

**South Puget Sound Community College
BOARD OF TRUSTEES
REGULAR MEETING
MINUTES
Tuesday, April 11, 2017
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 3:05 p.m.

ROLL CALL

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

APPROVAL OF CONSENT AGENDA

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

A. ADOPTION OF MINUTES

- March 14, 2017 regular board meeting

B. MEETINGS AND CONFERENCES

C. ANNOUNCEMENT

D. DATE OF THE NEXT BOARD MEETING

Regular Meeting

May 9, 2017

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:
 - She expressed her thanks and appreciation to the College and the Foundation for the support they provided for “An Evening with Chopin” and

- the artwork in the Gallery. Both were very successful, with the show having over 300 attendees.
- Clipper Scramble is almost sold out. Save June 2 and join the Foundation's after-party celebration.
 - The scholarship cycle is open through May 5, with over 250 scholarships available.
 - New scholarships are being established for the Brewing and Distilling program this fall.
 - The VIP Reception for Jennifer Finney Boylan on May 18 is in partnership with Pizza Klatch to support SPSCC Foundation's LGBTQ and Ally Scholarships.
 - Trends in Higher Education – Trustee Davis reported on two articles he read:
 - New York will provide tuition-free college to middle class students at New York's public colleges and universities. Recipients will have to stay in the state and work for four years afterwards to "pay for the tuition".
 - In a lawsuit filed by a former part-time instructor at a community college, the 7th Circuit Court of Appeals in Chicago has ruled that "discrimination based on sexual orientation is a form of sex discrimination" and violates Title VII of the Civil Rights Act of 1964. The judge wrote that "the concept of sex discrimination has since broadened as society's definitions of gender and sex have also broadened." The long-standing Civil Rights Act is still a living document today.
 - ACT Legislative Action Committee (LAC) – Trustee Fuller reported:
 - April 2, 2017 marked the 50th Anniversary of the Signing of the Community College Act of 1967. She, Trustee Mah, and Dr. Stokes attended the celebration sponsored by the State Board commemorating this historic event. Governor Inslee signed a proclamation, and Governor Dan Evans, who signed the original law, was in attendance as well, to give the history of the law. In 1991 the Legislature amended it and re-designated it as the Community and Technical College Act of 1991.
 - She read the Community College Act of 1967:

"THIS BILL, ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON, IS KNOWN AS THE "COMMUNITY COLLEGE ACT OF 1967." IT AMENDS EXISTING LEGISLATION TO BRING IT MORE IN KEEPING WITH PRESENT-DAY REQUIREMENTS FOR A JUNIOR COLLEGE SYSTEM. ITS PURPOSE IS TO (1) OFFER A POST-HIGH SCHOOL EDUCATION TO EVERY CITIZEN, REGARDLESS OF BACKGROUND OR EXPERIENCE, AT A COST WITHIN HIS MEANS, (2) OFFER COMPREHENSIVE EDUCATIONAL, TRAINING, AND SERVICE PROGRAMS TO MEET THE NEEDS OF BOTH STUDENTS AND COMMUNITY, (3) PROVIDE ADMINISTRATION BY STATE AND LOCAL BOARDS, AVOIDING DUPLICATION AND ENCOURAGING EFFICIENCY, (4) ALLOW FOR GROWTH, IMPROVEMENT, FLEXIBILITY, AND MODIFICATION OF THE COLLEGES, AND (5) ESTABLISH FIRMLY THAT THE COMMUNITY COLLEGE IS AN INDEPENDENT AND UNIQUE SECTION OF THE STATE'S HIGHER EDUCATION SYSTEM, SEPARATE FROM BOTH THE COMMON SCHOOLS AND THE INSTITUTIONS OF HIGHER EDUCATION, AND THAT IT IS NEVER TO BE CONSIDERED FOR CONVERSION INTO A FOUR-YEAR LIBERAL ARTS COLLEGE. THE ACT THEN SPELLS OUT THE LEGISLATIVE DETAILS OF SUPPORTING AND ADMINISTERING THE SYSTEM, INCLUDING DUTIES, FUNCTIONS, AND FUNDING OF ITS VARIOUS ELEMENTS."
 - Both Chambers released different budgets and funding sources, and our system fared better under the House budget.
 - She provided highlights and compared the House and Senate budget proposals.
 - The remaining 11 days in the session will be used to reconcile the budget.
 - Budget and Finance – Trustee Mah reported that the Budget and Finance Committee met on March 28 to review the audit of the college's 2015 Annual

Financial Report, which will be presented for Board action under TAB 5. The college received a clean audit report with no findings or management letter items. There were four exit items, which are only suggestions or comments, and staff have already been working on these items.

