

Approved July 10

**MEETING OF THE BOARD OF TRUSTEES
OF THE EVERGREEN STATE COLLEGE**

June 12 - 13, 2002

**Daniel J. Evans Library, Room 3112
Olympia, Washington 98505**

Trustees Attending: Deborah Barnett (June 13)
Stanley Flemming
David Lamb
Karen Lane
Jaime Rossman

Absent: Bill Frank, Jr.
Merritt Long
Marilee Roloff

Representatives to the Board: Sonja Wiedenhaupt, Faculty
José Dominguez, Staff
Bonnie Marie, Alumni

Staff Present: Jackie Barry, Director of Alumni Affairs
Stanley Bernstein, Director of College Relations
John Carmichael, Administrative Secretary to the President
Art Costantino, Vice President for Student Affairs
Ann Daley, Vice President for Finance and Administration
Rebecca Gallogly, Assistant Director, Student Activities
Edie Harding, Director of Governmental Relations
Sharon Harrison, Advancement Operations Officer
Kirk Knittle, Facilities Analyst
Phyllis Lane, Dean of Student and Academic Support Services
Frank McGovern, Vice President for College Advancement and Executive
Director of the Evergreen State College Foundation
Tom Mercado, Director of Student Activities
Collin Orr, Special Assistant to the VP for Finance and Administration
Thomas L. Purce, President
Rita Sevcik, Administrative Assistant to the President/Recording Secretary to
Board of Trustees
Enrique Riveros-Schäfer, Vice President for Academic Affairs and Provost
Steve Trotter, Executive Director of Operational Planning and Budget
Bill Zaugg, Administrative Assistant for Budget
Patti Zimmerman, Scheduling/Space Allocation Manager
See permanent roster for others attending

Others Attending: Sandra Ayesh, Trustee-elect
Terry Ryan Senior Assistant Attorney General
Michael Rossman and Karen McLellan
Michaela Curtis-Joyce, S&A Coordinator (2002-2003)
Alma Sharpe, *The Olympian*
Wynne Washburn, S&A Coordinator (2001-2002)

WEDNESDAY, JUNE 13, 2002 – EDUCATIONAL/PLANNING SESSION

Chair Karen Lane called the educational/planning session to order at 1:45 PM.

Operating Budget Priorities for 2003-2005 Legislative Budget Request

President Purce began the session by reviewing recent budget planning activity. He said that uncertainty about the economy and the legislative budget had caused uncertainty about the college's base budget, which delayed the college's budget request planning. He said that the state Office of Financial Management, anticipating the next budget cycle, had asked all state agencies, including the college to provide a prioritized list of expenditures, identifying at least one-third of expenditures as lower priority. The need to consult with governing boards and other constituencies limited the response that higher education institutions were able to provide to that request.

President Purce said that the proposed operating budget priorities were developed from themes identified in the Strategic Plan. Steve Trotter, Executive Director of Planning and Budget, provided an overview of the priorities and each of the Vice Presidents spoke about themes within the priorities.

Mr. Trotter said that the state budget request process includes three components. Two components are controlled by rules: the Carry Forward budget and Essential Requirements Level budget. The rules for the Carry Forward budget allow certain appropriated resources from the current biennium to be moved into the next biennium. The Essential Requirements Level budget allows the college to request resources for some changes mandated by the legislature, utility rate increases, revolving fund adjustments and employee benefit rate changes. The third component, Decision Packages, includes any new policy initiatives.

As a planning tool, the staff developed a budget request that would not exceed a 12 percent overall increase, excluding salary adjustments. Roughly 2.5 percent of that increase is in the first two categories: adjustments to the Carry Forward or Essential Requirement Level budgets. The policy initiatives currently under consideration amount to a 10 percent increase. The college does not include salary adjustments in its request because those requests are developed at the state-wide level. The salary and enrollment growth figures included in the summary materials are placeholders. The college will work with the Council of Presidents to develop a specific salary enrollment request.

Maintenance level adjustments include the cost of annualizing previous enrollment growth, self insurance premiums mandated by the state, funding to maintain and operate the new Seminar II building (which includes 6.2 new FTE), and placeholders for costs associated with collective bargaining with classified staff and with faculty.

