

BOARD OF TRUSTEE'S MEETING
01/25/2019

8:30 AM-Meeting start time

Dick Monfort calls the meeting to order

Dr. Jordan will be approved to the Board of Trustee's

Dr. Jordan was the President of Metropolitan State University. Key in getting UNC into the Big Sky Conference. Thanks Dr. Jordan.

Dick Monfort goes through Dr. Jordan' CV

8:36 AM- Approval of the agenda

Minutes can be found in the book or IPED

8:37-Approval of the minutes

Board chair report is given

Dick Monfort gives out thank you's for budget recommendations

8:38-President Feinstein talks about the deficit. Makes a comment that about University viewing party and watching the lunar eclipse. He enjoyed the event. Also, makes comments on Martin Luther King March. About 500 people marched with us. Talks about Basketball game with Southern Utah and Women's team. We are also just finishing up our search process for the new provost. He is also meeting with faculty departments. Tim Hernandez met with the President of UNC and wants to set up student meetings. President Feinstein also talked about task force open forum. President Feinstein was impressed with how much involvement there was with the budget recommendations. They also had an open forum online about budget recommendations and President Feinstein had the Social Research Lab analyze the data.

President Feinstein's preliminary thoughts on budget deficit issues are discussed. President Feinstein will host an open forum on final budget recommendation on Tuesday. Dr. Feinstein states that we could save in three key ways: 1.) University Wide Health Insurance for employees. Wants to move it from 35 percent to 40 percent for faculty. This change would go into effect on July 1st. Essentially its a pay cut for faculty and staff 2.) Employee dependent tuition waiver. He states UNC is the only institution that offers 100 percent for family tuition discounts. He also wants to eliminate the dependent waiver for graduate students. Wants a middle ground however where existing employees get same benefits but new employees get different ones. 3.) Early retirement options for faculty. Not a guarantee and this

decision needs to be made with thought. President Feinstein states that we will receive 4.5 million more next year projected from the state. President Feinstein states that we will see a drop in graduate enrollment next year. We may need to tweak the budget recommendations still. Confident at reducing budget deficit entirely by 2021. He is a big proponent of decentralizing the budget and wants departments to help make these changes. Dr. Feinstein will share guiding questions on decision making. These will really set the decisions in stone. Dr. Feinstein mentions three models for distributing these reductions. Model 1: Classic across the board model. Requires each division to cut a certain percentage. Not necessarily a fan Model 2: Roll back all increases in new personnel. Require: 2 percent to 12 percent savings. Doesn't like this one as much either Model 3: Looks at IPEDS data and looks at structural costs for enrollment planning and looks at how resources are spent and utilized. What we found out is student services are at 172 percent more than other public institutions. We spend about 60 percent less on research and public service than our peers. President Feinstein recommends the utilization of a range of cuts for each department. States that the model is quite complex. He will provide a document to the campus on this. Model 3 also breaks down expenses by divisions. President Feinstein asks how do we help students the best? Dr. Feinstein recommends a new division entitled a division of student affairs. Another detail is layoffs. Dr. Feinstein said that each layoff should be considered carefully before moving quickly forward.

8:57 Dick Monfort mentions that President Feinstein did an excellent job on the creation of these models. Dick Monfort says that there is a true opportunity for re-alignment which maximizes efficiency. Dick Monfort mentions that there is a lot of room to analyze and improve these efficiencies. He mentions that President Feinstein has done an excellent job looking at these options.

9:00 Paul Washington states are there any idea on how much we will save on the employee dependent tuition waiver. He recommends that we also need to adopt a long-term solutions to make sure that we think long range.

9:00: President Feinstein mentions that we need to make sure that we also address retention on campus and consider that as well with these cuts. President Feinstein does think that there are ways to minimize the duplicated efforts that we do have with student services. President Feinstein wants to make sure students still feel successful on campus. He mentions that the Student Tuition Waiver cut would save several hundreds of thousands in dollars but he wants to honor employees who have waited. He also wants employees to have their kids submit a FASFA as well as Universal Scholarship Application for upcoming semesters.

