

4-5-2002

## Board of Trustees Minutes, April 5, 2002

Eastern Washington University

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**EASTERN WASHINGTON UNIVERSITY  
BOARD OF TRUSTEES  
April 5, 2002  
RIVERPOINT CAMPUS**

**MINUTES**

**Trustees Present:**

Mr. Gordon Budke  
Dr. Mark Mays, Chair  
Mr. Neil McReynolds, Vice Chair  
Ms. Kris Mikkelsen  
Mr. Michael Ormsby  
Ms. Cynthia Shiota (by telephone)  
Ms. Jenna Williams  
Ines Zozaya-Geist

**Call to Order and Quorum, I. and II.**

Chair Mays called the meeting of the Board of Trustees to order at 8:20 a.m. and noted that a quorum was present. (Trustee Shiota by telephone.) He then announced that the Board would recess into Executive Session for purposes authorized in RCW.42.30.110(1)(g), to review the performance of a public employee. He noted that the executive session would end at approximately 10:00 a.m.

**Reconvene**

The Board of Trustees reconvened into open session at 10:05 a.m. with a quorum present. (Trustee Shiota again by telephone.)

**Reports, III.**

**Trustees' Reports, III.A.**

Trustee Ormsby reported from the Academic Affairs committee. They are primarily discussing the process for program audit, and have asked the deans and provost to prepare and present information for review later this month. They will also be discussing the needs identified in the Institutional Review and discuss what resources are needed—how to reallocate resources so that we're not spreading ourselves too thin.

Trustee McReynolds reported from the Student Affairs committee, noting that the new committee format was working well. They discussed the budget implications in the Student Affairs and Athletics areas. Budget options were drafted last December, and an updated version is ready today. Areas of Student Affairs are reassessing their priorities in light of the impending reductions. Scott Barnes reported to the committee the decision to eliminate men's golf as a sport in order to fit in line with the Big Sky conference. Athletics is also looking at other areas to reduce expense. The committee has been discussing enrollment strategies within the budget limitations. Eastern has had a successful recruitment effort in recent years, but the committee members are concerned that we can't turn marketing on and off, so this needs to be a long-term effort. How to manage that is a tough issue. The diversity initiative was discussed, and will be addressed later in the meeting. Looked at two self-evaluation areas: Career Services and Student Orientation. Both areas have done a very good job, with good results. They also heard reports from the student government and athletics. In athletics, summer financial aid is an issue to be addressed, and gender equity is an ongoing project.

Trustee Budke reported from the Business and Finance meeting. They heard reports on the progress of the task forces and their work toward a new budget model. Concepts are being brought to bear in that process. They heard an update on the focus on refinancing dining and housing bonds, and they discussed the budget process that we're now publicly starting on, which will come back to the Board in June for approval. They also heard an update on outside activities from Barb Richey.

### **Presidents' Reports, III.B.**

#### **Faculty Organization, III.B.1.**

Dr. Nick Jackson thanked the Board for listening to the faculty concerns this year and voiced his appreciation. He reported that Barbara Alvin will be the next president, but was unable to attend today because of class conflicts. He reported that Sharon Wilson has completed a list for faculty desktop replacements--so far 45 need Macintosh desktops, 53 need Macintosh laptops, 54 need pc desktops, 91 need pc laptops, and 57 people deferred upgrades for a total of 300 faculty requesting equipment. The nominating committee for the Faculty Organization Executive Committee (Rules) selection for next year has begun its work for the next year. The possibility of a tenure buyout was announced at Senate, contingent on recruitment and retention money. The TAMRA retirement plan proposal was forwarded to FPAC from Senate, before it goes to Rules. This topic is in the discussion stage. The Rules Committee is working on defining department vs. program; and addressing proposals for unit name changes. From a recent Cabinet meeting the possibility of changing the commencement location next year was forwarded to Rules for discussion. All members of Rules concurred to forward this topic to the Senate on Monday.