Vice Presidents Daley and Riveros-Schäfer discussed hiring and retention issues. Provost Riveros-Schäfer said that the gradual reduction of faculty budget lines for sabbaticals and sick leave has eliminated staffing flexibility, which in turn eliminates flexibility in the curriculum. Trustee Flemming suggested that having a better understanding of the costs of hiring new faculty and staff would be helpful in arguing for retention funds. Trustee Lamb said that discussions of faculty and staff retention rates should distinguish between retention over the past several years, when the economy has been expanding rapidly, and more recent retention data, when the economy has been slow.

Provost Enrique Riveros-Schäfer reviewed the "Supporting Academic Excellence" theme. The proposals include additional support for first-year students, funding for the Center for Community Partnerships, additional support for evening and weekend students, enhanced library instructional support, additional support for the Tacoma program, and academic program support for the new Seminar II building.

Vice President Ann Daley introduced the "Campus Vitality" theme. Items related to staff training and development, benefits coordination, and enhanced support for human resources data systems were generated by the Human Resources Disappearing Task Force. Provost Riveros-Schäfer reviewed items related to increased support for faculty-sponsored research, a week-long "academy" for new faculty, and costs associated with some reorganizations.

Vice President Daley highlighted some of the items in the "Learning Technology" theme. She said that the package sought to fill in existing gaps, keep technology current, better support evening and weekend students, continue improving the college web site and provide technology support in the Seminar II building. Trustee Rossman asked about the Technology fee. Ms. Daley noted that the legislation authorizing the technology fee includes specific requirements for student approvals. The Banner registration system may make it more feasible for Evergreen to consider seeking those approvals. Consideration of imposing a new fee would need to take into account the effect of tuition increases on the cost of attendance.

Vice President Costantino reviewed the "Student Access and Success" theme. The proposal includes funding for enhancements to student recruitment (more high school and community college visits, more on-campus recruitment events, and stronger media presence), for the college's reach-back program, and for improving awareness of financial aid programs. Dr. Costantino said that the college spends approximately \$530 dollars to recruit each new student. The average recruitment cost for public colleges is approximately \$500 per student. Private colleges average about \$1,200 per student recruited. The theme also includes funds for easing the transition from high school to college, funding to respond to greater demand for disability services, and implementing recommendations of the Violence Prevention Disappearing Task Force.

Mr. Trotter discussed the "Efficiency and New Revenue Streams" theme. The theme seeks funding to plan for expanded summer and continuing education options. It would also provide for better technical support to meet the college's management and reporting requirements.

Vice President Daley and Michel George, Director of Facilities, discussed the "Plant Maintenance and Operations" theme. The proposal is consistent with the work of the Joint Legislative Audit and Review Committee. The proposal addresses ongoing plant maintenance and begins to address the maintenance backlog.

Mr. Trotter briefly reviewed the Enrollment section. This section is a placeholder for proposals that will be developed with the Council of Presidents. The proposals will likely address three areas: ensuring that currently funded students continue to have a high-quality educational experience, seeking funding for over-enrollments, and seeking funding for any additional growth in the statewide higher education system. President Purce asked Mr. Trotter to prepare a handout illustrating how these areas contribute to overall enrollment.

Trustee Lane asked about social entrepreneurship – creative ways of raising revenue that can then be used to fund the organization's mission. Vice President McGovern described work underway to diversify and enhance the college's revenue. Staff are reviewing the use of space on campus and looking for ways to work with outside groups to host conferences and meetings.

2003-2013 Capital Ten-Year Budget Plan and 2003-2005 Request

Vice President Daley began the presentation by complimenting Facilities Director Michel George on the work done to re-think modernization of the Daniel J. Evans Building. Mr. George presented the ten-year plan and 2003-2005 budget proposal. College staff have made an effort to better integrate the state-funding capital planning with the capital planning needs for Housing and Student Activities, which are funded separately.

Mr. George described the Minor Works Preservation part of the ten-year plan. The college expects that the aging campus will require considerable life safety, preservation, and emergency repair work for the next several biennia. Further out in the ten-year plan, after minor works projects have upgraded the existing buildings, the college expects preservation needs to be reduced. Mr. George estimated that over

the long-term, the college's capital budget would settle at between \$18 million and \$24 million in current dollars per biennium.

