



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

MEETING MINUTES

March 17, 2011

State Board Members

**Jim Bricker (Chair), Coupeville
Sharon Fairchild (Vice Chair), Spokane
Shaunta Hyde, Lake Forest Park
Jeff Johnson, Olympia
Beth Willis, Lakewood
Erin Munding, Omak
Elizabeth Chen, Federal Way**

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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March 17, 2011

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

**Regular Meeting Minutes
March 17, 2011
State Board Office, Olympia, WA**

The State Board held a study session on March 16, 2011 from 2:00 p.m. to 5:00 p.m. at the State Board office in Olympia. The Board received a status report on the Mission Study recommendations to close the skills gap for technically trained workers and increase funding for Adult Basic Education. The Board also heard from a "Student Voice" panel of community and technical college Adult Basic Education and Workforce students.

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State Board Members Present: Jim Bricker (Chair), Sharon Fairchild (Vice Chair), Jeff Johnson, Erin Munding, Shaunta Hyde, Beth Willis

State Board Members Absent: Elizabeth Chen

CALL TO ORDER AND WELCOME

Vice Chair Sharon Fairchild called the meeting to order at 8:30 a.m. and welcomed those present. She asked for audience self-introductions.

ADOPTION OF REGULAR MEETING AGENDA

MOTION: Moved by Beth Willis and seconded by Shaunta Hyde that the State Board adopt its March 17, 2011 regular meeting agenda as presented.

MOTION CARRIED.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Charlie Earl and staff reported on the following items:

- Lift & Shift Project/Enterprise Resource Planning system update
- Cascadia CC/UW-Bothell Campus Colocation Study update
- U. S. Department of Education Community College Regional Summit on April 15
- Governing Institute for Student Success training session on June 26-28
- Retirement of Israel Mendoza, SBCTC Adult Basic Education Director
- Proposed SBCTC meeting schedule for 2011-12
- National Council of State Directors of Community Colleges Summer Conference on July 24-27

ADOPTION OF CONSENT AGENDA (Resolutions 11-3-9 – 11-3-16)

MOTION: Moved by Sharon Fairchild and seconded by Beth Willis that the State Board adopt its March 17, 2011 consent agenda as presented.

Erin Munding requested that consent agenda item 3b (Resolution 11-3-9: Seattle Central CC Sound Transit Easement) be removed from the consent agenda for a separate vote, noting for the purpose of full disclosure the possible appearance of a conflict of interest on the part of the Executive Director that was referenced in the agenda materials.

MOTION TO AMEND: *Moved by Erin Mundinger and seconded by Beth Willis to amend the main motion by removing Resolution 11-3-9 from the consent agenda for a separate vote.*

MOTION CARRIED.

MOTION: *Moved by Sharon Fairchild and seconded by Beth Willis that the State Board adopt its March 17, 2011 consent agenda as amended:*

- a) *Approval of January 20, 2011 State Board regular meeting minutes*
- c) *Resolution 11-3-10 (ATTACHMENT #1): Pierce College Expenditure Authority*
- d) *Resolution 11-3-11 (ATTACHMENT #2): South Puget Sound CC Expenditure Authority*
- e) *Resolution 11-3-12 (ATTACHMENT #3): Everett CC Expenditure Authority*
- f) *Resolution 11-3-13 (ATTACHMENT #5): Yakima Valley CC Property Acquisition*
- g) *Resolution 11-3-14 (ATTACHMENT #5): Olympic College Property Acquisition*
- h) *Resolution 11-3-15 (ATTACHMENT #6): Community Colleges of Spokane Expenditure Authority*
- i) *Resolution 11-3-16 (ATTACHMENT #7): Everett CC Expenditure Authority*

MOTION CARRIED as amended.

APPROVAL OF SEATTLE CENTRAL COMMUNITY COLLEGE SOUND TRANSIT EASEMENT (Resolution 11-3-9)

MOTION: *Moved by Erin Mundinger and seconded by Beth Willis that the State Board adopt Resolution 11-3-9 (ATTACHMENT #8) authorizing the Board's Deputy Director of Finance to sign tunnel easements for Sound Transit after the settlement is finalized and referenced in the easements and, further, that \$505,500 in proceeds from the settlement may be used locally for reimbursement for professional services and legal fees incurred by the college in negotiating the settlement and to update the facility master plan.*

MOTION CARRIED.

BUDGET STATUS/TUITION UPDATE AND DELEGATION OF AUTHORITY TO THE EXECUTIVE DIRECTOR (RESOLUTION 11-3-17)

Denise Graham of the State Board staff gave a presentation on the impacts of budget reduction scenarios on community and technical colleges. She introduced Nick Lutes, the new Operating Budget Director at the State Board office.

