

**REGULAR MEETING OF THE STATE BOARD
FOR
COMMUNITY AND TECHNICAL COLLEGES**

MINUTES OF MEETING

June 23, 2005

State Board Members

**Tom Koenninger (Chair), Vancouver
Jim Bricker, Coupeville
Reuven Carlyle, Seattle
Sharon Fairchild, Spokane
Jim Garrison, Mt. Vernon
Al Link, Silverdale
Erin Munding, Omak
Jane Nishita, Seattle
Lyle Quasim, Puyallup**

Statutory Authority: Laws of 1967, Chapter 28B.50 Revised Code of Washington

State of Washington
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
Olympia

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June 23, 2005

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**STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
Olympia**

**Regular Meeting Minutes
June 23, 2005
Big Bend Community College**

The State Board held a study session on June 22, 2005, from 1:30 p.m. to 5:15 p.m. at Big Bend Community College to discuss the following items: 1) Bridges to Opportunity Project Research Findings, 2) 2005-10 Washington State Plan for Adult Basic Education, 3) 2005-06 Adult Basic Education Awards and Allocations, 4) 2005-06 Workforce Education Awards, 5) 2005-07 Capital Budget Allocations, 6) 2007-09 Capital Budget Request Process Preview, and 7) Executive Director Search Process.

State Board Members Present: Tom Koenninger (Chair), Jim Bricker, Reuven Carlyle, Sharon Fairchild, Jim Garrison, Al Link, Erin Mundinger, Jane Nishita,

State Board Member Absent: Lyle Quasim

CALL TO ORDER

Chairman Tom Koenninger called the meeting to order at 8:20 a.m. and welcomed those present. He thanked President Bill Bonaudi for the opportunity to meet at Big Bend Community College and for hosting the previous evening's dinner with the college trustees and staff.

ADOPTION OF AGENDA

***MOTION:** Moved by Al Link and seconded by Sharon Fairchild that the State Board adopt its regular meeting agenda of June 23, 2005, with a change to the order of the agenda items.*

MOTION CARRIED.

APPROVAL OF MINUTES

***MOTION:** Moved by Jim Garrison and seconded by Erin Mundinger that the State Board approve its regular meeting minutes of May 5, 2005, and special meeting minutes of June 1, 2005, as presented.*

MOTION CARRIED.

HOST COLLEGE PRESENTATION

President Bill Bonaudi welcomed members of the State Board and staff to Big Bend Community College. Dr. Bonaudi and his staff provided a history and overview of the college and shared information about Big Bend's Integrated Basic Education and Skills Training Commercial

Driver's License Program, the Grant County Advanced Technologies Education Center, the college's new childcare center, student dormitories, and the Commercial Pilot Program.

CHAIR'S REPORT

Chairman Tom Koenninger presented his report:

- **Trustees' Association Report.** BBCC Board Chair Felix Ramon gave the report on behalf of TACTC President Larry Brown, who was unable to attend the meeting. He shared highlights of the TACTC spring conference at Semiahmoo Resort in Blaine and encouraged Board members to attend the ACCT Leadership Congress to be held September 7-10 in Seattle. TACTC will alter its usual fall meeting schedule by holding the legislative plenary meeting on September 7, preceding the ACCT conference. TACTC's new trustee orientation will be scheduled for later in the fall. Felix also related his personal story of how the educational opportunities afforded him through his military service and college experiences influenced his career path and changed his life.
- **Election of State Board Chair and Vice Chair for 2005-06.** In accordance with the State Board bylaws revised in October 2004, chair and vice chair elections are to be held in June each year. In the absence of the chair, his or her duties will be assumed by the vice chair who acts as chair pro tempore. The vice chair serves as the successor to the chair. Tom Koenninger thanked the Board for the opportunity to serve as Chair for the past four years, and Earl and members of the Board expressed their gratitude for Tom's leadership and dedicated service on their behalf and on behalf of the system. Jim Garrison presented Tom with a plaque recognizing his contributions to the Board during his four-year tenure as chair and thanked Tom for sharing his wisdom and advice on chairmanship.

MOTION: Moved by Al Link and seconded by Reuven Carlyle that the State Board elect Jim Garrison as its chair for 2005-06.

