

**REGULAR MEETING OF THE BOARD OF TRUSTEES
OF THE EVERGREEN STATE COLLEGE**

March 7 and 8, 2006

Trustees Attending: Stanley Flemming
Deborah Barnett
Chris Hedrick (March 8 only)
Jayne Kaszynski
Claudia Kauffman RedMorningStar
David Lamb
Karen Lane

Absent: Marilee Roloff

Representatives to the Board: Laura Bergman, Staff Representative
Laurie Meeker, Faculty Representative

Staff Present: Don Bantz, Provost and Academic Vice President
John Carmichael, Administrative Assistant to the President/Recording Secretary
to the Board of Trustees
Laura Coghlan, Director of Institutional Research
Art Costantino, Vice President for Student Affairs
W. Joye Hardiman, Director of the Tacoma Program
Edie Harding, Director of Governmental Relations
Sharon Harrison, Advancement Operations Officer
Lee Hoemann, Executive Associate to the President
John Hurley, Vice President for Finance and Administration
Steve Hunter, Associate Vice President for Enrollment Management
Collin Orr, Director of Business Services
W. Scott Pinkston, Director of Alumni Affairs
Thomas L. Purce, President
Brian Shirley, Director of Financial Aid
Paul Smith, Director of Facilities
Steve Trotter, Executive Director of Operational Planning and Budget

Others Attending: Happy Rons, Assistant Attorney General

Chair Stan Flemming called the meeting to order at 1:11 p.m. in Room 104 of The Evergreen State College's Tacoma Campus. A quorum was present with Trustees Barnett, Flemming, Kaszynski, Kauffman RedMorningStar and Lamb attending. Trustee Lane arrived a short time later.

Tacoma Program Update

Joye Hardiman, Tacoma Program Director welcomed the trustees to the Tacoma Campus. She showed a short, student-produced film called "A Day in the Life of Joye Hardiman." Dr. Hardiman said that the Tacoma Program's theme for the years is "Cycle Makers and Cycle Breakers." Dr. Artee Young and Dr. Zhang Er described their program "Medical Courts: Justice in Life and Death." Students in the program will present arguments on issues related to medical ethics. Professor Peter Bacho described his work teaching writing and supervising the Lyceum. Dr. Gilda Sheppard and Professor Judith Nylund described their program, "Street Narratives: theory and practice of ethnographic research." Dr. Hardiman distributed a five-year strategic plan for the Tacoma program.

Legislative Update and Budget Outlook

Edie Harding, Director of Governmental Relations, said that the conference version of the legislature's supplemental budget had just been released. She summarized higher education issues in the budget. The

legislature provided funding for new math and science “high demand” enrollment at the University of Washington and Washington State University. They also provided high demand funding for the Higher Education Coordinating Board to distribute among the other institutions, funded at \$11,000 per FTE. Ms. Harding said that people in Snohomish County sought funding for a four-year institution. Everett Community College received funding to create a four-year program in cooperation with baccalaureate institutions. Funding was also provided to other two-year colleges to offer “applied” baccalaureate degrees. Ms. Harding said that Evergreen received funding for the Seminar II construction settlement. Ms. Harding distributed and discussed a summary of the conference budget, including funding for studies at the Washington State Institute for Public Policy, an oral history program, and training by the Labor Education Center.

Ms. Harding summarized higher education policy bills that passed the legislature. Among the bills was House Bill 3087 which requires boards of trustees to adopt rules that provide students the option of buying “unbundled” materials when possible. The ending date for student trustee terms will change to July 1 each year.

John Hurley, Vice President for Finance and Administration, said that the six public baccalaureate institutions are required to develop a single prioritized list of capital project requests for the 2007-2009 capital budget. The six institutions have begun discussions to agree on criteria for rating projects. The timeline suggests that a list would be ready for a Trustee work session in May and approval in June. Dr. Hurley said that complete funding of all Evergreen’s capital requests would take \$25 million. If the anticipated capital budget is divided among the six institutions in proportion to student FTE served, the college would received about \$15 million.

Steve Trotter, Executive Director of Operational Planning and Budget, shared a six-year projection of the state operational budget. He noted that improvements in the state economy have produced short-term surpluses, but that the long-term outlook suggests that case load increases will exceed revenues. Consequently, most of the enhancements provided in the current supplemental budgets were allocated as one-time resources.

Quarterly Financial Update

Director of Business Services Collin Orr presented mid-year financial reports, including summaries of the operating and capital budgets, expenditures compared to budget by division, a summary of capital project spending, revenues and expenses on dedicated local revenue funds, and income statements and fund balances for the major auxiliary accounts.