In February, the 2011 supplemental budget was enacted. The House and Senate are expected to release their 2011-13 budget proposals after the March 17 revenue forecast. In February, legislative fiscal committees and higher education policy committees requested information on the impacts of three budget reduction scenarios. The community and technical college response was submitted February 28, 2011.

Two supplemental budgets have been enacted for fiscal year 2011 and a third is expected after the March 17 revenue forecast. The Early Action Supplemental Budget enacted in early December reduced state funding for the community and technical colleges by \$26.4 million (4

percent). The 2011 supplemental budget enacted in February takes \$13 million from colleges' local funds to backfill a reduction in state funding for the State Need Grant of \$13 million.

After discussions with the colleges, each district's share of the \$13 million backfill has been calculated based on a proportionate share of state allocations. The State Board will gather the local funds from the colleges and then transfer the funds to the Higher Education Coordinating Board. The colleges and the HECB will then use existing State Need Grant processes to ensure eligible students continue to receive financial assistance. The HECB and State Board have drafted an interagency agreement to facilitate the transfer of \$13,143,000 in college local funds to the HECB and to outline the processes the HECB will use to allocate financial assistance funds to the colleges. State Board approval is required to execute the interagency agreement.

In February, the House and Senate fiscal and higher education policy committees requested information from the two- and four-year college systems on three potential budget reduction scenarios. In addition, they asked for recommendations on tuition increases.

At the funding levels proposed in each of the three scenarios, the tuition increases needed to backfill the cut in state funding compared to FY 2011 are 18 percent each year at the Governor's cut level, 20 percent each year at the mid-cut level, and 23 percent each year at the high-cut level. Tuition increases of 13 percent in FY 2012 and 10 percent in FY 2013 were recommended in the system's response to the Legislature.

The additional 3 percent tuition increase recommended for FY 2012 would provide funding for a new Innovation Account created by SHB 1909 (promoting innovation at community and technical colleges). Under the bill, up to three percent of tuition (operating fee) revenues would be deposited into the account each year. Funds in the account could be used to implement the system's Strategic Technology Plan to improve student achievement, student services and increase system-wide administrative efficiencies. The Enterprise Resource Planning project would be the first project funded from the account.

Discussion followed regarding the likely impacts of potential budget reductions next biennium, what tuition levels would be considered acceptable given these potential reductions, and the funding mechanism for replacing current core computer applications with an Enterprise Resource Planning (ERP) system. Staff was asked to look at different options connected to current efficiency efforts and their impacts on the System Direction goals for discussion at the May meeting.

MOTION: Moved by Erin Mundinger and seconded by Beth Willis that the State Board approve Resolution 11-3-17 (ATTACHMENT #9) delegating authority to the Executive Director to enter into an interagency agreement to transfer designated college local funds to the Higher Education Coordinating Board to backfill a cut to the State Need Grants.

MOTION CARRIED.

LEGISLATIVE UPDATE

Deb Merle of the State Board staff reported that the 2011 regular legislative session has reached its halfway point, and the budget deficit faced by the State continues to be the dominant theme. The new state revenue forecast will be announced at noon on March 17, and current behind-the-scenes thinking is that there is likely to be an additional \$500 million to \$1.5

billion shortfall in revenues, increasing the overall 2011-13 deficit close to the \$6 billion range. Beyond significant budget challenges, the Legislature is grappling with a variety of policy bills with potential impact to the community and technical college system. The Board was briefed on significant policy legislation that affects the community and technical college system.

CHAIR'S REPORT

Chair Bricker presented his report:

- **Trustees' Association Report.** TACTC President Mauri Moore reported on recent and upcoming meetings and activities of the trustees' association, including last month's ACCT National Legislative Summit in Washington, D. C; the TACTC Legislative Action Committee, the Governance Institute for Student Success scheduled for June 26-28 in Cle Elum; and planned visits to all community and technical college boards of trustees meetings to hear about their expectations of TACTC and how the organization can be strengthened.
- **Presidents' Association Report.** WACTC President-elect Gerald Pumphrey reported that the presidents are working on: recommendations for funding models for Adult Basic Education mission at community and technical colleges; the Efficiency Study Steering Committee recommendations, which have been forwarded to the WACTC councils and commissions; preparing for the Governance Institute for Student Success training for trustees and presidents in late June; their internal budget considerations; and selecting speakers for the WACTC summer retreat in late July
- **Parking Lot Items.** An updated list of the State Board's Parking Lot items was presented for review and revision. Shaunta Hyde requested adding a Boeing briefing on community and technical college partnerships to a future State Board meeting agenda.
- **WELA Representative.** Chair Bricker announced that Elizabeth Chen will serve as the State Board's official liaison to the Washington Executive Leadership Academy.

BOARD MEMBER NOTES

There were no reports.

