 square foot building to serve effectively the student population attracted to Western Oregon University.

- Creates high-impact, student-centered venue in the heart of campus with relocation of offices ranging from Disability Services to the Veterans Resource Center, from Student Success and Advising and to the Student Enrichment Program, which are partially funded by WOU's federal TriO grant
- Supports WOU's unique student population mix prioritized in the HECC's Student Success and Completion Model (SSCM) and Statewide Equity Lens—today and tomorrow—through design, location, and programmatic choices. By most



measures, WOU ranks near the top of Oregon's public universities in serving the students highlighted in the SSCM and Equity Lens

- Scored fourth among all public university capital projects submitted to the HECC staff this biennium, demonstrating the wisdom of using the state's debt capacity to serve Oregon's students
- Elimination of nearly \$1M of WOU's deferred maintenance



### **Physical Education Building Addition & Remodel**

Constructed in 1971, the "New" Physical Education Building requires significant renovation in order to keep pace with ADA accessibility, Title IX obligations, and heavy classroom and venue use of the building. The proposed renovation will add approximately 33,000 square feet to the existing 65,000 square feet, not only addressing the life, safety, and compliance obligations outlined above, but ensuring WOU has sufficient facilities in order to participate effectively in the NCAA Division II (Oregon's only public NCAA-Division II member) and the GNAC. WOU's student-athletes have better retention and graduation rates than WOU's general student population.

- Addresses Title IX and accessibility issues with intercollegiate athletics, physical education, and classrooms



- Enhances accessibility to major cultural events on campus—as the largest venue on campus—including Cesar Chavez Leadership Conference, Native American POW-WOW, and Luau
- Scored eighth among all public university capital projects submitted to the HECC staff, demonstrating the wisdom using the state’s debt capacity to achieve accessibility and gender equity
- Elimination of \$3.8M of WOU’s deferred maintenance



In addition to the operating budget and the capital recommendations—which rank both of WOU’s projects in the top ten—the Legislative Advisory Council (LAC) continue to monitor various legislative concepts/proposals from the HECC. Anticipating the possibility of tuition increases above five percent for 2019-2020, the HECC is fashioning a process and criteria by which it would consider those increases. Although early in the process, initial presentations reveal a rather onerous process that the universities are trying to streamline and tie to the criteria and process in HB4141. The HECC may also consider proposals on how to secure implied authority (a proposal that it contrary to the intent of SB270 and other legislation that creating the institutional boards and shaped the HECC) and ideas on how to consider differential tuition.





### **TRI Audit**

Over the summer and fall, Baker Tilly, a national audit firm with significant experience in grant management accounting and reorganization, has assisted the University in evaluating the Research Institute and how to accomplish an effective reorganization of the University's prominent sponsored research and service activities. The auditor's report to the VPGC to ensure the work product is privileged and various proposals may be vetted appropriately.

### **Willamette Promise and Degree Partnership Agreements**

Significant work with Dr. Sue Monahan in updating the Willamette Promise contractual agreements and, with the leadership of Dr. Kristin Mauro, updated the templates for our degree partnerships with community colleges. The University has agreements with Mt. Hood Community College, Clackamas Community College and Portland Community College, and is using this new template in negotiations with Linn-Benton Community College and updating the Chemeketa Community College relationship.

### **Policy Council**

Based on experience, a new structure for the Policy Council is under development. It will include an executive group that will meet more frequently to monitor the progress of draft policy statements, and retain the stakeholder group to ensure draft policies have received due consideration from the community prior to public comment and presidential approval.

### **Procurement Code Revision**

After interim Vice President for Finance & Administration Dr. Jay Kenton advised several changes to WOU's procurement processes and authorities—with a significant portion of responsibility shifting to the Office of the General Counsel—VP Hagemann is finalizing a redline revision to the entire procurement process and will collaborate with Dr. Ana Karaman to present to cabinet, work with stakeholders, and implement the new code as soon as feasible.

### **PURMIT**

As the University's trustee on the Public University Risk Management and Insurance Trust, VP Hagemann attended the quarterly meeting in early October. The trust continues to perform at a high level and administers the university's insurance coverage program and claims management effectively. For more information, visit [www.purmit.org](http://www.purmit.org).

### **Litigation**

Over the summer, VP Hagemann managed, with the assistance of outside counsel as appropriate, a handful of litigation matters. When covered by PURMIT or insurance, we work with PURMIT and our third-party claims administrator to manage



the caseload. Further discussion of litigation matters, due to the attorney-client privileged nature of the cases and materials, must be conducted in executive session or privileged communication with Board members.

### **National Association of College and University Attorneys**

VP Hagemann was asked to join the editorial board of **NACUANOTES**, a service provided by the professional organization—the National Association of College and University Attorneys. NACUANOTES are relatively brief (7-10 pages), practical explanations of pressing issues in higher education law designed to offer pragmatic assistance to members. This appointment reflects well on Western and speaks to VP Hagemann’s work within the association.

## **6. Finance and Administration**

### 2018-19 annual Theme: “Using Technology and Communication to move from Tactical to Strategic”

The division of Finance and Administration held a strategic planning retreat on September 21st. Directors met in the morning to discuss the university strategic plan, efficiencies and continuous process improvements, and how to utilize existing technology across campus. I joined the group to share my priorities and expectations for the division.

The afternoon was filled with department planning--a time for each office’s second in command to participate in setting goals and a vision for each area that will support the university’s strategic initiatives. The three-year vision for each department and recent highlights can be seen below.

