

**FRIDAY, JUNE 23, 2017**  
Salishan Resort, Gleneden Beach, OR

*OSBA board members in attendance at meeting start:* President Betty Reynolds, President-elect LeeAnn Larsen, Vice President Tass Morrison, Secretary-Treasurer Don Cruise, Past President Doug Nelson, Paul Anthony, Kevin Cassidy, Sherry Duerst-Higgins, Susan FitzGerald, Kris Howatt, Kaye Jones, Greg Kintz, Hank Perry, Scott Rogers, Lori Theros, Michelle Vo, Maureen Wolf

*OSBA staff in attendance at meeting start:* Executive Director Jim Green, Deputy Executive Director Mary Paulson, Jenny Fedler, Donna Herren, Peggy Holstedt, Steve Kelley, Alex Pulaski, Mike Robison, Lori Sattenspiel, Kate Wilkinson, Jane Leonhardt

*OSBA board members not in attendance:* Carlos Castaneda, Cheri Helt, Craig Prewitt, ex officio Craig Hawkins, ex officio Charles Martinez, Jr., ex officio Joel Robe

**President Betty Reynolds called the meeting to order at 6:48 p.m.**

I. Welcome and introductions

President Betty Reynolds welcomed attendees and board members introduced themselves.

II. Approve agenda

**Sherry Duerst-Higgins moved approval of the agenda as presented. Seconded by Tass Morrison.**

**Doug Nelson moved to amend the agenda as follows:**

**(1) To the executive session on Friday, June 23, add a second item pursuant to ORS 192.660(2)(I) "To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing."**

**(2) Move from the Sunday, June 25 agenda item I(H) Succession Planning: Nominating Committee, and add it to the Friday, June 23 agenda, after V(A), so it becomes item V(B) Officer Succession Planning Committee, information and action, which necessitates renumbering the executive session to V(C).**

**(3) On the Sunday, June 25 agenda insert an item after I(F) Pacific Region Nominating Committee member, and add item I(G) NSBA Board of Directors Nomination, Betty Reynolds.**

**Seconded by Tass Morrison.**

**The board voted and the amendment passed unanimously.**

**The board voted and the motion as amended passed unanimously.**

III. Consent agenda

**Kevin Cassidy moved approval of the consent agenda. Seconded by Greg Kintz.**

**The board voted and the motion passed unanimously.**

- A. Approval of minutes
  - 1. March 6, 2017 OSBA Board of Directors conference call meeting
  - 2. March 17, 2017 OSBA Board of Directors' meeting minutes
- B. Acceptance of minutes
  - 1. March 14, 2017, Revenue Reform Advisory Workgroup meeting minutes
  - 2. March 17, 2017 Finance Committee meeting minutes
  - 3. March 18, 2017 Legislative Policy Committee meeting minutes
  - 4. May 2, 2017 Budget Committee meeting minutes
  - 5. May 10, 2017 Policy Committee meeting minutes
  - 6. May 10, 2017 Executive Committee meeting minutes
- C. Staff Written Reports
  - 1. Year-end reports
    - a. Litigation Department year-end report, Kate Wilkinson
    - b. Labor Services year-end report, Jim Green
    - c. PACE Services year-end report, Mike Robison
    - d. Legislative Services year-end report, Lori Sattenspiel
    - e. Business Development year-end report, Lori Sattenspiel
    - f. Communication Services year-end report, Alex Pulaski
    - g. Board Development year-end report, Steve Kelley
    - h. Policy Services year-end report, Peggy Holstedt
    - i. Operations and Finance year-end report, Mike Robison
  - 2. 2017 OSBA Board of Directors' and LPC meetings calendar
  - 3. Liaison chart
  - 4. OSBA board committees participation list
  - 5. Current financial statements
  - 6. Investment report
  - 7. OLN Spring Leadership Institute
  - 8. Promise Scholarship Program
  - 9. Promise of Oregon / Oregon Rising campaigns
  - 10. Summer board conference and annual convention
- D. Board written reports
  - 1. PACE report

IV. Advocacy

A. Legislative update

Jim Green and Lori Sattenspiel reported on the 2017 legislative session including the state school fund budget and revenue reform, as well as small victories by non-passage of bills such as PE mandate, diesel bill, and recreational immunity.

