

# STATE BOARD MEETING MINUTES

Martin Valadez, Chair // Kady Titus, Vice Chair // Chelsea Mason-Placek // Mack Hogans // Ben Bagherpour // Jay Reich // Crystal Donner // Emily Yim // Bernal Baca

Chris Bailey, Interim Executive Director // Marianna Watson, Executive Assistant

Statutory Authority: Laws of 1991, Chapter 28B.50 Revised Code of Washington

**Study Session: Wednesday, April 9, 2025 // 1 p.m. to 4:55 p.m.**

**Regular Business Meeting: Thursday, April 10, 2025 // 8:30 a.m. to 12:30 p.m.**

**State Board Office: 1500 Jefferson St SE, Olympia, WA (Room 1213)**

**Hybrid option via Zoom**

**State Board Members Present:** Martin Valadez, Chelsea Mason-Placek, Jay Reich, Ben Bagherpour, Crystal Donner, Mack Hogans, Emily Yim, Kady Titus (April 10), Bernal Baca (April 9)

**State Board Members Absent:** Kady Titus (April 9), Bernal Baca (April 10)

## Study Session

The State Board held a study session on April 9 from 1 p.m. to 4:55 p.m. The board heard the baccalaureate degree program quarterly update and discussed the affordable student housing study and the major project prioritization study. Members heard WACTC's recommendations for the allocation model, focusing on weighted priority enrollments, and discussed revisions to the model. This included updating the skills gap list and earmarks for specific programs. They also discussed the impact of recent changes in the US Department of Education and the potential loss of funding to the CTC system.

## Welcome and Board Member Introductions

Chair Valadez called the meeting to order at 1:02 p.m. and welcomed those present. He also asked the board members to introduce themselves.

## Land and Labor Acknowledgement

Board Member Crystal Donner read the Land and Labor Acknowledgement.

## Baccalaureate Degree Quarterly Update and Statements of Need Presentation

Joyce Hammer, deputy executive director for education, shared a link to the Community College Baccalaureate Association website with the board as a resource and to showcase Washington state as a nationally pioneering state for community college baccalaureate programs.

Ken Hang, policy associate for baccalaureate programs, provided the board with an update on bachelor's degree programs at community and technical colleges. Over 170 programs have been approved by the State Board across the 34 community and technical colleges, making up about

4.8% of students in the college system. The programs are classified into different categories, including Health Professions and Related Clinical Services, Education, and Business Management, Marketing, and related support services. The following table shows the breakdown of programs:

Programs	Classification
38	Health Professions and Related Clinical Services
38	Computer and Information Sciences and Support Services
34	Business, Management, Marketing, and Related Support Services
16	Education
9	Engineering Technologies/Technicians
5	Natural Resources and Conservation
5	Visual and Performing Arts
4	Public Administration and Social Service Professions
3	Agriculture, Agriculture Operations, and Related Sciences
3	Security and Protective Services
2	Communication Technologies/Technicians and Support Services
1	Transportation and Materials Moving
1	Mechanic and Repair Technologies/Technicians
1	Legal Professions and Studies
1	Biological and Biomedical Sciences

The board discussed the employment outcomes of students who graduate from the baccalaureate programs and whether those programs are correlated with graduates earning higher wages. Joyce Hammer responded to questions from the board that SBCTC's education department is exploring a new study to research program outcomes. The board also talked about the importance of industry partnerships and the need for students to be able to bridge the gap between their education and employment.

The board was presented with Statements of Need for:

- Edmonds College — Proposed Bachelor of Applied Science, Behavioral Health Support Specialist

- Columbia Basin College — Proposed Bachelor of Applied Science in Respiratory Therapy
- Columbia Basin College — Proposed Bachelor of Science in Computer Science
- Whatcom Community College — Proposed Bachelor of Science in Computer Science

## Update on Affordable Student Housing Study

Laura Coghlan, program administrator for student services, and Darrell Jennings, capital budget director, shared an update on the affordable student housing study with the board. They discussed the urgency of the current housing crisis in Washington state, with a need to add a million more homes within the next 20 years due to population growth. Nearly half of those new homes need to be affordable for households earning less than 50% of the median family income. For the community and technical college system, 38% of enrolled students reported experiencing housing insecurity or homelessness, and 19 of the 34 colleges currently provide some form of housing to their students.

