

Minutes

Saint Paul School of Theology – Board Meeting

July 14, 2023

Location: ZOOM ONLY

Open Meeting - Friday, July 14, 2023

Board Chair Dr. Amy Hogan called the summer meeting of the Saint Paul School of Theology Board of Trustees to order at 9:00 a.m. The Rev. Dr. Tex Sample then offered the Opening Devotion to begin the meeting.

Following approval of the April 2023 Board of Trustees meeting minutes, Dr. Hogan called for departmental and committee reports. President Blair was absent from the meeting, so Dr. Hogan invited members of the Executive Leadership Team to offer updates from their respective areas.

Following the Executive Leadership Team updates, Vice President for Academic Affairs and Dean Dr. Sharon Betsworth reported on behalf of the Board's Academic Committee.

Reporting for the Resource Committee, Chair Linda Shipman and Chief Financial Officer & Chief Operations Officer Mr. Matt Mills noted that Saint Paul has sufficient and stable financial resources to achieve its mission with educational quality and financial sustainability. The following reasons give confidence that the school can maintain these structures into the future: 1. Saint Paul operates with no debt; 2. A balanced budget with a 4%-5% endowment draw target; 3. An endowment that is 9-10 times the size of its annual expenses; 4. Operates with enough cash to cover six months of expenses in its checking account; and 5. Saint Paul has diversified revenue streams which includes four different areas (tuition, endowment draw, fundraising, other) with no area representing more than 40% or less than 15%.

Mr. Mills stated that he is in the process of closing our books for fiscal year 2022-2023. Additionally, we have already begun preparations for our annual audit with RubinBrown. The initial results for FY 23 look positive.

The Resource Committee received the 3rd quarter financial statements. An important stat: Through 3/31/2023, SPST had \$0 in endowment drawdowns. This is an amazing statistic and shows SPST is fully funded through operations for 9 months. Even though SPST did not need to draw endowed funds, it was determined to smooth cash flows it was appropriate to draw prior to June 30th. Below you can find the endowment draw stats for FY 2022-2023. We will finalize numbers in the coming months.

FY 2022-2023 Actual draw down: approximately \$1,150,000.

FY 2022-2023 Actual 12-quarter rolling average: approximately \$34.8 million.

FY 2022-2023 Actual draw down %: approximately 3.3%.

FY 2022-2023 Budgeted draw down: \$1,576,956.

FY 2022-2023 Budgeted 12-quarter rolling average: \$33,993,624.

The Rev. Dr. Tex Sample, Chair of the Strategic Planning and Evaluation Committee, shared an update on the committee's dashboard report, asking Mr. Mills to provide context around the strategic planning taskforce group and key priority indicators.

Mr. Mills made the following points.

1. The Committee received a draft strategic plan from the task force. The Committee is happy with the progress and has now asked the ELT to review the draft plan, assign “POC” responsible parties, and assign dollars to the various goals. The task force worked within the framework established by the strategic planning committee (and approved by the full board).
2. The strategic planning task force met bi-monthly since January.
3. The Committee also approved two budget proposals. One proposal is for a development of a podcast room (\$5,000) while the other is for enhancement of international recruiting specifically within South Korea and Zimbabwe (\$27,117).

Governance Committee Chair Ms. Dana Aldridge stated that the Governance Committee will be working on establishing a Board Member skills matrix to identify the skillsets we want represented on our Board. Once complete the current Board member skillsets will be added to the matrix. Once complete the Governance Committee will use this skills matrix to profile additional Board member appointments needed.

The Governance Committee held its annual review of board policies and bylaws. The committee reviewed the current policies specifically for electronic voting and meetings as well as committee/task force policy. The committee found sufficient policies to support electronic meetings and voting. One policy revision for Ad Hoc committee meetings will be presented to the board.

The Governance committee made a motion to re-elect Jennifer Ahrens-Sims, Dana Aldridge, Linda Shipman and David Wiggs to a new three-year term. The motion passed unanimously.

The Governance Committee also made a motion to revise the following policy:

Current: BP6 Policies Regarding Board of Trustees Standing Committees - *The BOT shall annually appoint the membership of the Board standing committees and any ad hoc committee. The BOT may appoint non-trustees to any Board appointed committee, but may only do so if a two-thirds majority of the appointed committee consists of trustees. All standing committees shall have at least four members. Appointments are for an annual term beginning July 1 of each year. Appointments are renewable.*

Revision: *The BOT may appoint non-trustees to any Board appointed committee, but may only do so if a **Where possible, and when relevant to the committee task a two-thirds majority of the appointed committee should** consists of trustees.*

The Board endorsed the proposed change unanimously.

Trust and Collaboration Task Force member Ms. Dana Aldridge shared that the T&C Task Force has been working with Matt Mills to submit a grant to the General Board of Higher Education and Ministry (GBHEM) for MEF Innovation Development. The grant application was submitted on June 16th. The total request was \$230,070. Our request for funding breaks down as follows:

- 1) Consultant to lead us through an equity audit
- 2) Student Scholarships for underrepresented students
- 3) Intercultural Development Inventory
- 4) Trustee, Faculty, and Staff Intercultural Retreat

5) Funding training on institutional equity

6) Contract with Tara Harvey of True North Intercultural for Faculty & Staff development

The Trust & Collaboration Task Force requested Board approval to continue as a Task Force July 1, 2023 – June 30, 2024. Board Policy states that Ad Hoc committees must be renewed each year. The Board unanimously endorsed the recommendation for the Task Force to continue for an additional year.

Dr. Casey Sigmon, Assistant Professor of Preaching and Worship and Director of Contextual Education, provided context for the work she pursued during her research leave.

In an Open Discussion about the October Board meeting, trustees determined to meet on October 20 and 21, 2023 for their fall meeting.

Saint Paul alum Rev. Trista Soendker Nicholson provided contextual information on pastoral care needs and counseling resources needs for pastors.

Rev. Tino Herrera offered the concluding prayer and Dr. Hogan adjourned the open meeting at 2:35 pm.