

**South Puget Sound Community College
BOARD OF TRUSTEES
REGULAR MEETING
MINUTES
Tuesday, June 14, 2016
Building # 25 – Boardroom
South Puget Sound Community College
2011 Mottman Road, S.W.
Olympia, WA 98512-6292**

CALL TO ORDER

Board Chair Judy Hartmann called the meeting to order at 1:30 p.m.

ROLL CALL

Trustee Judy Hartmann, Trustee Barbara Clarkson, Trustee Leonor Fuller, and Trustee Doug Mah were present. Trustee Judy Blinn was absent. Assistant Attorney General (AAG) Jean Wilkinson was present.

EXECUTIVE SESSION

At 1:00 p.m. Chair Hartmann announced that the Board was going into executive session to review the performance of a public employee. The executive session would last approximately until 3:00 p.m. and no action would be taken by the Board during the executive session.

At 3:00 p.m., it was announced to the guests waiting outside that the executive session would be extended for an estimated 30 minutes. The executive session concluded at 3:30 p.m.

BREAK 3:30-3:45 p.m.

Chair Hartmann reconvened the regular meeting at 3:45 p.m. and reported no Board action was taken in executive session.

APPROVAL OF CONSENT AGENDA

It was moved by Trustee Clarkson, seconded by Trustee Fuller and carried **THAT THE FOLLOWING CONSENT AGENDA ITEMS BE APPROVED:**

A. ADOPTION OF MINUTES

- May 10, 2016 regular board meeting

B. MEETINGS AND CONFERENCES**C. ANNOUNCEMENT**

- Graduation, Friday, June 17, 2016

D. DATE OF THE NEXT BOARD MEETING

Regular Meeting
September 13, 2016
3:00-4:30 p.m.
Building # 25 - Boardroom
South Puget Sound Community College
2011 Mottman Road, S.W.
Olympia, WA 98512-6292

SPECIAL INTRODUCTIONS None.

COMMENTS FROM THE AUDIENCE None.

BOARD SPECIAL COMMITTEE LIAISON REPORTS

- Board of Directors, SPSCC Foundation – Trustee Clarkson reported the following:
 - The Foundation Board met last week and received an update on the potential health and wellness center and discussed Foundation's role in processing college program account funds and established an adhoc estate planning committee.
- Budget and Finance – (Quarterly Reports: September, February, May). Trustee Mah reported the Board Finance Committee did not meet in June. There are items later on the agenda for the Board's consideration and action.
- Policy Governance and Trends in Higher Education – Trustee Blinn was absent.
- ACT Legislative Action Committee (LAC) – Trustee Fuller reported the following:
 - The ACT Spring Convention was in May, and Trustee Blinn and Dr. Stokes attended. There was a Legislative Action Committee meeting during the conference. The Legislative priorities will most likely be released sometime in October or November of this year for the upcoming session. They are concerned about funding availability for the system. She said this is a time in the interim to get our message across for the need to support our system. Several are running for office now, so individuals can speak about their own personal experiences and stories and utilize this time to educate people who will have a voice in the legislative session.
- ACT Education Committee – Chair Hartmann had no report.

REPORT FROM THE COLLEGE PRESIDENT

- ASB President Madison Luther reported the following:
 - The 2016-2017 Associated Student Body officers include the following:
 - ASB President, yet to be determined; Nguyen Do, Vice President for Finance & Administration/Interim President; Smita Khobragade, Vice President for Public Relations; Kate Armstrong, Vice President for Legislative Affairs; and Trinh Vo, Vice President for Clubs & Organizations. Unable to attend the meeting were: Vice President

for Diversity & Equity, Deanna AINU'U; and Chelyn Bigornia, Vice President for Administrative Affairs.

- Summary highlights of goals and accomplishments for the year:
 - They have been active in conversations with the architect regarding a future health and wellness center.
 - They presented at the June Faculty meeting to convey student needs and had several videos showing student and faculty voices.
 - They had a good surveying process and student feedback on the need for gender-neutral restrooms.
 - They facilitated opening up the student lounge to make it a more inclusive space.

Madison said she felt honored to serve as the ASB President this year and that everyone who served on the Senate enjoyed their time. The trustees expressed their appreciation for the student involvement in issues that are important to the campus this year and thanked Madison for her exemplary leadership and thoughtful way of moving their goals along and educating everyone in the process. Dr. Stokes noted that the Board will carry out its tradition of having a brick engraved and installed in the Percival Plaza to recognize Madison Luther's service as ASB President for 2015-2016.

- Annamary Fitzgerald, ABE Professor and Faculty Union President, reported the following:
 - The faculty members are finishing up their work plans for next year. They are implementing the new service unit structure that was negotiated last year and new to the contract. The contract's modifications are in a draft form before the faculty for voting. The final membership meeting is scheduled at noon on June 17.

