



DELAWARE STATE UNIVERSITY

Board of Trustees and Administrative Council Retreat December 6-7, 2018

Minutes

Thursday, December 6 – Board Only Session

Introduction

The Board and Administrative Council Retreat was convened by Dr. Devona Williams, Board Chair at 4:38 p.m. on December 6 at the Hotel DuPont in Wilmington, Delaware. The purpose of the board only session was to focus on opportunities to increase board effectiveness and to discuss personnel matters. The agenda for the retreat was developed in conjunction with the administration and the feedback provided by the board through the pre-retreat survey. The retreat attendance is listed on the attachment.

Working Dinner

Bernadette Dorsey Whatley presented a donation to Delaware State University in the amount of \$10,000.00.

Video of University Commercial Curtis Winslow

Board Effectiveness

- Board Survey Results Norman Griffiths, John Allen
 - **Action Items:** The Board of Trustees will conduct board surveys annually and track the progress each year. John Ridgeway will prioritize top survey items then report back to the Board.
- *What actions do we need to put in place to increase the effectiveness of our board?*
 - The board provided various recommendations to improve the board's effectiveness such as: committee chairs should engage their members; encourage the timeliness on delivery of meeting materials; prioritize and strategize at the committee level; maintain a log of who turns in board materials timely; offer training to liaisons on executive presentations; alignment of goals (ex: alignment in housing and enrollment).

The board also provided suggestions regarding future board meetings and retreats such as: increase student involvement; hold meetings at different locations; participate in meetings with the faculty senate; use luncheons as information sessions and/or networking opportunities; continue to have two retreats per year; have break out

committee sessions during the retreats for committees to work on issues. Dr. Williams stated that the Retreats will continue to be held twice a year.

Focus and Future Direction:

- Cross functional and move out of silos of operation
- Alignment in all work with strategic goals
- Planned growth
- Changing the culture – continued move toward excellence and transparency

*******EXECUTIVE SESSION*******

[Motion to go into Executive Session by John Ridgeway; 2nd by Dr. Debbie Harrington; Motion carried unanimously (7:00 p.m.)]

[Motion was made to come out of Executive Session by Lois Hobbs; 2nd by Bernadette Dorsey Whatley; Motion carried]

*******EXECUTIVE SESSION END*******

Adjournment

[Motion to adjourn the 12/6/18 meeting by Norman Griffiths; 2nd by Lois Hobbs; Motion carried]

The 12/6/18 meeting was adjourned at 8:10 p.m.

Friday, December 7 – Board of Trustees and Administrative Council Session

Introduction

The Board and Administrative Council Retreat was reconvened by Dr. Devona Williams, Board Chair at 8:40 a.m. on December 7 at the Hotel DuPont in Wilmington, Delaware. Dr. Wilma Mishoe welcomed everyone and gave opening remarks. Dr. Williams welcomed the group and thanked the Board of Trustees for their commitment, dedication and involvement with DSU over the past year. She acknowledged for all of the support she has provided to the board over the past year and her efforts relating to the retreat. She also mentioned that Ms. Stoner was recently promoted to Chief of Staff and Board Secretary. Dr. Williams thanked the Administrative team for their efforts and for responding to board requests and supporting the committees. She further stated that the expectation for the retreat is to focus on finding facts, not fault and providing information from the administration to the board so the board can better focus on strategic issues and fill in gaps by identifying strategic actions needed. Afterwards she led introductions; the attendance is listed on the attachment.

Student Success: December 2018 Commencement Dr. Debbie Harrington

- Motion by Dr. Harrington to approve Summer and Fall 2018 graduates; 2nd by Lois Hobbs; Motion carried unanimously;
- Motion by Dr. Harrington to approve Posthumous Certificate of Attendance for Justin Hackley; 2nd by Bernadette Dorsey Whatley; Motion carried unanimously; and
- Motion by Dr. Harrington to approve Honorary Doctorate of Humane Letter for Senator Christopher Coons; 2nd by Lois Hobbs; Motion carried unanimously.

Swearing-In of the Honorable Jack A. Markell Dr. Devona Williams

Review of Accomplishments of the past year All

There was an open discussion regarding major accomplishments over the past year such as: financial progress; ECHS graduation; football game wins; strategic hires; digital initiatives; concentration on facilities; increased student enrollment, acquired 4th year of Inspire; understanding athletic needs; upgrading IT; new residence hall; enhanced marketing ads; filling board vacancies and committee chairs; improved University ranking; increased alumni engagement; inclusion/diversity; first time board survey; aviation sustainability; increased focus and transparency; presidential search committee;

- Reviewed progress against the Action Plan from last December: Dr. Williams reported that over 99% of last year's Action Plan has been completed.