ADJOURNMENT/NEXT MEETING

There being no further business, the State Board adjourned its regular meeting of March 17, 2011 at 11:05 a.m. The State Board will hold its next regular meeting on May 11-12, 2011 at Highline Community College. *[Note: The location of the May meeting was later changed to the State Board offices in Olympia.]*

J.A. Bricker, Chair

ATTEST:

Charles N. Earl, Secretary

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 11-3-10

A resolution relating to Pierce College Local Expenditure Authority.

WHEREAS, the project is an interior remodel of the Fort Steilacoom College's Performance Lounge, an area used for student program activities as well as for college meetings, conferences and presentations; and

WHEREAS, the remodel will be performed in conjunction with other Cascade Core Phase II renovation work, which is funded from a state appropriation; and

WHEREAS, the college's board of trustees has approved the use of student services and activity funds for the renovation.

THEREFORE BE IT RESOLVED that the State Board for Community and Technical Colleges authorizes Pierce College local expenditure authority up to \$500,000 for the Fort Steilacoom College's Performance Lounge remodel project.

APPROVED AND ADOPTED on March 17, 2011.



J.A. Bricker, Chair

ATTEST:



Charles N. Earl, Secretary

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

RESOLUTION 11-3-11

A resolution relating to South Puget Sound Community College's local expenditure authority.

WHEREAS, South Puget Sound Community College is in the process of replacing the HVAC system and upgrading lighting in their Building 25, Administration and Student Services Building; and

WHEREAS, in the 2009-11 biennial capital budget the Legislature appropriated \$704,000 to the college for the Building 25 HVAC minor works project; and

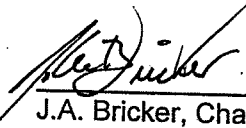
WHEREAS, in preparing for the project, the college discovered the needed repairs were more extensive than anticipated and the appropriated funding would cover only half of the costs; and

WHEREAS, the college received a Department of Commerce grant in the amount of \$375,000 and secured \$119,000 in rebates and incentives; and

WHEREAS, because the original appropriation could not be used for the required match for the grant, the college's board of trustees approved an additional \$275,000 from local funds to complete the project.

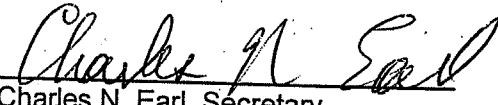
THEREFORE BE IT RESOLVED that the State Board for Community and Technical Colleges authorizes South Puget Sound Community College local expenditure authority, not to exceed \$769,000, for the Building 25 HVAC replacement and lighting upgrades.

APPROVED AND ADOPTED on March 17, 2011.



J.A. Bricker, Chair

ATTEST:



Charles N. Earl, Secretary

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 11-3-12

A resolution relating to Everett Community College's local expenditure authority.

WHEREAS, Everett Community College is seeking approval to use local funds up to \$1,000,000 to demolish the college's Rite Aid Center Plaza buildings; and


WHEREAS, the college's president has delegated authority from the college's board of trustees for the demolition project and has approved the expenditure; and

WHEREAS, the demolition project is scheduled to be completed this summer and the space will become additional parking for the college; and

WHEREAS, the college has a reserve balance of sufficient local funds for the project.

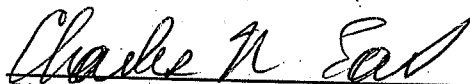
THEREFORE BE IT RESOLVED that the State Board for Community and Technical Colleges authorizes Everett Community College local expenditure authority, not to exceed \$1,000,000, for the demolition project.

APPROVED AND ADOPTED on March 17, 2011.



J.A. Bricker, Chair

ATTEST:



Charles N. Earl, Secretary

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

RESOLUTION 11-3-13

A resolution relating to Yakima Valley Community College's property acquisition.

WHEREAS, Yakima Valley Community College has identified property within their master plan that is available for sale; and

WHEREAS, the college's board of trustees has approved the purchase subject to State Board approval; and

WHEREAS, the college has a reserve balance of sufficient local funds for the acquisition.

THEREFORE BE IT RESOLVED that the State Board for Community and Technical Colleges authorizes Yakima Valley Community College local expenditure authority of \$97,500 for the purchase of property located at 806 S. 13th Avenue in Yakima, Washington.

APPROVED AND ADOPTED on March 17, 2011.



J.A. Bricker, Chair

ATTEST:



Charles N. Earl, Secretary

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 11-3-14

A resolution relating to Olympic College's property acquisition.

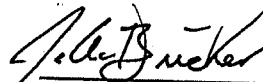
WHEREAS, Olympic College has been approached by the Bremerton School District regarding a piece of property they would like to sell that constitutes the southwest corner of the college's planning boundary; and

WHEREAS, the acquisition of the property is consistent with the college's master plan;
and

WHEREAS, the college has sufficient funds to cover the acquisition.