MOTION CARRIED.

MOTION: Moved by Jane Nishita and seconded by Al Link that the State Board elect Erin Munding as its vice chair for 2005-06.

MOTION CARRIED.

DIRECTOR'S REPORT

Executive Director Earl Hale presented his report:

- **Fiscal Year Audit Results.** A state audit of the agency for July 2003 through June 2005 resulted in no audit findings. This is the first audit conducted under the State Auditor's plan to move SBCTC's audit to a two-year cycle. As a system, 13 of the community and technical colleges cycled for audits were reported this past year. Additionally, one college requested a special audit by the State Auditor's Office to look into a suspected fraud. As a result of these audits, two findings were reported and outlined in a memo included in the Board's supplemental agenda packet.

- **CTC Bachelor's Degree Task Force Update.** Jan Yoshiwara updated the Board on the progress of the CTC Bachelor's Degree Task Force. She distributed a timeline, draft principles, and glossary. Draft recommendations and a budget request will be discussed with the Board at its September 2005 meeting, with action scheduled for October 2005.
- **Professional and Technical Faculty Certification Report for 2004-05.** A first-year status report of the Oversight Committee was distributed. The Committee was created at the request of the State Board members to oversee the implementation of WAC 131-16-094, which stipulates requirements for professional and technical faculty certification.
- **Proposed State Board Meeting Schedule for 2006.** DelRae Oderman shared a proposed schedule of State Board meeting dates and locations for 2006 and asked Board members for their feedback prior to final adoption in October.
- **Legislative Summary.** Board members were provided with legislative bill summaries for 2005, which include brief descriptions of all bills passed during the last session that impact the community and technical college system.
- **2007 Capital Budget.** Earl touched on two emerging policy issues related to the 2007 capital budget request—the need to address and perhaps broaden the definition of instructional equipment and the need to take a system approach to funding the proposed expansion of higher education centers on community college campuses.
- **Part-time Faculty Salaries.** Earl referenced a letter Board members recently received from Senator Jeanne Kohl-Welles on this issue. He discussed this with the presidents who report that a substantial number of colleges intend to use local revenue to try to match the \$4.5 million provided by the Legislature to close the salary gap between full-time and part-time faculty at the individual colleges.
- **Personnel.** Earl announced that Chris Reykdal has been promoted to the position of Director of Administrative Services effective July 1, 2005. Chris replaces Sandy Wall who recently retired. Interviews are currently underway for the Operating Budget Director position, and an announcement is expected to be within the next week.
- **State Board Retreat.** Jim Garrison encouraged Board members to submit suggested discussion topics for the September 6-8 State Board retreat to be held in Leavenworth.

APPROVAL OF 2005-07 CAPITAL BUDGET ALLOCATIONS (Resolution 05-06-11)

Mary Alice Grobins of the State Board staff presented recommendations for allocating 2005-07 capital funds. She reported that new appropriations for the two-year college system total \$460.9 million, compared to \$425.9 million in the 2003-05 biennium. The capital budget provides emergency, preservation, and program-related funding for 34 community and technical colleges. In addition, the capital budget provides authorization for Certificates of Participation (COPs) for 14 colleges. These alternatively-financed projects secure bonding through the State Treasurer, with debt service paid from the colleges' operating revenues. In addition, the 2005-07 transportation budget includes \$18 million and makes a pledge for an additional \$8 million in 2007-09 for the University of Washington Bothell/Cascadia SR 522 south access.

In the capital budget, the Legislature has committed, through 2005-07, \$498 million of Governors Evans and Gardner dedicated bond revenue to higher education funding, leaving \$252 million available for 2007-09 for all of higher education. This funding has been essential for two-year colleges to build capacity and to renovate and replace aging and poorly performing facilities.

The proposed recommendations and related background materials under Tab 11 of the agenda packet were reviewed and discussed by the Board at its study session the previous day. Mary Alice summarized the capital funds allocation as follows:

Allocation of projects funded by legislative appropriation:

Major capital projects – growth, renovation, replacement, matching	\$369,154,139
Minor works preservation projects	14,000,000
Minor works program projects	20,002,598
Roof, facilities and site repairs	35,000,000
Maintenance and operations transfer	<u>22,802,000</u>
Subtotal: Allocations of legislatively funded projects:	\$460,958,737

Allocation of projects authorized for COP financing: **\$ 92,215,000**

Grand Total: Capital Budget Allocation: **\$553,173,737**

MOTION: Moved by Erin Munding and seconded by Al Link that the State Board adopt Resolution 05-06-11 (ATTACHMENT #1) to approve the 2005-07 capital budget allocations.

