



DELAWARE STATE UNIVERSITY

Board of Trustees Retreat December 5-6, 2019

Minutes [December 5 Minutes recorded by Cleon Cauley]

The Board of Trustees (“BoT”) Retreat was convened by Dr. Devona Williams, Board Chair at 1:00 p.m. on December 5 at Delaware State University (“DSU”), 3931 Kirkwood Highway, Wilmington, Delaware. The retreat attendance is listed on the attachment.

December 5

12:30 pm	Arrival	<i>Delaware State University Wilmington Campus</i>
1:00 pm	Welcome Tour <i>Overview & Program Updates</i>	Dr. Patrice Gilliam-Johnson, Dean Graduate, Adult and Continuing Studies
1:45 pm	Opening Remarks	Dr. Devona Williams, Chair
	External Review <i>Organizational Assessments</i>	Alan Brangman Brangman Consultants
2:45 pm	Transition Overview	Dr. Tony Allen Executive Vice President / Provost
3:30 pm	Board of Trustees Business Overview <i>Discussion - 2020 Vision and Beyond</i>	Dr. Devona Williams, Chair
	Board Governance Overview <i>Other Board Business</i>	
4:45 pm	Presidential Evaluation	
5:30 pm	Adjourn	
6:00 pm	Dinner at Tony’s	

December 6

The BoT and Administrative Council (“AC”) session was convened by Chair Williams on December 6 at 9:07 a.m.

President’s Report

Dr. Wilma Mishoe

Dr. Mishoe shared a brief PowerPoint presentation and picture video with music. Dr. Mishoe provided a recap of adverse events leading up to her becoming the 11th president of DSU. She shared a list of some accomplishments during her tenure as president such as: increased enrollment to 5054 students; acquired the fourth year of the Inspire Scholarship; acquired 1890 Agriculture Land Grant match; received the State St. property gift from Richard Barros, trustee emeritus; received a new fleet of airplanes and becoming the first Vulcanair Service Center in the U.S.; converted to a digital campus with incoming freshmen receiving iPads and MacBook’s; the general assembly provided \$10M toward deferred maintenance; numerous student successes – Alisa Winchester (The Truman Scholarship Foundation Self-Study winner), Adriante Carter (legislative fellow for the State general assembly), two students earned 1st and 2nd place in NFL Business Case Study competition, the University’s student flight team won the Region 7 National Intercollegiate Flight Assn. competition; the reaffirmation of the nursing and education programs; implementation of a bottoms-up budget process; increased student internship opportunities; improved community, alumni, student and employee relations; increased international relationships with Jamaica, Costa Rica, Africa (Nigeria), China, Poland, Ireland, India and S. Korea.

Dr. Mishoe recommended the following:

- **Recommendations:** (1) Develop a campus master plan that addresses infrastructure needs such as: increase energy efficiency (use, consumption and alternatives); refresh and renew every facility in order to create a sustainable future for DSU students; increase and upgrade instructional, laboratory and office space; (2) Increase downtown presence by fully utilizing the State Street property via community develop opportunities, alumni and community welcome center, community engagement and economic development center, office space, learning center; (3) Acquire the Schwartz Center’s ½ portion from Wesley College and deploy a comprehensive facilities plan; Dr. Mishoe committed to working to raise additional funds and promote the development of the property; (4) Contract Renewals; leverage contracting concepts in order to financially advance DSU; review the largest external contracts – Ellucian, Aramark, Follett Bookstore, Hotels for housing, vehicle purchases/leases, waste management, university-wide recycling; (5) Financial Reserves; continue the annual operational reserve account; (6) Establish a Student Leadership Institute; (7) Naming of William DeLauder building and Hattie Dabney Mishoe building as mandated by the 150th general assembly; (8) Establish an Early College High School building; (9) University Convention Center; and (10) Total commitment of the University to the MSCHE reaffirmation accreditation process.

Dr. Mishoe conveyed a message of gratitude to the BoT, AC, students, faculty, staff, alumni, friends and numerous stakeholders. In closing, Dr. Mishoe presented a gift to Drs. Williams and Allen and signed official end of tenure paperwork.