The way in which housing is financed was also discussed — college enterprise services are generally not supported by the Legislature and student housing is funded through other means, such as partnerships with ground leases, local funds, and contracts with private providers. This led to further discussion with the board about how success metrics can be measured to showcase the impact of housing insecurities on students.

The study overall will analyze the local rental housing market around the 34 community and technical colleges, each college's need for low-income student housing, anticipated costs to operate and maintain housing, and the impacts it may have on the local market rental supply. Work is being done on a major project prioritization study, which will help develop a prioritized list of projects for submission to the Office of Financial Management and the Legislature for capital requests.

## Major project prioritization study update

Darrell Jennings, capital budget director, and Eric Murray, president of Cascadia College, presented the board with WACTC's recommendations based on the findings of the major project prioritization study. They discussed the different versions of the allocation model and how major works projects flowed through them. The first model ("version 1.0") was based on a competitive scoring process among all the colleges for major projects. "Version 2.0" has been in place for more than a decade and has yielded success with every college in the system getting a turn at a major project.

However, the pipeline for projects is proving to be too long and updates are needed. The proposed new model ("version 3.0") introduces an intermediate project category for projects between \$2 million and \$15 million. This will allow more colleges to get their projects funded faster. The model also includes a process for colleges to opt out of their major project and move to the intermediate category. There are specific criteria for the intermediate category, which includes the following:

- Colleges allocated a maximum of \$15 million
- Multiple projects can be packaged into this amount
- Projects must be less than \$2 million
- If a package is more than \$10 million, no pre-design is necessary

- If a package is less than \$10 million, it must meet OFM's pre-design standards

The proposal has been approved by the presidents and is now being presented to the State Board for approval. The goal is to implement the new model in the 2027-2029 biennium.

## WACTC recommendations from Allocation Model Review Taskforce

Stephanie Winner, operating budget director, and Carli Schniffer, president of Grays Harbor College, updated the board on the Allocation Model Review Taskforce and the work its has done over the last 18 months. They reviewed four recommendation items that have not changed since the original recommendations were presented to the board:

- Minimum Operating Allocation (MOA)
  - Keep Minimum Operating Allocation (MOA) in the model adjusted for Higher Education Price Index (HEPI) increases since 2015
  - Recommend fixed amount of \$3.7 million per college, up from the current funding amount of \$2.85 million
- District Enrollment Allocation Base (DEAB)
  - Eliminate the “target”
  - Use a true 4-year rolling average for distribution
  - Allocate based on 50% FTE and 50% headcount
  - Eliminate international student enrollments
  - Eliminate corporate/continuing education enrollments
- Performance Funding (SAI)
  - Preserve the fixed 5% of total state operating appropriation funding
  - Implement a regular review cycle
  - Retain equity provisions in the SAI model
- Four-Year Safe Harbor Earmarks
  - Continue holding compensation, maintenance and operations, and leases in 4-year safe harbor

The board was then presented with new and revised recommendations from the committee based on feedback from the initial survey:

- Weighted Priority Enrollments
  - In the current model:
    - Four enrollment categories receive additional weight of 0.3 per student FTE
    - BEdA
    - STEM

- Upper-level BAS
  - Skills Gap
  - Funding fluctuates based on enrollments
- Recommendations for the new model:
  - Fixed 5% of total state operating allocations for two enrollment categories:
    - BEdA
    - Skills Gap
- Skills Gap List
  - In the current model:
    - CIP code list is based on a report from 2013
  - Recommendations for the new model:
    - Combine local with current & future demand

The committee also recommended maintaining several earmarks, including disability accommodations, the Gold Star Family Book Stipend, Guided Pathways, Centers of Excellence, aerospace enrollments, worker retraining, innovative programs, student emergency assistance, outreach specialists, labor educational research center, resources for students of color, and the Opportunity Grant. These earmarks total over \$55 million and support various initiatives across the community college system.