REPORT FROM THE COLLEGE PRESIDENT

Dr. Stokes called on the following for their reports:

- ASB President Jessica Wilkins reported the following:
 - She distributed updated cards on Gender Neutral Bathrooms on campus.
 - She said they have been talking, meeting, and having open house/forums with students about the Health and Wellness Center. Additionally, they have been talking to students about the \$4.10 increase in student fees, and no one seems to be concerned or opposed to the increase. Students are very excited and think it is a fair tradeoff. Online voting system for the student body has been set up for May 24-28. Per the student constitution, they need 300 students (10%) to vote.
 - They started their work on the food pantry for students and proposed to open a space in the Student Union Building, which will be staffed by the student senate.
- Annamary Fitzgerald, ABE Professor and Faculty Union President, reported the following:
 - Nationally, their current concerns are: right to work laws that may move forward; and student debt at both state and federal level, as there has not been a concerted effort to reign in predatory loan practices.
 - At the State Legislature, they are pleased with the House's proposal.
 - Many of the issues that AFT was supporting have been folded into provisos.
 - This quarter, they will be looking at revised committee structure.
 - Pathways is playing a big part in what their work is for the next four years.
- Dr. Stokes reported the following:
 - Hawks Prairie Property Update: April 12, 2017 is the last day for public comments on ID's site plan; Additional soil testing of the storm pond areas for contaminants has to be done; Another testing for SEPA approval is needed; Addendum addressing closing conditions has to be drafted; Move to close at the end of the month.
 - Brewing & Distilling Update: Dr. Andreas and the instructional team will be submitting degree to the State Board for final approval; Port continues to negotiate with the private equity partner; Tumwater's funding request is in the House budget; Thanks to Trustee Mah for all his effort with the shared agenda; conversations continue with the tribe about short-term institute for craft distillery facility.
 - Spring Enrollment Update: Current RS = 974.5; Current International = 85.6; Current State 2,880; % Change Same Time Last Year = -0.4%; Overall Grand Total Enrollment = 3,927.
 - RFQ for the management of the Childcare Center was posted on April 6.

- Nursing Update: Our NLN CNEA Pre-Accreditation Candidacy Application will be reviewed by the IPASC (Initial Program Application Subcommittee) on April 27-28 and will make their recommendation to the Board of Commissioners on whether or not to grant accreditation. The Board of Commissioners will take their final vote on June 22-23, 2017.
- He noted other information located in the board binders:
 - President's Outreach Activities List
 - Personnel Update

INFORMATIVE REPORT

Strategic Plan--Core Theme #5

Vice President for Administrative Services Al Brown, Foundation Executive Director Tanya Mote, and Director of Public Relations/Events Kelly Green, presented an update on Core Theme #5: Build Community. They reviewed the following PowerPoint presentation with trustees who received their copy of the presentation in advance of the meeting.

We engage our community of students and stakeholders by enhancing campus culture, increasing access to college services, and growing economic development.

- Objective 1: Deepen engagement
 - Measurement: External Partnership Experience
 - Survey indicates the college received 96% overall positive rating
 - Measurement: Campus Giving Campaign
 - 41% of staff and faculty giving
- Objective 2: Foster economic development
 - Measurement: Amount of Funding
 - Baseline:\$634,622; 2015-16=\$1,713,561; Mission Fulfillment \$1.5M

They reviewed a few examples of enhancing campus culture and a sampling of 'unmeasurable' college engagements that enhance campus culture as well: College Foundation events and activities; Clipper Athletics; Artist & Lecture Series; Re-Opening of the Percival Creek Footbridge; F.I.R.E. Summit; Tribal Relations with Artist Makita Wilbur's artwork; Working with the Legislature on the CTC system's legislative agenda; Student Life: Student Union Building and the Diversity and Equity Center; Junior League of Olympia Community Summit; Miss Thurston County Pageant; Thurston County Officials Swearing-In; TwinStar Volunteer Appreciation Dinner; Soroptimist LunaFest; OBe Credit Union Annual Meeting; Lacey Chamber Wildcard Scramble; Tumwater and Capital High School Booster Auctions; Nisqually Land Trust Auction; Washington Farm Bureau Legislative Day; Readers are Leaders Breakfast.

