

Minutes of the Board of Trustees Meeting  
Washington State Community College District 17  
Regular Meeting  
November 16, 2010 – 10:00 a.m.  
Institute for Extended Learning Lodge  
3305 W. Fort George Wright Drive; Spokane, WA

**Present:** Greg Bever (chair), Ben Cabildo (11:25 a.m.), Don Cox, Carol Landa-McVicker, and Bridget Piper. Also present were Christine Johnson, Joe Dunlap, Scott Morgan, Pam Praeger, Janet Gullickson, Greg Stevens, Anne Tucker, Maureen McGuire, Carla Naccarato-Sinclair, Brian Briggs, George Suttle, Angela Wizner, Dawn Chavez, Robbin Hansen, Jolynne Sherman, Jorge Guerrero, and Linda Graham (recorder).

**Guests:** John Huffstutter

**CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL**

The Board of Trustees of Washington State Community College District 17 held a regular meeting in the Institute for Extended Learning Lodge, 3305 W. Fort George Wright Drive; Spokane, Washington, on Tuesday, November 16, 2010. Chairman Greg Bever called the meeting to order at 10:10 a.m., followed by the Pledge of Allegiance and roll call.

**INTRODUCTIONS AND OPEN MICROPHONE**

Chairman Bever introduced Trustee Bridget Piper, newly appointed board member, and provided some information regarding her background and involvement in the Spokane Region.

**APPROVAL OF CONSENT AGENDA**

The below items on the consent agenda were reviewed and approved as presented:

- a. Regular Meeting Minutes– October 19, 2010 (**Resolution 10-35**): It was moved by Trustee Don Cox and seconded. Motion carried.
- b. 2011 Meeting Schedule (**Resolution 10-36**): It was moved by Trustee Carol Landa-McVicker and seconded. Motion carried.
- c. Tenure Step Increase (**Resolution 10-37**): Dr. Johnson clarified that tenure steps are taken every year and that the cost is shared with the Association for Higher Education (AHE). Trustee Don Cox questioned if step increases are negotiated. Mr. Greg Stevens reported that step increases require legislation appropriation and are addressed in the Master Contract. It was moved by Trustee Carol Landa-McVicker and seconded. Motion carried.

The following reports on the consent agenda were presented to the Board as informational only. No action was taken.

- d. Capital Projects in Progress. Mr. Greg Stevens stated that the projects are on target for timeline and budget.

- e. Head Start. Trustee Carol Landa-McVicker mentioned that there were concerns regarding the Reauthorization Act and the Board having a more active role in approving expenditures. It was mentioned that the Board may need to discuss this topic in more detail at a later date.

**ELECTION OF OFFICERS/COMMITTEE ASSIGNMENTS 2011**

Chairman Bever stated that Trustee Carol Landa-McVicker has been nominated as Chair and Mr. Greg Bever as vice-chair for the Board of Trustees effective January 1, 2011. Hearing no other nominations, it was moved by Trustee Bridget Piper and seconded that Trustee Carol Landa-McVicker be elected chair and Chairman Bever as Vice-Chair.

**Resolution 10-38; motion carried**

The following committee assignments were established for 2011:

CCS District Equity Council	Primary: Ben Cabildo Secondary: Carol Landa-McVicker
CCS District Finance and Legislative Advisory Committee Representative(s)	Primary: Greg Bever Secondary: Don Cox
CCS Foundation Board Representative(s)	Primary: Bridget Piper Secondary: Don Cox
CCS Head Start Policy Council Representative(s)	Primary: Carol Landa-McVicker Secondary: Ben Cabildo
CCS Tenure Review Subcommittee	Primary: Don Cox Secondary: N/A
CCS Trustee Scholarship Selection Subcommittee	Primary: Carol Landa-McVicker Secondary: Greg Bever
TACTC Board of Directors Representatives:	Primary: Carol Landa-McVicker Secondary: Greg Bever
TACTC Legislative Steering Committee Representatives	Primary: Greg Bever Secondary: Don Cox

**BUDGET PLANNING UPDATE**

Dr. Christine Johnson provided an introduction and stated that due to the extraordinary leadership of Dr. Gary Livingston, former chancellor, and his team, the district is in a strong fiscal position to weather current budget circumstances. However, it was noted that the district, as many other systems and institutions across the country, has not kept track of its return of investment. The budget presentation will not only illustrate how much money the district is allocated, but also where the funds go and how they are used.