Dr. Stokes updated the Board that at the July 11 Board retreat, they will be bringing forward the faculty contract addendum for Board approval.

- She read the letter from the AFT Local 4603 to the Board of Trustees, in which they ask the Board "to examine the implications of the ongoing ctcLink problems for its potential economic and relational impacts for us as a school and community. We request that you share these concerns among your peers and with the State Board. We think it is reasonable to request the SBCTC suspend its scheduled rollout until the most egregious of these issues are resolved."
- Karen Halpern, Business Professor and Faculty Senate President, reported the following:
 - A proposal to update the current bylaws was voted on and approved by faculty. The revisions are meant to describe Senate's work more clearly in relation to the mission and core themes of the college.
 - The new Faculty Senate officers elected for 2016-2017 include:
 - President: Jason Salcedo (Humanities)

- Vice President: Margaret Thomas (Library)
- Secretary: Sarah Cabbage (Natural Sciences)
- Joint FACTC representatives: Carlea McAvoy and Lynette Rushton (Natural Sciences)
- President Emeritus: Karen Halpern (Social Science/Business)
- Norm Chapman, Automotive Professor in the Applied Technology division, agreed to be the faculty speaker at Graduation.
- Randy Riness, outgoing Senate Vice President, will continue to run the Faculty Senate webpage in 2016-2017, which will house Senate documents and be a place for faculty to share tips, techniques, and information.

The trustees expressed their thanks to Karen Halpern for her service, and welcomed Jason Salcedo as the incoming Faculty Senate President.

- Dr. Stokes reported the following:
 - Hawks Prairie Update: IDS continues to move forward with their due diligence and is still very positive with the Hawks Prairie property project. There are five outstanding issues they are dealing with, and are very close to resolving four out of the five. The remaining issue is a county issue and has to do with Hogum Bay Road. Trustee Clarkson, Virgil Clarkson, and the City of Lacey, have been very helpful in resolving issues around the wetland mitigation and traffic patterns.
 - The Aspen Prize Interview on June 2 went very well. The selection team was impressed "with how much we had moved the needle on student success in such a short time." He thanked Dr. Pelkey and Dr. Andreas for writing the application.
 - They are trying to finish hiring for the next academic year. Many of the faculty members are coming from the institution, who have been long-term adjuncts and some are from across the country.
 - He recognized End-of-Year activities and celebrations of learning:
 - Employee Appreciation Celebration on May 26
 - Clipper Scramble and After-Party Celebration
 - Spring Conference at the Lacey Campus: Students from Psychology, Math, Oceanography, communication Studies, History, Humanities, and ESS demonstrated various disciplinary perspectives on this quarter's theme of Migration
 - Biggest Campus Activities Event: student club booths and demonstrations, concert, petting zoo, etc.
 - 11th Annual Student Art Exhibition from May 16-June 10
 - SPSCC Choir Spring Concert and Orchestra Concert
 - Graduation on June 17
 - He noted statistics on the Class of 2016: 1,777 Degrees and Certificates being awarded; 1,469 students receiving awards; Average GPA is 3.01; 94% Thurston County residents.
 - He noted the draft 2016-2017 Operational Plan.
 - He noted other information located in the board binders:

- President's Outreach Activities List
- Personnel Update

INFORMATIVE REPORT

Foundation Annual Report

On behalf of Valerie Fluetsch, President of the College Foundation Board of Directors, Foundation Executive Director Tanya Mote provided Foundation's 2015-16 annual report that highlighted the following:

2015 Revenue and Support and Fund Balance:

- January 1, 2015-December 31, 2015: Revenue and support received \$1,263,081.
- For fourth year in a row, the Foundation raised more than 1.25M in cash, pledges, and in-kind contributions in one year
- Fund balance for all Foundation assets as of December 31, 2015: \$7,231,987. For the third year in a row, the Foundation's assets remain above \$7,000,000.

Institutional Support and Operating Expenses:

The Foundation provided \$1,020,051 in institutional support to the college from January 1 to December 31, 2015 in the following areas:

- Scholarships: \$322,622
- Student Emergency Grants: \$5,071
- Student Incentive Grants & Specialty Awards: \$8,301
- Exceptional Faculty Grants: \$52,677
- Classified Staff Professional Development Grants: \$10,000
- College Programs: \$233,671
- In-Kind Assets for College Support: \$387,709

Foundation expenses in 2015:

- Operational expenses and investment management Fee: \$194,647
- Event and campaign expenses for The Experience and Clipper Scramble: \$108,916

She also reviewed highlights of Foundation's friend-raising and fundraising events:

- The Experience
- Naming gift of the TwinStar Community Foundation Event Center
- Co-hosted a VIP reception with the Learning Seed Foundation
- Annual Scholarship Reception
- 26 new scholarships created in 2015
- Hosted the Dr. Martin Luther King, Jr. Banquet with the Thurston Group
- President's Club event
- Clipper Scramble

Recent Foundation Developments:

- Completion of a database conversion over the summer.
- Development of a Business and Innovation Microloan Fund.
- Foundation Outreach Committee will be hosting VIP receptions prior to all the Artist & Lecture Series.
- Working on a trail and bridge restoration project with the Squaxin and Nisqually tribes, and the Washington Arts Commission to renovate the artist bridge.