#### **Classified Staff Union, III.B.2.**

Mr. Rod Nicholls reported that he was in Olympia on Wednesday for a training session and to witness the signing of the collective bargaining bill by Governor Locke that will take effect on July 1, 2005. The due date for the agreements is October 1, 2004, so we need to get moving on this. He met with President Jordan yesterday and has tentatively scheduled a meeting with the Washington Federation of State Employees (WFSE) president and executive director to open the lines of communication. Eastern can set the pace on this issue. Labor has concerns with the contracting out provisions in higher education, noting the realistic challenges concerning management's right to contract out virtually any classified service at EWU. If this happens, the Office of Financial Management (OFM) is required to come in to the employees and help them make a bid for the job. The American Federation of State, County and Municipal Employees (AFSCME) is behind the classified staff. 95% of time or higher we can show the value of the workforce. Mr. Nicholls is saving the pen from the signing of the bill to be used for signing the first contract.

#### **Associated Students, III.B.3.**

Ms. Christian Shook thanked the Board and presented them with certificates of appreciation. She introduced Dan Clark, the incoming president. Ms. Shook reported this is their most active quarter. They're working on more exercise space in the phase for students: converting a racquetball court to a climbing wall, moving the Body Shop to a new location and remodeling the former Body Shop into another basketball court. The students are concerned about safety on campus so are working with the EWU and Cheney police on issues such as having the crosswalks painted. The ASEWU is hosting a leadership conference for high school and college students on April 19-21. There will be three different tracks and many workshops. Workshops include a diversity class, a leadership class, how to effectively empower your organization, the budget process, how to apply to graduate school, and how to get published. She reported that the Commencement conversation involved a passionate discussion. Eagle Entertainment hosted an event similar to TV's Fear Factor last week. "Extreme Guts" had an attendance of over 1,000 students. It is fun to see the dollars at work during these "WYSIWYG" events. The World Party will be held on April 20, which is a bonding and sharing event that lets everyone know what your

culture is and stands for. It is held in the Pavilion from 3:00 – 8:00 p.m., and is open to the public. A free dance hosted by ASEWU will be held that evening.

Chair Mays and President Jordan presented a gift to Jenna Williams, the departing student board member, thanking her for her participation on the Board. Ms. Williams thanked the Board for the opportunity to learn from them and to represent the students. She will be attending EWU for her master's, so will still be around.

They then presented a gift to Christian Shook, noting that she has represented the students and Eastern very well. She was reliable and involved, and they thanked her for her participation.

They also presented a gift to Nick Jackson. He represented the faculty with humor, with some mutual perspectives, and kept the Board posted and informed of the faculty viewpoints. They were pleased to have him be a part of the governance structure this year.

President Jordan noted that this was his fourth academic year at Eastern, and the remarkable transformation that has taken place wouldn't have occurred without the leadership of the people serving in these roles. Each leader has had an agenda that has helped to contribute to the changes and growth at EWU through their cumulative efforts. He thanked everyone for what they've done.

#### **University, III.B.4.**

President Jordan reported the following:

- Our enrollments for spring seem to be tracking similarly to last year in terms of day-to-day changes. If we get the same change from this morning through 10th day as last year (+150), we will end up at an annual FTES of 8443. We are currently ahead of last spring by 344 FTES and 360 headcount. Currently at 13.95 hrs per student compared to 13.90 last spring. Last spring final hrs/student ended up at 14.0.
- Higher education presidents and other high-ranking administrators from regional colleges and universities met at Eastern March 12 for the Women in Higher Education Roundtable (WHER) meeting. WHER meets quarterly, and once a year, senior administration is invited to attend and answer questions from members. Eastern hosted that meeting this year, the theme of which was "Being an Employer of Choice: Leading Through Crisis and Challenge." WHER's mission is to foster inter-institutional and regional collaboration among women in higher education and to encourage the promotion of leadership of, and for, women into administrative leadership.
- Eastern is hosting an Eastern Washington Higher Education Consortium meeting entitled "Transition to Success: A College Consortium to Facilitate Transfer from Community Colleges to Eastern Washington and Central Washington Universities" on campus Thursday, April 11, from 9:00 a.m. to 2:00 p.m. The purpose of the consortium is to simplify and clarify student transition from high school to community college to university through information exchange, educational planning, formal articulation and procedural agreements.
- April 26<sup>th</sup> I have been invited to attend a meeting in Walla Walla with the west-side Community College Presidents to discuss follow-up to the Eastern Washington Higher Education Consortium meeting.
- Mid-April, the university will stop using Social Security Numbers for identification and will assign new unique identification numbers to its faculty, students, and staff. In response to student lobbying,

Senate Bill 5509 passed in March stating that institutions of higher education shall not use the social security number for identification except for the purposes of employment, financial aid, research, assessment, accountability, transcripts or as otherwise required by state or federal law. Faculty, staff and students will be notified of their new number via mail.

