

**South Puget Sound Community College
BOARD OF TRUSTEES
REGULAR MEETING
MINUTES
Tuesday, September 12, 2023
Building 25-Boardroom
South Puget Sound Community College
2011 Mottman Road, S.W.
Olympia, WA 98512-6292**

CALL TO ORDER

Board Chair Rozanne Garman, called the meeting to order at 2:34 p.m.

ROLL CALL

Trustee Rozanne Garman, Trustee Steven Drew, Trustee Doug Mah, Trustee Jeff Davis, and Trustee Judy Hartmann were present. Justin Kjolseth, Assistant Attorney General (AAG), Education Division, was present.

APPROVAL OF CONSENT AGENDA

It was moved by Trustee Hartmann, seconded by Trustee Drew, and carried **THAT THE FOLLOWING CONSENT AGENDA ITEMS AND ADDENDUM BE APPROVED:**

ADOPTION OF MINUTES

- June 13, 2023 regular board meeting
- July 18, 2023 special board meeting

A. MEETINGS AND CONFERENCES

- ACT Trustee Tuesday, September 12, 2023, 8:00-9:00 a.m., virtual
- ACCT Leadership Congress, October 9-13, 2023, Las Vegas, NV
- ACT Fall Conference, November 16-17, 2023, Seattle, WA

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

Regular Meeting
October 17, 2023
2:30-4:30 p.m.

South Puget Sound Community College
2011 Mottman Road, S.W.
Olympia, WA 98512-6292

D. CCE CONTRACT

- October 2022: Board approved Policy 108: Function, Purpose, and Authority of the Board of Trustees -- K. To enter into expense contracts in excess of \$500,000 and revenue contracts in excess of \$1,000,000 for Corporate & Continuing Education (CCE).

- November 2022: Board decided that approval for future contracts over \$1M would be added as an item under the Consent Agenda.
- September 2023: Contract: State of Washington Department of Social and Health Services (DSHS) DVR Division. Board approval of the Consent Agenda would indicate Board approval of the contract in excess of \$1M.

With the approval of the Consent Agenda, the Board also approved the CCE Contract (September): State of Washington Department of Social and Health Services (DSHS) DVR Division.

E. PRESIDENT'S CONTRACT

At the July special meeting Executive Session, the Board continued its assessment and evaluation review of the president and his contract. The trustees were in agreement that this has been an exceptional year for the college, and Dr. Stokes was an important part of that. After reconvening the special meeting, the Board took the following action: It was moved by Trustee Mah and seconded by Trustee Drew **THAT THE BOARD OF TRUSTEES, AFTER HAVING COMPLETED AN ANNUAL AND THOROUGH ASSESSMENT OF THE COLLEGE PRESIDENT'S PERFORMANCE AND REVIEW OF HIS EMPLOYMENT CONTRACT, OFFER DR. TIMOTHY STOKES A ONE-TIME \$30,000 CONTRIBUTION TO THE PRESIDENT'S SUPPLEMENTAL RETIREMENT CONTRIBUTION FOR RETENTION PURPOSES, TO BE ADDED TO HIS CURRENT \$10,000 ANNUAL CONTRIBUTION, AND THAT THIS OFFER BE PLACED ON THE SEPTEMBER 2023 BOARD MEETING AGENDA FOR FINAL CONSIDERATION AS A CONSENT AGENDA ITEM.**

With the approval of the Consent Agenda, the Board also approved the President's Contract.

COMMENTS FROM THE AUDIENCE None.

BOARD SPECIAL COMMITTEE LIAISON REPORTS

- ACT Legislative Action Committee (LAC): Trustee Doug Mah-primary; Trustee Steven Drew-secondary
 - The 2023-24 ACT *Trustee Tuesdays* are scheduled 8:00-9:00 a.m. via Zoom. They had one on September 12.
 - The State Board system's supplemental operating and capital budget requests include expanding support for BS in Computer Science degrees and expanding the development of open-source course materials in professional-technical programs and projects at two colleges and funding for the college system to comply with state energy and climate requirements.
- Board Finance Committee: Trustee Jeff Davis—primary; Trustee Steven Drew—secondary
 - Details of the financial report was deferred to Dr. Tysha Tolefree.

- Trustee Drew attended the Accountability Audit Entrance Conference. The audits of SPSCC include: accountability audit for fiscal years 2020–2023 financial statement audit for fiscal year 2022. They anticipate completion in October.
- Foundation Board: Trustee Judy Hartmann-primary; Trustee Rozanne Garman-secondary
 - The Foundation Board of Directors has a couple new members.
 - They are moving forward to implementing the Foundation's strategic plan.
- Ad-Hoc Governance Committee: Trustee Judy Hartmann–member; Trustee Doug Mah–member; and Dr. Stokes–member
 - The committee has not yet met.

