



**Bethel College Board of Directors Spring 2021 Meeting
via Videoconference, April 8-10, 2021**

Minutes

Board Members Present: Tom Adrian, Faith Allen, Kate Brubacher, James Ensz, Daniel Flickinger, Wynn Goering, Galen Goertzen (recorder), Lori Schmidt-Harrison, Roberta Franz Hodgson, Blair Loganbill, Sharon Nance, Tom Penner, Cynthia Perkins, Diana Schunn, Sharon Waltner, and Heather Esau Zerger

Members Absent: None

Others Present: Administrative Cabinet: President Jon Gering, Tricia Clark, Sam Haynes, Heidi Hoskinson, Brad Kohlman, Robert Milliman, Tony Hoops, Amy Ruetten.; **Faculty Representatives:** Christine Crouse-Dick, Yanxu Liu; Rachel Epp Buller; **other faculty:** Jennifer Chappell Deckert, Bill Eash, Mark Jantzen, Doug Siemens, Dwight Krehbiel (retired faculty member), **IMS Director,** Adam Haag; **Student Government Representatives:** Alayna Wallace and Thomas Kucera.; **staff representatives:** Megan Kershner, Erin Myrtle, Cindy Beth, Jacob Gunden, and Rosa Barrera, recorder.

Due to COVID-19, all meetings were held via zoom and times listed are Central Standard Time.

THURSDAY, APRIL 8

BOARD COMMITTEE MEETINGS

The following committees met Thursday evening.

Academic Affairs Committee

Dan Flickinger, Chair, led the meeting via zoom at 5:00 p.m. The agenda included a progress report for the Major in Software Development, update on a major in Exercise Science, a faculty handbook revision proposal, and a report from Career Pathways.

Financial Affairs Committee

Roberta Franz Hodgson, Chair, led the first of two meetings that started at 7:00 p.m. The agenda for the evening included a presentation from Vanguard and a review of the investment policy.

FRIDAY, APRIL 9

BOARD COMMITTEE MEETINGS

Futures Committee Meeting

Wynn Goering, Chair, led the meeting held at 10:00 a.m. via Zoom. The main agenda was discussion of themes for the Strategic Plan.

Financial Affairs Committee

Roberta Franz Hodgson, Chair, led the second meeting held at 1:00 p.m. via Zoom. The agenda included review of the debt policy and the FY2021 and FY 2022 Budgets.

Directors Committee

Lori Schmidt-Harrison, Chair, led the meeting held at 1:00 p.m. via Zoom. The agenda included a Compliance and Ethics report, board member evaluation, presidential evaluation policy and board recruiting.

GENERAL SESSION

The general session of the board was held via Zoom at 3:30 p.m.

WELCOME & OPENING

Tom Adrian, Board Chair

Board Chair Adrian welcomed everyone to the Spring 2021 meeting and called the meeting to order at 3:30 p.m. The meeting was held via Zoom. He shared some thoughts from the book Start with Why by Simon Sinek. Chair Adrian mentioned specifically a chapter called the influence of others, who do you trust, how their opinion counts, and how great leaders inspire others to take action. Chair Adrian appreciates the opinion of Board members, Administrative Cabinet, and others. He indicated that inspiring students helps to build more leaders who are responsible for others. He concluded by stating that his aspiration for board members, cabinet members, and Bethel grows every year and that he is happy to be a part of the board.

Adrian mentioned the organizational documents (Attachments 1A-1D) that were included in the board docket and reminded board members to send any updates to Rosa.

CONSENT AGENDA

Chair Adrian reviewed the consent agenda items which included the draft minutes of the last board meeting and the agenda for this meeting and asked if there were any changes.

ACTION ITEM: M/S/C (Dan Flickinger/Jim Enszt) to approve the agenda for the Spring 2021 Board of Directors Meeting and the Minutes of the September 30-October 2, 2020, Board of Directors Meeting Fall Board Meeting.

PRESIDENT'S OPENING REMARKS

President Jon C. Gering, Ph.D.

