Diane Yu thanked members for their participation, including the summer meetings. She thanked student Nina Pulley, who has resigned from the group, for her contributions during the spring 2015 semester and welcomed new faculty members David Breitman, conservatory, and Sandy Zagarell, arts and sciences.

Since the June Board meeting, the Steering Committee met once in June and twice in July. Here is a summary:

- At the meeting on June 4, 2015:
  - Mike Frandsen presented about Oberlin’s budget and a financial framework for strategic planning.
  - Discussed summary of responses to Preliminary Report, a draft mission statement, core values, and strategic directions.

- Met July 1 and 23; discussion included:
  - Draft mission statement (approved by consensus).
  - Need to refashion draft plan to focus on recommendations that are strategic and fewer in number.
  - Importance of technology.
  - Significance of connected learning and racial, ethnic, and socio-economic diversity.
  - Proposal to include a list of “values” to better define important concepts.
  - Decision to complete planning process in March rather than December.
  - September meeting should include time to talk about difficult issues including priorities and finances.
  - Decision to form an ad hoc budget group to meet during August. Ably led by Mike Frandsen, this group included Brian Alegant, Hayden Arp, Chris Canavan,
Tom Cooper, Andria Derstine (and Deborah Campana in Andria’s absence), Chris Howell, and Umazi Mvurya.

Senior staff response to current draft:
• The strategic planning process was the focus of the senior staff retreat August 20. Marvin was eager to receive responses to a draft of the strategic plan from his colleagues, who in their various leadership roles on campus, will, in collaboration with the faculty governance bodies, be instrumental in communicating about the plan and overseeing implementation.
• The outcome of that meeting was a proposal for one-page descriptions for each section of the draft plan, previously briefly discussed at our first July meeting. Also suggested was the number of sections be expanded back to three: 1) Educational Excellence through Connected Learning, 2) Oberlin’s Educational Community, and 3) Resources and Sustainability. Recommendations follow each description and additional explanations of the recommendations will be included to offer more context and/or more detail.
• We decided to engage an outside writer to polish the document after receiving the content from us.
• There is much work left to do and it remains critically important to make sure we’ve addressed the issues important to faculty and to our other constituencies.
• Marvin Krislov’s commitment to the strategic planning process continues and he looks forward to rejoining the efforts when he returns to campus. It is imperative that we continue and complete this process. There are issues facing higher education generally and at Oberlin in particular that remain and we can address them through this planning process.
• Clearly the budget group’s report is sobering and we will need to take account of these considerations going forward.
• But we have made an enormous amount of progress to date on this strategic planning process and we’ve learned a great deal about both the trends in higher education right now and about Oberlin as well.

Work of the ad hoc budget group
• Mike Frandsen began by acknowledging the work of the group, and its desire to produce a helpful report.
• Chris Canavan and Chris Howell presented the details of the work of the group.
• Report has three sections; we need to making hard decisions about finances. Filters used to identify strategic variables:
  o It has to make material difference to the long-term future and financial health of Oberlin.
  o It needs to be controversial: For instance, the endowment—it’s not controversial to say it should be well-run, but asking “what should the payout rate be each year” is controversial, and therefore strategic.
  o It should capture multiple characteristics of a given problem (the multi-variables of tuition, for instance).
• Establishing this framework and variables had a general consensus from the group.
  • Compensation, tuition, physical plant, and endowment are all critically important.
• Recommendations included:
  o Total compensation expense should not increase by more than the rate of increase in net tuition per student.
  o Increases in net tuition (and tuition, room and board, and fees) per student should be at a rate equal to the median of our peer group.
  o The size of the student body should remain at the current number: 2,925.
  o Annual capital investment should be depreciation plus Endowed Capital Reserve Fund withdrawals. New construction should be funded externally.
  o Two options for pay-out rate (neither had support of the full Budget Group):
    • Option 1: 5% of three-year rolling average for all uses other than additional withdrawals from the Endowed Capital Reserve Fund for capital investment and debt principal payments not to exceed 1% of the total value of the endowment…. [this option would reduce the budget $8-10 million].
    • Option 2: Immediately reduce payout rate to 4% and cut an additional amount, as much as 10% or more, from Oberlin’s total budget [this option would reduce the budget $16 million].
  o There was general agreement that the first four recommendations will require difficult choices but will not change the character of Oberlin College; the alternative approach to endowment payout rate would transform the scope and character of the College.
  o Discussion of timing of such reductions:
    • 1% in one year would be difficult and painful; as a result of the 2005 Strategic Plan, we reduced about 1% over ten years without huge damage.
    • The 2008 economic downturn was a significant factor in our endowment decrease.
    • Important to consider 1) reducing payout gradually over time or 2) reduce over time but start with a large reduction initially to make future years less difficult.
  • Important to refocus on strategic plan and recommendations, acknowledging that budget cutting, while important, is different from completing a strategic plan.