- Neil McReynolds and I will be going to Boston mid-April to attend an Associated Governing Board Workshop on “Successful Fund-Raising and Comprehensive Campaigns.”
- For those Board members that have a little extra time and have not yet done so, I’d like to encourage you to take the opportunity to tour the Health Sciences Building facilities following the adjournment of today’s meeting.
- Congratulations go to Matt Hepworth ('99) and Michelle Galey. EWU received a Silver Addy at the Spokane Ad Club Annual Awards on March 8. The EWU bioterrorism advertisement that appeared in the inside front cover of the December 2001 issue of Washington CEO magazine received a silver award for Best Trade Magazine Advertisement-2001.
- For the second year in a row, Eastern Washington University has been named as one of 201 colleges and universities in the publication *Great Colleges for the Real World*. Eastern is the only public university in the state to be named in the publication’s 2002-03 edition. Success in preparing students for careers, access to education and employability after college were the kind of real world criteria used for evaluating institutions across the nation for inclusion. Among Eastern’s unique features noted in the publication were the availability of internships in most fields and its Centers of Excellence in music, creative writing and Honors. Clearly, our mission focusing on career preparation with a strong under-pinning in the liberal arts is meeting the needs of our students in the region and preparing them for life and work after college.
- Eastern Washington University is the first – and only – institution on the East side of the state now able to offer vocational teaching credentials to individuals based on their work experience. The State Board of Education approved the Career and Technical Education Teacher Certification Program, based on business and industry work experience at its March meeting. The only other such approved program is at Central Washington University. Individuals with expertise in any of some 80 vocational areas can take three education and three vocational education courses – which are offered in the late afternoons or evenings at Eastern – and become vocationally certified to teach (a fast-track way to earn teaching credentials).
- President Jordan acknowledged Bill Ponder and Brian Levin-Stankevich for their article published in *On Target* about the three new R’s and how enrollment management saved EWU.

### **Special Reports, III.C.**

#### **Consultant’s Report, III.C.1.**

Dr. Mark Mays announced that the Board is releasing the institutional review report today. The report includes 65 recommendations that will be taken in great regard. He noted that Eastern is part of a community effort, that the Board is pleased with the outcome, and they are pleased with the recommendations. Eastern is doing well, but has a lot more work to do. He expressed the Board’s appreciation for Dr. Fisher and his very knowledgeable associates in conducting the review. President Jordan noted there is something for everyone to like and dislike in the report--it is well balanced. The report is available on the Board of Trustees web page, with an e-mail address for comments and responses. He will begin discussion of the recommendations at the Cabinet level to look at what areas of

the university need to take responsibility for reviewing some of the recommendations and begin those dialogues. Some items, such as conditions of work, will go directly to the Senate. Several administrative organizational issues have been identified in the report, and some of them need to be implemented expeditiously, some longer-term, some not at all, and some at a much later date. He also expressed his appreciation for the work of the committee.

**Annual Report—Office of Grant and Research Development, III.C.2.**

Ruth Galm reported that we have seen a stable period of funding the last 5 years. We have begun initiatives to raise the bar again, and we're getting there. At the end of March we were where we were at the end of last year. She then pointed out some highlights of the past year. She noted that the grants were competitive, and that they have minimal impact on the university's budget. Occasionally minimal matching funds are required, and indirect cost recover helps with staff time.

President Jordan pointed out that the increase in grants is a reflection of how the deans and chairs can see how to leverage initiatives that they are interested in starting. They are trying to be attentive to costs. He and the trustees applauded Ms. Galm and her staff for their hard work.

