MINUTES OF THE BOARD OF TRUSTEES MEETING
COMMUNITY COLLEGE DISTRICT NO. 4
SKAGIT VALLEY COLLEGE
MONDAY, AUGUST 15, 2001
10:00 a.m. – Board Room
2405 E. College Way
Mount Vernon, WA  98273

BOARD MEMBERS IN ATTENDANCE:
Mr. Jess del Bosque, Chair
Dr. Barbara Andersen
Ms. Elizabeth Hancock
Mr. Tom Moser
Dr. Lydia Ledesma-Reese, President & Executive Secretary to the Board

ADMINISTRATIVE SUPPORT:
Ms. Lisa Radeleff, Administrative Assistant/Executive Secretary to the President

I. CALL TO ORDER:
The Chair, Jess del Bosque, called the meeting to order at 10:05 a.m.

II. DECLARATION OF A QUORUM:
The Chair recognized that a quorum of Board members were present. Ms. Katie Philbrick was not able to attend.

III. INFORMATION:
1. Master Plan

Mr. Dick Geier gave a brief update on changes to the master plan. Following the update he introduced architect, Mr. Lowell Larson.

Mr. Larson presented issues that will need to be addressed by both the state and City of Mount Vernon in regards to master planning. Mr. Lowell stated that changes have been reviewed with Mr. Tom Henderson at the State Board. Mr. Larson stated that the Educational Mission and Goals of the college and planning goals and objectives are taken into consideration as the master plan is reviewed.

Mr. Larson reviewed the current look of the Mount Vernon Campus and then discussed expansion possibilities. Dr. Ledesma-Reese verified with Mr. Larson that only two new buildings are now be considered—the new educational building and the Performing Arts Center. Mr. Larson confirmed that those were the only two buildings considered at this time. He stated that some of the technical buildings could be
expanded laterally rather than upward. Mr. Larson also indicated that it would be possible to expand upward on Hodson Hall.

Dr. Ledesma-Reese asked Mr. Rohloff, Director of Physical Plant, if there are some areas that the college cannot build on due to water and wetland issues. Mr. Rohloff replied that there were such areas and identified those places.

Mr. Moser asked if a wetland inventory has been done, and if yes how long ago was it completed. Mr. Rohloff replied that something similar has been done, but that the college does have any really have big wetland issues. He said that the area around the student housing is pretty much all wetlands and it cannot be used.

Mr. Larson stated that wildlife issues are always reviewed when buildings are permitted. He stated that it is a lot easier to add more stories to an existing building rather than putting up new buildings and leaving a “footprint.” Mr. Larson said going upward on buildings might also enhance the look of the college.

Mr. Moser asked about underground retention. Mr. Rohloff replied that there are some on campus, but that there are not enough retention ponds for the whole campus at this time. He said that the high school has the same problem and they have been discussing working collaboratively on a resolution to this issue.

Dr. Ledesma-Reese stated that it was important for the Trustees to visually review the potential for growth, either up or in the areas of remaining open space. She stated that the college does not want to get to point where it becomes landlocked in terms of growth for the future.

IV. ACTION ITEMS:

1. Approval of Board Policy, GP-7, Board Members Code of Ethics

Ms. Hancock reviewed the information used for the creation of Board Policy, GP-7, Board Members Code of Ethics.

It was moved by Dr. Barbara Andersen and seconded by Ms. Elizabeth Hancock to approve Board Policy, GP-7, Board Members Codes of Ethics as presented.

Mr. Moser asked the purpose of Item 3C. Ms. Hancock stated that the Trustees need to give a listening ear, but concerns by an individual should go through a process. Mr. Moser asked why should he be censored, he see it as a First Amendment right. Ms. Hancock stated that if an individual comes to a Trustee with a problem, an individual Trustee cannot take action on that problem. Dr. Andersen said she interpreted it as one Trustee cannot individually take action for the CEO or staff. Mr. Moser said he is concerned about not censoring other board members. Dr. Andersen
said she believes since it says CEO or staff performance that it would be a personnel issue. Mr. Moser said that it seems odd because he feels that if he cannot give voice then he is being censored.

Ms. Hancock stated that she believes the wording needs to be tightened, however, she emphasized that all the information from TACTC and Carver states that decisions are Board decisions and whether individually you agree or disagree, every Trustee needs to support the Board’s final decision.

Ms. Hancock suggested removing 3C and she and Dr. Andersen will work on new wording.

