

**South Puget Sound Community College
BOARD OF TRUSTEES
REGULAR MEETING
MINUTES
Tuesday, October 8, 2019
Building # 25 – Boardroom
South Puget Sound Community College
2011 Mottman Road, S.W.
Olympia, WA 98512-6292**

CALL TO ORDER

Board Chair Doug Mah called the meeting to order at 2:30 p.m.

ROLL CALL

Trustee Doug Mah, Trustee Judy Hartmann, and Trustee Jeff Davis were present. Trustee Steven Drew was absent. Assistant Attorney General (AAG) Jean Wilkinson was present.

EXECUTIVE SESSION

At 2:30 p.m. Board Chair Mah announced that the Board was going into executive session to plan or adopt the strategy or position to be taken in collective bargaining, negotiations, grievances, or mediation (RCW 42.30.140(4)(a)). The executive session was estimated to conclude at 3:00 p.m. unless otherwise extended at that time. No action would be taken by the Board during the executive session.

RECONVENE REGULAR MEETING

The executive session concluded at 3:00 p.m., and the regular meeting reconvened at 3:04 p.m. Board Chair Mah noted that the Board was in Executive Session to discuss strategy or position around collective bargaining.

APPROVAL OF CONSENT AGENDA

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

A. ADOPTION OF MINUTES

- September 10, 2019 regular board meeting
- September 10, 2019 special board meeting (Lacey 3 Ribbon Cutting and Open House)
- September 30, 2019 special board meeting (Board-Hosted Dinner)

B. MEETINGS AND CONFERENCES

- October 16-19, 2019, ACCT Leadership Congress, San Francisco

- November 7-8, 2019, ACT LAC Retreat and Fall Conference, Seattle

C. ANNOUNCEMENTS

- Board-Hosted New Faculty & Staff Reception, October 8, 2019, 4:30-5:30 p.m.

D. DATE OF THE NEXT BOARD MEETING

Regular Meeting
November 12, 2019
2:30-4:30 p.m.
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SPECIAL INTRODUCTIONS

- The Women's Volleyball Team, Men's Soccer Team, coaches, and Director of Athletics Vernell Willingham, were present for introductions. They distributed copies of home game schedules and calendars.

COMMENTS FROM THE AUDIENCE None.

BOARD SPECIAL COMMITTEE LIAISON REPORTS

- ACT Legislative Action Committee (LAC): Steven Drew, Jeff Davis
 - No meeting and no report.
- Board Finance Committee: Jeff Davis, Steven Drew
 - Trustee Davis reported that the Board Finance Committee met on September 18 to review all the financial reports to be discussed later under Budget and Finance.
- Foundation Board: Judy Hartmann
 - Trustee Hartmann reported that former trustee Fuller sent a memo to the trustees about the last meeting of the Foundation Board. They are working on policy review and calendar/event planning. Dr. Stokes noted that The Experience raised approximately \$445,000 for the student success campaign scholarships. Donations are still coming in and being counted.

REPORT FROM THE COLLEGE PRESIDENT

- Dr. Stokes introduced Jennifer Barber, Associate Dean of Transition Studies; Marriya Wright, Associate Dean of Nursing; and Dr. Valerie Robertson, Dean of Enrollment Services.
- AJ Edwards, ASB President, introduced himself. The rest of the 2019-20 Associated Student Body follows: Marcel Mukundi, Vice President of Finance; Kristina Hoferer, Vice President of Clubs & Organizations; Andrew Putnam, Senator of Legislative Affairs; Derrick Tran, Senator of Communications; and Jordan McNair, Senator of Diversity & Equity.
- Melanie Shelton, Baking & Pastry Arts Professor and Faculty Senate VP/Prof. Tech. Representative reported:

- Faculty Senate has not had a meeting yet, but during Kickoff week, they were on the Kickoff Schedule to help mentor new and returning faculty.
- 2019-20 Faculty Senate officers: Amy Warren, President; Melanie Shelton, Vice President/Prof. Tech. Representative; and Parakh Hoon, Secretary.
- Dr. C.J. Dosch, English Professor and Faculty Union President reported:
 - On behalf of Local 4603, they want to express their thanks and appreciation to former trustee Leonor Fuller for her 17 years of service on the Board of Trustees.
 - The Board of Trustees was briefed earlier on HB 2158 and nursing compensation MOU, which is in a faculty vote for a 30-day period. The executive team has the right to approve the MOU per their bylaws, but they do want to make sure that the faculty has the right to express their decision. While they really appreciate the extra funding for faculty in the nursing program, it does open up some concerns for them as a faculty union and a body—it creates disparate distinctions between workloads, so it is a challenge. Most of the faculty understand and recognize the challenges of finding strong faculty in nursing and high-demand fields. It is going to be their position moving forward that “this is our opening move of rising all votes with one”—how they can work with the trustees, presidents, faculty, state board, union, etc.
 - They have great membership growth, continuing through the summer. They had the largest meeting representing over 50% of the membership showing up. They have been pleased with faculty participation and engagement.
- Dr. Stokes reported the following:
 - Enrollment Report Update – Enrollment is up about 4.3% due to the work of faculty and staff across the campus in Guided Pathways, scheduling, re-designing of programs to make them more accessible, and other initiatives. Running Start, International and State enrollment are up, with the total FTE count of 4378, with about 6500 students.
 - Dr. Stokes and Jen Manley, Dean of Student Life, provided an update on the student housing project:
 - SPSCC has leased 8 units at the Capital Heights and Breckenridge Heights Apartment Complexes effective summer 2019.
 - (4) units at Capital Heights: all 3-bedroom apartments
 - (4) units at Breckenridge Heights: (1) 3-bedroom and (3) 2-bedroom apartments
 - These units are currently housing SPSCC student-athletes and international students.
 - Seven units are filled and tenants are in progress to fill the eighth. There are 27 student tenants as of 9/25/19.
 - SPSCC apartments provide students with utilities and Wi-Fi access included in the rental.
 - Students sign a quarterly lease with the college to confirm their residency; students have the option to rent their own room or a shared room.