MOTION CARRIED.

APPROVAL OF 2005-2010 WASHINGTON STATE PLAN FOR ADULT BASIC EDUCATION (Resolution 04-06-12)

Israel Mendoza of the State Board staff explained that the State Plan for Adult Basic Education guides the Adult Basic Education (ABE) system in Washington and is the basis for policy, funding, and partnership decisions and a framework for future funding applications, communications materials, and compliance with federal mandates. The plan also supports the SBCTC’s strategic vision for ABE, “to enable students to attend and complete programs in order to be productive participants in the economy and society. As the state’s recipient of ABE funds, the State Board is required to adopt a state plans that outlines the state’s goals related to adult basic education. During the March meeting, the State Board staff previewed a draft of the 2005 State Plan for Adult Basic Education.

The proposed 2005-10 plan is the third document to guide ABE under the leadership of the SBCTC. The first two plans resulted in a stronger instructional system that increased outcomes for learners and the state. They also laid a foundation for the new document. The new plan builds on the past efforts and addresses the future needs of ABE learners and Washington State. It focuses on training basic skills students for the workforce, continuing to increase community awareness about the role of basic skills, and exploring ways to secure additional resources for adult literacy education.

MOTION: Moved by Jane Nishita and seconded by Jim Garrison that the State Board adopt Resolution 05-06-12 (ATTACHMENT #2) to approve the 2005-10 Washington State Plan for Adult Basic Education.

MOTION CARRIED.

**APPROVAL OF 2005-06 ADULT BASIC EDUCATION AWARDS AND ALLOCATIONS
(Resolution 05-06-13)**

Israel Mendoza presented recommendations awarding \$10,936,590 of state and federal funds for adult and family literacy programs to the community and technical college system and community-based organizations for 2005-06. He noted that the State Board approved \$1,484,460 of these funds for Volunteer Literacy, English Language Civics and Family Literacy at its May meeting. These recommendation and related background materials under Tab 13 of the agenda packet were reviewed and discussed by the Board at its study session the previous day. Israel announced that the House Appropriations Committee voted to restore federal funding of basic skills, and it is anticipated that the House of Representatives will vote to restore full funding.

The proposed funding package for 2005-06 totals \$10,936,590. The recommended distribution continues level funding to existing providers. It also includes Leadership dollars to support system activities that include:

- Incentive funding for providers that meet or exceed their performance targets for the current year. The money will be awarded using a plan created by the Council for Basic Skills that addresses a requirement in the Workforce Investment Act
- Ten demonstration projects that integrate adult basic education and workforce training, a project supported with a combination of ABE and workforce development funds.
- Ten demonstration projects that are offering GED and English as a Second Language instruction using computer-based instruction.

MOTION: Moved by Erin Munding and seconded by Jane Nishita that the State Board adopt Resolution 05-06-13 (ATTACHMENT #3) to approve the 2005-06 Adult Basic Education Awards and to delegate authority to the executive director to allocate funds as described in the resolution and attachment.

MOTION CARRIED.

**APPROVAL OF 2005-06 WORKFORCE EDUCATION AWARDS AND ALLOCATIONS
(Resolution 05-06-14)**

Jim Crabbe presented recommendations awarding state and federal workforce training funds to the community and technical college system for 2005-06. He noted that the State Board approved \$45,401,930 of these funds for Worker Retraining, Workforce Development, Apprenticeship and Job Skills at its May 2005 meeting. These recommendations and related background materials under Tab 14 of the agenda packet were reviewed and discussed by the Board at its study session the previous day.

Colleges fund workforce education in multiple ways, including the use of general enrollment funding and state/federal targeted funding. Jim summarized the funding recommendations by program for Worker Retraining, the Carl Perkins Act, Tech Prep, Workforce Development, Job

Skills, and Apprenticeship. He reported that the aggregate of all workforce education programming approaches \$260 million annually.

