The annual Trustee Retreat was held on Friday afternoon and Saturday morning, July 19 and 20, 1985 at THE NEWPORTER in Newport Beach, California. Present were Donald S. Maxwell, Chair; Lynda L. Fluent, Vice Chair; Stephen W. Gamble; Harry A. Gilbert; Fred Held; Rowland D. Hill; William C. Himstreet; Elizabeth Clare Hunt; Corky Korkowski; William R. Lucas; Wayne L. Miller; George K. Saiki; G. William Thomason; and Richard L. Van Kirk. Unable to attend were Bruce H. Archibald, Paul J. Conn, Eric G. Farr, George R. Hensel, Donald C. Mitchum, Julia M. Robinson, Carl R. Terzian, William R. Thomas, Barry A. Wiegler, and William L. Yerkes. Attending as administrative guests were Vice Presidents Lowell K. Bokelman and Jacqueline P. Doud; Mark A. Coffman, Director of Management Information Systems; and Donald J. Conway, Chair, Faculty Association.

Call to Order

The Friday afternoon session was called to order by the Chair, Donald S. Maxwell, at one o'clock. Mrs. Rachelle H. Prince, Secretary, Board of Trustees, acted as Recording Secretary.

The Chair explained that the focus of this year's retreat was structured around the question, "What Now?", with the opportunity for trustees and administration to take a close look at the University in terms of where it was today and where it was going, as well as to ascertain if the basic goals recently adopted by the Board remained valid.

Dr. Miller expressed that Woodbury had reached somewhat of a plateau, and that it was now necessary to use this plateau as a launching pad to reposition the institution for future years. It was his hope that the group would be able to take a step forward during the next two days of long-range planning.

Retreat Facilitator

Dr. Miller introduced Ray Griffin of Coopers & Lybrand by saying that Griffin had been of tremendous assistance in facilitating the affiliation meetings in past months. The Board had requested his services at the retreat to help them think through the process. Following Board and administrative introductions, the structured portion of the retreat commenced.

Summary of the Analysis

1. Goals--The two basic goals within the context of the general mission of the University, which was formulated in 1982, are:
(a) To achieve and maintain a high standard of academic quality, and
(b) To achieve and maintain financial stability and strength.

It was noted that the two goals were so intertwined that one is not likely to be achieved without the other. The question before the Board was whether to reaffirm the basic goals and/or change them, whether the analysis agreed upon during the 1982 and 1984 retreats was still valid and accepted and, if not, how should it be changed.

2. Analysis of Problems--Dr. Miller noted the change from a profit-making institution to a non-profit entity in 1972, and the overall perception that has been carried since that time. With the 1985-86 budget being 88.9% tuition based, it was deemed important to discuss how Woodbury would continue to function financially. Two ways to deal with achieving the financial stability and strength were considered as follows:

(a) Using the real estate option by selling current property and relocating to less expensive property, and/or
(b) Moving forward with a fundraising program, including a capital campaign, as a means of making a significant contribution to the budget.

3. Image and Visibility--It had now become crucial that Woodbury move beyond the image of a proprietary institution. The present image in the community was one of a marginal institution functioning at the vocational, rather than the professional, level. The image among students was positive regarding career, personal attention, and academic strength, but weak regarding student services.

Current research by the Admission Office as to why prospective students chose not to enter the University reaffirmed what the administration has known for the past two years ... downtown location, lack of housing, commuting and parking.

4. Quality--Some of the basic elements of a high quality University were known to be missing at Woodbury. Prime to the factor of quality are faculty salaries that are high enough to attract and to retain qualified individuals. The Budget and Fiscal Planning Committee has committed to an evaluation of the current faculty salary structure.

The Board ascertained that goals of quality and finance were market driven, and the resulting question was that of market expansion.
Mission

Discussion of the Mission Statement adopted by the Board in the last few years focused on why the University exists, what it does, impact of the geographical location, and an indication of the results in terms of market or services. In summary, the basis related to the traditional trilogy of (a) educating, (b) researching, and (c) providing public service.

There was no doubt that a major challenge ahead included moving from a current invisible image into a visible university through achieving and upgrading goals and creating a "niche." The definition of what student population was best suited to the existing educational environment was considered critical since the downtown location and link with business created a definite relationship to the "buyer of the product."

Role of Research

While research was not considered a focal point, it was acknowledged as an integral part of the program in that sabbaticals are offered to faculty as a part of their personnel policy, and Woodbury does participate in applied research by way of grants or community projects. Research of that nature could be considered as a secondary goal rather than one that was primary.