Audit Update Rob Schrof

Mr. Schrof reported that the audit was completed on December 6, 2018 at 6:00 p.m. The Auditors will come to present to the Board on their findings in January 2019. The current S&P rating is B+ downgraded from last year's A-. Mr. Schrof provided an overview of the forecast and fiscal year 2019 budget. The current net position is \$4.8 million. Total available funds as of Nov. 30th is \$25.1 million. Total drawdown (federal 1 student aid due to the University) to date is \$17.6 million.

Financial Position

Rob Schrof, Antonio Boyle

Operating Budget

Mr. Schrof reviewed the operating budget portion of his presentation which included:

- **Corrective Action:** Completed – Implemented monthly cash reconciliation process and established purchase car reporting and policy enforcement; 2) In Process – Establish discipline around account reconciliations; initiate supplemental reporting; reorganize finance / increase bench strength; and finalize desktop procedures.
- **Forecast FY2019 Full Year Budget Forecast:** 1) Operating Net Position = \$2,594,338; 2) Total Nonoperating Revenue (Expenses) = (\$4,053,046); and 3) University Change in Net Position = (\$1,458,708).
- **Cash Management:** 1) Current Drawdown (Federal Student financial Aide due to the University) = \$17.6M with total Drawdown = \$24.9M; 2) Fall 2018 Drawdowns Pending: Pell and Direct Loans = \$6M and Inspire = \$1.3M;

Cash Management

Mr. Boyle further explained current cash management. This fall a new payment plan was initiated covering 2016 and 2017, collecting a total amount for the Fall 2018 of \$4.8 million. About \$25 million from 2011-2017 (7,000 records) has not been collected from prior students who dropped out of school. Currently, Mr. Boyle's team is trying to capture those outstanding funds and try to reenroll those students who dropped out. Additional drawdowns for Fall 2018 total \$4.5 million (includes: Pell Grant, Parent Plus, Subsidized and Unsubsidized loans). Currently, there are 3,241 students registered already for Spring 2019. Of the 3,241, 2,603 have paid for a total drawdown of \$27 million. Dr. Mishoe added that Mr. Boyle's team will target enrollment through online, graduate and international areas. The goal for Summer 2019 is to have 500 students in the Summer Bridge Program. ALW, a nationally recognized debt collector, will begin in January 2019 to collect aged student receivables.

P-Cards

Mr. Schrof reported that there were no controls over P-card usage and users were overspending their budgets. There are currently 162 total users. Mr. Schrof's team has reduced credit limits, developed reporting for transaction monitoring, held mandatory training for P-card reactivation, and the Admin Council now governs card issuance. This has resulted in a 30% reduction in card expenses from June to October 2018. Dr. Mishoe reiterated that Administrative Council should be the holders of the P-cards and permission should be asked of them prior to purchases being made by their staff.

Accounts Receivables

Mr. Schrof reported that proper controls were not put in place to identify and pay vendors in a timely manner. Consequently, some vendors have threatened to discontinue their partnerships with the University. There are 188 invoices >30 day to be paid totaling \$954k. There's a total of 562 invoices pending payment.

- **Action Item:** Reorganize the Finance Department by: finalizing desktop procedures; hire additional employees with the appropriate financial experience; and acquire training for those employees who are currently in the department. Dr. Williams requested that at each board meeting Mr. Schrof will provide the board with a detailed budget and balance sheet. He will also put together an audit of who has P-cards

or multiple cards. Mr. Schrof intends to clear >90 day accounts payable by Dec. 21, 2018 and clear the >60 day by Jan. 18, 2019.

Update of the Physical Plant / Master Plan and Deferred Maintenance

JD Bartlett

Mr. Bartlett reported that the current problem is that the University has a reactive culture, with preventative maintenance as an afterthought, and significant operational deficiencies and inadequate resources. The University has increased its foot print by 630,000 sq. ft. over the past 10 years – a 50% increase in operational area. About 720,000 sq. ft. is utilized as residential facilities. The greatest facilities condition issues are HVAC/mechanical and Exterior Enclosures (roofs, exterior walls, windows). The total projected capital need is \$291.6 million. There are 2700 students currently living on campus. The new P3 project will cover 620 beds.

Gov. Markell strongly recommended partnering with developers to help resolve our housing issues and suggested that DSU issue an RFI to developers for their creative ideas. Dr. Mishoe added that private developers have offered to build housing facilities for the University, and there's some space available on campus for additional housing. There are currently 30 maintenance personnel and 47 custodial service personnel. To correct the deferred maintenance issue, Mr. Bartlett will determine: deferred maintenance backlog, preventative maintenance, operational resources, and expectations and service levels.