MOTION: Moved by Al Link and seconded by Erin Mundinger that the State Board adopt Resolution 05-06-14 (ATTACHMENT #4) to approve the 2005-06 workforce education awards and allocations and to delegate authority to the executive director to allocate and award the funds as described in the resolution and attachment.

MOTION CARRIED.

APPROVAL OF 2005-06 WORKFIRST AWARDS (Resolution 05-06-15)

Jim Crabbe presented recommendations awarding \$5,935,400 of federal WorkFirst training funds to providers, including community and technical colleges, private vocational colleges, and community-based organizations for 2005-06. Workfirst is Washington State's welfare reform program. The State Board receives WorkFirst funding through the Department of Social and Health Services, which it distributes to community and technical colleges, community-based organizations, and private colleges to provide education and training for Temporary Assistance to Needy Families (TANF) and low-income parents to get jobs in their local communities. The current goals of these services are to: increase the number of TANF parents entering employment with higher than average entry-level wages, increase job placements for TANF parents and others with low basic skills or limited English proficiency and increase job placements and wage progression for other low-income parents.

Unlike all other states, the Governor has authority over Washington's WorkFirst Program. The Governor recently commissioned a task force, under the auspices of her WorkFirst Subcabinet, to re-examine the program and make policy and budget recommendations for the 2005-07 biennium. Jim reported that the Subcabinet had its first meeting on this topic on June 1 and plans to complete the redesign by September 2005. The Governor's office is waiting for the redesign recommendations to develop the budget. Therefore, the State Board office does not know the amount of funding it will receive for 2005-06 or if there will be any new parameters imposed on the usage of funds at this time.

To maintain WorkFirst services at the colleges, staff recommends distributing one-quarter of the \$23,741,600 received last year for the period of July 1 to September 30, 2005. Those funds will be awarded using the previously-approved 80 percent base and 20 percent performance funding formula. The balance of the funding and full block grant application will be distributed to the colleges in late summer, pending decisions by the Governor. Jim cautioned that there is an expectation of a reduction of funding.

MOTION: Moved by Erin Mundinger and seconded by Jane Nishita that the State Board adopt Resolution 05-06-15 (ATTACHMENT #5) delegating authority to the director to grant final approval and funding for the 2005-06 WorkFirst awards as described in the resolution and attachment.

MOTION CARRIED.

PERMANENT RULE ADOPTION: WAC 131-28-026 TUITION CHARGES FOR CERTAIN UNGRADED COURSES (Resolution 05-06-16)

The Board held a public hearing on a proposed permanent rule adoption related to tuition charges for apprenticeship instruction. No public testimony was received.

Chris Reykdal of the State Board staff provided an overview of the proposed rule change. He noted that a revision to the Washington Administrative Code (WAC) is necessary due to recent legislation that allows colleges, at the request of an apprenticeship organization, to deduct the tuition owed from training contracts with that apprentice organization. The current WAC requires two financial transactions for colleges to pay apprenticeship organizations for the related instruction and for those apprentice organizations to then pay tuition on behalf of the student. SHB 1560 allows colleges to execute a single transaction, which will simplify the process and save accounting costs for the colleges and apprenticeship organizations. Under the revised WAC, colleges will be allowed to deduct tuition owed to them from the amount they owe apprentice organizations to provide instruction.

MOTION: Moved by Jim Bricker and seconded by Sharon Fairchild that the State Board adopt Resolution 05-06-16 to amend WAC 131-28-026 regarding tuition charges for community college apprenticeship programs.

MOTION CARRIED.

APPROVAL OF 2004-05 CORRECTIONS EDUCATION CONTRACT (Resolution 05-06-17)

Kathy Goebel presented for the Board's approval an updated contract with the Department of Corrections for 2005-06 for \$13,143,316 (3,821 FTEs) to provide workforce training instruction at the state's adult correctional facilities. She reported that nine community colleges have contracts with the State Board to provide basic skills, workforce training, and offender change intervention instruction at the state's 15 adult correctional facilities. As an overall umbrella to those local educational arrangements, the State Board and Department of Corrections develop a contract that identifies the key features of educational services to be provided, the enrollment levels, and other appropriate statewide policy or procedural guidelines. The college system received \$13,615,368 to produce 4,000 FTEs in the three educational mission areas during the 2004-05 contract period. Approximately 15,275 students were served with these funds.