- Cost options per quarter: 2 bed/2 bath Shared Room: \$1275; 2 bed/2 bath Own Room: \$2545; 3 bed/2 bath Shared Room: \$935; 3 bed/2 bath Own Room: \$1865.
- He noted other information located in the board binders:
 - President's Outreach Activities List
 - Personnel Update

INFORMATIVE REPORT No Report.

POLICY

Tentative Agreement

Dr. Stokes reviewed the Memorandum of Understanding. The negotiations team has reached a tentative agreement regarding application of legislatively authorized nursing faculty compensation increases for the 2019-20 college year, which is pending ratification by the faculty. The Administration recommendation was for Board approval of the proposed Memorandum of Understanding By and Between South Puget Sound Community College and the South Puget Sound Community College District XXIV Federation of Teachers, Local Number 4603, AFT/AFL-CIO, Modification of Appendix A for Nursing Faculty Compensation.

It was moved by Trustee Hartmann, seconded by Trustee Davis, and carried **THAT THE BOARD OF TRUSTEES APPROVE THE PROPOSED MEMORANDUM OF UNDERSTANDING AS PRESENTED. MOTION CARRIES.**

BUILDINGS AND GROUNDS No Report.

BUDGET AND FINANCE

Budget Closeout

Vice President for Administrative Services Al Brown reported on the 2018-2019 budget closeout activities including reserves, debt service and capacity, current assets, current liabilities, dedicated balances, and capital budget.

- The 2018-19 Operating Budget through June 30, 2019 shows that we ended with surplus of about \$575,000. The gains are primarily from local revenue—we budgeted tuition operating fees to be down 4% and it was only down 2.5%; we budgeted Running Start to be down 2% and it was up 2%; we budgeted international to be flat, and we were up 5%. The overall revenue was up 3.6% and expenses were up by 2%.
- The Non-Operating Accounts Statement of Revenue & Expense shows that we started with an opening balance of just over \$6 million and ended with \$6.7 million, so we gained \$701,000 which was 11.5% increase in non-operating accounts. Dr. Stokes noted that Corporate and Continuing Education likely had their best year, and from that ending balance, the college will be pulling \$525,000 into the operating budget for this year.

- He reminded that every year they show the Assets and Liabilities list to the Board because of the board policy that requires the college to begin each fiscal year with local operating reserves of no less than 15% of the operating revenue budget. The operating budget is \$30 million, so we need to have a reserve of \$5.8 million.

Total Assets	\$30,029,759
Total Liabilities	\$2,750,359
Assets – Liabilities	\$27,279,400
Minus dedicated balance	\$19,607,878
Non-dedicated net assets	\$7,671,522 (which is in excess of the 15% reserve requirement, \$5.8 million) less Board-approved for Brewing & Distilling (\$1,936,985 has not been spent) = Non-obligated Reserve Balance of \$5,734,537.

Board Chair Mah noted “that the important thing is that when we are below policy requirement, when it comes to the Board it is highlighted for transparency. We understand that regardless of cash flow or how we think we are going to end up, if we are a little bit less than 15%, we need to at least acknowledge that.”

Al Brown reported that another Board requirement is that debt service not exceed 7% of the 3-year average of the prior 3 years of operating revenue and auxiliary revenue--and the average of those was \$47,351,291; 7% of that is \$3.3 million. Our maximum debt service this current year will be \$2.1 million and after this year, it drops to \$1.8 million after the COP for the Student Union building is paid off.

2019-2020 Grants and Contracts

Rochele Johnson, Director of Budgeting & Fiscal Services, reviewed the list of grants and contracts secured through the State Board for Community and Technical Colleges, state agencies, and local partnerships for fiscal year 2019-20. The total grants equal \$2,096,529 and last year's grants totaled \$1,839,043. The total contracts equal \$10,098,892, and last year's contracts totaled \$8,875,760.

COMMENTS FROM INDIVIDUAL MEMBERS OF THE BOARD OF TRUSTEES

The trustees congratulated the College Foundation and thanked the entire college for The Experience, which was a wonderful event. They appreciated the chance to see the students and were happy to be part of it.

EXECUTIVE SESSION

At 4:19 p.m. Chair Mah announced that the Board was going into executive session to discuss with legal counsel potential litigation. The executive session was expected to end at 4:30 p.m.

RECONVENE REGULAR MEETING – 4:30 P.M.

ADJOURNMENT 4:30 p.m.

NEW FACULTY & STAFF RECEPTION – 4:30-5:30 P.M.

The Board of Trustees hosted a reception in Building # 25 to meet the new probationary faculty members and new staff.



DOUG MAH, BOARD CHAIR
SOUTH PUGET SOUND COMMUNITY COLLEGE



TIMOTHY STOKES, SECRETARY
SOUTH PUGET SOUND COMMUNITY COLLEGE