

**WRIGHT STATE UNIVERSITY
BOARD OF TRUSTEES
OFFICIAL PROCEEDINGS OF THE
THREE HUNDRED AND SEVENTY-SIXTH MEETING**

June 19, 2020

I. CALL TO ORDER

The meeting of the Wright State University Board of Trustees was called to order by Mr. Tom Gunlock, chair, on Friday, June 19, 2020, at 9:00 a.m., via WebEx and Live Stream. Ms. Shari Mickey-Boggs, secretary to the Board of Trustees, called the roll:

Present

Michael Bridges
Douglas Fecher
Sean Fitzpatrick
Martin Grunder
Anuj Goyal
Mr. Gunlock
Bruce Langos
William Montgomery
Andrew Platt
Vishal Soin

Absent

Grace Ramos

II. PROOF OF NOTICE OF MEETING

Mr. Gunlock reported that the meeting was called by written notification and a quorum was present.

Mr. Gunlock stated that the Wright State University Board of Trustees is a public body subject to the Ohio Open Meeting Act. It operates on a fixed agenda available to those attending the meeting. Persons wishing to address the Board in its public session should submit a written request to the Board of Trustees' office 72 hours in advance of the meeting in order to be placed on the agenda. However, all persons address the Board at the invitation of the Board and are subject to time limitations and other guidelines established to maintain the good order of the meeting.

III. CONFLICT OF INTEREST

Mr. Gunlock read the following Conflict of Interest Statement:

It is of the utmost importance to ensure that all university decisions are free from any real or perceived conflicts of interest.

Therefore, please be mindful of all obligations with which you have been charged as a Trustee of Wright State University; and take the steps you deem appropriate to perform your duties fairly and impartially.

IV. DISPOSITION OF PREVIOUS MINUTES

Mr. Gunlock asked for a motion to approve the April 30, 2020 and May 1, 2020 minutes as submitted. Mr. Langos moved for approval and Mr. Grunder seconded. Mr. Gunlock requested one correction be made; and without further discussion, the motion was unanimously approved by voice vote.

V. REPORT OF THE CHAIR

Mr. Gunlock noted that Mr. Larry Chan, Vice President for Legal Affairs and General Counsel, will be retiring at the end of June. Trustees thanked Mr. Chan for his service to Wright State University and wished him the best in the next phase of his life. Mr. Chan thanked the Board, University administration, faculty, staff and students for the honor to serve. Mr. Chan stated he will miss everyone and will continue to watch the developments for Wright State to be resurgent and successful.

A. Board of Trustees Revised Bylaws

Mr. Gunlock specified the first item of business was changes to the Bylaws concerning Article 3, Section 1, as it relates to Committees, and Section 3, as it relates to Ex-Officio Members. Ms. Mickey-Boggs read the resolution.

RESOLUTION 20-61

WHEREAS, the Wright State University Board of Trustees governs the conduct of University Board business according to Bylaws that it has drafted and adopted in previous Board proceedings;

WHEREAS, the Board has determined that it wishes to revise and update its Bylaws in the way it conducts University Board business;

WHEREAS, the Governance and Compliance Committee will be combined with the Finance, Audit and Infrastructure Committee and will be called the Finance, Audit, Governance and Compliance Committee; and the Student Affairs and Athletics Committee will be consolidated into the Academic Affairs Committee and will be called the Academic and Student Affairs Committee;

WHEREAS, National Trustees shall be allowed voting privileges on committees and opportunities to serve as committee chairs;

WHEREAS, the Board has previously completed a review process of its existing Bylaws and made revisions and updates to its Bylaws which have been reviewed and approved by its Trustees; therefore, be it

RESOLVED, that the Wright State University Board of Trustees hereby revises and updates its existing Bylaws to modify the committee structure and allow National Trustees voting privileges on committees and opportunities to serve as committee chairs. The Board adopts the newly revised and updated Bylaws by which it shall govern itself and conduct the University's business.

Mr. Gunlock asked for a motion to adopt the resolution. Mr. Platt moved for approval and Mr. Fecher seconded. Ms. Mickey-Boggs called the roll, and the motion was unanimously passed.

B. Executive Committee Members Assignment for 2020-2021

Mr. Gunlock stated the next item was voting on the Executive Committee, the only committee that requires a roll call vote. Ms. Mickey-Boggs read the resolution.