Schwartz Center Update. Dr. Williams asked Dr. Mishoe to provide an update on DSU's negotiations to purchase the Schwartz Center. It was noted that the Foundation Board asked Dr. Mishoe to investigate other opportunities to meet Wesley's asking price and was not supportive of the board moving ahead with a purchase price of \$2M. Dr. Mishoe stated that the University is 50% owners with Wesley. Mr. Bartlett stated that there are some aging structure issues with the building. Dr. Mishoe mentioned that Foundation funds will not be used to purchase the building. She is seeking alternative methods of funding, including talking with legislators to obtain the \$2 million to purchase Wesley's share of the property. Gov. Markell suggested that the City/County buyout Wesley or have the City/County pay Delaware State University. The building appraised for \$4 million.

- **Action Items:**

1. Request developers to come and conduct a housing study to help resolve the University's housing issue. Dr. Harrington, Mr. Ridgeway, Mr. Stafford and Ms. Waite will meet after the Retreat to discuss the housing sub-committee.
2. Mr. Bartlett is targeting March 2019 to complete the assessment of the equipment inventory and create a preventative maintenance plan. He is targeting August 2019 to complete a strategic facilities conditions assessment and capital action plan. He is targeting December 2019 to complete a comprehensive facilities management plan and educational facility plan. This will include hiring a firm to provide valuable data to obtain a comprehensive view of the campus.

Residential Student Housing

JD Bartlett, Dr. Stacy Downing, Tony Boyle

New Residence Hall Update ("P3"). Mr. Bartlett reported that construction on the P3 project is still on schedule. The building will be closed in by the end of January 2019.

Dr. Downing reported that the current hotel occupancy is at 93%. There will be at least 195 open spaces for Spring 2019 due to fall graduating seniors. The opportunity for Spring 2019 is 472 students (377 new; 95 transfers) with a revenue of opportunity of \$877k. The best partnerships thus far have been with Holiday Inn, Home 2 Suites and the Hampton Inn. In the Fall of 2019, the new facility will yield 620 spaces; however, a gap of >350 will still exist due to the loss of Tubman Hall in May 2019. There are 110 beds in Tubman Hall.

- **Action Item:** Mr. Bartlett and Dr. Downing will work on deferred maintenance and upgrades to each on-campus housing facilities before students return Fall 2019.

Update on Institutional Effectiveness & Research Dr. Sandra DeLauder

Dr. Delauder reported that the University is accredited through Middle States Commission on Higher Education (MSCHE). The University was reaffirmed in 2012. The University's self-study is due in 2021, and the site visit will be in 2022. In order to maintain accreditation, the University must meet seven standards: mission and goals; ethics and integrity; design and delivery of the student learning experience; support of the student experience; educational effectiveness assessment; planning, resources, and institutional improvement; and governance, leadership, and administration. The University established an Institutional Effectiveness Committee (IEC) in 2014 to provide oversight of the assessment process. The problem with the IEC is that it was over representative in the academic area and not in the more strategic areas. Dr. Tony Allen established the Office of IEC last fall. The IEC needs key administrators from different areas of the University to participate. There will also need to be board representation on the sub-committees.

- **Action Items:** A Steering Committee must be in place by Spring 2019; Participation in the Self-Study Institute by November 2019; Assign working groups to draft work study design by December – March 2020. Dr. Delauder will provide the board with the previous Student/Faculty survey (2016) and any future surveys. She will also provide to the board MSCHE's presentation regarding the board's involvement.

Campaign Update Dr. Vita Pickrum

Dr. Pickrum reported that the Greater One Campaign of 2011-2016 raised over \$20 million. So far, the current campaign has raised \$8.3 million. The goal of the current campaign is \$30 million over the next 7 years. Dr. Pickrum's goal is to increase alumni donors. There are 558 accounts managed by the Foundation. The current Goldman Sachs investment portfolio is over \$30.3 million. Dr. Williams asked that another board member consider filling the vacancy of Kathy McGuiness on the Campaign Steering Committee. She also announced the donation of \$10k from Ms. Whatley.

Strategic Human Resources Irene Chapman-Hawkins

Ms. Hawkins provided a copy of the new Employee Handbook to each board member and reported on strategic human resources efforts.

Professional Development

There are mandatory annual campus wide professional development training classes covering topics such as: infection control; campus safety/active shooter; risk management; cyber security; Title IX/harassment; and FERPA. There is professional development for managers and non-managers. There are various types of professional development training classes such as: quarterly round table discussions, webinars, new hire orientation (every 2nd & 4th Monday), Banner 9, team building meetings, retreats, specialized occupational seminars.