REPORT FROM THE COLLEGE PRESIDENT

- Dr. Stokes introduced Laura Price, returning as our new Director of Facilities. Laura has previously served as our Director of Facilities for several years.
- Dr. Stokes called on Rae Watkins, 2023-24 ASB President, who provided a self-introduction.
- No reports from Faculty Union and Faculty Senate as they are all at faculty in-service training.
- Fall Enrollment Update: Compared to this time last year: FTE is up 24.2%; Running Start is up at 1141 and International enrollment is up as well.
- The BAS in Craft Beverage Management and Quality Assurance will not be launched this fall. The college received late clearance from NWCCU and was not able to promote the program widely.
- He noted the President's Outreach/Professional Development/Advocacy List that was provided to the trustees.

POLICY

Corporate & Continuing Education Contracts

Dr. Tysha Tolefree, Vice President for Finance and Operations and Noel Rubadue, Dean of Corporate and Continuing Education, discussed CCE contracts with the Board, with the goal of re-engaging about the current approval level and considering a higher threshold for approval. The following was reviewed:

- The Board of Trustees retains the authority to adopt, amend or repeal policies for the governance of the college and the conduct of the business of the Board of Trustees.
- October 2022: Board approved amendments to Policy 108: Function, Purpose, and Authority of the Board of Trustees (K) -- To enter into expense contracts in excess of \$500,000 and revenue contracts in excess of \$1,000,000 for Corporate & Continuing Education (CCE).
- November 2022: Board decided that future approval for contracts over \$1M would be added as an item under the Consent Agenda.
- Since the amendment, several revenue contract amendments in excess of \$1M

have been approved.

- July 2023: Board delegated to Dr. Stokes and Dr. Tolefree the approval authority for CCE contract extensions over \$1M during summer.
- Given the number of amended contracts with expense values exceeding the \$1M threshold and the timing of approvals needed, they are trying to get feedback as to what level of authority the Board would consider delegating for CCE contracts, and as to what is a more efficient and timely process.
- Based on the discussion, related Board policies will be updated and presented to the Board for consideration.

The Board had clarifying questions and discussions that included the following:

- Is there a better approval process
- History and structure of the policy
- Contractors and any potential risks involved
- Level of revenue versus level of expense
- Threshold amounts
- Modifying and monitoring CCE contracts by monthly reports
- Short-term and long-term solutions
- Ad-Hoc Governance Committee work on Policy 108
- Extension of the summer delegation of authority
- Interagency Agreements/Interlocal Agreements

After discussion and clarification, there was concurrence to amend Policy 108 (K) and to have the Ad-Hoc Governance Committee review and rework the policy for Board consideration. The proposed amendment will be in effect until action is taken by the Board at its November Board meeting. Additionally, reports that include all the information related to CCE contracts will be provided monthly to the Board. With a plan in place, it was moved by Trustee Mah, seconded by Trustee Drew and passed, **THAT THE BOARD OF TRUSTEES APPROVE THE FOLLOWING AMENDMENT:**

- **Policy 108: Function, Purpose, and Authority of the Board of Trustees (K) -- To enter into expense contracts in excess of \$500,000 and revenue contracts in excess of ~~\$1,000,000~~ \$6,000,000 for Corporate & Continuing Education (CCE).**

BUDGET AND FINANCE

FYE23 Reserves Report

Dr. Tolefree provided and reviewed the Reserves Report as of July 31, 2023, which listed assets, liabilities, cash balance, dedicated and non-dedicated reserve balances, FY23 Board-approved Operating Budget, and the Board's emergency reserves policy.

The Reserves Report is a snapshot of a certain point in time. With the existing reserves balance less dedicated reserves, emergency reserves and operational float, the current operating reserves balance is in excess of \$7M.

A one-time reserve expenditure request will be presented in November and another request in December/January for ongoing projects.

EXECUTIVE SESSION

At 3:59 p.m. Chair Garman announced that the Board was going into Executive Session to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price. The executive session was estimated to conclude at 4:30 p.m. with no Board action.

RECONVENE REGULAR MEETING

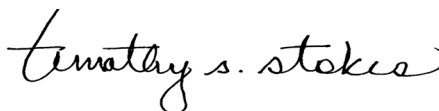
The executive session concluded at 4:30 p.m. with no Board action, and the regular meeting reconvened at 4:30 p.m.

ACTION ITEM FROM EXECUTIVE SESSION None.

ADJOURNMENT 4:30 P.M.



ROZANNE GARMAN, BOARD CHAIR
SOUTH PUGET SOUND COMMUNITY COLLEGE



TIMOTHY STOKES, SECRETARY
SOUTH PUGET SOUND COMMUNITY COLLEGE