Administrative Updates

Financial Report

Administrative Council

Mr. Rob Schrof

- *FY2020 Operating Budget (July 1st to October 31st – Year to Date)*. Realized actuals sourced from Banner as of October 31, 2019 are \$80.4M in revenues, \$39.2M in expenses, and a \$41.2M net position. The HR Module has been effective and works in conjunction with the Budget Module resulting in full rosters within Banner.
- *Fall 2019 Cash Forecast*. The Banner Document Management System (“BDMS”) has been implemented to create a collaboration with strategic enrollment and accounts payable. The system identifies cash flows such as gross tuition and fees, auxiliary services, athletics, operating appropriations, federal unrestricted dollars, and other external sources of funds. The total gross revenue from July to December 2019 is \$80.4M. Robust collection strategies have been implemented.
- *Accounts Payable Open Invoice Aging as of October 31st*. There are 151 outstanding invoices which are 0-30 days old; 12 invoices at 31-60 days old, and 6 invoices at 61-90 days old. There is a credit balance of \$29.7k (1366 transactions at 90+ days old) related to travel debits and credits which are aged invoices that have been reconciled. These invoices will be closed out and cleared off the books by the end of 2019.
- *Audit Update*. The audit submission has been delayed due to some unforeseen challenges. The finance team has worked extensively with Dr. Allen, Student Accounts, CliftonLarsonAllen (“CLA”), the Finance Secretary and the Division of Accounting. The last journal entries will be processed by close of business on December 6. Draft financial statements will be sent to CLA on December 7 for 2nd review. The 2nd review will be completed by December 9, and financial statements will be issued by December 11. The reported 2019 deficit of \$5.2M will improve by \$3.4M once the journal entries are applied, resulting in a deficit of only \$2M. Dr. Allen added that CLA is the auditor for the State. He also reiterated that the AC receives financial reports every 3rd week of each month.
- *Collections Update*. Mr. Boyle reported that the University is trending ahead of schedule as compared to last year. Parents have signed into the Nelnet system payment plan that drafts directly from their accounts to the University (98%). He stated that \$9.5M was collected in November 2019, and \$7.5M is expected to be collected for December 2019.

Action Items: Finance will provide monthly or quarterly financial reports to the BoT as desired. CLA’s contract is near expiration; therefore, the University will review and consider possible renewal.

Facilities

Mr. Herman Wood

- *Mr. Wood reported (3) Critical Factors to Assess During his First 180 Days:*
 1. *Administrative:* assess the current staff; propose a target State organizational chart; develop an inventory assessment; evaluate/implement an electronic work order process and offer recommendations.
 2. *Operations and Maintenance:* review work schedules, budgets, and procedures; draft maintenance operation standards manual; draft preventive maintenance program; develop risk assessment plan in collaboration with the Enterprise Risk Officer (includes: quality control plan, emergency operations plan, and establish training programs for safety, equipment and fire alarms).
 3. *Sustainability:* establish an Energy Star Process and evaluate each building to assess where there can be immediate energy savings; replace the gym lights with LED lights.
- *DSU FY2020 Contracted Projects*. Mr. Wood presented a list highlighting all contracted projects scheduled for FY2020, including the cost and status of each project.

- *DSU 2019 Facilities Assessment.* Mr. Wood presented a list highlighting internal projects, including the status of projects from the August 16, 2019 assessment. He anticipates a total spend of \$8.711M for the year. He requested that additional project ideas be submitted to him directly. He intends to visit each department head to gather a list of their needs. He will make sure the University meets all ADA standards.

Action Item: Prepare a Master Facility Plan.

Accreditation

Dr. Sandra DeLauder

- *Self-Study Timeline and Requirements.* A Steering Committee was appointed by Dr. Allen in November 2019. The Self-Study design is due to Middle States in March 2020. The draft Self-Study will be submitted to the Steering Committee in January 2020.
- *Elements of the Self-Study Design.* This includes an institutional overview; institutional top 5 priorities (student success, academic excellence, operational effectiveness, financial planning and infrastructure); intended outcomes of the study; Self-Study standards approach, organizational structure of the steering committee and working groups; guidelines for reporting; organization of the Self-Study report; verification of compliance strategy; Self-Study timetable; communication plan; evaluation of team profile; and evidence inventory.
- *Steering Committee Leadership Team.* The leadership team includes: two co-chairs, Dr. DeLauder (Vice Provost) and Mr. Boyle (VP of Strategic Enrollment); Dr. Linda Murray Jackson (Asst. VP OIE and MSCHE Liaison); and Dr. Alexa Silver (Faculty Senate Chair and Faculty Fellow). Dr. Silver served on the 2012 Self-Study team.
- Dr. DeLauder recently received the Visionary Leadership Award from Delaware ACE Women’s Network.

Housing Update

Dr. Stacy Downing

- *Current Housing Occupancy % by Class.* Freshmen 49% (1311 beds); Sophomores 20% (535 beds); Juniors 16% (428 beds); Seniors 14% (375 beds).
- *Targeted Housing Assignments for Fall 2020.* Priority #1 housing for returning seniors; Priority #2 housing for returning juniors; Priority #3 housing for returning sophomores; Priority #4 New & returning freshmen; and Priority #5 housing for transfer students.
- *Spring 2020 Hotel Assignments.* The University will only need to contract about 70 spaces at the Holiday Inn with the ability to negotiate additional space if needed. Most current hotel residents are juniors. As spaces become available students are moved to on campus housing.
- *Changing from 12-month lease in Village and Courtyard.* Discussions are currently being held to determine whether the 12-month leases should be changed to a semester lease for the purpose of: performing critical maintenance and renovations; housing larger conferences and camps; seniors are already on a semester lease due to graduation in May; and the ability to accurately account for which students are being housed in these facilities.
- *Masterplan.* The idea of a new facility is being placed on hold in order to align priorities with Mr. Wood’s forthcoming masterplan. The masterplan is geared to provide a conceptual layout to guide future growth and development.