When compared with other districts of equal size, complexity and enrollment within the state, data shows that CCS does better than the Seattle district and the state average as a whole. Mr. Greg Stevens, Chief Administrative Officer, is currently working with a national organization so comparison analyses with peers from across the country can be prepared.

This report testifies to the stewardship lead by the board and implemented by the previous executive team. Dr. Johnson stated that this message should be shared with all constituents – including the legislators and the state. Dr. Johnson acknowledged the extraordinary work of Mr. Greg Stevens; the entire budget team; Dr. Joe Dunlap, President of Spokane Community College; Mr. Scott Morgan, Chief Executive Officer of the Institute for Extended Learning (IEL); and Ms. Pam Praeger, Interim President of Spokane Falls Community College.

Mr. Greg Stevens recognized Ms. Lynn Holmes, Mr. John Huffstutter, Ms. Kathleen Roberson, Mr. Dennis Eaker, Ms. Karen Johnson, Mr. Bill Sackville-West, and Mr. Dan Whye for their work on the report/ PowerPoint presentation entitled “A Review of the General Budget Environment and Its Impact on CCS Services and Functions,” which was shown.

Mr. John Huffstutter provided an overview of the budget process and discussed the different operating revenues and expenditures. It was noted that 58 percent of CCS funding goes toward instruction, while the state average is approximately 56 percent. Library/instructional media and student services expenditures at CCS are about equal with the state average. Institutional support is approximately 2-3 percent below national and state averages. Expenditures in plant operations and maintenance are slightly higher than the state average; however, the size of the CCS district and the number of facilities spread throughout the six-county district were noted.

The cost per full-time equivalent (FTE) student (a student taking 15 credit hours per quarter) was reviewed. Currently FTE students spend approximately \$2730 in tuition. The colleges in the state spend about \$6800 per FTE student, which is about \$400 less than last year. Students currently pay roughly 40 percent of their educational cost with the state subsidizing the remaining 60 percent. The data shows that CCS has become very efficient in supporting its students. The district will need to determine how efficient it can afford to be in the coming years.

With state appropriations being reduced, the district has relied more heavily on funds generated from tuition, local funds, grants and contracts. It was clarified that funds from grants and contracts are tied to specific programs and services and can only be used accordingly. Of the amount generated from grants, Trustee Cox questioned how

much was consumed by Head Start. While specific figures were not readily available, Mr. Huffstutter estimated that approximately half the grant funding goes toward the Head Start program. Chairman Bever questioned if programs are notified when contracts are due to expire. Mr. Huffstutter mentioned that many of the grants rollover annually or are self-contained packages. Dr. Johnson stated that as state revenues decrease, CCS will need to become more entrepreneurial and find other sources of revenue, which will mean more contracts and grants.

Trustee Cox questioned if CCS is providing the needed job skills. Dr. Johnson stated that the colleges are doing a good job in providing the community with the needed job skills; however, CCS will need to look for more opportunities to work with different employer groups/industries in this shifting financial environment.

Mr. Stevens shared that the human resource office prepared a staffing comparison report utilizing information from the Washington State Board for Community and Technical Colleges (SBCTC) annual academic year reports. The data shows that for each classified employee, CCS currently employs 0.94 of a full-time faculty member, and for each administrator, CCS employs 8.22 of a full-time faculty member.