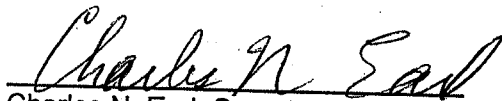
THEREFORE BE IT RESOLVED that the State Board for Community and Technical Colleges authorizes Olympic College to use up to \$96,000 plus assessments and closing costs of local funds to acquire property located at 1312 13th Street in Bremerton, Washington.

APPROVED AND ADOPTED on March 17, 2011.



J.A. Bricker, Chair

ATTEST:


Charles N. Earl, Secretary

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 11-3-15

A resolution relating to the Community Colleges of Spokane local expenditure authority.

WHEREAS, The Community Colleges of Spokane has reached a settlement agreement with OMS, Inc. for the design of Spokane Falls Community College's Early Learning Center; and

WHEREAS, the settlement agreement was approved by the Department of General Administration and the Office of the Attorney General; and

WHEREAS, the Community Colleges of Spokane has sufficient funds to cover the settlement.

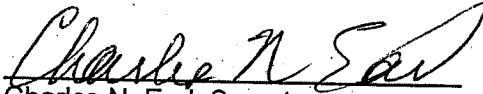
THEREFORE BE IT RESOLVED that the State Board for Community and Technical Colleges authorizes the Community College of Spokane local expenditure authority, not to exceed \$100,000, for the Spokane Falls Community College's Early Learning Center Settlement Agreement.

APPROVED AND ADOPTED on March 17, 2011.



J.A. Bricker, Chair

ATTEST:



Charles N. Earl, Secretary

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 11-3-16

A resolution relating to Everett Community College's local expenditure authority.

WHEREAS, Everett Community College received authority to use up to \$375,000 in local funds to implement the campus' wayfinding signage plan in April 2010; and

WHEREAS, the college has increased the project scope and is requesting an additional \$75,000; and

WHEREAS, the college has a reserve balance of sufficient local funds for the project.

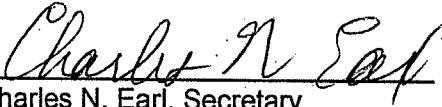
THEREFORE BE IT RESOLVED that the State Board for Community and Technical Colleges authorizes Everett Community College additional local expenditure authority, not to exceed \$75,000, for the wayfinding signage project.

APPROVED AND ADOPTED on March 17, 2011.



J.A. Bricker, Chair

ATTEST:



Charles N. Earl, Secretary

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 11-3-9

A resolution relating to Seattle Central Community College Sound Transit Easements.

WHEREAS, Sound Transit has requested a tunnel easement for the light rail system from Seattle Central Community College; and

WHEREAS, the light rail project will provide a valuable transportation option for students and staff at the college, but the easements will negatively impact future development of the property; and

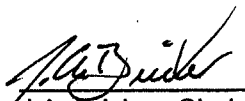
WHEREAS, Sound Transit and Seattle Central Community College have negotiated a monetary settlement plus a mitigation plan to offset the negative impact; and

WHEREAS, the college's review of its strategic plan resulted in a recommendation to update its facility master plan in light of this and other changes.

THEREFORE BE IT RESOLVED that the State Board for Community and Technical Colleges, authorizes the Board's Deputy Executive Director of Finance to sign the tunnel easements for Sound Transit after the settlement is finalized and referenced in the easements.


BE IT FURTHER RESOLVED that the \$502,500 proceeds from the settlement may be used locally for reimbursement of professional services and legal fees incurred by the college in negotiating the settlement and to update the facility master plan.

APPROVED AND ADOPTED on March 17, 2011.



J.A. Bricker, Chair

ATTEST:



Charles N. Earl, Secretary

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 11-3-17

A resolution relating to the transfer of college local funds to backfill a cut to the State Need Grants.

WHEREAS, the legislature passed and the Governor signed ESHB 1086, FY 2011 Supplemental Operating Budget effective February 18, 2011; and

WHEREAS, the 2011 Supplemental Operating Budget cuts the Higher Education Coordinating Board's state funding for the State Need Grant by \$25 million.

WHEREAS, Section 607(16) of the Supplemental Operating Budget requires the State Board for Community and Technical Colleges to backfill \$13,143,000 of the cut to the State Need Grant by using locally held college funds to provide a commensurate amount of aid to eligible students who would have received state need grant payments in absence of a cut to that program; and

WHEREAS, funds may be transferred from the State Board of Community and Technical Colleges to the Higher Education Coordinating Board through an interagency agreement.

THEREFORE BE IT RESOLVED that the State Board for Community and Technical Colleges delegates authority to the Executive Director, to enter into an interagency agreement to transfer the designated funds to the Higher Education Coordinating Board.

APPROVED AND ADOPTED on March 17, 2011.

J.A. Bricker, Chair

ATTEST:

Charles N. Earl, Secretary