Dr. Andersen moved to amend her original motion to approve Board Policy GP-7, Board Members Code of Ethics with the deletion of 3C. Ms. Hancock seconded the amended motion.

MOTION PASSED UNANIMOUSLY.

2. Approval of Board Policy, BSL-4, Executive Performance Evaluation Criteria

Ms. Hancock reviewed Board Policy, BSL-4. She then read Board Policy, BSL-4, Executive Performance Evaluation Criteria:

*The CEO’s performance will be considered to be synonymous with organizational performance as a whole. Each year the board will conduct a formal evaluation of the CEO.*

_The evaluation shall be based upon:_

a. *The policies and ends monitoring data provided during the evaluation cycle.*

b. *Specific goals and expectations set for the CEO by the Board at the beginning of the evaluation cycle.*

c. *Overall adherence to SVC Board policies.*

It was moved by Dr. Barbara Andersen and seconded by Ms. Elizabeth Hancock to approve Board Policy, BSL-4, Executive Performance Evaluation Criteria.

MOTION PASSED UNANIMOUSLY.

3. Approval of Board Policy, E-3, Purpose

Ms. Hancock reviewed and read Board Policy, E-3, Purpose:
Skagit Valley College exists to provide the college district community with the skills and knowledge sufficient for enrichment, successful employment and/or educational achievement.

(1) Skagit Valley College shall be responsive to the global and local communities it serves. The college shall promote communication, collaboration, community partnerships and contracts.

(2) Skagit Valley College will provide the opportunity for college-ready students to accomplish all transfer degrees within two years.

(3) Skagit Valley College shall provide students with an educational environment that promotes and develops an understanding of diversity with a global perspective.

(4) Skagit Valley College shall strive to provide students with up-to-date technology, high tech programs and labs designed to meet the needs of business and industry.

It was moved by Dr. Andersen and seconded by Ms. Hancock to approve Board Policy, E-3, Purpose as presented.

MOTION PASSED UNANIMOUSLY.

4. Approval of E-4, Access

Ms. Hancock reviewed and read Board Policy, E-4, Access:

Skagit Valley College shall embrace an open door policy and shall provide students and the community with user-friendly and efficient access to a learning-centered education.

1. Students shall receive appropriate information, assessment, advising, and educational placement in an efficient and timely manner.

2. Skagit Valley College shall provide recognizable and efficient pathways for entering high school students, adults, returning adults, apprentices, welfare to work clients, dislocated workers, veterans, and ABE/ESL students.

3. Skagit Valley College will provide appropriate basic skills and gateway courses, thereby ensuring that students have an opportunity to succeed in college level courses.

4. Skagit Valley College shall provide learners with up-to-date programs using multiple delivery options.
It was moved by Dr. Andersen and seconded by Ms. Hancock to approve Board Policy, E-4, Access.

MOTION PASSED UNANIMOUSLY.

5. Approval of Board Policy, E-5, Business Model

Ms. Hancock reviewed Board Policy, E-5, Business Model and stated that under Item Number 1 the word dominant should be changed to preeminent. She then read the policy:

*Skagit Valley College shall operate with an up-to-date business model through the following:*

1. *Enrollment as a preeminent priority*
2. *A comprehensive marketing plan*
3. *A district-wide strategic plan with measurable outcomes.*
4. *Improving the effectiveness and efficiency of college infrastructure and systems.*

It was moved by Dr. Andersen and seconded by Ms. Hancock to approve Board Policy, E-5, Business Model, with the correction of changing the word dominant to preeminent.

MOTION PASSED UNANIMOUSLY.

Ms. Hancock stated that she and Dr. Andersen went through all the information that the Trustees felt was important and took information from other areas and incorporated the two together to create the above policies.

Ms. Hancock stated that part of their job is monitoring. She gave Dr. Ledesma-Reese examples of monitoring schedules from other colleges and requested that Dr. Ledesma-Reese develop a schedule for the outcomes/monitoring reports and to develop the actual monitoring reports.

Ms. Hancock stated that after the monitoring reports are given to the Board the Trustees will have a discussion to make sure they are on track. Ms. Hancock asked that the book *A New Vision of Board Leadership* by John Carver and Miriam Mayhew
be ordered for all Trustees. She stated that this book has the underlying visioning and procedures for the Board type of governance.