Kathy outlined the major provisions of the new contract. Discussion followed concerning the need for future agreements to address fundamental policy issues that would effect positive change to reduce recidivism.

Earl remarked that Harold Clarke, the new director of DOC, is scheduled to meet with the community and technical college presidents at their summer retreat in July.

MOTION: Moved by Al Link and seconded by Jane Nishita that the State Board adopt Resolution 05-06-17 (ATTACHMENT #6) to approve the updated agreement with the Department of Corrections for the delivery of adult corrections education services for 2005-06.

MOTION CARRIED.

CONSENT ITEMS (Resolutions 05-06-18, 05-06-19, 05-06-20)

MOTION: Moved by Jim Garrison and seconded by Al Link that the State Board approve the consent agenda as follows:

- a) Resolution 05-06-18 (ATTACHMENT #7) delegating authority to the director to execute the labor liaison contracts with the King County Labor Council and the Washington State Labor Council to foster and facilitate partnerships among organized labor, the community and technical colleges, and the SBCTC.***
- b) Resolution 05-06-19 (ATTACHMENT #8) delegating authority to the director to execute the contract with the Center for Informational Services to support collaborative online education technologies.***
- c) Resolution 04-06-28 (ATTACHMENT #9) delegating authority to the director to execute a contract with Blackboard to support online education through the WashingtonOnline consortium.***

MOTION CARRIED.

EXECUTIVE DIRECTOR SEARCH PROCESS: SELECTION OF CONSULTANT FINALISTS

John Boesenberg reported that on June 2, 2005, the State Board published a Request for Proposals (RFP) seeking advice and assistance in the development and management of an executive search process and assistance in recruiting candidates for the position of Executive Director to replace Earl Hale, who will retire at the end of the year. RFP packages were also sent to 32 prospective contractors and received 11 complete proposals by the June 20 deadline.

At its study session the previous day, John outlined the various phases of the search and selection process. Board members then reviewed and evaluated the 11 proposals for the purpose of selecting finalists based upon their rating against the published criteria.

The Board also agreed to transition its existing subcommittee to a search committee to include Jim Garrison, Erin Munding, Al Link, and Tom Koenninger, who will serve as the committee chair. The committee will later be expanded to include representatives of the community and technical college system. It was agreed that Board members will be kept fully informed of the activities of the search committee and as connected as desired and practical to the assigned work of the committee, and that key decision points will involve the full Board.

MOTION: Moved by Jim Garrison and seconded by Al Link that the State Board delegate authority to the Executive Director Search Committee to make the final selection of the search consultant from among the top three proposals identified by the Board as: Ford Webb Associates, Gold Hill Associates, and Hockaday-Hunter & Associates.

MOTION CARRIED.

The Board further discussed the role of the search committee and the division of labor between the committee and the full Board as proposed by Tom Koenninger and Jim Garrison. Their proposal delegates to the search committee the authority to: 1) select a consultant after completing reference checks and personal interviews, with opportunity for the full Board to meet the selected consultant as soon as possible after the selection is made; 2) work with the consultant and system stakeholders to develop job and candidate search specifications (including compensation) to be reviewed and approved by the full Board before the formal search process begins; 3) present to the Board a list of final candidates who, in the judgment of the committee, best meet the specifications established by the Board, with candidates interviewed by the full Board; 4) advise and assist the Board Chair in the final negotiations and contract establishment with the selected candidate, to be conducted within the compensation parameters approved by the full Board.

Earl suggested that Board members carefully review the proposed role of the search committee and the division of labor as outlined above to make sure they are comfortable with the proposal and to advise Jim and Tom if any modifications are needed.

ADJOURNMENT/NEXT MEETING

There being no further business, the State Board adjourned its regular meeting of June 23, 2005, at 12:00 noon. The Board will hold its annual retreat September 6-8, 2005, at the Best Western Icicle Inn in Leavenworth.

Tom Koenninger, Chair

ATTEST:

Earl Hale, Secretary