**Budget Office:** *The Budget office goal is to be trusted to have a transparent and collaborative budget process that is data-driven, equitable, and 100% aligned with institutional priorities.*

Recent highlights:

- Started a campus-wide budget training

**Business Services:** *The Business Office goal is to complete transformation to modern business interface by utilizing modern technology systems campus-wide.*

Recent highlights:

- Closed FY18, working on Financial Statements Audit
- Hired new controller, Christeena Whitfield, CPA. Christeena comes to WOU from Head Start of Yamhill County where she served as the Chief Financial



Officer. She has her Masters of Accounting and Financial Management from Keller Graduate School of Management and is a Certified Public Accountant.

**University Computing Solutions:** *The UCS goal is to have 100% customer satisfaction with providing innovative, technology integrations and consultation services.*

Recent highlights:

- [Newsletter](#)
- Working on Banner 9 Cloud migration and installing Banner financial aid
- Conducted penetration testing to enhance cyber security

**Facilities Services:** *The Facilities Services goal is to be a fully trusted campus partner*

Recent highlights:

- Received authorization to utilize unused funds (\$359K) from RVEC construction bonds to install solar panels on the building. This will result in about \$13K annual energy savings and teaching/learning opportunities for the Environmental Studies Program.
- The Child Development Center construction is underway.
- Natural Sciences Renovation is fully underway and on schedule and has completed the first phase including the asbestos abatement, adding ADA ramps, and roofing the greenhouse with new polycarbonate materials. Work on second floor will continue through December.
- OMA and ITC contracts are being finalized. Construction is planned to begin June 2019.

**Campus Public Safety:** *The CPS goal is to become an Emergency Preparedness leader amongst Oregon TRU institutions. The CPS want to inspire, educate, and partner with our peer institutions to become disaster resilient universities.*

Recent highlights:

Officers attended forensic experiential trauma interview (FETI) and sexual assault task force (SATF) trainings with CASA grant funding.

- Other recent training included ALICE (Alert, Lockdown, Inform, Counter and Evacuate), Campus Fire Extinguisher Training, and “Behind Closed Doors” joint training with housing staff.
- Conduct an October 8th flu vaccination clinic for students to test our response to a potential meningitis outbreak

**Treasury:** *The Treasury goal is to move treasury services in-house*



Recent highlights:

- Working on developing capabilities for check reconciliations, deposits, university bank summary process, and check tracking

## 7. Student Affairs

### **Admissions and Enrollment**

New freshmen are currently up by about 3%. Transfer students are down by about 7% and overall enrollment is down by about 3.5%. Continuing students are down by about 5%. Another encouraging note relates to the modest increase in domestic non-resident enrollment. For fall 2019, the effort in Texas may also provide a boost in this category.

Housing also experienced an anomaly this year as generally most of the students who apply for housing attend WOU. This year we had nearly 100 students who had applied for housing not register or end up attending WOU. It has caused us to now be more critical in how we track our students related to registration.

### **New Student Week**

The week before classes start, the University provides a week-long orientation program called New Student Week which can be found [here](#).

This is an opportunity for students to move into their residence hall rooms and get acclimated to campus before classes start. Each day during the week, numerous educational sessions about the University are provided for students to attend. Each day of the week there is also at least one major speaker. The first day we have a Convocation speaker who welcomes students to campus and generates excitement for students to be at WOU. Other major speakers present on diversity and inclusion, relationships and dating, sexual assault and sexual violence, and alcohol and drug use. There are also social activities during the evening which include a hypnotist, magician, and movies. Students seemed to participate more in all events than in previous years which we hope will equate to higher retention rates.

### **Neighborhood Walks**

Each fall, we team up with the Monmouth Police Department and walk around neighborhoods in Monmouth which have a high concentration of students, to promote being good neighbors and make our students aware of local laws and ordinances which might affect them.

This year Tina Fuchs, Dean of Students, Rebecca Chiles, Director of Campus Public Safety, and Officer Braden Smith with Campus Public Safety, teamed up with Chief Tallan of the Monmouth Police Department, and three of his officers. The team was well received in the neighborhoods by both students and residents. Over the years



this program has helped reduce the number of complaints in the city regarding the behavior of our students and has also helped Monmouth residents know who to contact if they have a concern.

### **Reorganization**

The Division of Student Affairs, has been reorganized to create common clusters.

Tina Fuchs is now the Associate Vice President for Student Affairs and Dean of Students and oversees the Dean of Students Cluster which includes, Housing, Dining, Student Conduct, Multicultural Student Services and Programs, Service Learning and Career Development and Mailroom.

Malissa Larson is now Assistant Vice President for Student Affairs and oversees the Wellness Cluster which includes Office of Disability Services, Student Health and Counseling Center, Abby's House, and Veterans Resource Center.

Patrick Moser is now Assistant Vice President for Student Affairs and oversees the Student Engagement Cluster which includes Student Engagement (Greek Life, ASWOU, Student Activities, Student Media), WUC Operations, Wolf Store, and Conference Services.

VPSA Dukes will continue to directly oversee Admissions, Financial Aid, Campus Recreation, Student Support Services and Upward Bound along with the assistant and associate VPs.

### **University Diversity Committee**

Vice President Dukes is the cabinet liaison to the University Diversity Committee (UDC). UDC had a retreat October 4, 2018, and was joined by President Fuller, to discuss goals and structure for this academic year. UDC and the President will develop a new structure for the Committee that better aligns with the goals and values of the strategic plan. Once this new structure is implemented the group will work on developing a University diversity plan which will support the University's Strategic plan.