The Board recognized there was a direct correlation between research, quality of programs, and quality of educators which would, as such, have an impact financially; e.g., upgrading of faculty salaries to recruit and retain a strong faculty. A tuition increase would necessarily follow since the University is essentially tuition driven. It followed then that, unless a major program was underwritten from other sources, tuition and income would come from the student and/or parent. In that case, Woodbury would be placed in the position of focusing on the middle class student and/or a different market; e.g., the older student who is employed in the downtown location and who would benefit from a program geared to those adults who had not yet achieved a degree and who either had the ability to pay tuition themselves or whose companies offered a tuition remission program.

Student Profile/Marketing

A recent Admission Office survey indicated that, of the 40,000 high school graduates in the Los Angeles area, 53% were seeking an institution which offered housing, and 47% were in the commuter category.

The survey also underlined the fact that grade point averages and SAT scores of entering freshmen were not correlated in that the SAT average of 780 was some 60 points below the national average of entering freshmen, while the average grade point average of 2.8 was only 1/10th of a point below that of USC. Creation of a larger total market by opening up the housing pool would result in a qualitative change over time.
In essence, housing was considered as a key to maintaining a viable student body. If housing were provided, the University would immediately DOUBLE the pool of high school graduates who would become serious candidates for Woodbury.

A market growth strategy which was outlined to the Board pointed out that the institution had not really tapped any new markets, 53% of which was linked to the lack of housing facilities. Providing housing would open the potential for recruitment outside the Los Angeles basin.

It was considered important to note Woodbury's student profile wherein 65% of American students received financial aid (70% being undergraduate and 30% being graduate). On the whole, 35% of the student body was international in nature and represented a total of 38 countries, primarily southeast Asia.

Dr. Miller interjected that the market growth strategy from 1980 to 1985 had been based on the present market with emphasis on penetrating that market further by using new techniques and new products. It was now proposed that the University open new markets over the next five years through market expansion and diversification. Woodbury had unsuccessfully attempted to do just that in 1979-80 with development of a master's degree in Store Planning. The second such failure was the attempt a few years ago to create a viable department of Continuing Education to market non-credit programs to Los Angeles businesses and their employees. In recent years, focus had turned to programs in Computer Information Systems, Fashion Marketing, and Architecture, all of which were showing positive growth patterns. New to the 1985-86 programs was a Knowledge Assessment Program (KAP) and a Business Administration degree program geared to the adult learner.

The Board was advised that, presently, Woodbury was viewed by many students as an alternate choice, and was often listed as second or third on financial aid applications. The question then is whether there really is any "magic" to the downtown Los Angeles location. Most students live within 20 miles of the central city, with international students being the largest group who live in the close-in vicinity, mainly because of the convenience factor. It follows that this group could be accommodated in any location that offered safe and inexpensive housing.

Marketing was termed as being somewhat dependent on the following factors:

1. Price (Woodbury's is lower),

2. Serving a "niche," and

3. Offering a unique product (such as in the design fields).
Measurable Major Goals

Participants summarized measurable major goals as follows:

1. Competence in a major field.

2. Competence in basic skills.

3. Enabling and encouraging students to develop habits of lifelong learning and understanding.

4. Maintaining graduate and professional programs with limited applied research.

5. Developing a program to meet the learning needs of mature adults; hence, the Knowledge Assessment Program (KAP) and the Business Administration Program.

6. Maintaining a climate of trust and respect without prejudice or discrimination.

7. Developing a data and information foundation from which to establish institutional fiscal viability.

8. Developing and implementing strong student recruitment and fundraising programs.

Location and Goals

1. Maintain Location/Maintain Goals

   (a) Facing declining enrollment.

   (b) No campus.

   (c) No parking.

   (d) No new population markets.

   (e) No major capital inflow.

   (f) No housing.

   (g) Lack of security.

   (h) Sitting on assets.

   (i) Split by Wilshire Boulevard.
6.

(j) In the heart of the "building boom."

(k) Close to design industry.

(l) Plus or minus of downtown location.

(m) No allowance in budget for academic and facilities improvement (remain status quo).

It was concluded that Woodbury could maintain the current location and operate at current levels, but could not achieve high quality because of limited financial capability.

2. Change Location/Maintain Goals

(a) Capital from sale of current site/create endowment.

(b) Serve new markets.

(c) Flexibility, evolution.

(d) Seek location that would not disturb current market by providing housing and transportation networks, in turn implying accessibility from the downtown area.

(e) Retain American student population.

(f) Maintain flourishing aspect of design programs.

(g) New population market.

(h) Capital inflow/"new" campus.

The Management Team recommended that the Board authorize the administration and the Buildings and Grounds Committee to seek out, acquire an option, and recommend a new location to the Board. This site should be either in the Central City area or no further from the Central City than such "near-in" locations as Burbank, Glendale, and Pasadena.

It was pointed out, however, that quality was not just a matter of finance. It was also a matter of program. Therefore, what can be done to meet real needs and at the same time enhance the public image of Woodbury?