They also recommended rolling the below into the allocation model:

- Aerospace apprenticeships
- Employment resources
- Hospital Employee Education and Training
- Maritime industries
- University contracts
- Premium regional pay

The committee aims to update outdated earmarks and distribute funds more effectively through the allocation model. They are surveying college presidents for feedback on these recommendations. They also plan to present the revised allocation model with actual numbers to colleges in the coming weeks, followed by a vote at WACTC and then seeking State Board approval. Implementation is proposed for fiscal year 2027 at the earliest.

## Emerging federal issues, part 1

Choi Halladay, deputy executive director for business operations, shared an update regarding the US Department of Education. The discussion focused on the “Dear Colleague” letter issued by the Office of Civil Rights of the Department of Education regarding the nondiscrimination obligations of entities that receive federal funding. It reflects a position by the department that many activities related to diversity, equity, and inclusion may violate Title IV of the Civil Rights Act and the Equal Protection Act. Two lawsuits were immediately filed against the department in response.

The letter also proposed the eventual closure of the Department of Education, followed by reductions in force and funding cuts. Like with the Dear Colleague letter, a lawsuit was filed in response by 20 different states (including Washington state) and the District of Columbia. Chris Bailey, interim executive director, signed a letter of declaration as part of the filing.

The board discussed the potential impact of recent visa revocations on international students within the community and technical college system. Choi responded that the agency is working with the Attorney General's office to address these changes and is providing resources and support to colleges.

## Adjournment

Board Chair Valadez adjourned the study session at 5:03 p.m.

## Regular Business Meeting

The State Board held a regular business meeting on April 10 from 8:30 a.m. to 12:30 p.m. Members had a continued discussion of issues emerging from the federal level, the ongoing legislative session, and heard an update from the agency's legislative interns. They also listened to an update on the executive director hiring process.

## Welcome and introductions

Chair Valadez called the meeting to order at 8:30 a.m. and welcome those present. He asked members of the board to introduce themselves.

## Establish a quorum and adopt meeting agenda

Chair Valadez noted that a quorum was present and additional information about a consent agenda item was sent out last night by Marianna Watson, executive assistant. He also stated that an executive session would be added to the end of the regular business meeting. Chair Valadez then requested a motion to adopt the agenda.

Motion: Moved by Board Member Bagherpour, seconded by Board Member Yim, and unanimously approved by the board, the adoption of the April 10, 2025, regular meeting agenda.

## Approval of consent agenda

- SBCTC Board Meeting Minutes – February 2025
- Tacoma Community College – Local capital spending authority for Building 18 envelope  
**Resolution 25-04-10**
- Bates Technical College – Local capital spending authority for welding and HVAC shop expansion  
**Resolution 25-04-11**
- Lower Columbia College – Local capital spending authority for softball batting facility  
**Resolution 25-04-12**
- Everett Community College – Request to dispose of Lot M

**Resolution 25-04-13**

- Walla Walla Community College — Local capital spending authority increase

**Resolution 25-04-14**

- Columbia Basin College — Proposed Bachelor of Applied Science in Respiratory Therapy

**Resolution 25-04-15**

- Columbia Basin College — Proposed Bachelor of Science in Computer Science

**Resolution 25-04-16**

- Whatcom Community College — Proposed Bachelor of Science in Computer Science

**Resolution 25-04-17**

- Officer term limits change to State Board bylaws

**Resolution 25-04-18**

- Policy Manual Additions

**Resolution 25-04-19**

**Motion:** Moved by Board Member Mason-Placek, seconded by Board Member Hogans, and approved by the board, the adoption of the April 10, 2025, consent agenda.