B. Elliott State Forest status update

Jim provided an update on the Elliott State Forest. An analysis is expected soon from Jim Paul of the State Land Board. Lone Rock has sued the state for their costs incurred in going through the failed sale process.

V. Association

A. OSBA budget

1. Budget Committee update

Don Cruise provided a report from the Budget Committee meeting held May 2, 2017. He referred meeting attendees the meeting packet for Budget Committee minutes.

2. Fee structure for association services

Jim referred to the fee schedule at page 72 of the meeting packet. The board must adopt the fee structure annually. Jim summarized proposed changes highlighted in red. Discussion was held regarding reduction of fees for first-time attendees at Summer Board Conference and Annual Convention. Director of Finance and Operations Mike Robison indicated there isn't a way to assess the impact to the budget but suggested Board Development do an analysis. Jim indicated fees are already set for Summer Board Conference this year but feels the idea merits thought with regard to Convention.

**Kris Howatt moved the OSBA board receive the Fee Structure for Association Services for 2017-18 and approve the 2017-18 Convention Fee Schedule as presented. Seconded by Scott Rogers.**

Concerns were expressed about lowering the cost of Summer Board Conference or Annual Convention while others felt it would be beneficial for smaller districts that may not be able to send their school board members without a reduction in registration fees.

**Doug Nelson moved to amend the motion to change the Annual Convention registration fee for first time attendees from \$75 to \$25 and directed staff to study the impact of reducing the fee for first time attendees of Summer Board Conference. Seconded by LeeAnn Larsen.**

Clarification was made that the reduced fee is not only for new board members; it is for first time attendees.

**The board voted by show of hands and the amended motion passed with 10 votes in favor; 7 votes opposed.**

**The board voted by show of hands and the motion as amended passed with 12 votes in favor; 5 votes opposed.**

3. Proposed 2017-18 OSBA budget

- a. Overview
- b. Draft budget summary
  - (1) Draft 2017-18 budget - revenue
  - (2) Draft 2017-18 budget - expenses
  - (3) Five-year budget projections
- c. Draft capital asset plan

Jim reported that OSBA is presenting a balanced budget and is proposing a 3.8% increase in the budget. The budget reflects the board's priorities to provide advocacy and high level services to board members. Mike Robison outlined revenue, expenses and investment income for 2017-18. On page 80 of the meeting packet is a salary and payroll assessment. OSBA is proposing salary increases as well as moving a half-time attorney to full-time. The Budget Committee approved continuing partnerships by increasing contributions to OR-PTA to \$15,000. These funds may be taken from the partnership funds for money currently given to Oregon Leadership Network, or from "other," to be decided by the board. Jim indicated OLN does equity work, however, it is in transition currently and OSBA is cutting back in its involvement. Betty Reynolds clarified that the amounts to OR-PTA have not changed yet.

**Tass Morrison moved the OSBA board adopt the budget for 2017-18 as presented. Seconded by Paul Anthony.**

Clarification was sought. "As presented" means as currently presented in the budget with OR-PTA receiving \$10,000. The Budget Committee has recommended an increase of \$5,000 to OR-PTA, but the vote will not reflect the Budget Committee's recommendation. The board can follow Tass's motion but hold off on distribution and bring the matter back to the board for discussion in September, however, the board must vote on the line item expenditure within the budget. Within that line item distributions will be OR-PTA \$10,000, OLN \$11,000, and "other" \$4,000. "Other" is not designated specifically for anything.