POLICY

Sabbatical Leave Request

The sabbatical leave requests for the 2017-2018 academic year have been reviewed by

the Sabbatical Leave Taskforce and the president. Vice President for Instruction Dr. Michelle Andreas presented the recommendation for the Board's consideration:

Chemistry Professor Chen requested three quarters sabbatical (fall, winter, and spring of the 2017-2018 year) for completion of his Master of Liberal Arts Degree at Harvard University Extension School.

- Professor Chen's primary focus of his thesis project will be to investigate the importance of grit and perseverance in the study of STEM versus non-STEM disciplines. "Does the characteristic of grit and perseverance play a bigger or smaller role in the retention/completion and academic satisfaction of students majoring in STEM disciplines versus non-STEM disciplines?"
- The goal is to use this information to help modify pedagogical methodology, incorporate effective support strategies and interventions, and implement intrusive advising in ways that are beneficial to SPSCC students in STEM pathways. Sabbatical will be used to conduct the research, perform rigorous statistical analysis (including using SPSCC students as one set of subjects in the study), and write up the final dissertation and findings.

The Sabbatical Leave Taskforce recommends granting two quarters to Professor Chen.

It was moved by Trustee Fuller and seconded by Trustee Mah, **THAT THE BOARD APPROVE THE SABBATICAL LEAVE REQUEST FOR CHEMISTRY PROFESSOR JAMES CHEN, FOR TWO QUARTERS, AS PRESENTED IN TAB 3. THE MOTION CARRIES.**

2017-2018 Board of Trustees Officers

It was discussed and recommended that Chair Hartmann and Trustee Clarkson work together to submit recommendations for next year's Board officers.

It was moved by Trustee Mah and seconded by Trustee Davis, **THAT CHAIR HARTMANN AND TRUSTEE CLARKSON WILL WORK TOGETHER AS THE NOMINATING COMMITTEE TO SUBMIT RECOMMENDATIONS FOR THE 2017-2018 BOARD OFFICERS FOR ELECTION IN JUNE. THE MOTION CARRIES.**

BUILDINGS AND GROUNDS

Health and Wellness Center

Vice President for Administrative Services Al Brown provided handouts of the Health & Wellness Center report for discussion with the Board. This information was provided for the Board's first reading in considering approval of Certificate of Participation (COP) funding for the Health and Wellness Center.

- Health and Wellness Center Feasibility Study -- The selection was Option 2: Remodel and expansion of Building 33 (additional gym), some renovation of

Building 31, construction of a connecting annex. The total estimated cost is \$16 million. Current Fee: \$1.90/credit; Increase: \$4.10/credit; Total Building Fee: \$6.00

- Building Fee Analysis – Amount of COP:
 - COP debt service expense: \$16 million loan for 20 years for financing term, at 3.50% interest, \$1,113,523 annual debt service. At 4.50% interest, \$1,214,687 annual debt service.
 - Building Fee Per Credit 5.50; Building Fee Annual Amount: \$1,113,750; Building Fee Increase 3.60. Building Fee Per Credit 6.00; Building Fee Annual Amount: \$1,215,000; Building Fee Increase 4.10
- Comparison of Building Fees at other colleges in the CTC system
- Health & Wellness Center Project Timeline and Milestones
 - Board Information/Action and College Action Items
 - SBCTC, OFM, and Legislative Action Items
 - Office of the State Treasurer Action Items
 - Design/Construction Action Items
- Timeline for the COP:
 - April 2017: Board's first reading to consider COP funding. Student Vote.
 - May 2017: Board's second reading/action on COP funding request.
 - June 2017: To the State Board for approval and inclusion in 2018 supplemental capital request
 - Sept. 2017: State Board submits capital budget requests to OFM
 - Dec. 2017: Request included in the Governor's Supplemental Budget
 - April 2018: Legislative authorization of COP
 - Oct. 2018: Anticipated COP sale date
- Anticipated Occupancy: October 2019