Mr. Orr said that the auditor’s final compliance audit included no findings. The auditor’s management letter addressed concerns about change orders in capital projects, which came close to being a finding. Mr. Orr said that the auditor’s financial audit is complete and will be presented to the board in May.

Mr. Orr said that the college received an A- bond rating from Standard and Poors in anticipation of the issue of Housing system revenue bonds. Mr. Orr said that part of the bond rating is based on the size of the institution, so a AAA rating is not possible for Evergreen. The weaknesses that the financial raters noted included the relatively small size of the college’s endowment and low selectivity in the applicant pool. Strengths included strong state support, a well-defined niche for interdisciplinary education, good liquidity, and consistent operating surpluses. The Standard and Poors rating will help the college get a good rate on bond insurance. The bond sale will occur on March 14.

Financial Aid Report

Director of Financial Aid Brian Shirley reported on the college’s financial aid program in 2004-2005. Mr. Shirley said that the Financial Aid office processed 7,060 applications for aid. Sixty-seven percent of students who attended Evergreen received some form of aid, compared to 58% in 2001-2002. Mr. Shirley

said that, by design, students with the greatest need were likely to receive a larger portion of their aid in the form of grants. Students with less need received a larger portion of their aid in the form of loans. Mr. Shirley compared the financial need and aid provided to non-resident students compared to resident students. He noted a trend of increasing student indebtedness, significant increases in the state-funded grant program, and stagnant funding in federal aid programs. Mr. Shirley described changes in federal financial aid programs expected to result from congressional action.

Enrollment Update

Steve Hunter, Associate Vice President for Enrollment Management, described application activity for Fall 2006. He said that March 1 is the priority application deadline for Evergreen. Applications are down ten percent. The decline is evident in both high school and transfer applications. He said that reports from other public baccalaureate institutions in the state suggest that most are experiencing similar or greater declines. The trend is surprising because demographic projections suggested strong growth in enrollment for the next several years. Enrollment in the community college system has also declined. President Purce said that the Council of Presidents has discussed the application trends. The presidents will instruct staff to provide more complete data for the four-year system and to make inquiries of the two-year system.

Strategic Planning

Provost Don Bantz said that a rough first draft of an updated Strategic Plan will be distributed to the campus in the next week. Dr. Bantz said that the Senior Staff had spent time considering possible revisions to the college's mission and principles. A campus forum also focused on the same discussion. He invited the trustees to consider individually what changes they might make to the mission statement. The trustees worked individually for several minutes and shared ideas for editing the mission for clarity.

Recess

The board recessed at 4:37 p.m.

Wednesday, March 8, 2006

Dr. Flemming called the meeting to order at 9:07 a.m. A quorum was present with Trustees Barnett, Flemming, Kaszynski, Lamb and Lane attending. Trustee Hedrick arrived a short time later.

National Survey of Student Engagement

Laura Coghlan, Director of Institutional Research, said that the faculty and staff gave significant attention to the benchmarks over the past year after the 2004 National Survey of Student Engagement showed that Evergreen slipped on many of the survey benchmarks. She said that the 2005 survey showed significant improvement. She said that 529 institutions participated in the survey, including more than 100 baccalaureate liberal arts colleges.

Ms. Coghlan described some of the survey's benchmark indicators. Evergreen ranks in the top 10% of all participating institutions for the level of academic challenge reported by first-year students. The college is above the 50th percentile for academic challenge reported by seniors. Evergreen is in the top 10% in "Active and Collaborative Learning" reported by first-year students and above the 50th percentile for seniors. Evergreen is above average for both first-year and senior students in student-faculty interaction. The college is also above average for "enriching educational experiences" and for "supportive campus environment" for both groups of students.

Capital Projects Update

Director of Facilities Paul Smith provided an update on the progress of the renovation of the Library building. He said that the project is going well and unanticipated costs remain within the contingency budget. He said that the college is negotiating the completion schedule with the contractor. The project

may not be completed on time, but should be complete in time for fall quarter. The executive team for the second phase of the renovation had their first meeting.

He said that the Lab I first floor classroom renovation is moving forward. Academics is working to define programming needs that fit within the scope of the project and expect to have a schematic design in May. He said that meetings have begun with students on pre-design for the renovation of the College Activities Building.

Mr. Smith led the trustees on a tour of the Phase I Library Renovation, the Organic Farm, the Driftwood House, the Geoduck House and the Keifer Residence.

Delegation of Authority (Gear-Up Contract)

Vice President for Student Affairs Art Costantino said that the college provides services and materials to the Clover Park School District as part of the college's grant-funded GEAR UP program. He asked the board to delegate to the president the authority to approve a contract with the school district for the fourth year of the grant.

