

AOF Board Minutes, November 16, 2013

Present: Kemble Yates, Jacqueline Arante, Greg Monahan, Alan Bakalinsky, Christian Vukasovich, and Tim Thompson. Chris Parta and Kristen Leonard from C&E Systems were also present.

Meeting was called to order at 10:10 by Acting President Alan Bakalinski.

Minutes from our last three meetings (April 27, June 1, and September 7) were approved as amended.

We also discussed the Treasurer's report. Kemble reminded us that he filed our tax return this summer (our fiscal year is May 1 to April 30). He also announced that a supplementary form will need to be filed to continue our tax exempt status. One expense not shown, but coming soon is a \$200 contribution to the American Heart Association in the memory of Bob Becker, longtime AOF board member from OSU and former AOF President.

Lobbyist Report (KL and CP)

The February legislative session is imminent. All bill language should be out the last week of January, and C&E will need our input on what is of most concern to AOF. A number of legislators (primarily in the House) who were in the regular 2013 session will not be there in February, and this creates some interesting domino effects. There will be many interesting races in 2014; approximately March Kristen and Chris will be ready to make some more official recommendations re OFPAC contributions for these fall races.

Ben Cannon from the Governor's staff was appointed and approved as Executive Director of the Higher Education Coordinating Commission (HECC). HECC takes on oversight of all by July 1, 2014. The OUS will continue to exist to govern the "TRU" institutions through July 1, 2015. At that point, HECC will take on all oversight, be it via individual boards or potential "consortium boards". One important issue that gets cloudy in this new environment is the faculty/staff tuition rates for themselves and dependents. Kristen and Chris are actively seeking an audience with him.

The nominees for all of the individual institutional boards, aka Boards of Trustees, will be brought back to the Senate for a vote of confirmation during "Legislative Days" next week (Nov. 20-22).

We then discussed the TRU universities' challenge to define their governance structure in this brave new world. The three basic options are now fairly clear: 1) "Consortium board" (i.e. OUS of the smaller universities), 2) individual boards/institutions, and 3) affiliation/branch campus with one of the larger state universities. A key question in all of this is how the Shared Services are ultimately accounted for. (This could be a multi-million dollar cost to the TRU's, collectively.) Many members of the AOF Board are concerned that this decision is being made largely by senior administration at the TRU campuses, and not with sufficient faculty and student representation. Kristen suggested that she try to include some of our board members in the meeting with Ben Cannon to help voice some of our concerns in the new administrative environment.

Board Structure and Recruitment

Tim Thompson announced that he is under consideration for a federal position for which he may not be in a leadership position for a political organization, which would include AOF. This explains his resignation as our President and board member, received by e-mail earlier this summer. Christian Vukasovich from OIT will immediately assume the role of OIT representative to AOF.

Alan agreed to assume acting president at least through the calendar year. Our goal is to have an annual meeting in March.

We all agreed that we need to do some work on getting reconnected to our members and updating of our web page. We also agreed to spend some money on updating our membership data base, including getting 1) work phone numbers, 2) work e-mail addresses, 3) campus mail addresses, and 4) department/unit.

A goal for this term will be to have a direct communication with our current members.

A goal for this academic year will be to determine if our organization is viable, and has a distinct mission among the many other faculty advocacy groups.

Government Relations Report (KL and CP):

Chris passed out C&E's 2013 Legislative Session Report. This gives us all a nice summary of all bills of relevance to AOF, e.g. whether they passed, text if they did, and so on. Also in our packets was a nice bundle of current info on all the new changes, the new appointments, timelines, etc.

We discussed the Board Finance and Administration Committee's unilateral decision to recalculate each university's ending fund balance to set aside more dollars for "uncollected accounts receivable" monies. This very negatively affects the universities, especially SOU, EOU, and PSU. We (Kemble) will draft a letter to Jay Kenton asking why this decision was made, and why it wasn't run through the OUS board.

The proposed special session for Sept. 30 is still not certain to happen. The Governor's "grand bargain" is still being negotiated. This is a tricky issue for AOF: the particular effect would hit Tier 1 or 2 folks who chose ORP in the 90's the worst. Of course these folks have benefited to date by the coupling of the contribution rate to PERS employer contribution rates from then until now. Another question is which is worse – some version of the grand bargain in a one day special session, or a potentially worse "fix" in the February short session. A good set of questions for us is: how many folks does this affect, by how much does this affect people, and can we get some good individual examples of these effects.

We also discussed the PERS bills from the regular session (SB 822) and the special session (SB 861). The legal challenge is underway. The PERS Coalition needs an OPSIRP retiree to be a plaintiff. Kristen predicts about a January, 2015 decision. Either way, this could realistically color the 2015 legislative session .

Campus Reports

PSU (JA): Senate had a very somber report from the PSU Vice-President for Finance. Class cancellations in summer and fall, and a very real concern is that the UO Portland satellite is drawing off Portland State students. There's also concern with how cancellations are happening – regular faculty courses are being cancelled and then reopened staffed by adjuncts. The Pay, Promotion, and Tenure guidelines are in the process of being updated (for the first time since 1997). One interesting fact: 82% of undergraduate SCH is now taught by non-tenure line faculty. Bargaining climate is horrible. The administration is aggressive on give backs, refuses to bargain on interests of faculty, and proposed a 1%/1% COLA. The administration then unilaterally called for a mediator.

SOU (KY): Negotiations continue, and Monday will be our next session – salary & compensation will be discussed. SOU financial condition is poor because enrollments are down 5.3%, among other things. IFS held its most recent meeting at SOU, and Kemble attended. It's clear they are undergoing an identity crisis in the face of the break-up of the OUS. Future governance decisions are being made by the President, and little public conversation is occurring because of the more immediate budget and program reduction conversations.

OSU (AB): OSU enrollments are up significantly; President Ray has declared a cap of 28,000 for the Corvallis campus. Faculty are getting a 3% COLA on January 1, with another 3% in merit pool for 2014-15 (to be decided by department chairs). There is also a drop of federal funding on campus, likely due to the sequester

and the government shutdown. The issue of whether the Foundation should divest in fossil fuel-related companies.

EOU (GM): EOU is in severe financial straits – enrollment decline (1.2% headcount, 7.2% FTE). This leads to a projected negative ending fund balance (of about -1%). Program reduction and/or elimination is underway. Their Provost is all but certain to leave soon. Bargaining is just beginning, but not going well. The OUS has put in a hired gun as the chief negotiator.

OIT (TT): Faculty will get a 3% retroactive increase, 2.25% in January, XX% equity, and another 2.25% September, 2014. Another hot issue is whether the administration will restructure “back to deans”. Enrollment is up 10% (combining Wilsonville and Klamath Falls campuses). OIT does now have a functioning solar generation plant, and issues remain as to who must buy this power, how it shall be used, etc.

Jacqueline announced that the AAUP–statewide (re)-organization is making significant progress. AAUP/AFT will begin an organization effort on the OSU campus very soon.

Web Thoughts

We simply must find a way to update and maintain our web page. Key is to have the ability for *us* to edit our web page easily. A motion was passed authorizing Kemble to spend \$1000 on getting the web site updated and improved.

Next Meeting

We agreed to meet next, tentatively, Feb. 1, and again March 15. Very tentatively, we’ll shoot for our annual meeting to align with statewide AAUP’s April 26 meeting.

The meeting adjourned at 1:20 PM.