There was discussion around the following:

- The COP will include funding for both structure and equipment.
- Contingency in the budget will cover any cost overruns, and if a big problem arises, the students have a large fund balance (which administration does not want to touch at this time).
- Student fee collection begins Fall 2017.
- Al Brown said financial risks for the college include: Decline in FTE enrollment and interest rate changes. Interest rates will probably climb between now and October 2018 when the COP might be issued. Hopefully the rates would not go higher than 4.5%, which is what we predicated this on. The college has a little risk, but also has opportunity that enrollment could be higher and that interest rates could be lower than what this is based on.
- He noted the board policy is that the college will not spend more than 7% of the average general operating revenues for debt service based on the average of the three preceding fiscal years. The college is well under the debt limit.

BUDGET AND FINANCE

Auditor's Report

The Washington State Auditor has completed an audit of the college's 2015 Annual Financial Report.

Chair Hartmann noted that the Auditor's Office complimented the college staff for the accuracy of the material presented and the thoroughness of its organization, which allowed auditors to move systematically.

Al Brown expressed his appreciation to MaryAn Schmidt, Rochele Johnson, and all the Business Office staff who followed good accounting practices that allowed the college to receive a clean audit report with no findings.

He noted the overall assets of the college decreased slightly by \$5.3M to reflect the implementation of GASB Statement No. 68 to report the net pension liability and the offsetting adjustment to college's net position, which is done across the state and the nation. He said that upon Board acceptance, the Audit Report will be posted on the college's website as part of our accreditation report to the Northwest Commission on Colleges and Universities.

As there were no questions, the Board considered a motion to accept the Audit Report.

It was moved by Trustee Mah and seconded by Trustee Fuller, **THAT THE BOARD ACCEPT THE AUDITOR'S REPORT: SOUTH PUGET SOUND COMMUNITY COLLEGE'S 2015 ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2015. MOTION CARRIES.**

Financial Aid Report

Dean of Student Financial Services Johanna Dwyer reported on changes and efficiencies made in financial aid awarding to make the processes easier and more understandable:

- Satisfactory Academic Progress Policy revision
- Removal of barriers
- Automation and streamlining of processes
- Results:
 - Financial Aid Completion Rates
 - 2015-16 = 42% and 2016-17 = 75% students completed their FA applications
 - Files Reviewed and Awarded
 - 2015-16 = 3737 and 2016-17 = 4773 total students
 - Financial Aid Awards
 - 2015-16 = 4 to 6 weeks and 2016-17 = 1 to 2 weeks from file completion to award notification
- Changes Ahead in Financial Aid

- Alignment of Financial Aid advisors—students will be assigned FA advisors
- Partnering with Bank Mobile—students will have the ability to access their FA refunds quicker, and it provides a banking option for students who may not have been eligible in the past
- Funds Awarded in 2015-16:
 - Pell Grant = \$5,809,785; State Need Grant = \$2,307,935; SPSCC Funds = \$704,622; Foundation Scholarships = \$297,112; WorkStudy = \$195,695; WorkFirst = \$192,200; Loans = \$2,669,196

COMMENTS FROM INDIVIDUAL MEMBERS OF THE BOARD OF TRUSTEES

- Dr. Stokes announced that SPSCC has just been ranked 41st (in the top 50) best community college in the nation for 2016-17 according to College Choice.
- Trustee Fuller said that this is not surprising when you hear the reports from staff about the work they are doing in improving systems, community outreach and due diligence with finances—it shows up in the details.

EXECUTIVE SESSION None.

ADJOURNMENT 4:55 p.m.



JUDY HARTMANN, BOARD CHAIR
SOUTH PUGET SOUND COMMUNITY COLLEGE



TIMOTHY STOKES, SECRETARY
SOUTH PUGET SOUND COMMUNITY COLLEGE