When comparing CCS with the Seattle district, data shows that CCS serves a very comparable amount of students. The difference in budget elasticity between CCS and the Seattle district was noted. At the first sign of budget trouble in 2008-09, the Seattle district began reducing its staffing levels while CCS remained consistent or, in some categories such as full-time faculty positions, increased due to efficient use of resources. As funding continues to decline, however, the ability to sustain this elasticity will need to be reviewed and discussed.

Unlike the Seattle district, which has increased their number of exempt employees, CCS has decreased in this category. Dr. Johnson emphasized that CCS is administratively lean and getting leaner, which is contrary to the rest of the state. According to Mr. Stevens, CCS conducted a study in 2002 that compared the cost of its administrative structure between the Seattle and Spokane districts. According to this study, CCS operated \$2 million dollars less than the Seattle district in administration costs. Trustee Landa-McVicker noted that the Seattle district has separate HR, budget, logistics, and facilities departments for each of their campuses, which significantly differs from the centralized approach at CCS. When reviewing staffing efficiencies, it was noted that CCS tends to put the majority of its funding in the classroom.

The 2010-11 budget reduction survey timeline was reviewed. Mr. Stevens explained the district was asked by the SBCTC to complete the survey describing the impacts of a 6 percent state budget reduction in 2010-11 and a 10 percent reduction in 2011-12. The

request was made during summer break and was due by September 24, which did not allow CCS to develop its response through its usual district-wide processes involving faculty, staff and students. Through discussions with the AHE, it was understood that CCS would submit the survey as an exercise and that the district would return to its deliberative, participatory process for reduction strategies, which is currently being done.

The district has implemented 4 percent of the directed 6.3 percent reduction. CCS is expecting the Governor to impose a supplemental budget in December with the legislature adopting it in January.

Mr. John Huffstutter provided an overview of the budget process and explained that each CCS unit will engage in their own deliberative process to identify and develop their goals, objectives, and budgets. These will be brought to the Board in May for preliminary review and then in June for final approval. Mr. Huffstutter further explained the role of the district office during the budgeting process.

Mr. Stevens explained the 2010-11 reduction strategy and that CCS planned for a 6 percent reduction but only implemented a 4 percent reduction in October 2010, in accordance to the federal American Recovery and Reinvestment Act (ARRA), which limits the reduction that can be made to higher education institutions. The remaining 2 percent, however, may need to be implemented if, when the legislature convenes in January, interprets the ARRA differently.

Mr. Cox stated that the Office of Fiscal Management (OFM) is considering possible cost savings by consolidating community colleges. Mr. Stevens reported that an efficiency study is currently being conducted in the state system. The State Board has asked each of its governing councils to respond to efficiencies that are already in place. The report will be discussed at the December Washington Association of Community and Technical Colleges (WACTC) meeting.

Mr. John Huffstutter shared additional information pertaining to reduction strategies and the savings that have been realized. The presidents were asked to report on the different reduction strategies implemented at the colleges.

Dr. Joe Dunlap, Spokane Community College (SCC) President, shared that the 4 percent budget reduction at Spokane Community College (SCC) totaled \$871,000. In order to facilitate, the deans and budget managers laid out a strategy to reach the 6.3 percent level, which produced an array of options that were consistent with the college's goals.

Rather than a pro-rata approach, decisions were based on needs. Since the demand for apprenticeship training has declined, it was the largest area to be reduced at the amount of \$172,000. Other areas that were reduced were in vacant positions, overloads, overtime, and adjunct positions. Some positions were also moved from state funding to non-state funding such as Perkins. As the year progresses, it was mentioned that additional positions will become vacant and will turn to permanent cuts. By the end of the year, SCC should have 60 percent or more in permanent budget reductions, which will better prepare them for next year.

Ms. Karen Johnson, SCC budget manager, clarified that although permanent cuts have been identified, they will not be taken until mid year.

