

USHS Board Minutes (Unapproved)

3/24/15

Present: Maxine Adelstein, Pat Aylward, Kimberlee Bach, James Cotton, Donna Crews-Finney, Elizabeth Donihoo, Lora Laird, Renata Parrino, Cheryl Ritenbaugh, Carolyn Shenmen, Phil Sorenson, Patricia Walzer

[Unconfirmed - did not respond to roll call /questions]: Sharmela Graefer, John Laird, Carol Lee, Maria McConchie, Dawn Meltzer - **please let Secretary know if you were present or will be listed as unexcused.**

Excused: Robert Jaffe. Lincoln Wachtel. **[Didn't see any other email excuses.]**

Unexcused [definitely not on call]: Catherine Antunes

Guest: **Was Christine Lee** on the March call?

Next Meeting:

Tuesday 4/28/2015

2pm-4pm PST

Call-in: [\(605\) 475-4800](tel:6054754800) Pin: 271411#

Decisions:

- Motion passed to set up a 403(b) employee retirement account with Vanguard and offer to employees on a voluntary basis. USHS will not offer matching contributions at this time.
- The Board has approved an initial expenditure for Maxine Adelstein to attend the WASC accreditation meeting and for the accreditation committee to come to the board with next steps.

Meeting:

Meeting was opened with the Fatiha.

Agenda:

Agenda reviewed and additions/changes solicited.

Approval of minutes:

Secretary had technical difficulties at start of call, not sure whether February minutes were accepted Will be sent out again just in case.

Marketing report

Lincoln Wachtel provided a marketing update via email before the call, listing scheduled events, including 3 webinars, 1 free Q&A teleclass, an Arabic 3-week intensive and a Year One 3-week intensive. The Marketing Committee is meeting weekly and is in the initial stages of creating the 2015-16 marketing plan. They have hired a part time marketing assistant to help increase outreach efforts and are interviewing for a part-time technical support person.

Enrollment report

Lincoln Wachtel is on vacation. He sent his report prior to the meeting along with a copy of a new promotional brochure, as follows:

Year 1 Fall remains under budget overall, although the Farm of Peace session is now 2 over budget with 11 paid students + 1 nonpaying.

Zero enrollments so far in Bay Area spring class or July 3-week intensive, a few leads.

Current Year 2 and Year 3 are at budget with a few drops and leaves of absence.

Y4 Ministry is at 13 + 1 nonpaid. Fawzia's teleclass has 51 paid and 9 discounted tuition;

Amany's class 13 paid + 1 discounted; no enrollments for Relationship class yet.

Financial report

Phil Sorenson reported; still about the same. Doing well overall. No significant variances, surprises or changes since last month's report. Have a nice cash cushion.

The biggest concern is low enrollment -- we need more tuition revenue, are still far too dependent on fundraising. While our finances are stable, we are still far from thriving.

The staff has started the budget planning cycle for next year and it's on schedule.

He reviewed the spreadsheets including cash flow YTD and balance sheet. Again, despite low Y1 enrollment, we are doing okay because of income from other programs. However, the ripple effect of a low year one over the next four years remains a concern.

He welcomes a new member, Brenda Jaeck, to the Financial Oversight Committee. She is a year 2 student who is a CPA with audit experience.

Co-Presidents Report

Carolyn Shenmen sent report out a few days ago, similar to last month. Changes include:

- The Farm of Peace class enrollment is known, slightly over budget. They have met and it's going well.
- There is a 17-day Ramadan intensive planned, led by Sa'id bin Yunus, covering Arabic and Qur'an, one beginner level [section] and one more advanced.
- She and Maxine have created academic calendars up through 2018-2019, which should be up on the website soon so current and prospective students can see all the dates for their entire program.
- There is a new CD in production to help outreach efforts, containing interviews with Dr. Jaffe, Maxine Adelstein and Carolyn Shenmen.

Discussion - 403(b) retirement account

Carolyn Shenmen had sent out a detailed proposal for the Vanguard 403(b) retirement account, which was approved in principle last month. It's a tax-deferred account that will be offered to employees only. It's the non-profit version of a 401(k) -- it lowers the tax burden while you are working, then funds you withdraw are taxed at a (usually) lower rate once you've retired.

Carolyn's proposal is that we go ahead and create the plan, offer it, its voluntary for them to participate. Questions and discussion followed.

- There is no expense to the University.

- Employees can participate or not; they pay only \$15 per fund per year, and can establish just one target fund for their retirement date.
- Anyone currently on the payroll who is already having taxes deducted is eligible, including part time employees.
- Carolyn recommends Vanguard because they appear to have the best long-term return along with low fees, under a quarter of a percent or so.

Proposed: to set this up and offer to employees as described. No objections heard. Motion passed.