RESOLUTION 20-62

WHEREAS, the Wright State University Board of Trustees governs the conduct of University Board business according to Bylaws that it has drafted and adopted in previous Board proceedings;

WHEREAS, the Board has voted in new Board Officers at the May 1, 2020 public meeting;

WHEREAS, the Board has determined that it wishes to assign the following members to the Executive Committee: Tom Gunlock, chair; Marty Grunder, vice chair; Andy Platt, Board secretary; and Sean Fitzpatrick, past chair; therefore, be it

RESOLVED that the Wright State University Board of Trustees hereby approves the assignments to the Executive Committee.

Mr. Gunlock asked for a motion to adopt the resolution. Mr. Bridges moved for approval and Mr. Fecher seconded. Ms. Mickey-Boggs called the roll, and the motion was unanimously passed.

VI. EXECUTIVE SESSION

In accordance with the Ohio Open Meetings Law, the Board, after a majority of a quorum and by roll call vote, determined to hold an Executive Session by offering the following resolution:

RESOLUTION 20-63

RESOLVED that the Wright State University Board of Trustees agreed to hold an Executive Session on Friday, June 19, 2020; and be it further

RESOLVED that pursuant to the Ohio Revised Code 121.22 (G), the following issue may be discussed in Executive Session:

- Personnel Matters – Employment

Mr. Gunlock asked for a motion to move into Executive Session. Mr. Bridges moved for approval. Mr. Fecher seconded, and the motion was unanimously approved by roll call vote. The Board left the live stream Public Session and entered into Executive Session at 9:16 a.m.

VII. RECONVENE

The Wright State University Board of Trustees reconvened the Public Session via live stream at 9:54 a.m.

VIII. PRESENTATION OF THE 2020-2021 UNIVERSITY BUDGET

Mr. Gunlock commented that this is a difficult time for the University, and the COVID-19 situation has added another layer of turbulence. Trustee Grunder has said many times, “We are better together.” Mr. Gunlock has enjoyed watching the Wright States groups support each other and, especially, has appreciated and thanked the employees who recently opted to take reduced hours and the leadership team who volunteered to take a 20% reduction in pay.

Mr. Gunlock continued that he was very disappointed that the AAUP has continued to decline to meet to discuss how they and the University can work together on these important issues. When Mr. Gunlock’s son was growing up, he was told, “Folks can either be part of the problem or part of the solution. There is no middle ground.” Mr. Gunlock applauded what some have done and appreciated the statements from the FOP and Teamsters who offered to be part of the solution.

The college-consolidation plan brought forward by the Provost is a good start, Mr. Gunlock stated. It must address the faculty to student ratio that works with the projected enrollments and include full review of academic programs, but it is only marginally relevant to the region we serve today.

Mr. Gunlock further stated, "Wright State University is vitally important and a critical asset to this region. We will get the COVID-19 situation behind us. Life will go on. The Board is committed that Wright State University will be here for future students." The meeting was then turned over to Mr. Sample, Executive Vice President and Chief Operating Officer, to discuss the FY2021 budget.

Mr. Sample greeted the Board of Trustees and everyone joining the meeting via live stream and announced that the budget presentation will be made available at the conclusion of the meeting.

Mr. Sample confirmed the importance of Wright State University to Raider Country and its impact to the region and the State of Ohio. Students from 85 of the 88 counties are attending Wright State. The Governor wants campuses to produce workforce and support employers in their region. Out of the 14 public universities within the Inter-University Council of Ohio (IUC), Wright State's in-state student population is 96%, a return on investment for the State of Ohio.

Nationally, industry trends predict a similar decline of enrollment demographically in four-year institutions moving forward. Wright State University was built for far more students than we will have in the future. Headcount enrollment has declined since 2016 and affects the net tuition revenue.

Mr. Durkle, Chief Recruitment and Admissions Officer, was introduced by President Edwards; and Mr. Durkle spoke about a way to redistribute financial aid dollars. The strategy change will optimize future aid programming to allow more students with greater need to receive additional need-based dollars in financial aid awards and increase enrollment.

Mr. Craig Woolley, Chief Information Officer, who has been overseeing Enrollment Management for a short period of time, addressed the decline in headcount enrollment by discipline and projected Fall 2020 students at 10,721, a 22% decrease from Fall 2019.

Mr. Steve Sherbet, University Bursar & Director of Treasury Services, presented the undergraduate in-state and out-of-state tuition and fees at the 14 public four-year institutions in Fall 2019. Wright State is very competitive, nine universities having higher in-state tuition and fees and seven universities having higher out-of-state, non-resident tuition and fees.