Ms. Angela Wizner, SCC faculty member, questioned if full-time faculty positions were included in permanent reduction strategies. Dr. Dunlap stated that the college may or may not choose to fill soon-to-be vacant faculty positions. Tenure positions will remain in the budget until the college decides if/when the position is to be filled.

While it is the hope and goal that full-time faculty positions will not be impacted by additional state budget cuts, Dr. Johnson clarified the district cannot guarantee that there will not be any reductions in faculty positions.

Chairman Bever questioned if SCC considered priority programs (i.e. health care/allied health) that are important to the Spokane region before making any reductions. Dr. Dunlap explained that regional needs were considered, but these programs were required to take some reductions.

Trustee Cox questioned how long it would take for SCC to increase apprenticeship programs once the economy begins to recover and the need for training increases. Dr. Dunlap stated that these programs are the easiest to increase since instruction is provided by the joint apprenticeship training committee.

Ms. Pam Praeger, Spokane Falls Community College (SFCC) Interim President, stated that the college has been fairly conservative over the years and, as a result, has been able to increase its contingency funds.

Ms. Praeger also discussed how the revenue generated from the Running Start program has been used to help support instruction. The Title III federal grant also allowed SFCC to enhance specific areas; however, the college will need to determine what initiatives will be maintained when the grant funding ends.

Ms. Praeger reported that the 4 percent reduction for 2010-11 came primarily from hiring delays or position eliminations; however, equipment, goods/services, travel, training, and emergency funding have also been reduced.

Enrollment has been high in the Running Start program and at SFCC overall. In addition, the college is working on retaining students by supporting student achievement and student success. Spokane Falls Community College has used a lot of one-time funding ventures, but the campus is confident that enough money has been saved to cover the needed reductions or by getting a return on investment.

Trustee Cox commented that OFM briefings indicate that the Governor's budget may require Running Start students who are above the poverty level to pay a higher percentage of educational costs. Ms. Praeger indicated that if Running Start enrollment goes down, SFCC will need to offer fewer sections in liberal arts offerings due to lower demand.

Mr. Scott Morgan, Institute for Extended Learning (IEL) Chief Executive Officer, reported that the IEL reduced its budget by eliminating four classified staff positions, stopping summer operations in smaller centers, and reducing two annualized and several adjunct faculty positions. Mr. Morgan explained that previous budgets were also reviewed in order to be more precise on actual expenditures. The IEL decided not to use local one-time funds until the full extent of the budget situation is known.

Mr. Stevens provided an overview of the reductions in the district administrative services area. Dr. Johnson acknowledged the budget staff and the tremendous work that has gone into this budget report. This report will serve as a working document for the Board and will be reviewed several times throughout the year. Due to the time, Dr. Johnson stated that the remainder of the presentation would focus on how the budget reductions have impacted students, quality, and student success.

Mr. Stevens reviewed and compared the faculty levels across the state. In addition Mr. Huffstutter showed illustrations depicting the increases in financial aid and admissions applications and financial aid award expenditures. Mr. Huffstutter also explained that tuition levels and increases are set at the State level. The annual tuition for CCS is currently below the national level and is slightly lower than that of the SBCTC due to student S&A fees, which have helped offset tuition expenses. Lab and Course administrative fees were also reviewed. It was noted that these administrative fees have not increased at the same rate as tuition.

Mr. Stevens reported that reserves are currently intact. Per the Board policy, each of the units has a 5 percent reserve. The units also have targeted reserves for certain

things such as increases in unemployment and high cost items. These sound business practices have provided CCS with the needed elasticity in this budget environment.

Capital budget reductions were discussed. CCS has been fortunate to secure funding to remodel and/or construct new campus buildings. These projects had been planned during a time when the economy was sound, labor was tight, and the cost of materials was up. Consequently, the projected building costs at that time were much higher. By the time bids were obtained, however, the economy took a turn – labor was plentiful and the cost for material was lower. Rather than being able to use the excess funding toward the building projects, the State began reducing the allocations. Unfortunately, this reduction has made it difficult to purchase furniture and equipment for the buildings. Due to budget reductions, staffing levels in the facilities department have been permanently reduced. Consequently, existing staff are now covering additional square footage, which is not sustainable.