Minor Works Program projects in 2003-2005 include work on the chemistry labs on the 3rd floor of the Lab II building. Major works in the 2003-2005 biennium include Seminar II construction and the first phase of modernizing the Daniel J. Evans Library building. For the Evans building, staff hope to use a Team Build (GCCM) process. College staff presented the Evans building project to the Alternative Public Works Oversight Committee, which indicated support for the GCCM process.

In the 2005-2007 biennium, Minor Works Program projects include renovating classrooms on the first floor of the Lab I building and the second phase of the Evans building renovation. As part of the Evans building renovation, the college may elect to build out a larger space on the 4th floor. The 4th floor expansion is not included in the currently planned project.

In 2007-2009, projects would include renovation of the College Activities Building and work on the COM Building. The COM Building renovation would be a two-phase GCCM project, estimated to cost \$8.66 million. The COM Building was originally intended to support a theater. If construction of the theater is included in this project, the cost would be higher.

Later biennia would include renovation of the Seminar I building and the Campus Recreation Center.

Trustee Rossman asked for a report on the Child Care Center. Mr. George said that staff are asking the architects to revise their designs so that the center can be built with the funds available. Mr. George hopes that construction can begin in spring to 2003.

THURSDAY, JUNE 13, 2002 MEETING

At 9:05 AM Chair Lane convened the educational and planning session.

Update on Seminar II Construction

Vice President Daley shared photographs of Seminar II construction. Ms. Daley reported that work has begun on the second building cluster, Cluster A. Minor issues have arisen during construction of the first cluster that have slowed the project slightly. As these issues are resolved, construction of the other clusters should proceed more rapidly. The college issued one change order of less than \$10,000 to remove trees to adjust the site's slope. DPR has asked for a meeting to discuss possible change orders related to removal of water from the site.

Update on Child Care Center Expansion

Vice President Daley reported that Environmental Works, a non-profit community design center specializing in child care centers, has an interim contract for designing the Child Care Center expansion, pending negotiation of fees. The schedule of fees has been agreed upon, so the final contract can be signed. The design committee for the project includes the Director of Student Activities, Director of the Child Care Center, and some parents of children served by the center. The committee considered constructing a new facility rather than renovating and expanding the current building, and chose to pursue the renovation and expansion option for cost reasons. A schematic design may be ready for the Board's July meeting. The board will be asked to approve the financing package and construction contract early in 2003. The project schedule shows the expanded child care center opening in September 2003.

Update on Strategic Plan

President Purce asked the Vice Presidents to provide a status report on strategic plan goals and objectives, focusing on work planned for the year ahead.

Provost Riveros-Schäfer identified four themes in the strategic work underway in Academics. First, staff and faculty in Academics will be working intensively on improving the alignment between enrollment and the curriculum. Second, they will continue work to implement the General Education plans. Third, they will work on strengthening internal and external partnerships, especially to make sure that the undergraduate program, the graduate programs, and the public service centers have mutually supportive relationships. Finally, the division will be participating in the college's efforts to identify new, diverse sources of revenue.

Vice President Costantino discussed the Student Recruitment and Success goals in the Strategic Plan. When the plan was written, two major goals were to increase the size of the applicant pool and increase recruitment of in-state students. The first of these goals remains important, and the staff is optimistic that the applicant pool will grow in the next few years. The college is now emphasizing recruitment on non-resident students, in addition to working to increase in-state applications. Vice President Costantino asked Associate Vice President Steve Hunter to describe this new emphasis. Mr. Hunter said that the Senior Admissions Officer position was elevated to Director of Admissions. In addition, a new Admissions Counselor position was added to focus on in-state recruitment, freeing up a position to focus on out-of-state recruitment. The college is participating in national college tours to recruit students. Through contacts developed in these tours, Admissions Counselors have begun to make out-of-state high school visits. Vice President McGovern noted that the Alumni Affairs office is planning alumni events to coincide with out-of-state student recruitment efforts. Mr. Hunter said that, following a recommendation from STAMATS, the college is expanding its mailing series for prospective students from approximately 3 or 4 pieces to 12 to 15 mailings.