## **8. Alumni & Outreach**

### **Strategic Communications & Marketing (MarCom) efforts**

In partnership with University Computing Services, MarCom launched the WOU Internal Communication Hub. A new more flexible system for campus-wide messages.

The new Enrollment Marketing Director has created a spending plan for the year encompassing multiple areas of recruitment – undergraduate, Salem, graduate. Contracts have been signed with a Spanish translation service to be used campus wide and an external video production company to create unique 30-second spots.



The team continues to provide services and outreach including: social media, earned media, magazine production, writing/editing, graphic design, web updates, and more.

As of July 1, management of the Print Shop was absorbed.

### **Campaign consultant hired**

The WOU Foundation Board has hired Shelly Parini with Parini Connects, LLC to provide campaign readiness research and planning. Shelly's efforts have already kicked off with meetings and trainings.

Interviews and focus groups will be conducted during the next four months. A planning retreat will be held on Saturday, April 13, 2019 and a final report will be presented to the WOU Foundation Board in June 2019.

### **Transition and launch of Blackbaud**

After a year-long process to convert, our financial and customer relationship management tools have been transitioned to industry standard tools – Financial Edge and Raiser's Edge respectively. This improved system will provide access to more people across campus, create intuitive tools and provide access to stats and data. Our goal for this year is to learn the tool as well as improve the data.

### **Changes to Smith Fine Arts Series**

This summer, SFA held their most successful fundraising auction, raising approximately \$45,000 to support the series and educational outreach. The long-time manager, Sandy Newland, retired at the end of August. We have hired a new Director, Lisa Schachter. Lisa's first day coincided with the first concert of the year, Oct. 5. The Series has six concerts this year, selected by SFA board and WOU faculty member, Dirk Freymuth. Each concert will also have an educational outreach opportunity for WOU and other local students.

### **Annual Giving efforts launched**

The Annual Giving theme this year is "grow WOU" and has a focus on increasing the number of "sustainers" – donors who give monthly through automatic deduction. This theme will be central to Giving Day as well.

### **Alumni activities continue**

This summer Alumni Relations along with the Alumni Board launched a new series of alumni & friends after hours, these informal get-togethers have happened so far in Eugene, Corvallis and Salem and are hosted by alumni volunteers. More than 50 alumni and friends came together on Sept. 29 to celebrate the success of the Jack Morton Memorial Lobby campaign. Upcoming events include: Homecoming &



Reunion Weekend (Oct. 19-20), Senior Kick-Off (Nov. 13) and Alumni Day (Nov. 30). Efforts continue around the alumni mentor program.

**9. Athletics: NCAA II**

**NCAA Division II – Life in the Balance**

<b>Spring 2018 Team GPA's</b>			
<b>Men</b>	<b>GPA</b>	<b>Women</b>	<b>GPA</b>
Baseball	2.88	<b>Basketball</b>	<b>3.53</b>
Basketball	2.73	Cross Country	3.19
<b>Cross Country</b>	<b>3.10</b>	Soccer	3.31
Football	2.81	Softball	3.17
Track	3.00	Track	3.20
		Volleyball	3.29
<b>Men Average</b>	<b>2.90</b>	<b>Women Average</b>	3.28
<b>Overall</b>	<b>3.09</b>		

**Fall Quarter 2018: Current Fall Sports Records**

- M-Cross Country is currently ranked 10<sup>th</sup> in DII USTFCCCA poll
- Football: 2-2 conference, 3-3 overall
- W-Soccer: 2-3-1 conference, 4-5-2 overall
- Volleyball: 2-7 conference, 5-11 overall

**Community Engagement: Fall Quarter 2018**

- Offered free admission to first home football game against Angelo State (Labor Day)
- Hired a part-time assistant SID to assist with marketing and promoting of athletics
- Established a beer garden inside the gate for all home football games
- Coach the Cure of MD, recognized a local Muscular Dystrophy sufferer and family at football game on 9/29

**Accountability: Fall Quarter 2018**

- Streamlined the budget process, significantly reduced the number of athletic indexes
- Created new forms for travel and reimbursements
- Streamlined equipment ordering process
- Established formal financial policies and procedures



- Granted coaches read-only access to banner to assist them in managing their budgets
- Revamped the summer camp payment process

### **Sustainability and Stewardship: Fall Quarter 2018**

- Softball Field received a makeover with new turf infield, backstop, and drainage system in the outfield
- Baseball received a new drainage system in the outfield
- Soccer field had new flag poles installed
- Patching track surface and repainting lines

## **10. Outreach**

- SOAR, July 21 and August 23
- WOU Football Golf fundraiser, July 23
- Memorial service, Elizabeth Woodcock, July 28, San Diego
- Smith Fine Arts fundraiser, July 29
- WOU Women's Athletics Golf fundraiser, August 2
- NCAA Division 2 President's Council, Indianapolis, August 7-8
- Ashland alumni event, August 11
- High Desert Museum, alumni event, August 25
- Oregon Council of Presidents retreat, Portland, August 27-28
- WOU Emeritus Society luncheon, campus master plan, September 4
- WOU Cabinet retreat, September 5
- WOU, Extended cabinet retreat, September 12
- WOU home football, September 1, 8, 15, and 29
- WOU OHSU Nursing 10 year anniversary celebration, September 14
- State of the University Address, September 17
- PGE Foundation meeting, September 18
- President's Club Dinner, September 21
- WOU Athletic Welcome, September 24
- Morton Memorial Scholarship celebration, September 29
- WOU Foundation retreat, October 5, 6



## **Finance & Administration Committee (FAC), August 31, 2018 Management Report**

The attached quarterly management report includes as of June 30, 2018, the last month of FY18, and as of August 31, 2018, period 2 of FY19.