Community Colleges of Spokane is currently in the process of revising its strategic plan, which will help direct budget, marketing, capital master planning, and unit operational plans. This is especially important as additional cuts of 10-16 percent for the next biennium are anticipated. During the participatory, deliberative strategic and budget planning process, five themes and questions will be discussed: budget models and fiscal management tools; redesign, re-engineer, restructure; balance quality and access; develop new revenue sources; and reduce service.

Trustee Piper questioned how many individuals were denied financial aid due to issues with unemployment benefits. While this specific information was not readily available, Mr. Stevens stated that enrollment can drop significantly as individuals who registered for classes as an alternative to employment begin finding jobs. Dr. Johnson clarified that as demand increases and state financial aid is not available, students increasingly become part-time students taking just one class per term. Unfortunately, persistence, retention and graduation, which are all indicators of quality, begin to erode. The longer it takes students to complete their certificate or degree, the more discouraged they become and the less likely they are to meet their educational goals.

Chairman Bever stated that the presentation was outstanding and complemented units for the hard decisions that have been made. It is his hope that the legislature will look at CCS as a role model for the efficiencies that have been developed and reward the work that has been completed. Dr. Johnson shared that all employee groups have been tremendous in providing recommendations for efficiencies. Since the state fiscal picture is still not clear, these conversations will continue. The Board was encouraged to review the last document in the booklet entitled “Budget Brainstorming Themes and Questions 2010-11 and 2011-2013,” since it contains questions pertaining to fiscal exigency and the reduction of reserve accounts.

### **AHE/WFSE REPORTS**

- a. Association for Higher Education: Ms. Angela Wizner reported that Carla Naccarato-Sinclair was traveling to Olympia to meet with the Governor to discuss the needs of higher education.
- b. Washington Federation of State Employees: Ms. JoLynne Sherman reported that step increases and personal leave days for classified staff are major items currently being negotiated.

### **INSTITUTION REPORTS**

- a. Spokane Community College: Ms. Brenda Martinson-Smith, classified staff representative, reported that a bake sale was held on October 28, 2010, and that \$80 was raised for the memorial fund. Classified staff are also looking forward to the all-college meeting scheduled for December 1, 2010.

Ms. Angela Wizner, faculty representative, reported that faculty members are working very hard, but the budget is affecting morale as employees watch colleagues disappear and classes being overloaded. CCS is focusing on the task at hand, but relationships need to be built. At the last AHE meeting, concerns were expressed about programs being cut, class sizes being increased, and faculty members having to advise students and taking on counseling roles. The Association of Higher Education has tried to help the budget situation by freezing colas indefinitely, not taking incremental moves, and taking overloads in classes; however, they are concerned about permanent cuts and the impact they have on programs. Ms. Wizner suggested using motivational approaches to help decrease anxieties.

Dr. Dunlap announced that the dedication ceremony for the Livingston Math and Science Building will be held on December 3, at 1:45 p.m. The employee appreciation and annual Christmas party, which is funded by non-state funds, will be held immediately following the dedication ceremony. The ribbon-cutting/open house ceremony for the Jenkins Wellness Center is scheduled for February 8, 2011. Today is the all-college meeting. Tickets for the Annual Combined Fund Drive will be on sale in the Lair this afternoon. The Spokane Folklore Society Fall Folk Festival is scheduled for November 20.

- b. Spokane Falls Community College: Ms. Robbin Hansen, classified staff representative, shared that staff members are staying informed of the budget situation and are maintaining positive attitudes. Staff members are using discretion with allocated funds and are looking at ways of becoming more efficient in their jobs. An all-campus training session is being planned.

Mr. George Suttle, faculty representative, reported that faculty members are very busy. They are concerned by the budget situation and are stressed by the sheer number of students being served.