**2002 Legislative Session Summary, III.C.3.**

George Durrie, Director of Government Relations, provided a briefing paper regarding the 2002 Legislative Session (attached to the official minutes). He reported that the state's 2001-2003 biennial operating budget had a \$1.6 billion deficit, and the legislature did an adequate job taking care of it. Some issues will be carried forward into the next campaign and session, but creative accounting enabled them to bring it to a close. He said they did a commendable job with the transportation budget, and created a package to stimulate the state's slumping economy. The capital budget and stimulus package passed.

The six presidents agreed upon and presented to the legislature four requests: 1) to minimize cuts to colleges and universities, recognizing the rising student demand; 2) grant universities maximum flexibility to manage their resources; 3) allow boards to increase tuition sufficiently to help balance the costs; and 4) provide financial aid to the state's neediest students. The Legislature and Governor did a reasonable job taking care of these issues. Representative Helen Sommers was our guardian angel—she was extraordinary in her efforts on behalf of higher education. She took it upon herself to negotiate the higher education section of the budget with the Senate. The level of cuts reflect that.

The 2002 Supplemental Operating Budget reduces funding for colleges and universities by \$54 million. It also contains provisions for two studies of higher education, however the governor vetoed the recruitment and retention money today.

Marvin Smith reported that the Governor signed the Collective Bargaining bill yesterday, vetoing sections 2 and 5 (eliminating the shared governance structure), so on October 1 we'll be legal. He noted that this has been a 40-year process. There is still some work to do looking over the language, and there is a provision that grandfathers most everything, so there should be no major changes to our Collective Bargaining Agreement.

Mr. Durrie also noted that the three confirmation hearings for our new trustees went very well.

**Action Items, IV.**

**Consent Action Items, IV.A.**

**Minutes of the January 25, 2002 Board of Trustees Meeting, IV.A.1.**

**Minutes of the January 30, 2002 Special Board of Trustees Meeting, IV.A.2.**

**Minutes of the March 19, 2002 Special Board of Trustees Meeting, IV.A.3.**

*Motion 04-01-02: "I move that the Board of Trustees accept the minutes as presented."*

*Motion by Trustee Budke; seconded by Trustee Williams. Motion carried.*

**Discussion Action Items, IV.B.**

**Special Course Fee Report, IV.B.1.**

Dr. Ron Dalla and Ms. Toni Habegger presented the Annual Report on Charges, Fees and Fines, which consists of three sections: general charges, fees and fines, a schedule of individual course fees, and the annualized average special course fee structure. The report was discussed at the Business and Finance committee meeting in March. The tuition rates and housing and dining rates will be approved later. All fees were increased by the fiscal growth factor of 3.29% this year. Dr. Levin-Stankevich addressed the increase in the international student fee, explaining that the Immigration and Naturalization Service (INS) has changed their tracking and reporting system, which makes us collect the fees from the students. This increases our operation costs, so we calculated that cost, added it to the required fee, and therefore propose a \$175 one-time fee (to be implemented if and when the new system is required). \$95 of the fee will be passed on to the INS, and the balance will cover our costs of collecting and tracking. It was also noted that most course fees are mandatory.

Dr Dalla reported that class fees are charged for consumable supplies (e.g. lab supplies), field trips, and software upgrades. He and Ms. Habegger recently devised a new course fee form, so all new fees have been justified. The existing course fees were increased by the fiscal growth factor in order to keep in line with increased expenses. The administration will review all existing course fees over the next year using the new format. It was noted that increasing fees by the fiscal growth factor is bad public policy, but is necessary in order to keep up with increasing costs.

*Motion 04-02-02: "I move that the Board of Trustees increase all fees by the fiscal growth factor."*

*Motion by Trustee Budke; seconded by Trustee McReynolds. Motion carried.*

**Diversity Initiative Action Plan, IV.B.2.**

Chair Mays explained that the Board wants to make sure that we're dealing competitively with these issues of diversity, and not merely discussing how to respond to issues regarding diversity. We have crisp timelines that provide momentum to make things happen. It's not just study without action or change. He also noted and thanked the trustees and senior members of the administration for their participation in the forums.