Development Report

Carolyn Shenmen reported; have \$213,000 in donations, about 2/3 of our goal. Maxine will be meeting with Pat Aylward to get the board to 100% participation, Katina [Bishop] is working with others. She encouraged all board members to donate even \$5 now. *The moment we reach 100 percent, we have a \$5K matching grant just waiting to be delivered.* Pat will contact those who have not donated yet.

Other Committee Reports

Alumni - no report.

Bylaws task force - still in process of reviewing minutes.

Accreditation committee - looking for members and taking volunteers. Renata Parrino volunteered. Will be more about accreditation later this meeting.

Pat solicited volunteers for 2 at-large members of the executive committee, which has not been active in a while. Interested members contact him.

Strategic Discussion - Accreditation Proposal

The introduction sent out prior to the meeting said, in part, "Attached is a proposal to the BoD to approve in principle the Accreditation Committee moving forward, insha'allah, towards accreditation under the Western Association of Schools and Colleges (WASC). The proposal includes a rationale, timeline and minimal budget, summary of the initial criteria for eligibility to apply for accreditation (the first step).[And] some detail on those criteria that relate to the BoD particularly, to provide a sense of what is involved in this process...."

"Board approval in principle would allow [Maxine] and possibly others to attend the late April annual WASC meeting and gain a much more grounded vision of what will be required. A more complete timeline and budget will be developed by the Accreditation Committee before the BoD is asked to make a commitment to taking the first step in the process, establishment of eligibility.... We are NOT proposing adding this work to existing staff workloads, but rather taking this on will necessitate additional staff and financial support.... "

Cheryl Ritenbaugh gave some background on the accreditation process and its history, including our current status under BPPE [the State of California Bureau for Private Post-secondary Education] as an exempt school operated by a religious non-profit.

Jim Cotten updated SSRC's efforts to find out our facility compliance issues, had a site visit by two consultants (engineer and a lawyer) familiar with Napa County requirements. Basically, they thought we probably have significant work on our buildings to make them code-worthy or replace them all. The road is not as bad as we thought because of work already done. We're doing preliminary work to have things lined up before clock starts with Napa County.

Cheryl: As of Jan 2015, BPPE now has the policy that any institution giving a regular Bachelor or Masters degree, that is, non-religious degrees, must be accredited. Every non-accredited school in Calif. now must move through this process. However, for a religious school, the door is still open to move from exempt to approved, to be visible on their website, which is not the same as accreditation.

It was noted that Zaytuna, which gives standard undergraduate degrees, had to be approved from the beginning on a different path. We are not starting where they started.

Discussion followed:

Maxine: Sidi has consistently asked us to get accreditation. The fact that Zaytuna got approved in a year and a half, having already gotten approved with BTPPE, is encouraging and inspiring. They found the process helpful, the self-study and self-assessment. They describe it as part of the Islamic way to do that introspection. They thought they'd get a list of improvements needed, the quick accreditation was a surprise to them. I take it as a sign that the door is open to us now. It will be a lot of work but we owe it to students and to ourselves to move forward.

Maxine: I would love to see Board move with this and go with it. We already have much of what is required. Accreditation will give us more credibility, more visibility and help our students qualify for Federal loans.

Renata Parrino: One thing they require is that we not be dominated by a religious person or body dictating our policy -- we need to be fully independent. How does that work with Sidi?

Maxine: Sidi is really clear he won't stand in the way and he'll do what's needed. For example, we recently had a conversation about him giving our faculty Islamic teaching certificates.

Carolyn: Legally speaking, the Board makes the decisions, Sidi is an advisor. We do take his advice most of the time but are not forced to take it.

Maxine answered some questions about costs: The cost is partly based on the number of students, and need to have site visits - that cost is not clear. Its \$12,500 to *start* the process to apply, if we go with WASC; we get a partial refund if we don't go forward. We pay for site visits, an audit, the review of eligibility documents, if our process goes beyond X years we pay more. Also will still have the BPPE approval costs. We are still putting the whole cost picture together.

Also, WASC has a lot of workshops to support the process, for example how to evaluate student progress on exactly the kinds of things we as faculty have been struggling with. And they seem

more open now to less usual kinds of institutions ... like the California Institute of Integral Studies, which is more similar to us than Zaytuna.

Cheryl: If you watch the Zaytuna video, they have pride in their school and standing in their identity, and it's quite different than ours. We need to hold our school in that same way, that's our transformation. We know who we are. When I went to the American Academy of Religions conference, I discovered how much I'd learned at USHS. Everything they were talking about we do and practice. We're an outstanding school that's been small for so long we have taken on that identity.

Maxine: This is a big step. I would like to hear from each board member on this.
[Member roll call was taken, no P&P objections.]

Decision: The Board has approved an initial expenditure for Maxine to attend the accreditation meeting and for the accreditation committee to come to the board with next steps.

Maxine read the Fatiha to close the meeting.