Ms. Sommer Todd, Director of University Fiscal Services, gave the FY20 financial analysis review starting with the break-even, adopted budget. At the end of February, the budget indicated a higher tuition revenue; but with implementation of the Voluntary Retirement Incentive Program (VRIP), a deficit of \$3M was projected at year end. COVID-19 hit in March; and by the end of March, revenue was down due to refunds to students, a cut in state appropriations, active researchers leaving campus, and events being cancelled. Even with savings on expenses, an \$11M deficit was anticipated at year end.

Today, a \$1M surplus is predicted at year end. Wright State was approved for CARES Act dollars and researchers are finding ways to be active; and with the help from everyone on campus, we are going to save significant dollars on expenses, including a lower amount for legal expenses in Contracted Labor and Professional Services. There may be some expenses rolling into FY21 at a higher rate because of the delayed process of critically reviewing purchase orders.

Mr. Sherbet next presented the FY21 budget assumptions related to tuition pricing. There will be a 2% increase for the non-guarantee tuition students; a 4% one-time increase for the Wright Guarantee Cohort 3 incoming students, and 0% increase for the non-resident surcharge and graduate students. The Boonshoft School of Medicine (BSOM) and School of Professional Psychology (SOPP) programs will have a 2% increase, and the Master of Business Administration (MBA) program will have a 3.6% increase.

The University is optimizing scholarship awards by focusing the financial aid dollars toward need-based students rather than merit-based students and working to solidify articulation agreements with many of the community colleges. There has been an increase in transfer students due to the articulation agreements.

Additionally, there is an initiative to reduce the Ohio graduate out-of-state surcharge by 99% for students who previously completed a degree from an Ohio four-year institution, making it competitive for students to continue being enrolled in an Ohio institution at a very affordable rate. This initiative will help promote students to stay in Ohio and complete their degrees, remain in Ohio, and, through the workforce development process, will add a higher level of skill sets to the Ohio population.

Mr. Durkle agreed the articulation agreements will be key to enrollment over the next ten to fifteen years. With the COVID-19 situation and students being out of high school since March and, possibly, the Fall, the academic preparedness of students coming out of high school may fall short. Students may think about a community college to start and then transfer to a four-year degree institution.

Mr. Sherbet responded to Trustee Fecher's question that the 2% inflationary increase allowed Wright State to maintain a competitive ranking, middle of the road or above, with peer medical schools. Also, two years ago, there was a 6% increase adjustment for medical students. The University didn't want to overly burden medical students with continuing high tuition rates when there is a need for them to complete their education, be out in the medical field and give back to the community. President Edwards added one issue raised during an accreditation visit was that the high cost associated with medical school. The middle of the road in the state puts the BSOM in a good position.

Dr. Milligan, Interim Dean of the Graduate School, also added regarding the out-of-state graduate tuition rate initiative that if by the third year the reduction did not neutralize revenue, the initiative would be discontinued.

Mr. Sample offered information on the FY21 budget as to COVID-19 and estimated a \$2M budgeted spend out of the general fund to reopen campus in the Fall in addition to the \$5M from the government. As yet, the University does not have the approval or perimeters to reopen the campus. This budget is seeded in the restructuring and resizing effort, both academically and administratively. ABC Insights have been engaged and have given benchmark data to compare Wright State to peer institutions. Wright State needs to rebuild the University to effectively serve and support an enrollment of 10,000.

With respect to our auxiliaries, athletics eliminated three teams; Double Bowler is being dissolved and those investments are being liquidated; and finally, the Wright State Applied Research Corporation (WSARC), affiliation comes to completion in October. A new relation with WSARC will be presented to the Board with no direct or indirect support from the University.

As far as space consolidation, a sale agreement on the building at Research Park has been executed and anticipated to close within the next ninety days. The Cox Building is being sold, and the Duke Ellis Center will be closing. The BSOM and SOPP programs will be acclimated back to campus.

Mr. Burhan Kawosa, Interim Academic Resourcing Director, highlighted the proposed budget for FY/21. Based on the conservative forecasted decrease of 22% enrollment, the proposed Tuition and Fees revenue is \$125M. Last week, a 15% decrease in enrollment was tracked. Due to the COVID-19 situation, decline in SSI appropriations, and decrease in all the other revenue categories, Total Revenue is projected at \$210M.