### FY18 Year-End

FY18 revenues exceeded May 31<sup>st</sup> year-end projections by \$44,000. FY18 expenses were under projection by \$341,000. The fund balance ended at \$13,993,000, 19.84% of revenues.

### FY19 Period 2 as of August 31, 2018

A year-end forecast will be developed based on period 4 (October 31, 2018) due to heavy enrollment fluctuation during the first month of classes. Enrollment will be finalized at the census date (October 19, 2018). The current report provides year-to-date activity as compared to the same period in prior year and percent of adopted FY19 budget. The largest revenue variance is due to accounting differences as noted below. State appropriations as expected with Q5 allocation being disproportionately larger. On expenses, personnel includes FY19 portion of a two year retirement window program payment. The second payment will be made in FY20.

### FY18 and FY19 accounting differences:

There is a timing difference between FY18 and FY19 for fall tuition and room and board assessment. In FY18, tuition and room and board were assessed in September; in FY19, tuition and room and board were assessed on August 30. FY19 summer tuition totals \$2,458,034, which is on par with FY18 summer tuition.

### COMMITTEE RECOMMENDATION:

The Finance and Administration Committee recommends that the Board accept the August 31, 2018 Management Report.

Western Oregon University  
**Quarterly Management Report**  
(Unaudited, non-GAAP, for management purposes only)  
(in thousands)

As of June 30, 2018  
For the Fiscal Year Ended June 30, 2018

	Year-end Actuals 6/30/2017	5/31/2018 Year-end Projection	Year-end Actuals 6/30/2018	Adopted 2018 Budget	Variance Budget To Actual	Note
<b>Education &amp; General</b>						
Student Fees & Tuition	39,328	41,550	41,788	40,026	1,762	Budget was built on 3% enrollment decline assumptions. Actual enrollment declined by 1.6%. The impact of this was also offset by having a more favorable pricing mixture.
Government Resources & Allocations	23,888	24,506	24,506	24,521	(15)	
Gift Grants and Contracts	652	578	582	608	(26)	Variance is due to higher earnings on income on greater than expected cash on hand.
Other Revenue	3,731	3,854	3,657	3,129	528	
<b>Total Revenues</b>	<b>67,598</b>	<b>70,489</b>	<b>70,533</b>	<b>68,284</b>	<b>2,249</b>	
Personnel	54,471	55,665	55,212	57,367	2,154	Regular labor and benefit salvage due to vacancies.
Service & Supplies	7,383	8,335	8,391	8,928	538	
Capital Expense	454	204	261	203	(58)	Interfund transfers were used to support Child Development Center (\$612k) and Willamette Promise (\$69k).
<b>Total Expenses</b>	<b>62,308</b>	<b>64,204</b>	<b>63,863</b>	<b>66,497</b>	<b>2,634</b>	
Interfund Transfers In	(2,979)	0	(2,985)	0	2,985	
Interfund Transfers Out	7,749	4,088	6,984	3,184	(3,801)	
<b>Total Expenses and Transfers</b>	<b>67,079</b>	<b>68,292</b>	<b>67,863</b>	<b>69,681</b>	<b>1,818</b>	
<b>Net Revenues less Expenses</b>	<b>519</b>	<b>2,196</b>	<b>2,670</b>	<b>(1,397)</b>		
<b>Additions/Deductions to Fund Balance</b>	<b>(490)</b>		<b>0</b>			
<b>Fund Balance at the Beginning of the Year</b>	<b>11,294</b>		<b>11,323</b>			
<b>Fund Balance at the End of the Year</b>	<b>11,323</b>		<b>13,993</b>			
Fund Balance as a Percentage of Revenues	16.75%		19.84%			
<b>Auxiliary Enterprises (1)</b>						
Enrollment Fees	7,260	7,133	7,293	7,043	251	Variance primarily due to room and board.
Sales and Services	14,520	14,793	14,760	14,692	68	
Other Revenue	1,948	1,859	1,879	1,737	142	Regular labor and benefit salvage due to vacancies.
<b>Total Revenues</b>	<b>23,728</b>	<b>23,786</b>	<b>23,933</b>	<b>23,472</b>	<b>461</b>	
Personnel	10,360	11,017	11,071	12,756	1,685	
Service & Supplies & Capital Expense	12,346	12,343	13,092	13,458	366	
<b>Total Expenses</b>	<b>22,706</b>	<b>23,359</b>	<b>24,162</b>	<b>26,213</b>	<b>2,051</b>	
Interfund Transfers In	(10,857)	(3,188)	(11,547)	(10,181)	1,366	
Interfund Transfers Out	10,572	508	8,516	7,128	(1,388)	
<b>Total Expenses and Transfers</b>	<b>22,421</b>	<b>20,679</b>	<b>21,131</b>	<b>23,160</b>	<b>2,029</b>	
<b>Net Revenues less Expenses</b>	<b>1,307</b>	<b>3,107</b>	<b>2,802</b>	<b>311</b>		
<b>Additions/Deductions to Fund Balance</b>	<b>1,016</b>		<b>(2,619)</b>			
<b>Fund Balance at the Beginning of the Year</b>	<b>10,125</b>		<b>12,448</b>			
<b>Fund Balance at the End of the Year</b>	<b>12,448</b>		<b>12,631</b>			
Fund Balance as a Percentage of Revenues	52.46%		52.78%			

Western Oregon University  
**Quarterly Management Report**  
(Unaudited, non-GAAP, for management purposes only)  
(in thousands)