Ms. Praeger shared that the new student process will begin next week. As part of the Student Success Initiative, students with less than 30 credits must be advised before registering for classes. Academic advisors have been training to help support this initiative, which has been funded from the Title III federal grant. SFCC has developed an Associate of Fine Arts (AFA) degree in music, which articulates with three of the six universities. Mr. Glen Cosby, SFCC Dean of Humanities, and Mr. Ryan Simmons, SFCC faculty member, presented at the Humanities Conference last week. Representatives from K-12, two-year and four-year institutions are on campus today participating in the annual math symposium.

- c. Institute for Extended Learning: Brian Briggs, faculty representative, reported that there have not been any noticeable dips in morale at the IEL. Employees are familiar with budget reductions and are keeping positive attitudes.

Ms. Dawn Chavez, classified staff representative, shared that IEL employees have learned to make the best of every situation. Employees at the IEL have been fortunate to receive training on how to serve their students more efficiently, effectively, and with understanding and compassion to life circumstances and educational needs. On November 5, a training session on Poverty 101 was held. In addition, the last session of the safe campus advocate training is scheduled during the week of November 15. Finally, Ms. Chavez shared that she recently received an e-mail from a young woman who, in 2002, had been homeless and had attended the Hillyard Center. This individual is now in her first week of student teaching after recently graduating from Whitworth University.

Mr. Morgan reported that the IEL will have a soup lunch tomorrow at 11:30 a.m. in the Magnuson Building and that the Combined Fund Drive baskets will be available for viewing during this time. Copies of the IEL Annual Report were distributed.

#### **REMARKS FROM THE CHANCELLOR**

Dr. Johnson conceded her time to Chairman Bever.

#### **BOARD REPORT**

Chairman Bever recognized Ms. Patty Shea, former trustee, and celebrated her contributions to CCS. Ms. Shea was honored for her dedication, commitment and

unselfish work to CCS. Her leadership has been commendable. Ms. Shea has been a role model and a great advocate. Chairman Bever also thanked Avista for allowing Ms. Shea to serve on the Board.

Trustee Don Cox stated that he and Ms. Shea were confirmed by the Senate at the same. He recounted Ms. Shea's enthusiastic testimony. Ms. Shea is an inspiration and continues to provide hope to students.

Trustee Ben Cabildo stated his appreciation for Ms. Shea's passion and that it has been an honor to serve with her.

Trustee Carol Landa-McVicker commented that Ms. Shea could be the poster child for CCS. Ms. Shea started as a student at SCC and then built her career through education; however, she never forgot where she started. Ms. Shea has always been the cheerleader for the district.

Dr. Johnson presented Ms. Shea with a framed picture and commemorative clock and thanked her for her dedicated service to CCS.

Ms. Shea thanked everyone for sharing their time, knowledge and love. She stated that it had been a privilege and an honor to serve on the Board. She also shared how the extra time employees spend with students can change their lives like it did hers. Ms. Shea recounted how her life was changed because one faculty member when out of his way to introduce her opportunities available at SCC.

Trustee Piper shared that she and Ms. Shea served on the foundation board together. Ms. Shea's enthusiasm and community college background are great success stories. Trustee Piper presented Ms. Shea with a book entitled *Big Girls Don't Cry*.

#### **EXECUTIVE SESSION**

The Board convened in Executive Session under RCW 42.30.11(1) at 12:12 p.m. to discuss with legal counsel representing the agency matters relating to agency enforcement actions or litigation or potential litigation. Attendees included Mr. Greg Bever, Mr. Ben Cabildo, Mr. Don Cox, Ms. Carol Landa-McVicker, Ms. Bridget Piper, Ms. Maureen McQuire, and Dr. Christine Johnson. The Executive session ended at 12:30 p.m. with the regular meeting reconvened.

#### **ADJOURNMENT**

Chairman Bever adjourned the meeting at 12:32 p.m. No further action was taken.