Vice President Costantino discussed the efforts around student retention. The college has experimented with new orientation and advising programs and continues to do so. Deans Phyllis Lane and Brian Price are developing a new two-credit program for this fall intended to improve retention of first-year students. Vice President Costantino said that emerging issues would include focus on drug and alcohol abuse prevention and violence prevention efforts. In addition, the staff has formulated a clearer recruitment goal for students of color. Staff have adopted a goal of 22 percent students of color, reflecting the overall college-age state population. We currently have 15 percent students of color on the Olympia campus and 18 percent students of color overall, which compares very favorably with other institutions.

Vice President Daley identified several themes in the Strategic Plan that guide the work of the Finance and Administration Division, including improving the recruitment and retention of staff and faculty, diversifying funding sources, improving the capital planning process, making college operations more efficient, and technology. In the year ahead, the division will continue ongoing, intense efforts in several areas: implementing the Banner finance module, constructing Seminar II, and planning the renovation of the Evans Library building. The division will give renewed emphasis to developing a compensation system for exempt staff, diversifying the funding base, reviewing the college's auxiliary enterprises, and taking advantage of the business process re-engineering skills that staff are acquiring while implementing the Banner system. The division will also be working on using space more effectively and on the college's technology plan. The next year may also see a reorganization of the college's Human Resources functions reflecting some of the recommendations of the Human Resources Disappearing Task Force. Finally, the division will be giving serious attention to the college's emergency preparedness plans.

Vice President McGovern discussed the college's efforts to diversify the funding base. College staff are exploring several avenues, including enhanced fundraising from private sources; hosting more conferences; enhancing evening, weekend and summer programs; and enhanced recruitment of non-resident students. In addition, staff and faculty are looking for ways to obtain more research grants and exploring the possibility for direct federal grants. College Advancement and Academics have worked

together to develop a list of projects for which the college might seek funding and to decide how to prioritize that list.

Trustee Lamb noted that the President and most of the Vice Presidents were not at the college when the Strategic Plan was written and complimented them on giving continued energy and vitality to the plan.

Report from The Evergreen State College Foundation

Chair Lane welcomed John Hennessey, Chair of The Evergreen State College Foundation. Vice President McGovern said that Mr. Hennessey is an early graduate of the college and has been steadily committed to the college.

Mr. Hennessey described some of the Foundation's highlights. The division has implemented a new prospect management system to collect and organize information about potential donors. The Foundation is considering several ways to pay for fundraising: an endowment management fee, an administrative fee on new gifts, or contract fees for special initiatives.

Mr. Hennessey compared fundraising for the first eleven months of the current fiscal year to the same portion of the previous fiscal year. Overall, the Foundation recorded gifts of \$1,083,477 this year compared to \$917,797 in the same period of the previous year, an 18 percent gain. The Annual Fund reached its goal of \$250,000 two months before the end of the year and has raised \$273,000 to date. For the first time, the Foundation mailed to all alumni twice during the year. Mr. McGovern noted areas of particular gain: giving by members of the Board of Governors, giving by Foundations (due to the work of Barbara Smith) and Annual Fund giving.

Mr. Hennessey reported that the Foundation had received \$113,000 from the estate of Carolyn McConkey to assist deserving Evergreen students. The Foundation Board of Governors decided to use the gift to establish a Trustees scholarship endowment. Mr. Hennessey invited the Board of Trustees to determine the criteria for awarding the scholarships. Trustee Lamb expressed his appreciation to the Foundation.

Mr. Hennessey reported that Evergreen's endowment was \$3.55 million on March 31, including \$2.4 million in Foundation funds and \$1.15 million in college funds. Of the \$1.15 million in college endowment funds, the Foundation contributed \$575,000 to the college to match state grants to the endowment over a number of years. The Board of Governors, after much deliberation, has refined the Foundation's investment and spending policies and decided to designate the University of Washington's Consolidated Endowment Fund as the investment manager for the endowment. The Foundation expects the change to improve the endowment's investment performance. Mr. Hennessey recognized the efforts of Ms. Daley to accomplish this work.