President Gering welcomed everyone to the Spring Board meeting and stated that he appreciates the opportunity to be together even if through Zoom. He thanked the board members for their excellent work in the last six months. He introduced the two new board members, Cynthia Perkins and Faith Allen, and welcomed them to their first meeting. He thanked them and is excited to have them be part of the Board. He also thanked the administrative cabinet, faculty and staff for joining the meeting. President Gering stated that it has only been a year (March 2020) since the beginning of the coronavirus pandemic and many challenges have taken place since then including students sent home and distance learning, faculty remote teaching, staff working from home, etc. In addition, new creative ways were utilized for fundraising. The school reopened this year taking COVID-19 safety precautions including social distancing, mask requirements, etc. Some of the Bethel community became sick and suffered. All these changes and challenges were exhausting (a Stanford Study was shared explaining why people were tired and exhausted due to the pandemic). But, all in all, everyone had work to accomplish despite the challenges of the pandemic. President Gering stated that through it all, Bethel continues to be Thresher Strong. These challenging times have helped create clarity for who we are, understand the value of being with one another, and the importance of the residential experience.

President Gering then shared some of the accomplishments and highlights which included the following:

- HLC on notice visit – response has been positive. He is feeling good about the institutional response and where it may lead.
- First May term will take place this coming May. Enrollment is currently underway.
- IMS – important group to increase internet capacity and work behind the scenes.
- Phonathon – All went well and raised \$127,000, exceeding the goal of \$115,000.
- Ribbon cutting on new Softball facility.
- Endowed task force – great work in response to HLC request.
- The Business Office kept running through the pandemic year and implemented a new payroll system in addition to changing banks.
- Maintenance – campus made it fine through the cold snap in February.
- Heidi Hoskinson is the new VP for Enrollment Management and this is her first board meeting. Happy to have her as part of the team.
- New billboards in state of KS
- Using a new platform for prospective student visits and having two of the biggest classes.
- Students are happy to be here (thank you to Student Life)
- New mural is in the process of being created for the Class of 2021
- Julian Gonzalez-Salamanca, Director of Diversity, Equity, and Inclusion, made a special announcement that Bethel College was accepted to the Truth, Racial Healing, and Transformation Campus Centers institute (TRHT) by AAC&U on April 6, 2021. This institute promotes racial healing and addresses inequities. Bethel is the first Mennonite college and also the first institution in Kansas to join this effort along with 30 other institutions nationwide. The rest of the team members that helped with the application process and will represent Bethel are Christine-Crouse-Dick, Sheryl Wilson, Peter Goerzen, Kirsten Zerger, Robert Milliman and Julian. They will be attending the virtual institute on June 22-25.
- Started the academic year with a balanced budget.
- Athletic teams have done well and have persevered despite the pandemic.

President Gering concluded by indicating that we are entering the meeting with a new sense of promise that includes new employees, flag football, work on a new Strategic Plan, etc. He agrees with Board Chair Adrian and is happy to be associated with all the past year's efforts and looks forward to an exciting new year.

ADMINISTRATIVE, AUXILIARIES, AGENCIES, and SGA REPORTS

Board Chair Adrian indicated that the administrative, auxiliaries, agencies, and SGA reports were included in the board docket (Attachments 3A – 3K). He then opened the floor for questions to the reports.

- Tom Penner asked if the students are happy? Sam indicated that various things have been done to help their health and yes students are happy. Students are strong and have preserved through everything. They are happy but have had their challenges. Students are engaged in activities. Sam indicated that they continue to work together on many campus activities including SGA, Diversity Council, and ACC, among others. He stated that “it is flexibility and partnerships that keep us going in our lows and in our highs.” Alayna, SGA president, stated that students are happy overall. There has been stress and exhaustion but there are exciting things happening and many activities in which to participate.
- Blair asked Alayna about her major and other activities. Alayna has a double major, Psychology and Natural Science. She is also in softball and music. She indicated that students are close and are all there to help support and share in successes. She indicated that the choir was not traveling due to the pandemic. The students deal with frustrations and hope that this spring can deal with things like choir concerts and the play that is coming up.
- Dan asked about Math and Science. A brief report was provided.
- Lori thanked everyone for doing a phenomenal job in keeping things going despite all the challenges and allowing the board to celebrate all the accomplishments. She asked if there is something that they like the board to know or do to address the exhaustion? It was mentioned that the spring break was not lost but rather the spring break days were sprinkled through the semester and included days off for both faculty and staff.