Operating Model (Ad Hoc Committees)

Administrative Council

Scholarship Awarding

Drs. Pickrum, Gines and Mr. Boyle

- *Direct Cost vs Cost of Attendance.* Direct cost includes tuition and fees and on-campus room and board. The cost of attendance establishes the financial need of the student and it sets a limit

on the total aid that financial aid eligible students may receive. Mr. Boyle provided a breakdown of federal aid packaging and expected family contribution (EFC). EFC is an estimate of a student's, and for a dependent student his or her parents', ability to contribute to a year of post-secondary education expenses. The EFC is used in the student financial aid process in the U.S. to determine an applicant's eligibility. There is a cost of attendance calculator on the University's website that will compute how much it will cost a student to attend school. The layering process of scholarships must be changed in order to obtain optimal cost savings, retain endowment funds and assist students in need. Any aid above and over the cost of attendance should be a cost savings to the University. A total of \$14M in scholarship dollars has been awarded to 5,363 students by the DSU Foundation since 2012. The average scholarship award is \$2,520 per student. There are 359 scholarship accounts managed by the Foundation. Dr. Pickrum reported that non-traditional students have an opportunity to be awarded up to \$5k. Dr. Gines highly recommended that the University include scholarship awarding as part of the next fiscal year budget.

Action Item: A full scholarship awarding progress report will be provided to the BoT at the 2020 Summer Retreat.

Contracts

Mr. Cleon Cauley

- *Revamped Contract Approval Process.* There will be a 5-step approach: 1) Contract Owner, review content; 2) VP and/or EVP, contract approval; 3) Finance, budget approval; 4) Legal Affairs, legal form review; and 5) Contract Approval. If the approval amount exceeds \$250k the BoT will be required to approve. Contracts will be signed digitally and tracked through a digital workflow.
- *FY20 Contract Opportunities.* The proposed schedule: December, analyze existing contracts; January, identify major contract opportunities; February, draft RFP's; March, publish RFP's; April, answer questions and RFP deadline; May, review proposals; and June, committee and board approval.

State Appropriations

Dr. Tony Allen

- *Reviewed OMB Presentation Highlights.* State allocations have remained flat although revenue has grown significantly in the tune of 25% over the past 10 years. The University is not solely reliant upon State funding. The FY2020 Operating request is \$36M. Additional operating requests include: healing trauma academy; culturally competent teacher recruitment, specifically but not solely related to the recruitment of black male teachers; center for health disparities; center for neighborhood revitalization and research; center for disability resources; nursing expansion; athletic grants/gender equity; USDA \$1 for \$1 match as a regular part of the annual asking process. The FY2020 Capital request is \$25M (\$13.6M last year).

Provost Search Update

Dr. Tony Allen

- Dr. DeLauder will be the interim Provost effective January 1.

Wrap-up / Next Steps

Dr. Devona Williams

- *Focus and Priorities for FY2020: Finance, Facilities and Safety, Housing, Female Equity, Transition, Structure and Process, Middle States, Culture and Student Success*

[Motion to adjourn by Mr. Ridgeway; 2nd by Mr. Griffiths; motion carried]

The meeting was adjourned at 12:50 p.m.

ATTENDANCE

December 5, 2019

<u>Board of Trustees</u>	<u>Administration</u>
Dr. Devona Williams, Chair	Dr. Wilma Mishoe, President
John Ridgeway, Vice Chair	Dr. Tony Allen, Provost & Executive VP
John Allen, Jr., Vice Chair	Cleon Cauley, General Counsel
Gov. Michael Castle	Dr. Patrice Gilliam-Johnson, Dean of Graduate, Adult and Continuing Studies
Margie Lopez Waite	
Lois Hobbs	<u>Guest Speaker</u> Alan Brangman, Brangman Consultants
Bernadette Dorsey Whatley	
Esthelda Parker Selby	
Dr. Debbie Harrington	
Leroy Tice, Esq.	
Jocelyn Stewart	
Harold Stafford	
Norman Griffiths, Esq.	

ATTENDANCE

December 6, 2019

<u>Board of Trustees</u>	<u>Administration</u>
Dr. Devona Williams, Chair	Dr. Wilma Mishoe, President
John Ridgeway, Vice Chair	Dr. Tony Allen, Provost & Executive VP
John Allen, Jr., Vice Chair	Irene Hawkins, VP of Human Resources
Margie Lopez Waite	Antonio Boyle, VP of Strategic Management
Lois Hobbs	Robert Schrof, VP of Finance
Dr. Debbie Harrington	Dr. Stacy Downing, VP of Student Affairs
Leroy Tice, Esq.	Dr. Vita Pickrum, VP of Institutional Advancement
Norman Griffiths, Esq.	Dr. Sandra Delauder, Vice Provost
Jocelyn Stewart	Cleon Cauley, General Counsel
Bernadette Dorsey Whatley	Dr. Scott Gines, Director of Athletics
Harold Stafford	Darrell McMillon, Chief Information Officer
Gov. Michael Castle	Herman Wood, Associate VP Facilities Management, Planning & Construction
Esthelda Parker Selby	Curtis Winslow, Instructional Technology Systems Integration Coordinator