Trustee Rossman asked whether the Foundation would consider in the future adding a student member to their Board of Governors. President Purce said that he would be willing to work with Trustee Rossman to bring a proposal to the Foundation's board.

Enrollment Planning

Steve Trotter distributed and reviewed a handout illustrating the points raised during the discussion of enrollment growth the previous day. In fiscal year 2001-2002, the college was overenrolled by 249 FTE, including 71 FTE from students taking more than 16 credits. Over the next three fiscal years, the college will request funding for enrollment growth to scale back over-enrollment to 100 FTE in fiscal year 2004-2005, resulting in greater budget flexibility and a more manageable faculty workload.

Tour of Seminar II Construction

Michel George, Director of Facilities, led the Trustees on a brief tour to view the Seminar II construction site.

Recess for lunch**Introductions**

President Purce introduced Sandra Ayesh. Governor Locke appointed Ms. Ayesh to serve as the student Trustee for 2002-2003. Ms. Ayesh is a student in the Tacoma program and works at the workforce program at Tacoma Community College.

Trustee Rossman introduced his parents, Michael Rossman and Karen McLellan to the board.

Resolution 2002-08, recognizing service of Jamie Rossman – ACTION

Motion Mr. Lamb moved approval of the attached Resolution 2002-08, recognizing the service
6-01-02 of Jaime Rossman. Seconded by Ms. Barnett and passed.

Ms. Lane presented Mr. Rossman with gifts recognizing his recent marriage and his service as Trustee.

Resolution 2002-09, recognizing service of Rita Sevcik - ACTION

Motion Dr. Flemming moved approval of the attached Resolution 2002-09, recognizing the
6-02-02 service of Rita Sevcik. Seconded by Mr. Lamb and passed.

Ms. Sevcik said that she looks forward to beginning a new chapter in her life and thanked everyone for their support. Ms. Barnett presented Ms. Sevcik with a gift recognizing her contributions to the college. President Purce announced that the Foundation had started a scholarship initiative in Rita's name, which has collected more than \$13,000 in donations.

Approval of S&A Fee Increase and S&A Tier II Budget - ACTION

Vice President Costantino recommended approval of the S&A Fee Increase and S&A Tier II Budget proposal. Tom Mercado, Director of Student Activities, introduces Wynne Washburn, S&A Board Coordinator for 2001-2002; Rebecca Gallogly, Assistant Director of Student Activities; and Michaela Curtis-Joyce, the Board Coordinator for 2002-2003. Mr. Mercado noted that the recommendations included the use of \$1,500.00 for food and refreshments by the Reservation-based program.

Motion Mr. Rossman moved approval of an increase in the Services and Activities Fee of 12
6-03-02 percent for 2002-2003 and approval of a revised Services and Activities budget totaling \$1,777,331. Seconded by Lamb and passed.

Adjustment to 2002-2003 Budget Allocation - ACTION

President Purce recommended approval of adjustments to the 2002-2003 operating budget following the plan created by the President's Budget Committee to respond to changes made by the legislature. The proposed adjustment includes a 14 percent tuition increase and an overall operating budget reduction of 1.7 percent.

Mr. Trotter reviewed the proposal, noting that the tuition increase proposal designates a portion of the additional revenue to enhance the college's financial aid programs. Mr. Trotter noted other legislative actions reducing the college's General Fund appropriation which do not require board action, including the elimination of 2002-2003 cost-of-living increases, a reduction in the state's contribution to certain retirement plans, and a reduction in the state's contribution to employee health benefits.

President Purce thanked the budget committee and the community for their thoughtful participation in the budget process.

Motion Dr. Flemming moved approval of the proposed modifications to the college's 2002-
6-04-02 2003 operating budget, raising tuition 14% and implementing a 1.7% budget reduction.
Seconded by Ms. Barnett and passed.

Approval of Food Service Funding - ACTION

Collin Orr, Special Assistant to the Vice President for Finance and Administration, recommended approval of the changes to food service funding proposed by the Food Services Disappearing Task Force (DTF). The changes would require Housing freshmen enrolling in the "First Year Experience" to purchase a meal plan and would authorize staff to create a mandatory meal plan for all residential freshmen if necessary. Mr. Orr said that the changes were necessary because voluntary sales have not generated enough revenue to cover costs.