3. Maintain Location/Change Goals

(a) Mediocre quality.

(b) Become smaller to reduce costs.
(c) Possible new population with some housing provided.
(d) Probable capital inflow.
(e) No option for long-term future campus.

4. Change Location/Change Goals
(a) Capital from sale of current site to ADD to endowment.
(b) New population market.
(c) Capital inflow/"new" campus.
(d) Alternate sites.
The discussion of location and goals was briefly summarized with the following highlights being earmarked:
(a) The same issue had been on the planning boards during the past five years and was not entirely new to the decision process.
(b) The "reasons" for affiliation still applied at this stage, although the solution was not the same.
(c) The University still felt it necessary to relocate in order to achieve and maintain basic goals.
(d) It remained advantageous to preserve some of the downtown presence.

Available Sites/Locations
As a means of comparison, Dr. Miller distributed a listing of the various sites which were currently available, both in the downtown area and in suburban areas. Basically, they included:

1. North Beaudry—in the downtown Los Angeles area.
2. Yellow Cab and Adjacent Lot—in downtown Los Angeles area.
3. Fourth Street Between Shatto and Westmoreland—west of downtown area.
5. Church—in La Puente.
6. Church—in Pomona/Claremont.
7. Resort Motel—in Upland foothills.

8. College of Law—San Fernando Valley College of Law.

The Board agreed that selection of a location should be one that was financially feasible for purchase, that would open new markets, that was accessible to freeways and close to downtown Los Angeles, that provided housing and campus environment, that provided attractiveness to students, that was secure, and was accepted by the importing community.

Available Location—Lutheran High School Association of Southern California

The subject property is located in the community of Sun Valley within the city of Los Angeles, a small portion being located within the City of Burbank, with immediate access via the Golden State Freeway. The property, which consists of 22 plus acres, is zoned (Q)R4-1, with variations for the three distinct zones of multi-family residential, educational, and single-family residential. The property has been improved with 12 buildings totaling 98,176 square feet which are used as the campus facility for Los Angeles Lutheran High School and a conference center for use by Lutheran Churches and outside groups. The facilities consist of:

1. Two buildings exclusively as classrooms.
2. One building that houses classrooms.
3. A complete cafeteria facility and auditorium.
4. A gymnasium.
5. A swimming pool and equipment building.
6. A dormitory style conference center.
7. Administration office building.
8. Chapel.
12. Two athletic fields.

Total asking price was expected to be in the vicinity of $6½ million, although there may be some flexibility for an all-cash sale.
Saturday morning, July 20, 1985 Session (continued)

In summary, Ray Griffin reviewed discussions that had taken place the prior afternoon as follows:

1. Mission and goals statements.
2. Identification of the buyers of the product.
3. Student population and profile.
4. Research as a secondary function.
5. Distinct markets of older student and high school graduate.
7. New products and market exchange.
8. Diversification of product.
9. Woodbury as alternate choice of prospective students.
10. Academic spread.
11. Geographic market.
12. Variation of population characteristics for academic programs.
13. Maintaining a downtown presence as a learning center.
14. Real estate option.
15. Pluses and minuses of current location.
16. Past history of affiliation and relocation studies.
18. Feasibility study of further exploration.

Dr. Miller added to the summary by saying that, while it was true that Woodbury needed a campus, housing, etc., the real mission was that of education--the end product. A new campus location would provide excitement for awhile but, in the long run, it was what is accomplished on that campus that would be first and foremost. The institution was, therefore, faced with a unique opportunity to bring together, over a relatively brief span of time (5-10 years), a "pole vault" up to another plateau in terms
of location, campus, program, public relations program, and marketing. Growing out of it would be a new image for the institution. It was important to bear in mind that Woodbury is a relatively focused institution and probably would need to remain that way, as well as the fact that it is necessary to enhance the quality of the educational program which, in turn, paves the way to a new image.

In conclusion, there is a need to take a look at all problems—the need for more students, for better students, for better education—and to come up with a program that will at least answer the majority of those problems.

Honors Program

The idea of a possible honors program was presented as one of high quality that would give positive visibility centered around a theme such as "Leadership for the 21st Century." Such a program might include some of the following:

1. A five-year honors program leading to both a bachelor's and master's degree.

2. The last year of the bachelor's and all of the master's degree would be highly concentrated in professional education.

3. The first three years at the undergraduate level would include a general education program similar to Woodbury's current program, but with honors sections.

