

**South Puget Sound Community College
BOARD OF TRUSTEES
REGULAR MEETING
Tuesday, September 9, 2025
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 2:32 p.m.

ROLL CALL

Trustee Judy Hartmann, Trustee Steven Drew, and Trustee Garman were present for a quorum. Trustee Doug Mah was absent. Trustee Jeff Davis was not in attendance. Justin Kjolseth, Assistant Attorney General, was present.

Board Chair Hartmann read Trustee Davis's letter of resignation from the Board of Trustees effective September 6, 2025, to Governor Ferguson. Trustee Davis is moving and will no longer be a resident of SPSCC's service district.

The Board and Dr. Stokes shared that Trustee Davis had previously informed the group of his departure, though it occurred sooner than expected. His significant service/involvement in community organizations—as a commissioner, director, board member, and trustee—has greatly benefited both the organizations and the wider community. He will be missed for his many contributions and active participation.

APPROVAL OF CONSENT AGENDA

It was moved by Trustee Drew, seconded by Trustee Garman, and carried **THAT THE FOLLOWING CONSENT AGENDA BE APPROVED. THE MOTION CARRIES.**

A. ADOPTION OF MINUTES

- June 10, 2025 regular board meeting
- July 8, 2025 special board meeting

B. MEETINGS AND CONFERENCES

- ACCT Leadership Congress, October 22-25, 2025, New Orleans

C. ANNOUNCEMENTS**D. DATE OF THE NEXT BOARD MEETING**

Regular Meeting
October 14, 2025
2:30-4:30 p.m.
South Puget Sound Community College
2011 Mottman Road, S.W.
Olympia, WA 98512-6292

PUBLIC COMMENTS

Chair Hartmann announced, “Board Policy 105 (*Meetings*) allows for oral comments or questions by members of the public on any matter relevant to its responsibilities and duties in the operations of the college. Consistent with this policy, comments may be limited to three minutes per person. The board is here to listen and typically does not respond and/or engage in public comments. We will now hear from individuals who wish to comment.”

There were no comments.

BOARD SPECIAL COMMITTEE LIAISON REPORTS

- ACT Legislative Action Committee (LAC): Trustee Doug Mah--primary; Trustee Steven Drew--secondary
 - There was no report.
- Board Finance Committee: Trustee Steven Drew--primary
 - Trustee Drew reported:
 - The Board Finance Committee met on August 21 and discussed the financial reports.
 - He expressed high satisfaction with the staff's work, that sound fiscal planning and policies have created a positive and stable work environment that benefits the college and the students. It confirmed the staff's effectiveness in managing complex financial responsibilities and maintaining institutional stability.
 - He deferred to Dr. Tolefree the detailed report later in the agenda.
- Foundation Board: Trustee Rozanne Garman--primary; Trustee Judy Hartmann--secondary
 - Trustee Garman reported:
 - She is excited about her role as the Board of Trustees liaison to the Foundation Board and aims to help build connections between boards.
 - The College Foundation received an unexpected gift of more than \$216,000 for our Entrepreneur Academy. The anonymous donor is giving the college flexibility to use the funds to support entrepreneurship.
 - OlyFed has launched an SPSCC debit card. With each use of the card, Foundation will receive \$.02. In addition, there is a dedicated month each year where OlyFed transactions will contribute \$.02 to the Foundation for each transaction.

- Foundation staff are taking RSVPs for the SPSCC After Hours event on September 25 aimed at welcoming community leaders/potential donors who have not previously engaged with the Foundation or college.
- All current and former Foundation board members and trustees will receive invitations to one of three Foundation Board/Board of Trustees events hosted by Dr. Stokes and Foundation.
- A few years ago, she started a grant in her mother's name at the Foundation, (issued so far are about 18 grants and 3 smaller ones), benefiting AAPI students. Their family is competing in the Spartan Sprint and hoping to raise \$1,000 for the grant. The community is encouraged to share and support the effort.

REPORT FROM THE COLLEGE PRESIDENT

- Dr. Stokes called on Dr. Clinton Young, new Dean of Social Science and Business effective August 1, who introduced himself. He holds a doctorate in History from the University of California, San Diego. He has worked as a dean for the School of Social and Behavioral Sciences at the University of Arkansas at Monticello since 2021, and has held many academic roles over the course of his career.
- Dr. Stokes reported:
 - Josh Wyner, Vice President of Aspen Institute and Executive Director of Aspen College Excellence, will be our fall kickoff keynote speaker. He will congratulate the college on its achievements and welcome SPSCC as one of 65 *Unlocking Opportunity* colleges in the country. He will discuss areas for strategic improvement, drawing comparisons to Valencia College, a previous award winner, and emphasize the importance of continuous progress. His visit will help frame the college's future strategic planning efforts.
 - The overall fall enrollment is up about 14.5%. We are up in all categories and well above our budget projection. He noted that as they do the budget closeout, he does not think that the board should anticipate a large, one-time request from the college like they normally do when this happens. He gave a shout-out to student services and public relations teams for their great work on enrollment.
 - The college has entered into an agreement with the Thurston Chamber to advance Future of Work initiative. The partnership will focus on creating work-based learning opportunities, such as paid internships and co-ops, with costs shared between the college and the Chamber foundation. The Chamber's contribution to support internships, serves as a model for local businesses to help fund similar initiatives. The partnership aims to strengthen collaboration between faculty, student services, and the Chamber, with direct coordination between college and Chamber staff--a new approach for the college. A team of Chamber employees will be dedicated to support this effort. Our career center director's role has been redefined to balance internal and external responsibilities, making the

position a central hub for coordinating both the career fair and the software platform used for posting internships and marketing them to students. The college is developing internships in fields like brewing and distilling.