Trustee Zozaya-Geist reminded everyone that the Board, at the January Board of Trustees meeting, decided to lead a diversity initiative on campus. Forums were held on March 12 and April 2. The key in working on this initiative is having broad participation and community involvement. One of the ways to build a community is to bring about change, and one way to bring about change is to foster a community. As a Board we see us building a community and having standards within that community that are honored and accepted by the university as a whole. The Board is excited about having everyone involved in helping celebrate our diversity, expecting honesty, and providing a safe environment for everyone's interaction.

Today's proposal consists of all the feedback from the two forums. The key principles are: openness, participation, results-oriented, project-based participation, ongoing culture, project-based initiatives with clear results, goals and outcomes (in the short term and in the long term), be equitable, build on what we already have, fiscally responsible, and assessed and accountable. Projects for focus include: campus climate, student support and outreach to those prospective students (list on handout), sensitivity to diversity within the faculty, staff and campus community, projects that incorporate the community standards, university involvement and external community involvement, and recognizing our successes and the people in the program.

The Board of Trustees desires to invite the whole university campus in accepting the charge to create a community that achieves these goals. They specifically charge President Jordan and the vice presidents to create leadership for this initiative. They recommend that the vice presidents develop a leadership model for the initiative that incorporates the faculty fellow model that was previously successful by the academic affairs and student affairs collaboration. The faculty fellow(s) will be selected to work closely with the vice presidents and will be accountable for reporting back to the board the progress and goals. They also charge the vice presidents to develop some cost estimates for the initial year and through June 2003 so when we reconvene in May we can make some decisions on where to go with these goals, and for funding. One key area is communication between the board, the leadership and the community via a shared leadership and a collaborative environment. We will have regular reports on the initiative at the regular Board meetings, and ongoing discussions at the Student Affairs committee meetings. They expect near term and long term successes. They also charge President Jordan, the vice presidents and the executive leadership to identify and retain services for a campus assessment to give us a better idea of what direction the campus needs to move to build a community. This will also provide a benchmark each year to see where we're at, where we're going and how we're going to get there. She thanked everyone for his or her participation and help.

***Motion 04-03-02:*** "I move that the Board of Trustees approve the proposed diversity initiative plan and approve the charge to the President and Vice Presidents."

Motion by Trustee Zozaya-Geist; seconded by Trustee Williams. Motion carried.

## **Old Business/New Business, V.**

### **Elimination of Men's Golf, V.A.**

Scott Barnes, Director of Athletics, mentioned the losses of colleagues and family members in his area this year and thanked everyone for their prayers and support. He said that institutional research studies are thorough, but can't measure the heart and soul of the institution. Budget circumstances and upcoming cuts will affect his area. The Big Sky conference is required to sponsor core sports. Men's golf is the only non-core sport that EWU sponsors, and thus the only men's sport we could look at dropping. The impact is budget savings; we will save \$40,000-50,000 annually over the next few years. They will honor the current scholarships for one more year if those students decide to stay. This item has been discussed with and supported by the Athletic Policy Board, the Budget Oversight committee, the Eagle Athletic Association Executive Board, the AS President and other constituent groups.

### **Establishing Planning and Budgetary Parameters, V.B.**

President Jordan said this was our first attempt to look at the budget differently than we've looked at it since he came to Eastern. It's an attempt to, on the front end, begin developing policy guidance from the



Board around those driving elements that the administration will then go through and work through the budget to bring back both through the committees next month and then to the Board in June for final approval. Feedback on this approach is encouraged.

Vice President Voves then went through the PowerPoint presentation (handouts attached to the official minutes).

University Planning: It is critical to begin with understanding and agreement about the directions (Vision 2010). Three major charges have been made to the enrollment management task force, the resource allocation task force, and Academic Affairs (program review).

Vice President Levin-Stankevich has been meeting with deans and chairs to better plan for enrollment growth and change in the future. Data needs have been discussed, as well as how decisions are made. The product so far is the block scheduling proposal. An integrated set of recommendations will come forward, including space utilization, use of summer session, and self-support programs. Vice President Voves reported that the resource allocation task force has been working through some of the modeling issues, and they have a tentative model they have begun to discuss in the Business and Finance committee and with the deans. They have some basic principles—some policy based and some enrollment based. It is a two-tier model approached from enrollment and policy. Vice Provost Hosking spoke to the academic affairs charge, noting that they need to identify the short-term and long-term changes and resulting budget costs and efficiencies, including inter-college and inter-departmental planning and cooperation. Efficiency is important, and we know we do some things very well. We are looking at programs--we have strong programs--and have instituted site-based management with the colleges. We are looking for efficiencies as well as savings. He said Academic Affairs will have a full report for the Board by spring of step-by-step actions by which the Division and the various colleges and school will contribute to the realization of the University's Vision 2010, within the current and projected budget constraints.