Trustees: We appreciate the hard work that has gone into this. They also recognize President Feinstein for noticing how these recommendations also affect staff.

Dick Monfort: Mentions that he has been through this also. He states that this isn't really anything that the University did. This really actually is due to outside factors. He states that this is a great time to reset and move forward.

Christen (Trustee): I'd like to thank you for your hard work. This is not a short-term exercise but we should think in the long term. She recommends transformative change and recognizes that this will take time.

Malaika: Thanks Dr. Feinstein for engaging students and making sure students are engaged in the process.

President Feinstein: This will be a hurdle that we will have to get over but thinks we can do it. President Feinstein states that there will be the creation of committees for board members. List off a number of committees that will be involved that will be composed of the trustees.

Trustees: We like the ideas of having committees involved.

Paul Washington: Mentions that the committee meetings need to work in conjunction with Dr. Feinstein. He states that the Board of Trustees needs to help the President in creating effective decisions.

Paul Washington: We need to focus on retention as well as equity and ethnicity. He recommends that we think long term as well with student involvement.

9:07: Classified Staff Report: Thanked President Feinstein for addressing Classified Staff concerns. They had a warm toes sock collection in December. They appreciate the opportunity of being involved with budget discussions and taskforce discussions. They would like to have an employee recognition banquet and will be working on that in the upcoming months.

9:10: Student Senate Report: Malaika mentions that Student Senate is refining mission. Had a good number of students show up to townhall. Malaika mentioned that we are going to try to engage the student body better in future involvement. Mentions that elections will happen in the following months and President Feinstein will meet with the Student Senate to discuss final budget recommendations.

0:15 Michele Quinn: Talks about University expenditures. Gives PowerPoint

Current Assets For College: 51.2 million for actual revenue

Capitol Assets: Our facility value is projected at 280.5 million dollars.

Perkins Loan: The Federal Government is winding down Perkin Loan. The University has to consider that in future budget recommendations.

Total liabilities is at 403.7 million dollars

Current Liabilities is at 30.4 million dollars.

Talked about PERA contribution rates.

Trustee: How does this affect the University Bond ratings with liability report?

Michele Quinn: I don't think this is affecting that to much.

Dick Monfort: PERA is underwater which explains significant changes.

Michele Quinn: Talks about how PERA is affecting the University.

Michele Quinn: Talks about PERA Liquidation liability. She says that we need to return certain cash back to the Federal Government because of the Perkins issue.

Then goes into bet position and operation revenues.

112.1 million comes from bet tuition and fees (including COF)

Expense side:

We spending 190.3 million on education and general needs

We are in an operating loss of 72 million dollars

Paul Washington: Where is Athletics in this chart?

Michele Quinn: This is under net tuition and fees

Trustee: Why is this under here?

Michele Quinn: Mentions that this is due to historical reasons

Our composite financial score is 1.60.

Made of:

Primary reserve: 1.94

Net Operating Revenue: -2.14

Viability: 0.97

Return on Net Assets: 3.99

She mentions items of concern should include the primary reserve as this has gone down and net operating revenue Ratio is declining which indicates growth due to improvements in the Market.

Return on Net Assets: This is up because of capital grants and gifts.

Michelle Quinn: Mentions that we are still in a significant deficit

Unrestricted Cash Balances: 39,781,605

Current Provost Speaks: There was a review of Sabbaticals and had a 25 submitted.

7 for Fall

7 for Spring

7 for non-school year

This is regarded as cost neutral

Trustee: How does this number compare to last year?

This about the same.

9:45 Discussion about By-Law changes

Board Policy Amendment

The change is in reference to contractual agreements. This is mostly due to that.

This new amendment specifically defines personnel issues.

Reminds the board that we must always remember to be in independent judgment and that disclosure should always be made prior to any transaction.

Trustee: There also is a recommendation to keep the language gender neutral.

There was a motion to approve what was spoken.

Public Comment Moment: There was a comment on school demographics and minorities and a question about what the school is doing to keep minority students in mind.

President Feinstein: He keeps an open mind on that issue and encourages dialogue

Trustee: He values the students comment and it is important that we consider equity at all times.

The Board Adjourns 10:00 AM