BOARD DEVELOPMENT SESSION: RESTRUCTURING BOARD COMMITTEES

President Jon C. Gering, Ph.D. & Ted Long, AGB Consultant

President Gering has been reviewing the board committees and the bylaws. Two principal committees are required by the bylaws (The Executive Committee and the Directors Committee) and all other standing committees (number and types) “shall be determined by the Board upon recommendation of the Executive Committee.” At the present there are five standing committees. He has been in conversation with the Directors Committee and it was agreed to get a consultant to present at the board meeting. President Gering then introduced Theodore E. Long, PH.D. who is a AGB Senior Fellow/Senior Consultant and has extensive experience with board committee restructuring.

Dr. Long provided a brief PowerPoint presentation on “Restructuring Committees: Principles and Practice” to introduce the idea of restructuring board committees. The principle reason to change is for the committees to be better fiduciary agents of the board and become more consequential.

Restructuring is an ongoing multidimensional process that the board undertakes for greater effectiveness. There is no one way to design committee structures. Agenda setting is different because it is set for board interest and has less of an administrative focus and changes conduct of meetings to include less listening to reports and more time spent talking about strategic issues and management. Dr. Long indicated that it is important to restructure committees with clear goals and objectives, to mobilize for change and leadership, and to develop new charters for each committee. Dr. Long stated that it is important to have an adequate number of committees and not an overload. Committees can also be combined and consolidated as needed (example: Academic Affairs and Student Affairs for Educational Excellence). He also suggested utilizing subcommittees for critical specialized functions and using ad hoc committees for temporary projects. In conclusion Dr. Long indicated that there is a lot of value in restructuring, including increased effectiveness of the board, increased fiduciary focus, and added value for the institution.

Board members then had a Q&A session with Dr. Long. Some of the questions asked were as follows.

- Should there be an investment committee, and should there be non-board members on sub-committees to counsel the board member? It is not uncommon to have an investment committee. You do have board members in the committee and sub-committee because they have the fiduciary responsibility. You want to make sure that the board members are in charge of the committee, but non-board members can provide advice and counsel.
- Should there be more committees as board size increases? There is a temptation to add more committees when getting more new members but it is not recommended. Maintain the capacity for strategic conversation.
- Alumni have a huge reservoir of skills available, can they be drawn in? Alumni are important to be part of the university and can offer their expertise and help bring students in. This is an important and big focus. There have not been many advancement committees for strategic work but they are engaged in other ways such as an active alumni association and providing members to the board. Another option is to create some kind of advisory council to the president. There are ways to get them engaged without creating another committee.
- Governance is hard to measure. How do you measure board effectiveness and board performance? Doing by example and lifting that up – results of good work on board.
 - Traditional one is the board process – following good fiduciary practices
 - Do board decisions advance the institution in some way? Ask: if the board is not there, would it make a difference? AGB names 4 to 5 institutions a year with boards that have made a difference.
- What are the functions of the Executive Committee and are they effective? 1. Act for the board when the board cannot convene. 2. Provide counsel to the president. 3 to prepare agendas for full board. 4. Have oversight over strategies (unless there is a futures committee) 5. Provide assessment of the president. To do those functions, you do not need a lot of people – no more than 1/3 to 25% of the board members.
- What are words of wisdom about how to evaluate yourself as a board? What are the best practices of starting a great structure of board committees?
 - Board assessment – AGB provides a board assessment instrument that is administered to all the boards. It covers about 70 questions to help the board

understand themselves. It can be tailored to a particular interest like committee structure

- How do you know where to go and where to start? Identify needs and the direction you want to go, then, have a conversation with the full board (Task Force). Have a conversation as to what you think your needs are as a starting point.
- Do you recommend a special compliance committee or is it a governance committee? It is more important for boards to comply because boards are being held more accountable. Because it is a large area, one option is to have a committee devoted to multiple issues such as legal compliance, audits and integrity. He recommends a committee. You need to assess two things – what are the most consequential problems to have if not in compliance and what is the most urgent need of the institution? For example: do we have a plan for a pandemic?

Dr. Long suggested looking at the AGB website for other suggestions. He also suggested looking at the by-laws. The Bethel by-laws only names two principle committees but are open to other committees as needed – this is wise as committees can be adjusted whenever you need to without adjusting the by-laws.

President Gering thanked Dr. Long for the presentation and for the Q&A session.

The general session of the board adjourned at 5:16 p.m.

BOARD COMMITTEE MEETINGS

The following committees met in the evening after the general session.