	Year-end Actuals 6/30/2017	5/31/2018 Projection	Year-end Actuals 6/30/2018	Adopted 2018 Budget	Variance Budget To Actual	Note
<b>Designated Operations, Service Departments, Clearing Funds (1)</b>						
Enrollment Fees	142	145	105	83	23	
Sales and Services	321	353	416	390	25	
Other Revenue	<u>2,467</u>	<u>2,443</u>	<u>2,406</u>	<u>2,552</u>	<u>(146)</u>	
<b>Total Revenues</b>	<u>2,930</u>	<u>2,941</u>	<u>2,927</u>	<u>3,025</u>	<u>(98)</u>	
Personnel	966	1,248	1,222	1,441	219	
Service & Supplies & Capital Expense	<u>1,296</u>	<u>1,470</u>	<u>1,497</u>	<u>1,779</u>	<u>283</u>	Due to savings in S&S and Capital Expense.
<b>Total Expenses</b>	<u>2,262</u>	<u>2,718</u>	<u>2,718</u>	<u>3,220</u>	<u>502</u>	
Interfund Transfers In	(264)	0	(274)	(52)	(222)	
Interfund Transfers Out	0	0	2	3	1	
<b>Total Expenses and Transfers</b>	<u>1,998</u>	<u>2,718</u>	<u>2,447</u>	<u>3,172</u>	<u>725</u>	
<b>Net Revenues less Expenses</b>	933	223	480	(147)		
<b>Additions/Deductions to Fund Balance</b>	(410)		(408)			
<b>Fund Balance at the Beginning of the Year</b>	<u>2,371</u>		<u>2,893</u>			
<b>Fund Balance at the End of the Year</b>	<u>2,893</u>		<u>2,965</u>			
Fund Balance as a Percentage of Revenues	98.73%		101.32%			

**Notes**

- (1) The budget presented for education and general fund is the Board adopted budget; the budget for auxiliary enterprises and designated operations, service departments, and clearing funds is the adjusted budget that correlates to Banner.

Western Oregon University  
Transfers Schedule - Projected

(Unaudited, non-GAAP, for management purposes only)

As of June 30, 2018  
For the Fiscal Year Ended June 30, 2018

	E&G				Auxiliary				Des Ops - Serv Dept.	Grants	Plant fund		Restricted funds	Total
<b>Transfers In E&amp;G</b>					(a)				(b)	(c)	(d)			
					17,089				1,496	5,450	53,519			77,554
<b>Transfers Out E&amp;G</b>					(e)	(f)	(g)	(h)	(i)		(j)	(k)	(l)	
					3,018,022	85,705	682	76,649	76,654		229,772	535,000	54,330	4,076,815
<b>Transfers In AUX</b>	(e)	(f)	(g)	(h)							(m)	(n)		
	3,018,022	85,705	682	76,649							127,511	51,412	3,359,981	
<b>Transfers Out AUX</b>	(a)								(o)		(p)			
	17,089								86,000		225,688			328,778
<b>Transfers In DO, SD</b>	(i)								(o)		(q)			
	76,654								86,000		88,401			273,134
<b>Transfers Out DO, SD</b>					(b)									
					1,496									1,496

Type	Description
(a)	IFC funded computer replacement
(b)	Miscellaneous transfers due to closing entries
(c)	Miscellaneous transfers due to closing entries
(d)	Return of excess Old Student Health renovation funds (transferred out \$300k in FY17)
(e)	Athletic operations support
(f)	Conference Services program staff support
(g)	To cover year-end deficit balance in Library Vending
(h)	To cover year-end deficit balance in Child Development Center
(i)	To cover year-end deficit balance in TRI, Mel Brown Jazz, & Willamette Promise
(j)	Transfer out of funds to SELP debt service fund for payment
(k)	Child Development Center remodel
(l)	To cover negative cash balance and true up cost allowance for SEOG
(m)	Transfer in from building & equipment reserves for University Housing, Campus Dining, and Wolfstore
(n)	Return of excess Student Health Building loan
(o)	Auxiliary funded scholarships
(p)	Fund building & equipment replacement reserves for Werner University Center and Parking
(q)	Funds transferred from closing grants
(r)	OTRM Scholarship funding

Western Oregon University  
**Quarterly Management Report**  
(Unaudited, non-GAAP, for management purposes only)  
(in thousands)