**The board voted and the motion passed unanimously.**

**B. Officer Succession Planning (amended agenda item)**

Betty reminded board members that they passed a motion in June 2016 to establish a Nominating Committee comprised of the OSBA president, president-elect, past president, and a former past president, to make officer recommendations at the September board meeting. Betty also appointed a committee made up of the same members. The committee's responsibility is to answer questions regarding the responsibilities and time commitments from anyone who may be interested in serving as an OSBA officer and then report back to the board in September. Doug appointed former-Past President Kris Howatt in 2016 for a three-year term.

**Motion: Doug Nelson moved the board authorize appointment of Kris Howatt, LeeAnn Larsen, Betty Reynolds and Doug Nelson to serve as the Officer Succession Planning Committee. Seconded by Tass Morrison.**

**The board voted and the motion passed unanimously.**

C. Personnel matter

*\*\*Donna Herren, Jenny Fedler, Kate Wilkinson, Steve Kelley, Lori Sattenspiel, Alex Pulaski, Peggy Holstedt exited the meeting at 8:19 p.m.\*\**

Executive Session - ORS 192.660(2)(b)

*"To consider the dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent who does not request an open hearing." and*

Executive Session - ORS 192.660(2)(I)

*"To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing."*

**President Betty Reynolds led the Board of Directors into executive session at 8:20 p.m.**

**Exit executive session at 8:28 p.m.**

**President Betty Reynolds recessed the meeting at 8:30 p.m.**

**SATURDAY, JUNE 24, 2017**  
Salishan Resort, Gleneden Beach, OR

*OSBA board members in attendance at meeting start:* President Betty Reynolds, President-elect LeeAnn Larsen, Vice President Tass Morrison, Secretary-Treasurer Don Cruise, Past President Doug Nelson, Paul Anthony, Kevin Cassidy, Sherry Duerst-Higgins, Susan FitzGerald, Kris Howatt, Kaye Jones, Greg Kintz, Hank Perry, Craig Prewitt, Scott Rogers, Lori Theros, Michelle Vo, Maureen Wolf

*OSBA staff in attendance at meeting start:* Executive Director Jim Green, Deputy Executive Director Mary Paulson, Jenny Fedler, Donna Herren, Peggy Holstedt, Steve Kelley, Alex Pulaski, Mike Robison, Lori Sattenspiel, Kate Wilkinson, Jane Leonhardt

*OSBA guests in attendance at meeting start:* Michele Wasson, John Horvick

*OSBA Board members not in attendance:* Carlos Castaneda, Cheri Helt, ex officio Craig Hawkins, ex officio Charles Martinez, Jr., ex officio Joel Robe

**President Betty Reynolds called the meeting to order at 8:02 a.m.**

For the benefit of guests attending the meeting, board members introduced themselves.

I. Association

A. OSBA organizational status

1. OSBA Bylaws

Jim Green introduced Michele Wasson, an attorney with the firm of Stoel Rives. Michele reported on the process to retain OSBA's tax exempt status which began two years ago. OSBA's constitution is being converted into bylaws for approval by the board, and then by the membership at next election cycle. A crosswalk document was distributed which provided comparison of the current constitution to the draft bylaws. After the board's review of the draft bylaws today, staff will make changes, if necessary. They will be brought back to the board for action in September to put the change out as a resolution to the membership.

Mary Paulson and Michele highlighted some of the larger changes being made. Board members were led through the proposed bylaws and crosswalk document for a thorough review and discussion. Needed corrections were noted.

*\*\*Michele Wasson exited the meeting at 8:40 a.m.\*\**

2. OSBA Regional Governance Structure

Maureen Wolf reminded board members that the materials in today's board packet were originally presented to them at the March 2017 board meeting; nothing has changed. The guidelines used to review the governance structure keep the regions within a 3-5% interval comparing board members to the number

of students. Consistent with growth in population in the Washington Region it is recommended a third board member be added.