6. 2001-2002 Operating Budget

Mr. Geier presented via PowerPoint a briefing of the proposed 2001-2002 Operating Budget, and an analysis of the 2000/2001 budget.

Mr. Geier reviewed the status of the fund balance. He displayed a ten-year comparison chart of fund balances. He stated that the fund balances shown in the chart were based on the balance in those accounts on June 30 of each year. Mr. Geier stated that the fund balance can vary by a half million dollars on any given day due to payroll and when payments and disbursements are recorded. He stated that June 30 is the fiscal year close-out date, so it is the most stable financial day of the year and the one he used for the analysis. Mr. Geier reported that the fund balance peaked in 1996 with $4.8 million including $1.1 million in excess enrollment income. He stated that the last positive fund balance change was in 1996. Mr. Geier stated that over the last five years there has been an average of a $342,000 deficit per year in the fund balance on the date of June 30.

Mr. Geier stated that if SVC continues the downward trend of a $342,000 deficit per year that in three years the seven-percent reserve will need to be used for operating capital. He said that if the trend continues it will take seven years before all reserves are depleted and there is no operating capital. Mr. Geier stated that he believes the deficit should be reduced this year and eliminated next year and then begin to rebuild the fund balance in two years or less.

Mr. Geier reported that the projected expenditures for SVC in 2001-2002 is $19,324,480, and the conservatively projected income for SVC in 2001-2002 is $18,975,179. This leaves the college with a potential deficit of $349,301. He stated that he feels the college can grow out of this deficit by continuing to reduce spending.

Mr. Geier stated that the Board is being asked to approve the 2001-2002 operating budget of $19,324,480 that includes updates to the Trustees on the status of the budget during November, February and May.

Mr. Moser asked why should the Trustees approve a non-balanced budget. Mr. Geier said that approximately 9 employees would need to be laid off in order to balance the budget. Mr. Moser stated that Mr. Geier could revise the income expectations. Mr. Geier replied that while that was true, Running Start is in a volatile state, International could be a problem, and ElderHostel revenue could suddenly drop.

Ms. Hancock stated that the reserve could be shown at the bottom of the budget. She asked if there was a report that showed the flow of money. Mr. Geier said it would be possible but it would show a different amount every day.
Dr. Andersen asked how the State Board looks at our situation when they see a seven percent reserve. Mr. Geier said they don’t really look at that, they just want to make sure we have the operating capital for a college of our size.

Dr. Ledesma-Reese stated that it has been difficult to make these budget decisions and implement the cuts, but a message needs to be sent to the college that we need to remain in the black at the end of the year.

Ms. Hancock asked if we will look at programs this year to evaluate enrollment. Dr. Ledesma-Reese replied that programs will be reviewed throughout the district on a rotational basis and that some programs have already been reviewed.

Dr. Andersen said that even though it will be only a cosmetic reason she believes it would be good to move the money from the reserve into the budget and it would also lower our reserve and it might make it look better to the legislators.

The Chair stated that he believes the college should go with the budget recommended and not worry about cosmetic changes.

Mr. Moser said that since this is his first year working with the budget, he could not approve deficit spending. He said that his issue is with the legislature not with the college or the Board of Trustees. Mr. Moser said that to knowingly approve a deficit budget is to ignore what the state has handed us. He suggested that the only other options he could see would be to 1) amend the spending side, 2) revise the income estimates, or 3) pass the proposed budget and amend it during the year to income levels.

Ms. Hancock asked if the deficit amount was encumbered would it be only a cosmetic change. Mr. Geier replied, yes it would only be cosmetic. Ms. Hancock said based on that she was inclined to agree with Mr. Moser in that a balanced budget should be approved.

Mr. Moser said that he would be in favor of passing a balanced budget and allowing the college staff to handle the financial details.

Dr. Andersen said the only two options she agrees with are encumbering the $349,301, or passing the bottom line of the budget and adjusting it as needed. Dr. Andersen stated that she would rather encumber the money and hopefully the college will not need to use the money.

It was moved by Ms. Hancock to approve the 2001-2002 operating budget of $19,324, and encumbering the projected deficit of $349,301 out of the reserve fund to cover that deficit. Also requiring updates of budget status during the months of November,
February, and May. Dr. Andersen clarified that by encumbering the $349,301 it will balance the budget. Dr. Andersen then seconded the motion.