## Public comments

No public comments.

## Emerging federal issues, part 2

Choi Halladay, deputy executive director for business operations, provided the board with a continued update on federal issues from the Study Session. The discussion focused on the federal budget process, more specifically year-end reconciliations. Encompassed in the reconciliation are revenue adjustments such the elimination of tax-free bonds and educational tax credits and the taxation of private scholarships and Pell Grants. It also calls for risk-sharing, which could be detrimental to open-enrollment institutions. Choi noted that the fiscal year 2026 appropriations process is underway and there are concerns about decreased expenditure authority across various departments.

The board discussed the potential impact these financial issues could have on the CTC system and its students. The board emphasized the need to track developments closely.

## Legislative session update

Arlen Harris, legislative director, shared with the board an update on the current legislative session. With 18 days remaining, budget proposals have been released and there are some negative implications for the CTC system. However, the positives were discussed first.

Chair Valadez was on the Hill yesterday with Sam Herriot, government relations liaison, to talk to legislators about potential impacts of the budget on college campuses. They were joined by Dr. Amy Morrison, president of Lake Washington Institute of Technology.

There was recognition of the WEA for organizing several Hill Climb days throughout the session that CTC institutions have been able to participate in.

The board was then walked through policy bills:

- SB 5543: expands college-bound scholarship eligibility to GED recipients
  - Passed the Senate 49-0 and is currently in the House Rules Committee
- HB 1556: removing the age limit of 19 years for high school completion programs
  - Passed both chambers and it's hoped that the governor will sign next week
- SB 5110: tribal elders tuition waiver
  - Passed the Senate 48-0 and is currently in the House Rules Committee
- SB 5682: extension of the customized training program
  - Passed the Senate 47-1, currently in the House Rules Committee
- HB 1486: adding a student to the SBCTC board
  - Discussed at the last State Board Meeting
  - Passed both chambers, headed to the governor's office for signature
  - Goes into effect in fall 2026
    - Student board member will be required to excuse themselves from executive sessions, matters of pending litigation, or on hiring, discipline, and personnel
- SB 5663: enhancing advertising for online classes (online course offerings not restricted by the physical boundaries of the college, can advertise anywhere for online classes)

Darrell Jennings, capital budget director, and Stephanie Winner, operating budget director, joined the discussion to talk about proposed cuts to the state budget. Each chamber has their own proposed budget. While the Senate's proposed budget fully funds a cost-of-living adjustments, the House's does not. The Senate's proposal also includes a one-time salary reduction via furloughs or other compensation-saving measures, while the House's does not.

Both proposals have reductions in maintenance and policy adjustments. The Senate's proposal includes a bill that would allow for a one-time 5% tuition operating fee increase in the next academic year to offset an \$18 million cut. The House's proposal includes a freeze on the college affordability pot of money to help save money.

The House and Senate budgets include significant reductions that could lead to program cuts, faculty layoffs, and reduced student services across the colleges. The board discussed the agency may need to utilize an RCW that allows them to declare a financial emergency to facilitate staffing reductions.

With 18 days left in the session, negotiations are ongoing and advocacy efforts continue.



## Legislative intern update

Sam Herriot, government relations liaison, provided the legislative internship program update to the board. They were joined by the agency's interns, Isabella Flores and Khanh Pham. Both are students at South Puget Sound Community College. They shared the positive experiences they have had in the program, emphasizing the valuable skills they have learned from it. These include understanding the legislative process, public speaking, and advocacy measures. Both expressed gratitude for the program discussed their plans for the future. Isabella is set to transfer to WSU in fall 2025 and Khanh will pursue computer studies at UW Seattle.

## Executive director search update

Julie Huss, human resources director, updated the board on the recruitment and hiring process for the open executive director position. The job posting opened on Feb. 18 with the priority application deadline of March 31. Interviews are slated to begin at the end of April, with second-round interviews (including public forums) happening in early May. Finalist interviews with the board will be in-person and take place May 14 and May 15.