**Tass Morrison moved the OSBA board approve the recommendations of the Regional Governance Structure Subcommittee for changes to the structure of OSBA regions as presented. Seconded by Craig Prewitt.**

**The board voted and the motion passed unanimously.**

3. Process for adoption of Legislative Policies & Priorities

LeeAnn Larsen reminded board members of the letter received questioning the “all or nothing” method of voting on OSBA’s legislative policies and priorities. A suggestion was made to vote on each proposed legislative policy and priority individually. Jim Green recommends against adopting that method. Jim explained that if the membership were to only approve certain portions of the work of the Legislative Policy Committee it would tie the hands of OSBA’s legislative staff at the capitol. The consensus of the board is that the process not be changed. Board members were asked to reach out to their regions and encourage local boards to comment if they are not in agreement with certain items proposed.

B. DHM membership survey presentation

Jim introduced John Horvick of DHM Research who conducted the membership survey. A copy of the survey is included in the board packet. John discussed the purpose of the membership survey and provided background information on the manner in which the survey was conducted, including the timing and length of time the survey was available. He outlined statistics regarding respondent demographics and overall satisfaction, alignment with goals, education priorities, OSBA programs and services, and revenue reform.

C. Strategic planning

Betty Reynolds introduced Rangineh Azimzadeh Tosang and Sandra Jackson who conducted facilitated discussion around the association’s strategic plan. Rangineh and Sandra summarized the plan for the day.

**The meeting recessed at 12:00 p.m.**

**The meeting reconvened at 12:45 p.m.**

D. Strategic planning (continued)

Review of OSBA’s strategic plan continued.

**The meeting recessed at 2:50 p.m.**

**SUNDAY, JUNE 25, 2017**  
Salishan Resort, Gleneden Beach, OR

*OSBA board members in attendance at meeting start:* President Betty Reynolds, President-elect LeeAnn Larsen, vice President Tass Morrison, Secretary-Treasurer Don Cruise, Past President Doug Nelson, Paul Anthony, Kevin Cassidy, Sherry Duerst-Higgins, Susan FitzGerald, Kris Howatt, Kaye Jones, Greg Kintz, Hank Perry, Craig Prewitt, Scott Rogers, Lori Theros, Michelle Vo, Maureen Wolf

*OSBA staff in attendance at meeting start:* Executive Director Jim Green, Deputy Executive Director Mary Paulson, Jenny Fedler, Donna Herren, Peggy Holstedt, Steve Kelley, Alex Pulaski, Mike Robison, Lori Sattenspiel, Kate Wilkinson, Jane Leonhardt

*OSBA Board members not in attendance:* Carlos Castaneda, Cheri Helt, ex officio Craig Hawkins, ex officio Charles Martinez, Jr., ex officio Joel Robe

**President Betty Reynolds called the meeting to order at 8:33 a.m.**

I. Association

A. Executive Director year-end report

Jim thanked everyone for a nice dinner event on Saturday evening. He referred to his report in the meeting packet which reflects on the accomplishments of OSBA staff, such as the Get on Board campaign and education funding advocacy. OSBA is now looked at as an education communication leader. 2016-17 was a good year fiscally; demand for member services is high. He will work to find a Director of Labor Services and a PACE Administrator. Also, with the retirement of Mike Robison, OSBA must also hire a Director of Finance and Operations. Jim reported on the status of his transition plan and indicated staff have more flexibility, and moral is improving. He will to continue work to build partners.

1. OSBA compensation schedule/vacation variance requests

Jim reported that in the meeting packet are reports on staff compensation, including benefits, and vacation variance requests. Jim, Mary Paulson and Jenny Fedler did a total compensation review. OSBA policy requires that within three years of hire staff should be at the mid-point in salary. The approved budget calls for salary increases for some staff to bring them to mid-point.