4. The diversified major would carry selection of three fields of 30 credits among:
   (a) Language and Culture.
   (b) Science and Technology.
   (c) Mathematics.
   (d) Philosophy and Ethics
   (e) Art and Design
   (f) Leadership: Innovation and Creativity
   (g) Communication
Academic Quality: Focusing on Education (Dr. Doud)

Dr. Doud reiterated a paper she had prepared on the above subject which focused on a recent study by five college presidents who reported on the lessons learned in each of their institutions related to education--teaching, learning, and curriculum. According to them, sound management was important, but paramount to any educational reform or renewal was close examination of the purpose or mission of the university. Basically, the lessons learned by the five presidents were:

1. The present is the time of opportunity for American colleges and universities.

2. Sound management is essential for colleges today, but it is not enough.

3. Focusing on education is the best remedy for the challenges facing colleges and universities today.

4. Colleges can prosper by embracing the liberal arts. This does not mean that it is necessary to offer a major, but it is seen as essential to the overall foundation as cultivating the abilities of critical thinking, judgment, appreciation, values, communication skills, analytical and conceptual ability, etc.

5. Colleges of all types have the ability to succeed today.

Unfortunately, quality became of secondary concern in the '60's as the pressure to admit large numbers of students who previously lacked the means and encouragement to receive education beyond high school increased.

Woodbury University took many steps in 1984-85 to increase quality, some of which were:

1. **Admissions:**
   
   (a) Entering grade point average requirement increased from 2.0 to 2.2.

   (b) Only academic subjects relevant to Woodbury programs to be considered in admission evaluation.

   (c) High school advanced placement credit will be interpreted according to accepted levels at other colleges.

   (d) "No-need scholarships" to reward the high achiever.

   (e) Limitations placed on probation admission.
2. **Standards:**
   
   (a) Fine-tuning Math and English Placement tests.
   
   (b) Monitoring students on probation.
   
   (c) Policy on academic honesty.
   
   (d) Establishing grading guidelines.

3. **Faculty:**
   
   (a) Annual self-evaluation of effectiveness.
   
   (b) Reaffirmed practice of using student evaluations.
   
   (c) Part-time faculty pool established.
   
   (d) Awarding of bonus by Board as a reward for work well done.
   
   (e) Salary increased awarded by Board.

4. **Program:**
   
   (a) American English Language Program (AELP) delivery allowed for concurrent enrollment in major.
   
   (b) Business Administration evening major established primarily for convenience of working adults.
   
   (c) Policy on experiential learning to allow for prior learning as credit.

Donald Conway, Chair of the Faculty Association, raised the question of quality of faculty, and the negative impact created by the current Faculty Salary Schedule which was based on years of experience and degree level. All new faculty hires are placed on the fifth experience level regardless of the past teaching history they carry with them which, of course, means a very low entry salary which inhibits recruitment of quality faculty. A further problem was the relatively low salary offered to part-time instructors. Concern was also expressed in terms of faculty development--quality faculty versus those considered deficient--and the impact on the quality of students.

Dr. Miller responded that the current Faculty Salary Schedule was adopted by the faculty and the Board of Trustees in the 1977-78 academic year with various cost-of-living and merit adjustments incorporated into the schedule throughout the years since 1977-78. He said the administration had been
reviewing the schedule at the time the faculty lawsuits were filed, and
the process had been held in abeyance on the advice of legal counsel.
There was no question that the schedule was in need of evaluation, and
that commitment had been made for the 1985-86 academic year.

Mr. Maxwell requested the faculty to compile a study for presentation to
the Board’s Academic Affairs and Student Services Committee, results of
which would be recommended to the full Board. If accepted, the Board would
then request action from the Budget and Fiscal Planning Committee.

Business Purpose

Management was requested to prepare a report predicated on existing basic
information defining each of the components of the business purpose as
discussed earlier:

1. Transmittal of knowledge through teaching.
2. Specifically selected subject areas.
3. Defined student population.
4. Identification of the information gaps relating to the ability to
   make a decision about Woodbury’s future.

In order to improve quality, it would also be necessary to:

1. Study faculty compensation practices and procedures as related to
   quality enhancement.
2. Implement an honors program.
3. Add to the student recruitment base.
4. Form a liaison with business with outline of business goals to include
   new programs.
5. Move from the negatives of the current site.
6. Perform a new campus study--staff and student services.
7. Become expert in a "niche" in terms of innovation and creativity.
8. Establish an entrepreneurship type of program which could include
   small international-flavored companies.
9. Promote international exchange programs in the international trade
   area.
10. Maintain liberal arts tie in terms of culture, etc.

11. Expand internships.

12. Add to marketing/public relations function.

13. Maintain understanding of history and culture.

It was generally agreed that Woodbury was in a position to take the risk of moving ahead and carrying out the above-mentioned steps toward achieving quality for the institution.

Adjournment

The retreat adjourned at 10:00 a.m. for break to be followed by the regular meeting of the Board at 10:30 a.m. on this same date.

[Signature]
Secretary, Board of Trustees