Legislative Actions FY03: The implications of an operating reduction of \$2,369,000 are to reduce departmental budgets or institute a combination of reductions and tuition rate increases. Ms. Voves presented possible operating budget reductions of 3% and 5% by executive level. No annual salary increases were authorized by the legislature, however they did grant authority to increase tuition up to 14% for resident undergraduates and full authority for tuition increases for other student populations. She presented the current and possible tuition rates at 10%, 12% and 14%. Dr. Levin-Stankevich addressed the impact of tuition increases on student need and financial aid, and Ms. Voves presented the net revenue expectations (approximate) for the three levels of tuition increase. She pointed out that it would take a 12% tuition increase just to cover the reduction from the state without making cuts. These figures assume Eastern's enrollment at 8462 (taken from the OFM budget driver report).

Policy discussion: The administration needs to make some decisions and get direction from the Board of Trustees regarding our operating budget reductions. Should we take a full 5% reduction or mitigate it with some tuition revenue? How we might accomplish a combination of the two is the most critical decision. Regarding enrollment growth planning, should we constrain our growth, or shape the university by limiting transfers? Eastern received funding for an additional 84 students, and the administration would like to see a commitment of some funds for enrollment growth—put the dollars to the concept. Faculty retirements might be addressed by implementing a tenure relinquishment plan. This was successful in 1999, so we're looking at options for this year. A savings incentive of 2.81% is currently required for all areas. Should we remove this and take a bigger reduction initially, or reduce it somewhat and fund with some new revenue? Carryforward savings into the next year also needs to be addressed. What should the tuition rate increases be? It was also noted that the 2003-2005 biennial budget planning

begins today. It is critical that we focus on our vision and strategic plan for the university when making these policy decisions.

**Chair Mays called a five-minute break.**

Dr. Mays thanked Trustee McReynolds for being articulate and direct with the Board at the March Business and Finance meeting, and also thanked President Jordan for being direct and clear about management duties. He complimented Vice President Voves and her staff for today's presentation, and stated that the Board does not want to deal with the specific management issues of the university, just the policy issues. He was pleased at how this is unfolding regarding clarity in the process and providing an opportunity to discuss the policy issues.

Trustee comments included:

- We need to determine the right mix between cuts and increases. We're underfunded right now, and we are going to have to make some cuts, but we also have some allocation issues. The administration should go to the reduction model, look at specific units, and take money from some areas and move to areas with need (recaptured savings).
- The administration should be careful about how they treat transfers—if we plan to limit the number of transfers we should look at a middle ground (e.g. whether certain requirements have been met), and possibly create a self-support component for a quarter to get them up to speed.
- If we don't go the full 14% this year, we'll be behind next year, but we have to show the students that they're getting a better value for the increased cost. Make it part of the model where the money goes to the most needed places.
- Be sure any tuition increases are not being made because we're not making the hard decisions that need to be made—don't just maintain the status quo.
- Don't make short-term fixes instead of making it an opportunity to shift the ways we do some things.
- Maintain quality and access.
- Look at creative endeavors now because the fiscal outlook is not good for several years into the future.
- Look at change and growth as well as reductions.
- constraining growth is problematic; would like to see some moving of 3-5 years of constrained growth or no growth vs. growth.

Trustee McReynolds pointed out that the next biennium won't get any better, so we need to sustain over time. It is easier to make changes when the going is tough than when they're going reasonably well. We need to look at what we're trying to do as a university. The consultant's report raises interesting ideas—we need to look at what we want to do over the next five years. He observed that Eastern tries to do too many things—we need to focus on what we really do well and drop those that are less necessary to the mission of the university. We need to make fundamental changes rather than temporary fixes.