Other News:

- Foundation's fundraising goal for 2015 was to increase revenue by 10%; they increased it by 23.7%.
- Valerie Fluetsch will be finishing her two-year term as Foundation Board president in December, and Lynnette McCarty will be the incoming president in 2017.

POLICY

Discontinuation and Initiation of Certificates

The Board of Trustees retains the authority to approve the initiation or discontinuation of educational programs of study that lead to the award of a degree and/or a certificate of completion of more than 19 credits. Dr. Andreas reported on the following certificates.

Discontinuation of Retail Management Certificate

Rationale for discontinuation: Interest in the Retail Management Certificate has been declining, and industry research indicates that students can receive this certificate fully online from other colleges. There are not many jobs that a student would qualify for with this certificate, and most training is done on the job in the retail industry. This 53-credit program could not guarantee any student additional wages for taking it.

It was moved by Trustee Mah and seconded by Trustee Clarkson **THAT THE BOARD OF TRUSTEES APPROVE THE DISCONTINUATION OF THE RETAIL MANAGEMENT CERTIFICATE EFFECTIVE SPRING 2016 AS PRESENTED IN TAB 3. THE MOTION CARRIES.**

Discontinuation of Medical Assisting Certificate

Rationale for discontinuation: The Medical Assisting Degree only requires just a few more credits to obtain than the Certificate, and provides graduates more employment opportunities upon graduation. The accrediting body for medical assisting is actually in favor of the College just having one program and not this 72-credit program. Some students may apply to get this certificate, but the majority of them are continuing on to the full degree, in which they have less than a quarter to finish.

It was moved by Trustee Mah and seconded by Trustee Fuller **THAT THE BOARD OF TRUSTEES APPROVE THE DISCONTINUATION OF THE MEDICAL ASSISTING**

CERTIFICATE EFFECTIVE SPRING 2016 AS PRESENTED IN TAB 4. THE MOTION CARRIES.

Initiation of New Billing and Coding Certificate

Rationale for initiation: The Billing and Coding Certificate is designed for individuals interested in becoming medical billers and coders. Students completing the Billing and Coding Certificate will earn a certificate of completion with 62-64 credits. This has a very specific and high-demand skill set. There is overlap between this program and the Medical Assisting Program—students completing the Medical Assisting Program will have already earned 38-40 of these credits.

It was moved by Trustee Fuller and seconded by Trustee Mah **THAT THE BOARD OF TRUSTEES APPROVE THE INITIATION OF THE BILLING AND CODING CERTIFICATE AND OFFER IT EFFECTIVE FALL QUARTER 2016 AS PRESENTED IN TAB 5. THE MOTION CARRIES.**

President's Contract

Chair Hartmann noted that during the Executive Session, the Board discussed the President's evaluation, and following the evaluation process, the Board considered extension of the president's employment contract and related matters.

It was moved by Trustee Fuller and seconded by Trustee Clarkson **THAT AFTER HAVING COMPLETED AN ANNUAL AND THOROUGH ASSESSMENT OF THE COLLEGE PRESIDENT'S PERFORMANCE AND REVIEW OF HIS EMPLOYMENT CONTRACT, THE BOARD OF TRUSTEES OF SOUTH PUGET SOUND COMMUNITY COLLEGE OFFERS DR. TIMOTHY STOKES, THE FOLLOWING:**

- 1. AN EXTENSION OF HIS CONTRACT AS PRESIDENT OF THE COLLEGE FOR THE PERIOD OF JULY 1, 2018 THROUGH AND INCLUDING JUNE 30, 2019, WITH THE TERM AND CONDITIONS SPECIFIED;**
- 2. A 1.8% BASE SALARY INCREASE BEGINNING JULY 1, 2016; AND**
- 3. A PAYMENT NOT TO EXCEED \$2,200 PER YEAR FOR A LONG-TERM CARE ANNUITY THROUGH JOHN HANCOCK.**

DR. STOKES HAS ACHIEVED EXCEPTIONAL RECOGNITION FOR THE COLLEGE, WITH RESPECT TO STUDENT ACHIEVEMENT, FACULTY AND STAFF ENGAGEMENT AND SUCCESS, AND HAD ASSEMBLED AN EFFECTIVE CABINET. THE TRUSTEES DESIRE TO RETAIN DR. STOKES SO THAT THE COLLEGE CAN CONTINUE TO BENEFIT FROM THESE ACHIEVEMENTS AND ENSURE THAT HIS LEADERSHIP CONTINUES. MOTION CARRIES.