Move to small-group discussion about the recommendations of the plan followed by reports about these discussions for full group. Summary comments included:

Report from Oak Room:
• Educational excellence through connected learning: needs more clarity about definition of connected learning.
• There are four connected learning categories: 1) curricular structures; 2) co-curricular structures; 3) career [preparation]; 4) community.
  o From Direction 2 (Oberlin’s Educational Community), move Recommendations 7 and 10 to connected learning:
  o Recommendation 7: Assess the efficacy of our student support services for a diverse range of students and enhance academic and other services for all students to ensure a supportive learning environment and successful progress toward graduation.
Recommendation 10: Ensure that structures, approaches, and assessment tools create equitable opportunities and outcomes by studying institutional processes as well as staff and faculty capacities and make improvements according to the results of the study.

- Move Topic 2 and Topic 3 (listed below Recommendations for Oberlin’s Educational Community) to Connected Learning:
  - Topic 2: The strength of faculty and staff and their contributions to Oberlin achieving its mission: Oberlin faculty members affirm a deep commitment to teaching and advising, scholarship, and musical/artistic accomplishment. Staff members are similarly committed to supporting the educational, personal, and social development of students as well as the exemplary operation of the institution. Encourage and support faculty to develop as scholars, musicians, and artists throughout their Oberlin careers and enable and encourage faculty and staff members to develop their abilities as effective, engaging, and innovative teachers, mentors, and advisors and provide them with opportunities and training to enhance their use of innovative technology appropriate to their pedagogical and/or professional goals.
  - Topic 3: The importance of engagement and responsibility—of faculty, staff, students, alumni, and parents—to the academic success and career-preparation of students and for the stewardship of Oberlin College.
  - Oberlin recognizes its transformative role in the lives of our students and alumni and is committed to developing new and diverse pathways for meaningful stewardship of the institution by alumni and also by students, parents, faculty, and staff.

- Move Recommendations 6 and 9 to Core Values:
  - Recommendation 6: To recruit and retain students from the United States and abroad that represent a broad range of racial, ethnic, cultural, and socioeconomic backgrounds, slow the rate of annual increases in student charges—tuition, fees, room and board—while developing resources to ensure we can offer the opportunity for enrollment of students of color and low-income students.
  - Recommendation 9: Affirm Oberlin’s commitment to academic, intellectual, and expressive freedom of discourse.

- Move Topic 4 to Core Values:
  - Topic 4: The importance of the College’s support of the City of Oberlin and the greater community i.e., our stewardship of the community.
  - Oberlin is committed to a strong relationship with the local and regional community and will continue to share the resources of the College of Arts and Sciences, Conservatory of Music, and Allen Memorial Art Museum in meaningful ways with the City of Oberlin and the region, building robust public and private sector partnerships and making thoughtful investments in local and regional economies, as we recognize that these relationships mutually benefit all involved.

- Direction 3: Resources and Sustainability
  - Recommendation 13 is important enough to be its own Direction: Streamline our system of governance to act more quickly and effectively in addressing the rapidly changing environment of higher education, while delivering thoughtful
decisions that enjoy broad consensus among stakeholders. Incorporate strategic planning as a continuous element in Oberlin’s operations and leadership culture.