As of August 31, 2018  
For the Fiscal Year Ended June 30, 2019

	Year to Date Activity 8/31/2017	Year to Date Activity 8/31/2018	Adopted 2019 Budget	Variance Prior Year	% of Adopted 2019 Budget	Note
<b>Education &amp; General</b>						
						There is a timing difference between FY18 and FY19 for fall tuition assessment. In FY18, tuition was assessed in September; in FY19, tuition was assessed on August 30. FY19 summer tuition totals \$2,458,034, which is on par with FY18 summer tuition.
Student Fees & Tuition	2,338	16,646	41,870	14,308	39.76%	
Government Resources & Allocations	8,749	8,852	25,007	102	35.40%	Q5 allocation; allocations are not proportional.
Gift Grants and Contracts	54	123	584	69	21.08%	
Other Revenue	422	461	3,892	40	11.85%	
<b>Total Revenues</b>	<b>11,563</b>	<b>26,082</b>	<b>71,353</b>	<b>14,519</b>	<b>36.55%</b>	
Personnel	5,605	6,941	60,055	1,337	11.56%	Includes retirement window program payment of \$887k made on July 1, 2018.
Service & Supplies	1,189	1,391	7,753	202	17.94%	
Capital Expense	8	84	203	75	41.22%	Purchase of Netapp Disk Shelf to enhance LMS performance.
<b>Total Expenses</b>	<b>6,802</b>	<b>8,416</b>	<b>68,012</b>	<b>1,614</b>	<b>12.37%</b>	
Interfund Transfers In	(5)	(6)	-	(1)	0.00%	
Interfund Transfers Out	5	6	3,341	1	0.19%	
<b>Total Expenses and Transfers</b>	<b>6,802</b>	<b>8,416</b>	<b>71,353</b>	<b>1,614</b>	<b>11.79%</b>	
<b>Net Revenues less Expenses</b>	<b>4,762</b>	<b>17,666</b>	<b>-</b>	<b>12,905</b>		
<b>Auxiliary Enterprises (1)</b>						
						There is a timing difference between FY18 and FY19 for fall room and board assessment. In FY18, room and board were assessed in September; in FY19, room and board were assessed on August 30.
Enrollment Fees	165	2,482	7,021	2,317	35.35%	
Sales and Services	253	249	14,969	(4)	1.66%	
Other Revenue	191	180	1,570	(11)	11.45%	
<b>Total Revenues</b>	<b>609</b>	<b>2,911</b>	<b>23,560</b>	<b>2,302</b>	<b>12.36%</b>	
Personnel	1,458	1,540	11,391	82	13.52%	
Service & Supplies & Capital Expense	1,078	1,210	13,922	132	8.69%	
<b>Total Expenses</b>	<b>2,537</b>	<b>2,750</b>	<b>25,313</b>	<b>214</b>	<b>10.86%</b>	
Interfund Transfers In	(179)	(672)	(10,627)	(493)	6.32%	
Interfund Transfers Out	180	470	8,492	290	5.54%	
<b>Total Expenses and Transfers</b>	<b>2,538</b>	<b>2,548</b>	<b>23,178</b>	<b>11</b>	<b>10.99%</b>	
<b>Net Revenues less Expenses</b>	<b>(1,929)</b>	<b>362</b>	<b>382</b>	<b>2,291</b>		

Western Oregon University  
**Quarterly Management Report**  
(Unaudited, non-GAAP, for management purposes only)  
(in thousands)

As of August 31, 2018  
For the Fiscal Year Ended June 30, 2019

	Year to Date Activity 8/31/2017	Year to Date Activity 8/31/2018	Adopted 2019 Budget	Variance Prior Year	% of Adopted 2019 Budget	Note
<b>Designated Operations, Service Departments, Clearing Funds (1)</b>						
Enrollment Fees	186	218	102	32	214.43%	Clearing funds are cleared on a quarterly basis.
Sales and Services	112	43	352	(68)	12.25%	
Other Revenue	228	216	2,359	(11)	9.17%	
<b>Total Revenues</b>	<b>525</b>	<b>477</b>	<b>2,812</b>	<b>(47)</b>	<b>16.97%</b>	
Personnel	241	242	1,253	1	19.31%	
Service & Supplies & Capital Expense	526	235	1,332	(290)	17.68%	
<b>Total Expenses</b>	<b>767</b>	<b>477</b>	<b>2,585</b>	<b>(290)</b>	<b>18.47%</b>	
Interfund Transfers In	(86)	0	(50)	86	0.00%	
Interfund Transfers Out	0	0	1	0	0.00%	
<b>Total Expenses and Transfers</b>	<b>681</b>	<b>477</b>	<b>2,536</b>	<b>(204)</b>	<b>18.83%</b>	
<b>Net Revenues less Expenses</b>	<b>(156)</b>	<b>(0)</b>	<b>276</b>	<b>156</b>		
<b>Additions/Deductions to Fund Balance</b>						
<b>Fund Balance at the Beginning of the Year</b>						
<b>Fund Balance at the End of the Year</b>						

Fund Balance as a Percentage of Revenues

**Notes**

- (1) The budget presented for education and general fund is the Board adopted budget; the budget for auxiliary enterprises and designated operations, service departments, and clearing funds is the adjusted budget that correlates to Banner.

**Western Oregon University**  
**Transfers Schedule - Projected**

**As of August 31, 2018**  
**For the Fiscal Year Ended June 30, 2019**

(Unaudited, non-GAAP, for management purposes only)

	E&G		Auxiliary		Des Ops - Serv Dept.	Plant fund	Total
<b>Transfers In E&amp;G</b>							-
<b>Transfers Out E&amp;G</b>			(a) 3,020,000	(b) 87,863	(c) 150,000	(d) 175,000	3,432,863
<b>Transfers In AUX</b>	(a) 3,020,000	(b) 87,863					3,107,863
<b>Transfers Out AUX</b>						(e) 560,527	560,527
<b>Transfers In DO, SD</b>					(c) 150,000		150,000
<b>Transfers Out DO, SD</b>							-

<b>Type</b>	<b>Description</b>
(a) Budgeted	Athletic operations support
(b) Budgeted	Conference Services program staff support
(c) Budgeted	Child Development Center support
(d) Budgeted	Transfer out of funds to Small-Scale Energy Loan Program debt service fund for payment
(e) Budgeted	Fund building & equipment replacement reserves for Housing, Dining, Parking, Health & Wellness Center, and the Werner University Center

<sup>4</sup> Portfolio D allocation is 40% U.S. equities, 15% international equities, 40% fixed income, 5% cash

<sup>5</sup> Portfolio E allocation is 47% U.S. equities, 18% international equities, 30% fixed income, 5% cash

<sup>6</sup> Portfolio F allocation is 54% U.S equities, 21% international equities, 20% fixed income, 5% cash

<sup>7</sup> Performance returns are presented net of sub account manager fees, gross of State Treasury fees, as of 6/30/18.