- The college recently received a letter from the Department of Justice concerning its diversity, equity, and inclusion work, specifically related to federal funds and legal compliance. The letter highlighted that Drs. Tolefree and Stokes are personally accountable for the attestations they sign regarding adherence to federal law, including executive orders linked to DEI, and that failure to comply could have serious consequences. The Attorney General's office is helping develop a response plan, and there is support from both the AG's office and the governor's office. The college will be involved in ongoing analysis and is now reviewing all its programs to ensure federal compliance. The process is expected to continue through the fall quarter, and the college will reference past successful responses and build on prior changes made to address previous OCR complaints, if further complaints arise.
- He noted the President's Outreach/Professional Development/Advocacy Activities List in TAB 2.

POLICY No Report.

BUILDINGS AND GROUNDS No Report.

BUDGET AND FINANCE

2024-25 Budget Closeout

Dr. Tysha Tolefree, Vice President for Finance and Operations, reported on the FYE25 budget closeout balances using reports: 2024-2025 Operating Budget through June 30, 2025 and Non-Operating Accounts Statement of Revenue & Expense and Change in Net Position Year to Date through June 2025.

- FYE25 total Operating Revenues: \$53M (\$49.6M for FY24). This increase is due to \$560K increase in state allocation funding, \$663K and \$2.2M in Tuition Operating Fees and Running Start Program revenues, respectively. There has been an increase in international student contract fees of \$278K, matriculation fees, rent and interest of \$133K, and transfers of \$105K. The positive variances are largely offset by a negative variance (\$473K) in tuition waivers.
- FYE25 total Operating Expenses: \$53.1M (\$47.7M for FYE24). The increase is primarily due to increases in salaries, wages, and employee benefits. The increase in wages and benefits is primarily due to the stipends and COLA increases for faculty and staff effective July 1, 2025, to include high-demand stipends. Negative variances are offset by positive variances in goods and other services and transfer of expenses largely related to salary expense transfers associated with grants and state allocation. The FYE25 close is \$87K, which is a

deficit, in comparison to FYE24 surplus close of \$1.9M.

- FYE25 Non-Operating budget: \$20.8M, offset by \$21M expenses, resulting in a net loss of \$134K. The overall net loss for the year is primarily due to the negative variances in institutional support, student services, e-learning, and technology fees. The non-operating accounts maintained a stable financial position throughout the year but ended with a slight net loss of \$133K.

Capital Budget Report

Dr. Tolefree presented the FYE25 Capital Budget report for month ending June 30, 2025. The report contained the 23-25 appropriations for projects, local funded projects, allocations, expenses through June 30, 2025, and uncommitted as of June 30, 2025, and carryforward to FY25-27 biennium.

- Capital Budget Report FYE25: Total budget allocated for capital projects was \$17.8M and the expenses at year-end are \$10.9M which is 61% spent. SBCTC allowed colleges, including SPSCC, to carry forward funds into the next biennium—SPSCC's was \$6.6M. Several capital projects initiated in the previous biennium are continuing, due to the carryforward funds. Notable among these is the energy assessment for the Health and Wellness building (yet to begin), ongoing emergency repairs for an underground leak in building 34, and other locally and grant-funded efforts, such as the retro commissioning for controls and the anticipated soccer field project, which has just started.
- As of June 30, 2025, the college had expended 97% of its appropriated capital and grant allocations for completed projects during the FY23-25 biennium. This high utilization rate reflects strong fiscal management and minimized the return of state-allocated funds. The locally-funded project allocations at year-end is only 32% given the largest allocation of \$5M is associated with the soccer field project that is just starting.
- The FYE25 results demonstrate a positive trend in enrollment and associated revenue streams compared to FYE24. However, this growth was accompanied by a corresponding rise in expenses.
- While there were modest increases in both state allocation and state tuition operating fees, significant revenue contributions came from the Running Start program and International Student Contract fees, both of which performed strongly throughout the year.
- Although the year concluded with a slight overall deficit, a Board-Approved mid-year budget revision adjustment realigned projected revenues and expenses, yielding a more accurate financial forecast and enhancing fiscal planning.

DIVERSITY, EQUITY, AND INCLUSION No Report.

COMMENTS FROM INDIVIDUAL MEMBERS OF THE BOARD OF TRUSTEES

- Trustees expressed appreciation for the team's conservative fiscal responsibility, effective financial decisions, and consistent alignment of those decisions with the college's core themes. They thanked everyone involved for their hard work.

EXECUTIVE SESSION None.

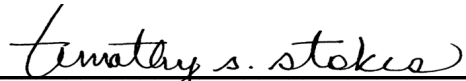
ACTION ITEM FROM EXECUTIVE SESSION None.

ADJOURNMENT 3:28 P.M.

The meeting adjourned at 3:28 p.m., followed by a tour of the Student Union Building.



JUDY HARTMANN, BOARD CHAIR
SOUTH PUGET SOUND COMMUNITY COLLEGE



TIMOTHY STOKES, SECRETARY
SOUTH PUGET SOUND COMMUNITY COLLEGE