Dr. Andersen – yay, Mr. del Bosque – yay, Ms. Hancock – yay, Mr. Moser - nay

MOTION PASSED

Ms. Hancock thanked Mr. Geier for doing a wonderful job. Mr. Geier replied that the Cabinet has made the hard decisions working with their staff on making cuts in the budget. He said that the Cabinet, deans, and directors have spent hours going over the budget to make cuts. Dr. Andersen said that it was good to know that everyone has worked together to make the budget cuts, and thanked Mr. Geier for keeping the Board informed on the budget.

V. EXECUTIVE SESSION:

The Chair stated that the Trustees would need to adjourn to Executive Session to discuss personnel issues. They would adjourn for approximately 90 minutes.

CONVENED INTO EXECUTIVE SESSION AT 12:50 P.M.
RECONVENED INTO OPEN SESSION AT 2:20 P.M.

The Board then returned to the Action Items portion of the agenda.

7. Approval of Board Policy, GP-8, Memorials and Contributions

Ms. Hancock reviewed Board Policy, GP-8, Memorials and Contributions

It was moved by Mr. Moser and seconded by Dr. Andersen to approve Board Police, GP-8, Memorials and Contributions, as presented.

MOTION PASSED UNANIMOUSLY

8. President’s salary for 2001-2004

It was moved by Dr. Andersen and seconded by Mr. Moser to increase the President’s salary by 3.7%

MOTION PASSED UNANIMOUSLY.

9. Approval of Extension of President’s Contract for 2001-2004

It was moved by Dr. Andersen and seconded by Mr. Moser to extend
President Lydia Ledesma-Reese’s contract as presented for one additional year. The term of the contract will run from September 10, 2001 through and including September 9, 2004.

MOTION PASSED UNANIMOUSLY.

VI. WORK SESSION:

The following items were discussed during the Work Session.

- 2001-2002 President’s Goals and Objectives - Dr. Ledesma-Reese explained that they would be tied to the Strategic Plan, and the Annual Initiatives to map accountability and measurability.
- Board Calendar – Reviewed meeting dates for the 2001-2002 academic year.
- Trustees’ travel - The Trustees identified the conferences they are interested in attending.
- Environmental Scans – The Trustees identified the following groups they would like to meet with during the academic year: K-12 Superintendents/Principals, Chamber of Commerce leaders, service organizations leaders, tribal leadership, Hispanic leaders, Economic development groups, and representatives of the largest employers in SVC’s service area.
- Foundation Joint Meeting – Dr. Andersen suggested that an agenda item for this meeting might be that since the Foundation no longer plans a corn maze or auction, there is no visible understanding of what the Foundation is doing to raise money.
- Internal College Climate Survey – Dr. Ledesma-Reese reviewed the responses to the survey. She stated that out of 700 surveys distributed, 130 responses were received. The survey was sent to all employees, full-time and part-time. Dr. Ledesma-Reese reported that once the responses were shared with the college, she asked Admin Team to look at the responses and hone in on issues that can be addressed. Admin Team completed their work and Dr. Ledesma-Reese has asked Cabinet to take Admin Team’s suggestions to see what can be made out of their suggestions. She stated that on September 6 there will be a district wide college retreat that will include Admin Team, Management Team, and Department Chairs and issues brought forth from the survey will be discussed.

Dr. Andersen asked if the large section of negative comments on learning communities and links will be addressed. Dr. Ledesma-Reese replied that yes Ms. Susan Tinker will be working on that issue. Dr. Ledesma-Reese said she will ask Ms. Tinker to conduct a presentation for the Board on learning communities and links. Dr. Andersen said information on the learning communities and links could be part of the monitoring process. Dr. Andersen stated that while learning communities and links are wonderful to have, but as a requirement for a degree it could really slow students down. She stated that the Board has made it a priority, as has the legislature, to get students through in two years.
Ms. Hancock asked about the rat problem in the modular. Dr. Ledesma-Reese said the pest problem has been handled.

- Advisory Dinner, Hall of Fame Members, Past and Current Trustees – Dr. Ledesma-Reese reviewed the agenda for the dinner with the Trustees.

VII. NEXT MEETING:
Monday, September 10, 2001, 5:30 p.m. – Board Room, Mount Vernon Campus

VIII. ADJOURNMENT:
There being no further business this meeting was adjourned at 4:00 p.m.

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Jess del Bosque, Chair   Lydia Ledesma-Reese, President
Executive Secretary to the Board
Lisa Radeleff, Secretary to the President