<sup>8</sup> Performance returns are presented gross of sub account manager fees, as of 6/30/18.

<sup>9</sup> Performance returns have been adjusted to include sub account manager fees for comparison.

Past performance is not a guarantee of future results.



## **Finance and Administration Committee (FAC), Board Statement on Quasi-Endowment Funds**

At its July 5, 2018 meeting, the Finance & Administration Committee of the Western Oregon Board of Trustees charged the management with drafting Board Statement on Quasi-Endowment Funds.

A summary of the Statement is below:

The University, through its Board of Trustees, may establish, alter, or terminate quasi-endowment funds. A quasi-endowment fund functions in substantially the same manner as a true or permanent endowment fund, except that (1) the terms of a quasi-endowment fund are established by the University, not by an external donor, and (2) the University may spend down the principal of a quasi-endowment fund under the authority of the Board.

### **COMMITTEE RECOMMENDATION:**

The WOU Finance and Administration Committee recommends that the Western Oregon University Board of Trustees approve the Board Statement on Quasi-Endowment Funds as included in the docket materials.

## **Draft Board Statement on Quasi-Endowment Funds**

### **1.0 Scope**

This Board Statement applies to all University departments and operating units.

### **2.0 Policy**

The Board of Trustees, for the benefit of the University, may establish, alter, or terminate quasi-endowment funds. A quasi-endowment fund functions in substantially the same manner as a true or permanent endowment fund, except that (1) the terms of a quasi-endowment fund are established by the Board, not by an external donor, and (2) the University may spend down the principal of a quasi-endowment fund under the authority of the Board. If the original source of a quasi-endowment fund is a restricted gift or other restricted assets, the fund must retain the restricted purpose as originally specified, and the fund's principal and earnings may be expended only for that purpose.

### **3.0 Rationale**

From time to time the Board may decide to designate assets as quasi-endowment funds. These funds gain the benefit of the earning power of the University's consolidated endowment pool while retaining the flexibility to be expended in whole or in part. This Board Statement describes the requirements for establishing accounts that are to be classified, invested, and accounted for as quasi-endowments and provides an administrative framework for compliance with the appropriate, associated legal and accounting requirements.

### **4.0 Policy Elaboration**

The creation, management, and termination of quasi-endowment funds may proceed only with the approval of the Board of Trustees. These funds create a mechanism for the University to save and invest sums of money to be spent over time to achieve long-range academic objectives. The Board may earmark a portion of the University's unrestricted net assets as a quasi-endowment to be invested to provide income for a medium- to long-term but unspecified period. Once established, a quasi-endowment fund must be invested in accordance with the Quasi-Endowment Investment Board Statement (IBS) approved by the Board of Trustees. New cash or assets may be added to a quasi-endowment fund only if that cash or those assets are unrestricted or bear restrictions that are compatible with the established quasi-endowment fund. Quasi-endowment's principal and interest may be partially or totally expended only with the approval of the Board of Trustees.

### **5.0 Policy Review**

This Board Statement should be reviewed annually by the Board.

### **6.0 Definitions**

A quasi-endowment fund is an expendable fund designated by the Board of Trustees for medium- to long-term investment. A quasi-endowment fund is established by the Board to function like an endowment fund but may be totally expended at the discretion of the Board.

## Finance and Administration Committee (FAC), Board Statement on the Investment of Quasi-Endowment Funds

At its July 5, 2018 meeting, the Finance & Administration Committee of the Western Oregon Board of Trustees charged the management with drafting Board Statement on the Investment of Quasi-Endowment Funds.

A summary of the Statement is below:

- The Board desires that its quasi-endowment portfolio will grow, over time, at a rate exceeding the consumer price index and will achieve that growth at a steady rate over time at increments less volatile than the stock market indices.
- Over a five year market cycle, it is the goal of the Aggregate Plan Assets to achieve an average annual return, net of fees, of **5.0%**
- Strategic Asset Allocation:

<u>Asset Class</u>	<u>Minimum</u>	<u><b>TARGET</b></u>	<u>Maximum</u>
Cash & Equivalents	0%	<b>5%</b>	25%
Fixed Income	15%	<b>40%</b>	60%
US Equities	25%	<b>35%</b>	65%
International Equities – Developed	5%	<b>15%</b>	30%
Emerging Markets	0%	<b>5%</b>	10%
*Alternative Investments	-	-	-

<b>Equities: 55%</b>	<b>Fixed Income: 40%</b>	<b>Alternatives: 0%</b>	<b>Cash: 5%</b>
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### COMMITTEE RECOMMENDATION:

The WOU Finance and Administration Committee recommends that the Western Oregon University Board of Trustees approve the Board Statement on the Investment of Quasi-Endowment Funds as included in the docket materials.

## Draft Board Statement on the Investment of Quasi-Endowment Funds

### 1.0 Purpose of the Investment Portfolio

The primary purpose of the investment portfolio is to maintain the purchasing power of the Western Oregon University Quasi-Endowment assets over the mid-but unspecified term, to support **scholarships** and other University programs.

### 2.0 Organization Fiduciary

**WOU Board of Trustees** will be referred to as “The Board” throughout this Board Statement. The Board will engage an investment management consultant to manage the day-to-day investment decisions on the investment portfolio.