Marketing & Recruitment Committee

James Enszt, Chair, led the meeting via Zoom at 6:30 p.m. The agenda included a brief departmental overview of Athletics, Communications, and Enrollment Management, Women's Flag Football proposal, discussion of e-sports and discussion on a migration to net tuition revenue.

Development Committee

Kate Brubacher, Chair, led the meeting via Zoom at 6:30 p.m. The agenda included YTD update for Bethel College fund and total giving, update on the Endowment Task Force, estate gift timeline update, and Engage the Future Capital Campaign update.

SATURDAY, APRIL 10, 2021

EXECUTIVE SESSION I FOR BOARD MEMBERS

Board members met in executive session by Zoom videoconference from 9:30 a.m. until 11:30 a.m. The dialogue focused on board committee restructuring, the endowed task force report by Brad Kohlman, a salary study discussion and other college business.

EXECUTIVE SESSION II FOR BOARD MEMBERS

Board members met in executive session by Zoom videoconference from 1:00 p.m. until 2:45p.m. The discussion centered on the FY2022 budget, recent estate gifts, and the strategic plan.

GENERAL SESSION

General session of the board met via Zoom at 3:30 p.m.

Futures Committee Report, Wynn Goering, Chair

Wynn reported that the Board had discussed the strategic plan in open session so there were no action items to bring forward at this time.

Financial Affairs/Risk Management Committee Report, Roberta Franz Hodgson, Chair

Roberta reported that the Financial Affairs committee was recommending the adoption of a budget for the FY2021-22 year based on an enrollment of 225 students and a discount rate of 58%. The full budget is attached in attachment 4F

ACTION ITEM: M/C (The Financial Affairs Committee) The Financial Affairs Committee has reviewed and affirm the FY2021-2022 budget (attachment 4F) and recommends to the board approval of the budget.

Roberta also reported on the discussions the Financial Affairs committee had with Vanguard and the different options they considered. The second action item from the committee was then brought forward.

ACTION ITEM: M/C (The Financial Affairs Committee) The Financial Affairs Committee recommends Bethel College terminate their relationship with Common Fund, adopt a single-fund solution with Vanguard and transfer those endowment funds to the Vanguard Life Strategy Growth Fund (VASGX), and 80% equity / 20% bond indexed fund. The investment policy of Bethel College will be modified to reflect this change.

Directors Committee, Lori Schmidt-Harrison, Chair

The Director's committee had a discussion with Jacob Gunden regarding his work with compliance and ethics. There were a number of issues that their discussion focused on but he pointed out four primary areas of risk that he felt the college should particularly keep an eye on. They included:

- 1) Liability risks associated with COVID and opening the college in the fall of 2021
- 2) The Gramm-Leach-Bliley act which requires the college to safeguard sensitive data.
- 3) Title IX considerations
- 4) The Clery act which focuses on transparency around campus crime policy and statistics.

The Directors committee also discussed the presidential evaluation policy and adopted the following statement after making a couple of wording edits:

Per the bylaws, the Board shall undertake a formal review process at least one year prior to the expiration of the presidential contract. In addition to this mandated review, an annual presidential review process shall be undertaken by the Executive Committee of the board. Results of the annual reviews—including contract and salary adjustments, if any—will be presented and voted upon at the spring board meeting. Input from college

personnel deemed appropriate by the Board and/or Executive Committee may be included in all review processes.

ACTION ITEM: M/C (The Directors Committee) The Directors Committee recommends that the Board approve the presidential evaluation policy as presented.

Academic Affairs Committee, Dan Flickinger, Chair

The Academic Affairs committee had no report or action items to give.

Development Committee, Kate Brubacher, Chair

Kate reported that Advancement was doing well in meeting its Annual Fund goals for the year. She also reported that Bethel was a little top heavy in donors with the median gift to Bethel being \$200 and the mean gift being \$2,300.

Marketing & Recruitment Committee, James Ensz, Chair

Jim gave a summary of the new flag football program that the committee was proposing Bethel adopt. They anticipated having 20-25 students possibly joining this team in the future.

ACTION ITEM: M/C (The Marketing and recruitment committee) The Marketing Recruitment committee recommends approval of the women's flag football proposal as presented with a start up in 2021-2022 for completion in 2022-2023.

CLOSING COMMENTS

Tom Adrian, Chair

Tom closed the meeting and reminded everyone to fill out their board meeting evaluation forms.

Galen Goertzen, Secretary
Bethel College Board of Directors

Date