Some general comments from the Board included:

- Board Chair led us in a very lengthy process of evaluation. It is a meaningful template by which the President evaluates himself and trustees individually evaluate him, and the Chair compiles all the comments for discussion and consideration. The motion was presented with a hearty stamp of approval.

- Appreciation of Dr. Stokes' exceptional leadership and recognition of the great work that the faculty and students have done in creating this type of environment.
- Dr. Stokes has brought credibility to the college in this community. He is known throughout the community. He has assembled a wonderful group of faculty and staff. He still has a big job ahead of him, and the Board would like him to continue to lead the college in moving forward.
- Our conversations were very positive, and we feel that it has been an exceptional year for the college. The president, faculty, staff and students have worked so hard, and as a result, the college is very well positioned for where we can go next, so we would like to retain Dr. Stokes as our president to take us further down that road because we believe it is going in a good place.

BUILDINGS AND GROUNDS No Report.

BUDGET AND FINANCE

2016-2017 Services & Activities Fee Budget

Madison Luther, ASB President, presented the second reading of the allocations for the 2016-2017 S&A Fee Budget for Board approval. In addition, she provided the lists of clubs/organizations and their descriptions and an itemized summary of expenditures of the 2015-2016 clubs and organizations.

Total Requests: \$1,190,566.56 (from 48 different campus clubs, programs, groups)
S&A Budget: \$ 970,000.00
Total Cut to Date: \$ -219,066.56
Balance Left to Cut: \$ 1,500.00

It was moved by Trustee Mah and seconded by Trustee Clarkson **THAT THE BOARD OF TRUSTEES APPROVE THE 2016-2017 SERVICES AND ACTIVITIES FEE BUDGET AS RECOMMENDED AND PRESENTED IN TAB 6. THE MOTION CARRIES.**

2016-2017 Operating Budget

Vice President for Administrative Services Al Brown presented the second reading of the proposed 2016-2017 Operating Budget starting July 1, 2016 for Board approval. There is a spreadsheet that shows what the current budget is, what is projected for this fiscal year, what next year's proposed budget is, and the budget variance column between the next year's budget and this year's budget. They are proposing a budget of almost \$32.8 million equal amount of revenue and expense. This budget is about \$2 million greater than the current budget. There is a breakdown of revenues between state, tuition and transfers and primary expense categories. There is a summary of major initiatives that are funded in next year's budget, charts that break down the sources of funds and uses of funds by program area.

Total Revenue:

- FY16 Budget: \$30,780,288

- FY16 Projected: \$31,731,738
- FY17 Budget: \$32,787,214
- Budget Variance: \$ 2,006,926

Total Expense:

- FY16 Budget: \$30,780,288
- FY16 Projected: \$31,150,643
- FY17 Budget: \$32,787,214
- Budget Variance: \$ 2,006,926

Operating Surplus: \$ 581,095

It was moved by Trustee Mah and seconded by Trustee Clarkson **THAT THE BOARD OF TRUSTEES ADOPT THE 2016-2017 COLLEGE OPERATING BUDGET AS PRESENTED IN TAB 7. THE MOTION CARRIES.**

Washington State Audit Report

The Washington State Auditor's Office has completed an audit of college financial activities for FY14 (ended June 30, 2014). Al Brown and Chief Enterprise Services Officer MaryAn Schmidt presented the Auditor's Report to the Board for acceptance. The college is audited under the Government Auditing Standards and did receive a clean unqualified opinion on the audit. That means they audited the college financial statements and found no reason to find them to be inaccurate in any manner. Their opinion is that they represent fairly the financial position of the college.

It was moved by Trustee Mah and seconded by Trustee Fuller **THAT THE BOARD OF TRUSTEES ACCEPT THE WASHINGTON STATE AUDITOR'S REPORT FOR FISCAL YEAR 2014 AS PRESENTED IN TAB 8. THE MOTION CARRIES.**


COMMENTS FROM INDIVIDUAL MEMBERS OF THE BOARD OF TRUSTEES None.

EXECUTIVE SESSION None.

ADJOURNMENT 5:03 p.m.



JUDY HARTMANN, BOARD CHAIR
SOUTH PUGET SOUND COMMUNITY COLLEGE



TIMOTHY STOKES, SECRETARY
SOUTH PUGET SOUND COMMUNITY COLLEGE