In response to a question from Trustee Rossman, Mr. Orr reported that none of the options that the DTF considered received widespread support during the DTF's consultations with the community. Of the options, the mandatory meal plan for the First Year Experience received the most support. Trustee Rossman reminded the Board that they had received a petition with more than 300 signatures opposing a mandatory meal plan for all freshmen and urged more conversations with the campus community if staff decide in the future that a mandatory meal plan for all freshmen may be necessary.

Motion Mr. Lamb moved approval of the food service funding proposal, requiring all Housing
6-05-02 freshman enrolled in the "First Year Experience" to purchase a meal plan and
authorizing the college to impose a mandatory meal plan for all residential freshmen
beginning in fall 2003 if sales revenues lag significantly behind assumptions. Seconded
by Dr. Flemming and passed.

Election of Board Officers - ACTION

Chair Lane asked Mr. Lamb to report for the Nominating Committee.

Motion On behalf of the committee, Mr. Lamb moved appointment of Ms. Roloff as Board
6-06-02 Secretary, Ms. Barnett as Vice Chair, and Dr. Flemming as Chair. The motion passed
unanimously.

Approval of Minutes of the May 8, 2002 Board Meeting - ACTION

Motion Ms. Barnett moved approval of the minutes of the May 8, 2002 Board meeting as
6-07-02 distributed. Seconded by Dr. Flemming and passed.

Reports from Chair and President

Student Trustee Report

Mr. Rossman reported that the residence halls were emptying and the campus was preparing for graduation. Ms. Ayesh reported that the Tacoma Campus would hold a commencement celebration on Saturday at 1:00 pm.

Chair's Report

Chair Lane thanked Trustee Barnett for agreeing to continue serving as the Board's representative the Foundation's Board of Governors. Ms. Lane reported that the Joint Governing Boards group met at the University of Washington on May 24. Two representatives from each board were invited, along with each of the Presidents. The group agreed that the higher education institutions would need a unified strategy, that the community colleges should be included in the effort, that the group needed strategies to appeal to multiple constituencies, and that the group needed to get the message out that there is a funding

crisis in higher education. Trustee Lane and President Purce agreed to serve on a committee to develop a needs statement. Another committee will be working on constituent outreach.

Reports from Representatives

Alumna Representative Bonnie Marie reported that the Alumni Association will be selling flowers and stadium cushions at Commencement and setting up the "Greener Oasis" root beer float station at Super Saturday. Faculty Representative Sonja Wiedenhaupt reported that the *Trash* program concluded with some wonderful student projects. She also reported that Web based registration seemed to run smoothly for students, and described her work with students who are considering leaving Evergreen before graduation. She reported that a group of faculty have begun to explore collective bargaining. The Faculty Agenda Committee has committed to acquiring a better understanding of the college's financial structure. Staff Representative José Dominguez recognized the hard work done by staff over the year, including work on Banner implementation, new food service, and budget reductions. Mr. Dominguez recognized the many staff who have worked for months planning graduation, especially Michele Elhardt, who has coordinated many aspects of graduation for the past 18 years.

President's Report

President Purce reported that he and the Vice Presidents would work over the summer to follow-up on communications with the Agenda Committee, Academic Deans and others to ensure good communication during next year's budget and planning process. President Purce reported that he planned to participate in part of the New Faculty Orientation and then preside at the annual meeting of the Council of Public Liberal Arts Colleges.

Public Comment


Mr. Michael Rossman compared the state of higher education funding in California and Washington. He urged a coordinated effort using the institutional resources of higher education institutions to develop greater public support for higher education funding.


Executive Session

Chair Lane announced that the Board would move to executive session under the provisions of RCW 42.30.110 to discuss potential litigation. No action resulted from the executive session.

Adjournment

Chair Lane adjourned the meeting at approximately 3:15 p.m.


Karen E. Lane, **Chair**


Deborah J. Barnett, **Secretary**

Attachment: Resolution 2002-08, recognizing service of Jamie Rossman
Resolution 2002-09, recognizing Rita Sevcik