Overall, the search process has been going well. The board also discussed the importance of public participation in the upcoming forums to provide input before the final selection is made.

## ACT report

Bertha Ortega, ACT President, reported on the upcoming Spring ACT Conference, which takes place from May 22-23 at the Davenport Grand Hotel in Spokane. The ACT Leadership Congress is also coming up this October in New Orleans, La. ACT's award recipients were also announced:

- Partner of the Year Award: Cowlitz Indian Tribe
- Faculty Award: Lori Hays, Edmonds Community College
- Staff Award: Starr Bernhardt, Big Bend Community College
- Equity Award: Big Bend Community College
- CEO Awardee: Amy Morrison, Lake Washington Institute of Technology
- Trustee Awardee: Doug Mah, South Puget Sound Community College

## WACTC report

Dr. Amy Morrison, WACTC president and president of Lake Washington Institute of Technology, expressed gratitude for the board, SBCTC staff, and Aileen Miller from the Attorney General's office during unprecedented times at the state and federal level. There was discussion of how presidents are preparing students, faculty, and staff for the impact of potential federal issues, outcomes of the Department of Education, and budgeting issues.

Board Member Yim asked what Dr. Morrison thought the best way for SBCTC was to support community and technical colleges during this time, to which she responded that the agency could focus on advocacy while also bringing clarity on the full scope of potential federal impacts.

Board Member Hogans then asked how presidents are thinking about the environments of their respective campuses, including student and employee anxiety about federal issues. Dr. Morrison responded that students are diligent and hardworking, able to focus on their individual work and view their campuses as a respite from the rest of what is going on in the world.

## System unions report

Sue Nightengale of the WEA discussed the overall fear and anxiety felt across campuses about emerging federal issues, including ICE enforcement, funding, and enrollment drops. There was also discussion about pre-emptive syllabus changes made in anxiety about federal mandates.

The WEA and WFT are mainly focused on what is happening in the Capitol with state legislators. There are hundreds of educators in Olympia every week for advocacy.

## Executive director report

Choi Halladay, deputy executive director for business operations, served as a proxy for Chris Bailey, interim executive director, who was on vacation. The board was presented with data surrounding enrollment trends over the last few years. There has been a 9.6% headcount increase and a 9.9% increase in FTEs for winter quarter, compared to the previous year. Contract-funded FTE, mainly dual enrollment students, saw a 10% increase. Enrollment growth was driven more by students of color than white students, which is a new development.

The board discussed an emerging CTC system trend of female student outnumbering male students, generally a ratio of 60% to 40%. The trend is accelerating, and on some campuses that ratio is closer to 70% female to 30% male students.

The conversation ended with a discussion on the Board's fiduciary responsibilities and the need for scenario planning in light of potential budget constraints.

## Board discussion and chair's report

- Board members thanked SBCTC staff, the board chair, and members of WACTC for their work, talent, and dedication to CTC system and students.
- There is a need to start preparing for different scenarios that might arise from the current federal landscape.
- Chair Valadez stated many of the concerns and questions brought up during the meeting will be further address either at the June or August board meetings.
- Board officer elections are happening in June. Board Members Bagherpour, Mason-Placek, and Yim have been tasked by Chair Valadez to serve on the nominating committee. They will report back on slated candidates during the June board meeting.
- Chair Valadez announced that the meeting would adjourn for an executive session, but first thanked the board members for their time and contributions, SBCTC staff for their presentations, Choi Halladay for stepping in as a representative for the interim executive director, and Marianna Watson for coordinating logistics.

## Adjournment/next meeting

Chair Valadez adjourned the April 10, 2025 regular business meeting at 11:55 a.m. and called for an executive session to begin for 15 minutes. No final action was taken in executive session. The next State Board meeting will be June 11-12 in Centralia.

## Attest



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Chris Bailey, interim secretary



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Martin Valadez, chair