Motion Chris Hedrick made a motion to delegate to the president the authority to approve a
#3-01-06 contract between the college and the Clover Park School District for the fourth year of the college's GEAR UP grant. The motion was seconded and passed on a voice vote.

Approval of Minutes

Motion Mr. Hedrick made a motion to approve the minutes of the board's January meeting.
#3-02-06 The motion was seconded and passed on a voice vote.

Recognizing Howard Fischer

Motion Ms. Barnett made a motion to adopt Board Resolution 2006-03 recognizing the
#7-01-03 contributions of Howard Fischer:

WHEREAS Howard Fischer served as Senior Assistant Attorney General, head of the Attorney General's Education Division, and designated legal counsel for the Board of Trustees from 1998 to 2006;

WHEREAS The Board of Trustees often relied on Howard Fischer's judgment, legal knowledge, and understanding of higher education;

WHEREAS Howard Fischer demonstrated an understanding of the mission and values of The Evergreen State College while steadfastly representing the legal interests of the State of Washington;

WHEREAS Howard Fischer's talents and dedication have been recognized through his appointment as chief of the Attorney General's Torts Division;

THEREFORE BE IT RESOLVED that the Board of Trustees, on behalf of The Evergreen State College, expresses its deep thanks and appreciation for Howard Fischer's contributions to the college and wishes him well in his new position.

The motion was seconded and passed on a voice vote.

Chair's Report

Dr. Flemming invited Ms. Kaszynski to report as student trustee. Ms. Kaszynski said that students are busy finishing projects during the ninth week of the quarter. She reported on the Synergy sustainable living conference. She said that the vote on forming a student government will begin next week. She said that a group of students interested in socially responsible investing has formed and intends to offer public comment later in the meeting.

President's Report

President Purce invited Laurie Meeker to report to the board as faculty representative. She said that the faculty continues working on the long-range curriculum planning process. She said that discussions in Deans groups have been well-attended and fruitful. The groups are considering ways to re-configure the curriculum planning structure. A sub-committee of the Faculty Agenda Committee is reporting on faculty compensation issues. The faculty continue to make changes in the narrative evaluation process. She also distributed a resolution that the faculty adopted supporting the freedom of speech for staff.

President Purce invited Laura Bergman to report as staff representative to the board. She said that a survey of exempt salary benchmarks had been distributed to staff. She said that staff have also been concerned about freedom of speech issues. She said that the Business Office is preparing for year-end and planning to implement a system for Web payments.

President Purce asked Alumni Director Scott Pinkston to report on behalf of the Alumni Association. He said that the Alumni Association's fundraising efforts have been very successful this year. The association is working to recruit additional board members and to raise the profile of the alumni association. He said that alumni events have been held in Seattle and Los Angeles, with events planned in San Francisco, San Diego, Washington DC and Austin.

President Purce asked Foundation Operations Officer Sharon Harrison to report on fundraising. Ms. Harrison said that as of February 28, the foundation received \$1.9 million in total giving. The Annual Fund has received nearly \$300,000, which represents 80% of its goal for the year.

President Purce recalled that he had discussed with the board in January an opportunity to establish an Evergreen presence in downtown Olympia. He said that after further discussion, he decided not pursue the opportunity at this time. He expressed gratitude to the friends of the college who offered to make the space available to the college.

President Purce said that the Foundation Board met with a group of students and community members concerned about socially responsible investment practices. He said that Joe Dear from the Board of Governors had agreed to meet with the group for further discussion.

President Purce invited Vice President John Hurley to talk about issues regarding exempt staff. Dr. Hurley said that vice presidents are circulating a draft study of exempt staff salaries, measuring the college's salaries against a set of national and regional benchmarks. The college needs to develop a policy and strategy for addressing any inequities that the study may surface. He said that the vice presidents are charging a committee to develop recommendations. The college is also working with a group of exempt staff to develop a staff survey focusing on employment conditions.

President Purce said that the faculty resolution regarding staff freedom of speech was in response to issues that arose related to the exempt staff survey. The Human Resources Director had expressed a concern that staff developing a survey on their own risked violation of the state ethics law. President Purce said that he attended the faculty meeting where the resolution was passed and had a good discussion about the college's limited ability to protect employees from allegations of ethics violations.

President Purce said that he met with a group of faculty and a representative of the National Education Association who are working to form a faculty union. He said that the group was uncertain about its timeline or when they would be in a position to call for a vote on the issue.

Public Comment/Adjournment

Dr. Flemming invited public comment. There was none. He adjourned the meeting at 1:50 p.m.

Stanley L.K. Flemming, D.O., M.A., Chair

Deborah J. Barnett, Secretary