B. Executive Director Evaluation

1. Executive Director year-end evaluation

*\*\*Peggy Holstedt, Mike Robison, Steve Kelley, Kate Wilkinson, Donna Herren, Jenny Fedler, Alex Pulaski, Mary Paulson, Lori Sattenspiel and Jim Green exit the meeting at 8:51 a.m.\*\**

**President Betty Reynolds led the Board of Directors into executive session at 8:52 a.m.**

Executive Session - ORS 192.660(2)(I)

*"To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing."*

**Executive session ended at 9:06 a.m.**

*\*\*Peggy Holstedt, Mike Robison, Steve Kelley, Kate Wilkinson, Donna Herren, Jenny Fedler, Alex Pulaski, Mary Paulson, Lori Sattenspiel and Jim Green entered the meeting at 9:07 a.m.\*\**

C. Executive Director salary

Betty Reynolds indicated the Executive Committee met to review the executive director's evaluation and to consider a salary range. The Executive Committee is prepared to bring to the board a salary recommendation of \$170,000, up from \$165,000. This amount is consistent with OSBA's budget and the salary policy which, this year, is based upon a 2% COLA and 1% merit increase.

**Motion: Craig Prewitt moved that the Executive Director's salary for 2017-18 be set at \$170,000 and that the amount be included in the employment agreement for 2017-18. Seconded by Scott Rogers.**

A consensus was reached that this increase is in line with the positive evaluation and is a reflection of the board's gratitude for the work Jim has done.

**The board voted and the motion passed unanimously.**

D. Executive Director Employment Agreement and Memorandum of Understanding  
Betty referred to background information in the meeting packet. The current employment agreement ends January 1, 2019. The handout provided summarizes the Executive Committee's recommendation to extend the contract by one year and, based upon the action just taken by the board, will also include the increased salary of \$170,000.

**Motion: Craig Prewitt moved the board approve the language of the Executive Director Employment Agreement with the following language change: replace ending 'January 1, 2019,' with 'January 1, 2020,' and include the increased salary of \$170,000. Seconded by Sherry Duerst-Higgins.**

**The board voted and the motion passed unanimously.**

Betty referred board members to a copy of the current Memorandum of Understanding in the meeting packet which expires July 1, 2017, unless extended. A handout previously provided contains information and motion language regarding extension of the Memorandum of Understanding. Jim wishes to extend the term of services of his executive coach, Sydney Joyner. Both Jim and Sydney feel it has been beneficial. Doug Nelson spoke with Sydney and obtained an estimate of \$7,500 for the extended services; this can be handled as an addendum to the Memorandum of Understanding.

**Motion: Tass Morrison moved to authorize the OSBA president to work with OSBA's legal counsel to draft an addendum to the Memorandum of Understanding to continue the services of Executive Coach Sydney Joyner in an amount not to exceed \$7,500. Seconded by Craig Prewitt.**

**The board voted and the motion passed unanimously.**

Betty thanked Jim for his service and congratulated him on the positive evaluation.

**E. OSBA Board of Directors' self-evaluation**

Jim indicated that the last board self-evaluation was done four years ago by BoardSource. Director of Board Development Steve Kelley recommends a self-evaluation be done and explained that it is good for boards to have critical conversations about best practices. The cost would be around \$3,000. If the board is interested in conducting a self-evaluation, Jim and Mary will work with Steve and come back to the Executive Committee with recommendations. This could occur in September or in January after new members come on board. The consensus was that the framework exists and that the board should take the opportunity. Jim will report to the Executive Committee on entities and work out a schedule.

**F. Pacific Region Nominating Committee member appointment**

Jim indicated that each state association appoints a board member to the Pacific Region Nominating Committee. LeeAnn Larsen would have been Oregon's representative last year, but could not attend. Betty cannot serve as she is seeking a position on the NSBA Board of Directors. The OSBA Executive Committee recommends LeeAnn be Oregon's representative for the Pacific Region Nominating Committee.

**Craig Prewitt moved the board appoint LeeAnn Larsen to the NSBA Pacific Region Nominating Committee. Seconded by Kris Howatt.**

**The board voted and the motion passed unanimously.**

**G. NSBA Board of Directors Nomination, Betty Reynolds (amended agenda item)**  
Doug Nelson indicated that a vacancy on the NSBA Board of Directors was created by the resignation of Jesus Rubalcava (AZ). The OSBA Executive Committee endorses Betty Reynolds for this position.