On the Expenses side, the \$15.5M decline in Compensation is due to a lower number of employees and lower benefit base. A \$1M increase in Supplies to reopen campus, and a \$2M increase in Marketing's base budget are denoted. The proposed budget shows using \$33M of reserves for year one of a three-year plan.

As previously discussed, Mr. Sample reiterated the University is on the path of a three-year plan to bring stability to the University. For perspective, prior to COVID-19, the finance team had been working on a five-year plan to bring expenses in alignment with a decreased revenue through natural attrition and other savings. Because of where the University is today, fifty positions were eliminated.

The proposed three-year plan is a working expenditure budget plan, and these numbers are going to change. Our ability to control revenues is limited. The physical campus had been sized for 20,000 students. Today, we have 76,000 square feet of vacant space on campus. We can control the expenditures. Before the Board today is the FY21 proposed current funds budget requesting a drawing from reserves of \$33M.

Trustee Goyal asked a question regarding FY21 projections on enrollment of international students. President Edwards indicated the University is planning for some semblance of face to face, remote learning, online learning, hybrid learning for those students who are not able to return to the United States. The University is not base budgeting on large numbers of international students.

Trustee Grunder recognized the finance team and was grateful for their work.

Trustee Fecher congratulated the University community for the cuts made over the last three months. The cuts did not occur without some operational impact, and Trustee Fecher asked how the three-year budget plan addresses those cuts and maintains some of the critical things, such as open positions, and invests in some of the more key areas of the University?

Mr. Sample replied that all the compensation lines will be looked at as positions become vacant and the University is right-sized. The University was shut down after COVID-19 hit from a spending standpoint, and every expenditure was critically reviewed. The model for the new fiscal year is going to have the same control systems where we always critically review those expenses and look at ways to be creative, economical and efficient.

Mr. Fecher commented he appreciated the conservatism and Wright State being realistic and reasonable with the revenue side of this budget because of the great amount of uncertainty with COVID-19, the state's budget, and decisions individual families are making about where or if their college-age children will attend school.

Lastly, Mr. Sample presented to the Board for approval a proposed Total Revenues and Expenses budget for FY2021, including Auxiliary and Restricted Funds of \$306,766,000.

Budget for FY2021

http://www.wright.edu/sites/www.wright.edu/files/uploads/2020/Jun/meeting/Budget%20Presentation_Final_2020%200619.pdf

A. Approval of Expenditures \$500,000 and Over

Mr. Gunlock asked Mr. Grunder to read the resolution.

RESOLUTION 20-64

WHEREAS, in order for the University to conduct business on an on-going basis, and provide products and services in a timely manner, purchases must be made; and

WHEREAS, these expenditures may exceed \$500,000, therefore, be it

RESOLVED that authorization is granted for the accompanying contracts now before the Board of Trustees be, and hereby are approved.

Mr. Gunlock stated that since the motion is coming from a Committee, it did not need a second. Ms. Mickey-Boggs called the roll, and the motion was unanimously passed.

B. In-State Graduate Tuition for Ohio Bachelor's Graduates

Mr. Gunlock asked Ms. Mickey-Boggs to read the resolution.

RESOLUTION 20-65

WHEREAS, the Governor of the State of Ohio and the Chancellor of the Ohio Department of Higher Education have asked colleges and universities to adopt policies to provide in-state tuition rates to graduate students who received their bachelor's degrees in Ohio; and

WHEREAS, a reduction in the current nonresident surcharge will help to attract and retain graduate students in the State of Ohio and contribute to the State's economic future; and

WHEREAS, §381.170 of Am. Sub. House Bill 166 of the 133rd General Assembly requires any waiver of tuition for a student, or class of students, not otherwise permitted by law at a state-assisted institution of higher education, be approved by the Chancellor of the Ohio Department of Higher Education; and

WHEREAS, Wright State University has determined that all of its graduate programs, excluding the professional degrees of the M.D. and Psy.D., are suited to satisfy the Governor's and Chancellor's request; and

WHEREAS, the University desires to request a fee reduction of 99% of the non-Ohio-resident surcharge for graduate students who completed their bachelor's degrees in Ohio and are enrolled in the eligible graduate programs, a group that has included an average of 30 students per semester over the past three years; and

WHEREAS, the University in 2020-2021 charges a \$465 per-credit-hour surcharge for non-Ohio-resident students in graduate programs, meaning a 99% reduction would result in an adjusted per-credit-hour surcharge of \$4.65; and