Evaluation Planning

Ms. Hawkins reported on the importance of performance evaluations, professional development/training and strategic hires. There are 921 faculty and staff members employed at the University. The performance

evaluations are done annually and are sent out by human resources every March with a yearend deadline. Evaluations can be prepared at any time during the calendar year as needed.

Strategic Hires Updates

Ms. Hawkins reported that all positions have been filled. Dr. Michael Casson was appointed the Dean of the School of Business. The General Counsel and Enterprise Risk Management positions have been recently filled. Announcements will be forthcoming.

Succession Plan

A succession plan has been put in place to identify the bench strength of the Administrative Council. The plan identifies specific individuals who can backfill positions of the senior leadership team should vacancies occur.

- **Action Item:** The 2019 goal of the Office of Human Resources is to develop a process that helps both professional and classified staff learn the fundamentals of advancing their career paths (i.e. understanding individuals SWOT's, assessment of current work environment to determine alignment with career goals, and preparing a Career Development Plan.

Review of Strategic Plan and Accomplishments

Dr. Tony Allen

- Unmet goals/objectives
- Discussion: Strategic Goals/Priorities Next 1-3 Years All

Gates Initiative Update. Dr. Allen reported that Gates will provide a refund to the University. The annual Gates site visit to the University occurred in late October. DSU has received a renewal grant of approximately \$1M.

Dr. Allen reported on PRIDE 2020 Goals: intellectual climate and culture; student success; research and scholarship; outreach and engagement; sustainability; institutional and operational effectiveness. Retention, enrollment, graduation, ECHS enrollment rates, University funding are trending up. Additional work is needed in energy savings, research portfolio, alumni giving, instructional expense. The 2025 new goal is increased from \$20 million to \$25 million.

- **Action Item:** Mr. Stafford and Mr. Bartlett will meet to devise a plan for campus lighting.

Wrap-Up/Next Steps

Dr. Devona Williams

Dr. Williams identified priorities and asked the group for consensus on priorities and focus. This discussion is summarized below:

List of Top Priorities for 2019:

1. Leadership (President, President's successor & Board)
2. Student success
3. Financial (budgeting, financial management, capital campaign, fund raising)
4. Buildings and grounds (student housing w/ master plan)
5. Accreditation
6. Strategic planning and goal alignment
7. Stabilization of athletics
8. Institutional effectiveness

Focus - What should be done differently going forward?

- Focus effort on accountability
- Continue being transparent and continue with openness and honesty
- Document progress
- Have meetings in less fancy places (ex: other campus settings)
- Spend less time rehashing of problems and move forward with progress
- Document the problems and run progress against that at meetings
- Put action items in a controlled space

Retreat Feedback: committee work during retreat; leaders attending meetings; student and alumni voice/represented

Announcements

- Investiture of President Mishoe, Saturday, December 8
- Scholarship Ball, Saturday, December 8
- Graduation, Saturday, December 15
- Next Board Meeting, Thursday, January 24

Adjournment

The meeting was adjourned at 3:05 pm/

ATTENDANCE

December 6, 2018

Board of Trustees

Dr. Devona Williams, Chair
John Ridgeway, Vice Chair
John Allen, Jr. (*via telephone*)
Margie Lopez Waite
Lois Hobbs
Dr. Debbie Harrington
Norman Griffiths, Esq.
Jocelyn Stewart
Bernadette Dorsey Whatley
Harold Stafford

Administration

Curtis Winslow, Instructional Technology Systems
Integration Coordinator

ATTENDANCE

December 7, 2018

Board of Trustees

Dr. Devona Williams, Chair
John Ridgeway, Vice Chair
John Allen, Jr. (*via telephone*)
Margie Lopez Waite
Lois Hobbs
Dr. Debbie Harrington
Leroy Tice, Esq.
Norman Griffiths, Esq.
Jocelyn Stewart
Bernadette Dorsey Whatley
Gov. Jack Markell
Harold Stafford

Administration

Dr. Wilma Mishoe, President
Dr. Tony Allen, Provost & Executive VP
Irene Hawkins, VP of Human Resources
Antonio Boyle, VP of Strategic Management
Thomas Preston, VP & General Counsel
Robert Schrof, VP of Finance
Dr. Vita Pickrum, Vice President of Institutional
Advancement
Dr. Sandra Delauder, Vice Provost
Dr. Stacy Downing, Vice President of Student
Affairs
J. D. Bartlett, AVP for Capital Planning and
Environmental Sustainability
Dr. Scott Gines, Director of Athletics
Jackie Griffith, Director of Government and

Community Relations

Darrell McMillon, Chief Information Officer

Curtis Winslow, Instructional Technology Systems
Integration Coordinator