### 3.0 Investment Objective

The Board desires that its quasi-endowment portfolio will grow, over time, at a rate exceeding the consumer price index and will achieve that growth at a steady rate over time at increments less volatile than the stock market indices. The Board believes that a diversified equity and fixed income portfolio has the best chance to achieve this objective. Because of the mid-term nature of the expected uses of this fund, the assets should be invested into a balanced portfolio of equities and fixed income.

### 4.0 Investment Time Horizon

The expected investment horizon for this Plan is mid-but unspecified term with the Board having an authority to spend down the funds.

### 5.0 Targeted Rate of Return

Over a five year market cycle, it is the goal of the Aggregate Plan Assets to achieve an average annual return, net of fees, of **5.0%**

The investment goals above are the objectives of the Aggregate Plan, and are not meant to be imposed on each individual investment account.

### 6.0 Strategic Asset Allocation

<u>Asset Class</u>	<u>Minimum</u>	<u><b>TARGET</b></u>	<u>Maximum</u>
Cash & Equivalents	0%	<b>5%</b>	25%
Fixed Income	15%	<b>40%</b>	60%
US Equities	25%	<b>35%</b>	65%
International Equities – Developed	5%	<b>15%</b>	30%
Emerging Markets	0%	<b>5%</b>	10%
*Alternative Investments	-	-	-

<b>Equities: 55%</b>	<b>Fixed Income: 40%</b>	<b>Alternatives: 0%</b>	<b>Cash: 5%</b>
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\*Alternative investments would include REIT’s (Real Estate Investment Trusts), Commodities, Private Equity, Foreign Currency, Structured Products, and any other non-traditional asset class that the Board deems appropriate.

## **7.0 Fiscally and Socially Responsible Investing**

The Board will not allow more than **10%** of the total portfolio value to be invested in fixed income securities with a Standard and Poor’s credit rating below “**A**” (or equivalent). The Board will not allow more than **5%** of the total portfolio value to be invested in fixed income securities with a Standard and Poor’s credit rating below “**BBB**” (or equivalent).

The Board, at its discretion, may elect to invest some or all the funds in accordance with socially responsible investing.

## **8.0 Portfolio Rebalancing**

The Portfolio will be reviewed at least semi-annually by the Investment Management Consultant to rebalance the portfolio back to the Board’s preferred asset allocation. The Board will review this Board Statement annually or more often as needed to ensure its continued appropriateness.

## **9.0 Investment Manager Performance Review and Evaluation**

Performance reports generated by the Investment Management Consultant shall be reviewed by the Board, the Board’s Finance and Administration Committee, or the University’s Vice President for Finance and Administration or designee at least quarterly. The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Board intends to evaluate the portfolio(s) over a 3-5 year period, but reserves the right to terminate an investment manager for any reason including the following:

1. Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.
2. Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding Performance, Personnel, Strategy, Research Capabilities, Organizational and Business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

## **10.0 Roles and Responsibilities**

### **10.1 ROLE OF THE BOARD**

- Approve the selection of the investment managers and investment consultants and provide adequate oversight during their engagements.

- Review the performance of the Investment Managers to ensure the assets are invested within the guidelines of this Board Statement.
- Review this Board Statement for accuracy and completeness.
- Provide accurate, complete financial information to the Investment Managers and alert the Investment Managers to any significant changes to this information, including changes to the Board's financial objectives.
- Participate in periodic portfolio reviews with the Investment Managers.

## 10.2 ROLE OF THE INVESTMENT MANAGERS

- Prudently invest the portfolio assets within the guidelines of this Board Statement.
- Develop portfolio guidelines based on University's financial status, investment objectives, liquidity needs, tolerance for risk and investment time horizon.
- Provide the Board with portfolio reporting upon request.
- Recommend changes in asset allocation guidelines for this portfolio.
- Respond promptly to the Board's concerns and inquiries.

## 10.3 ROLE OF THE UNIVERSITY PRESIDENT, VPFA, AND THEIR DESIGNEES

- Exercise due diligence in checking the investment managers' and investment consultants' credentials and backgrounds prior to the board's selection.
- Contact the Investment Managers and the Investment Consultants with any questions or concerns regarding the investments.
- Monitor Investment performance on on-going basis
- Provide the Board with the attribution analysis based on Investment Managers' performance versus the benchmarks.
- Participate in monthly portfolio reviews with the Investment Management.

## 10.4. ROLE OF THE INVESTMENT CONSULTANT

- Provide the VPFA and FAC with customized performance reports versus the benchmarks.
- Assist the VPFA with attribution analysis
- Contact the Investment Managers with any questions or concerns regarding the investments on the VPFA's behalf. .

## **Finance and Administration Committee (FAC), Selection of Investment Manager for Quasi-Endowment Funds**

At its July 5, 2018 meeting, the Finance & Administration Committee of the Western Oregon Board of Trustees charged the management with reviewing investment management firms to select Quasi-Endowment investment managers

To this purpose, the management in collaboration with the USSE reviewed potential engagements with the Oregon State Treasury; Ferguson Wellman Capital Management, and Vanguard.

Based on the investment options, fee structure, depth and strength of the expertise, the management recommended to the FAC to select the Oregon State Treasury as Quasi-Endowment investment managers.

On October 4, 2018, Oregon State Treasury investment officers presented to the FAC.

### **COMMITTEE RECOMMENDATION:**

The WOU Finance and Administration Committee recommends that the Western Oregon University Board of Trustees approve the selection of Oregon State Treasury as investment managers for Quasi-Endowment Funds and to delegate to the President or his designee to negotiate and enter into contracts as to the terms of this recommendation.