WHEREAS, Wright State University is requesting the non-Ohio-resident surcharge reduction for graduate students who completed their bachelor's degrees in Ohio be approved beginning in the Fall 2020 semester, now, therefore, be it

RESOLVED, that, beginning Fall 2020, the Board of Trustees of Wright State University authorizes the administration to offer a 99% reduction of the non-Ohio-resident surcharge (currently from \$465 per credit hour to \$4.65 per credit hour) to non-Ohio-resident students who completed their bachelor's degrees in Ohio and are enrolled in the eligible graduate programs; and

BE IT FURTHER RESOLVED, that the administration will seek prior approval from the Chancellor of the Ohio Department of Higher Education for the associated fee waiver, as required by law.

Mr. Gunlock asked for a motion to adopt the resolution. Mr. Platt moved for approval and Mr. Grunder seconded. Ms. Mickey-Boggs called the roll, and the motion was unanimously passed.

C. FY2021 Current Funds Budget

Ms. Mickey-Boggs read the resolution, and Mr. Gunlock asked for a motion to adopt the resolution. Mr. Fecher moved for approval and Mr. Platt seconded. Mr. Gunlock then asked if there was any discussion, and Mr. Platt moved to amend by substitution to remove the continuation of the voluntary 20% reduction the Wright State University leadership team previously agreed upon.

Mr. Gunlock asked if there was a second, and Mr. Montgomery seconded.

Mr. Platt thanked the Wright State leadership team, administration, faculty, and staff and appreciated the hard work of getting the budget together. The substitution would be that the continuation of the 20% that the entire administration team took at a voluntary level a few months ago be taken out. Salary reduction should be short term, temporary and not something Wright State should build a budget on moving forward.

Ms. Mickey-Boggs called the roll, and the amendment was unanimously passed.

Trustee Grunder then made a motion to eliminate over \$5M for adjunct professors in the budget, and Mr. Montgomery seconded. After Trustee Grunder addressed his motion to amend the budget resolution, Ms. Mickey-Boggs called the roll; and the amendment was unanimously passed.

Ms. Mickey-Boggs then called the roll on the motion for the budget resolution as amended twice, and the amended resolution was unanimously passed.

RESOLUTION 20-66

WHEREAS, the university's current funds budget has been developed capitalizing on fiscal stewardship to deliver student success; and

WHEREAS, comprehensive planning and consultation within the university and with key stakeholders has been accomplished; and

WHEREAS, state funding is projected to decrease significantly; and
WHEREAS, enrollment levels are anticipated to decrease significantly due to COVID-19; and

WHEREAS, Wright State University has developed a budget to guide operations, realigning expenditures with revenues, to support the university's Mission, Vision and Values during the fiscal year beginning July 1, 2020; and

WHEREAS, said budget includes an array of other rates and fees, such as a counseling and wellness fee, in addition to tuition; and

WHEREAS, the Board of Trustees desire to amend the budget presented for their approval by withdrawing the continuation of the voluntary 20% compensation reduction among university leadership and also eliminating the defined budget for adjunct instructors in next year's budget; and, therefore, be it

RESOLVED that the President may allow expenditures within projected income levels, may limit the expenditures of funds within any given category, may transfer funds within the major budget categories, and take such other actions as may be in the interest of the university; and be it further

RESOLVED that the university's current funds budget as described in the accompanying schedules and tables now before the Board of Trustees be, and hereby are approved.

D. COVID-19 Expenses

Mr. Gunlock asked Ms. Mickey-Boggs to read the resolution.

RESOLUTION 20-67

WHEREAS, in order for the university to conduct business on an on-going basis, and provide products and services in a timely manner, purchases must be made; and

WHEREAS, these expenditures may exceed \$500,000; therefore, be it

RESOLVED that the Wright State University Board of Trustees delegates authority to the President of Wright State University to expend funds related to COVID-19 and campus reopening up to \$7,000,000, which includes CARES ACT funding in the amount of \$5M and up to \$2M of university general funds.

Mr. Gunlock asked for a motion to adopt the resolution. Mr. Fecher moved for approval and Mr. Grunder seconded. Ms. Mickey-Boggs called the roll, and the motion was unanimously passed.

IX. ADJOURNMENT

There being no further discussion, Mr. Gunlock asked for a motion to adjourn. Mr. Grunder made the motion, Mr. Langos seconded, and the motion was unanimously approved by voice vote.

The meeting adjourned at 11:12 a.m.