**Susan FitzGerald moved the board affirm the nomination of Betty Reynolds to fill the vacancy on the NSBA Board of Directors. Seconded by Kaye Jones.**

**The board voted and the motion passed unanimously.**

**H. Policy Committee**

1. Report on recommendations
2. Policy adoption

a. Investment Policy Guidelines

Leeann Larsen indicated that in the meeting packet are proposed updates to the Investment Policy Guidelines. The changes are to maintain consistency with common practice. The OSBA Policy Committee recommends the board approve the updates.

**Craig Prewitt moved the board adopt the Investment Policy Guidelines as presented. Seconded by Tass Morrison.**

Mike Robison summarized substantive changes. The update brings into practice what was in the RFP when the financial advisors were selected. Board members requested that in the future a strike-out version of the document be submitted so they can see changes being recommended.

**The board voted and the motion passed unanimously.**

II. Board verbal reports

A. 2017 NSBA Annual Conference,

Betty Reynolds, LeeAnn Larsen, Don Cruise and Tass Morrison provided reports on the NSBA Annual Conference held March 24-27, 2017 in Nashville, TN.

Kris Howatt suggested there be opportunities for local board members to attend the NSBA Annual Conference under scholarships as is currently the practice with the NSBA Advocacy Institute. Jim indicated this expense is not in the current year's budget, but could be considered going forward.

III. Appointments

A. PACE trustee reappointments

1. Brett Yancey, Chief Operations Officer, Springfield 19
2. Sharla Andresen, Director of Contracts & Risk, Central Oregon CC
3. Debbie Laszlo, Regional Risk/Benefits Manager, Redmond 2J
4. Marie Knight, Business Manager, Vernonia 47J
5. Craig Prewitt, OSBA board representative, Phoenix-Talent 4

Mike Robison referred attendees to information in the meeting packet on pages 36-39. Five PACE trustees' terms will expire at the end of June 2017. All are eligible and are recommended for reappointment.

**LeeAnn Larsen moved the OSBA board appoint Brett Yancey, Sharla Andresen, Debbie Laszlo, Marie Knight, and Craig Prewitt to the PACE board of trustees. Seconded by Paul Anthony.**

**The board voted and the motion passed unanimously.**

B. Policy Committee

1. Appointment of at-large committee member
  - a. Name, School District (2-year term)

Betty indicated the at-large position on the OSBA Policy Committee is vacant due to the expiration of Terry Lenchitsky's term. Terry is not eligible for reappointment. Kevin Cassidy has agreed to serve on the committee and will provide a good geographic prospective.

**Scott Rogers moved the board appoint Kevin Cassidy to fill the at-large position on the OSBA Policy Committee through June 2019. Seconded by Sherry Duerst-Higgins.**

**The board voted and the motion passed unanimously.**

C. Finance Committee vacancy - at-large member

Mike Robison reported there still isn't a candidate to bring forward to replace Nori Juba, who vacated the at-large position on the Finance Committee when he resigned from his local board in January 2017. Mike requested that board members ask their local board members if they have interest in serving on the committee. Someone with a financial background is preferred. Several meeting attendees offered names of potential candidates from their local boards.

Off agenda, Kris Howatt requested an update on the status of OSBA board member Carlos Castaneda, as he has not been attending OSBA board meetings. Betty indicated she had spoken with him. He has not resigned his position on the OSBA board, however, he also wasn't able to attend the June Board Retreat. This will be discussed again at the September meeting. Betty indicated she will continue to be in contact with Carlos.

IV. Ex officio reports

A. OAESD

Joel Robe did not attend the meeting, but submitted information in the meeting packet at pages 45-92. The new OAESD representative will be Bob Moore from High Desert ESD. He hopes to join the board in September.

B. State Board of Education, Charles Martinez, Jr.

Charles Martinez did not attend the meeting and did not provide information for the board packet.

**President Betty Reynold adjourned the meeting at 9:58 a.m.**