- **Recommendation 11:** Slow the rate of annual increases in student charges—tuition, fees, room and board—while developing resources to ensure that we can offer an opportunity for enrollment to a student body from the United States and abroad that represents a broad range of racial, ethnic, cultural, and socioeconomic backgrounds.

- **Recommendation 12:** Continue efforts to build the endowment through philanthropic gifts, sustainable levels of spending, and top-quartile long-term returns. Slow the rate of annual endowment draw, including withdrawals for all purposes—operations (unrestricted and restricted), capital spending (including debt service), and other expenditures—to ensure long-term financial sustainability and growth.

- **Recommendation 14:** Fund institutional priorities by analyzing current expenditures, determining appropriate tradeoffs, and reallocating funding accordingly. Redesign to achieve greater efficiencies and synergies in operations.

- **Other recommendations not in Draft 10:**
  - Move Topic 1 to Core Values: Continue progress toward realizing Oberlin’s previously announced goal of attaining carbon neutrality by 2025, including mobilizing the entire campus community toward this end, advancing education initiatives to promote campus behavioral changes related to energy consumption, and setting an example for others. Revisit and refresh the campus energy master plan to guide future capital investments.

- Limit the recommendations in the Strategic Plan to 3-4; list things we are already doing in the Core Values section; important themes from the Oak Room: Educational Excellence through Connected Learning, Streamlining Governance; Resources and Sustainability.

**Report from Elm Room:**

- Group discussed connected learning in terms of what elements of it could distinguish the College. The double-degree program is important as a distinguishing feature as is preparation to thrive in our interconnected world. The enhanced advising system, for example, can help students with professional preparation.

- While financial considerations may make a commitment to compositional diversity difficult, we should not lose ground in this area.

- There are many opportunities for progress in interactional diversity.

**Report from Aspen/Birch Room:**

- Challenges of Core Values: number, expense, lack of resources.

- Look for non-core value activities to add to the mix.

- For those recommendations that assume “reassess and redesign,” give explanation(s) for why we need to move in a particular direction.
• Once we agree on the recommendations, there should be action items/steps to make them happen as well as identifying the correct entities responsible for developing measures of progress and success.
• Need more on interactional diversity and the right places for environmental sustainability and faculty compensation.
• Once we agree on recommendations, create action steps with who will be in charge and how progress will be measured.
• Combine Core Values b and c:
  o Core Value b: Oberlin students who pursue a wide range of existing majors and students in both divisions who exhibit great creativity in the ways they enhance their majors with additional studies in other areas.
  o Core Value c: Integrated, cross-disciplinary, and connected educational and artistic programs designed to prepare graduates to lead fulfilling lives in a globalized, interconnected world. These programs leverage the strengths of the unique resources of the College of Arts and Sciences, the Conservator of Music, and the Allen Memorial Art Museum.
• The technology piece is inadequately focused.
• Replace the current Resources and Sustainability section with what’s in the budget report.
• We should think about the time-frame in more detail, and consider making it gradual and long-term.

Further discussion: points included:
• It might be useful to be frank about this period of limited resources. It was the opinion of some that the strategic plan might be experienced first as retrenchment and we should acknowledge this. Others thought that budget reductions should be presented as strategic; cuts are intended to improve Oberlin in the long run.
• There should be a conversation among Board members and faculty about strategic recommendations and about strategic budget reductions.
• Reductions should be an iterative process over some reasonable number of years.
• Transparency has been important to this process; we need to give the community a chance to understand our current situation, possible solutions, and working together on priorities.
• Part of the process should be affirming what we are already committed to. We should also note how we’re building on the success of the last strategic plan.
• If the document ends up being solely a financial one, it would not be a strategic plan and would be a failure.
• The Board is the body that should deal with the issues of budget and endowment. The budget group should consider modeling scenarios for use by the Board. Role of deans and faculty is important.
• Following discussion about whether or not to send a draft to the outside writer to work on, it was decided to do so. We could expect a new draft in 2-21/2 weeks.
• Diane Yu thanked everyone for their hard work.

Meeting adjourned at 9:00 p.m.