President Jordan noted that program review has moved forward, and we have reallocated a tremendous amount of resources to lower-division courses. We've pushed faculty effort way up (our faculty-to-student ratio has moved from 1:16 to 1:22), and faculty members are now teaching 31-34 credits. Average class sizes are increasing. We have seen that as we move from a 3% to a 5% reduction, but really from a 5% to a 7% reduction, our teaching capacity is greatly affected (forces us to begin laying off our lecturers if not our full-time, tenure-track positions). Preservation of our capacity is critical. We need to begin eliminating senior faculty, but how much can we take out without doing significant damage to our teaching capacity (both in the classroom and in student support)? Increasing the tuition does buy us some time by allowing us to offset some reductions, but

we will have to step up quickly or the next biennium will be very ugly for us. We need to schedule differently, adjust minimum class sizes, and determine whether we can continue to afford to run small programs. This budget is our opportunity to do some reductions, try to maintain our teaching capacity, and buy some time to take a last shot at some of these other issues. We haven't had the data available in the past, but now we're learning a lot from what data we've received. We need to determine how we can maintain capacity but create the momentum to make these changes.

He asked the Board for some idea of the overall amount of general fund reduction to take, and how much tuition to use, if any, to offset that reduction. We need to have at least a 3% reduction, then as we move toward 5%, we begin to affect our capacity to support the student level that we have. He advised that we probably need to take a reduction somewhere in the 3-4% range, with tuition filling in for the rest of it.

Trustee Shiota voiced her agreement with Dr. Jordan's comments, but clarified the need to make the reductions in some areas more than others, not across the board.

Discussion of various scenarios. A 5% cut with a 14% tuition increase would cover the reduction and provide funds for investment in the future. A 5% cut across the board would provide \$2.4 million to the state and leave \$.5 million. A 14% tuition increase gives \$2 million, and using that you'd have \$3.7 million to reinvest.

The risk factor was mentioned, and the need to develop data for the Board's committees. The model provides policy decisions rather than "back room deals". The hiring decisions we have made so far are within the 5% reduction scenario. The savings incentive and faculty retirement are longer-term issues, but maybe now is the time to deal with those. Buyout flexibility provides that the position stays in the college, but not the department, for the reallocation of positions as needed.

**The Board of Trustees directed the administration to begin developing the budgets around a 5% reduction and a 14% tuition increase, and to work with the Board committees regarding the implementation of the reduction (what should and should not be cut). A portion of the revenue generated by the tuition increase should be allocated to the tuition model, and we should investigate using the remaining part for the good of the university.**

Trustee Shiota recommended that other policy issues could be discussed in the Business and Finance and Student Affairs committees, and specific recommendations could be made to the full Board.

**President Jordan recommended that initially: we move our freshman enrollment from 1200 to 1300; increase the quality of these students; reduce by one half the number of exceptions to the admission standards; and reduce transfers by 200 (by looking at students without general education math and English, plus reviewing the rest of their AA record).**

Trustee Zozaya-Geist emphasized that we need to keep in mind the university as a whole—how any of the budget cuts affect the whole.

Trustee Budke mentioned the audit report that was distributed to the trustees today, noting that there were no audit findings. He congratulated Toni Habegger for her work in this area.

### **Executive Session, VI.**

Chair Mays announced that the Board of Trustees would adjourn to Executive Session under RCW 42.30.110(1)(g) to evaluate the qualifications of an applicant for public employment or to

review the performance of a public employee. The executive session was expected to last for approximately 30 minutes.

**Reconvene**

Chair Mays reconvened the meeting at 2:30 p.m.

**Personnel Actions, VII.**

*Motion 04-03-02: "I move that the Board of Trustees approve the personnel actions presented in the board agenda, as amended; delegate approval to the President regarding retirement and emeritus decisions so that action can be taken prior to graduation, in light of a possible tenure buyout plan; and approve five indemnification agreements to be forwarded to the Attorney General's office."*

*Motion by Trustee Budke; seconded by Trustee Mikkelsen. Motion carried.*

**Adjournment, VIII**

Chair Mays adjourned the meeting at 2:32 p.m.

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Mark Mays  
Chair of the Board

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Stephen M. Jordan  
Secretary of the Board