

**WESTERN WASHINGTON UNIVERSITY
BOARD OF TRUSTEES**

**REGULAR MEETING
August 20, 2010**

I. CALL TO ORDER, APPROVAL OF MINUTES

Chair Dennis Madsen called the regular meeting of the Board of Trustees of Western Washington University to order at 8:00 a.m., August 20, 2010 at Lakewood, 2410 Lake Whatcom Blvd., Bellingham, WA.

Board of Trustees

Ramiro Espinoza
Howard Lincoln
Dennis Madsen, Chair
Ralph Munro, Vice Chair
Phil Sharpe
Peggy Zoro

Western Washington University

Bruce Shepard, President
Wendy Bohlke, Assistant Attorney General
Stephanie Bowers, Vice President for University Advancement
Sherry Burkey, Associate Vice President for University Relations
Paul Cocke, Director, University Communications
Eileen Coughlin, Vice President for Student Affairs and Academic Support Services
Paul Dunn, Sr. Executive Assistant to the President
Paula Gilman, Executive Director of University Planning and Budgeting
Scott Pearce, President, Faculty Senate
Catherine Riordan, Provost and Vice President for Academic Affairs
Liz Sipes, Secretary to the Board of Trustees
Steve Swan, Vice President for University Relations
Rich Van Den Hul, Vice President for Business and Financial Affairs
Colin Watrin, Associated Students President

MOTION 8-1-10

Phil Sharpe moved that the Board of Trustees of Western Washington University, upon the recommendation of the President, approve the following as amended:

- Minutes of the June 10 & 11, 2010 Board of Trustees Meeting

Motion passed unanimously.

2. RECOGNITIONS AND INTRODUCTIONS

President Shepard welcomed Richard Van Den Hul, Vice President for Business & Financial Affairs, who began his duties at Western on July 8, 2010. Van Den Hul came from the University of South Dakota where he was the Vice President for Finance and Administration. Van Den Hul received his MBA from USD and a B.S. from South Dakota State University.

3. BOARD CHAIR

a. Trustee Phil Sharpe recognized Howard Lincoln for his service as a member of the Board of Trustees. Lincoln's term on the WWU Board of Trustees expires September 30, 2010.

WESTERN WASHINGTON UNIVERSITY BOARD OF TRUSTEES

RESOLUTION NO. 2010 - 07

RECOGNIZING THE SERVICE OF BOARD MEMBER HOWARD LINCOLN

WHEREAS, on January 27, 2006, Governor Christine Gregoire appointed HOWARD LINCOLN of Seattle, Washington, to serve a term on the Western Washington University Board of Trustees through September 30, 2010, and;

WHEREAS, HOWARD LINCOLN brought to his appointment as a trustee over 15 years of experience in business as a key player in the formation of the ownership group and later as chairman and chief executive officer of the Seattle Mariners, and;

WHEREAS, HOWARD LINCOLN brought to his appointment as a trustee an extensive background in the practice of law as senior vice president and general counsel to Nintendo and later to the board of Nintendo of America, Inc., and chairman of the company, and;

WHEREAS, HOWARD LINCOLN brought to his appointment as a trustee his important role as a philanthropist as a supporter of the Mariners Care Foundation, former chairman of the Children's Hospital Foundation, former Campaign Chair of the United Way of King County, member of the Washington Roundtable and previously served on the boards of ArtsFund, the Bellevue Boys & Girls Club, the Pacific Science Center, and the Chief Seattle Council of the Boy Scouts of America, and;

WHEREAS, HOWARD LINCOLN earned his bachelor's degree from the University of California of Berkeley, and a law degree from Boalt Hall, the University of California School of Law, and;

WHEREAS, HOWARD LINCOLN served as a Lieutenant in the U.S. Navy Judge Advocate General's Corp, and;

WHEREAS, HOWARD LINCOLN as a resident of Seattle, contributed his time to the stewardship of the University above and beyond the usual expectations for board service; and

WHEREAS, HOWARD LINCOLN contributed to the increased stature and the future potential of Western Washington University through his participation in numerous activities and decisions affecting the University;

NOW, THEREFORE BE IT RESOLVED, that the Board of Trustees of Western Washington University that HOWARD LINCOLN be and is hereby honored for outstanding service and dedication to the University and is extended the gratitude and best wishes of the entire University community.

PASSED AND APPROVED by the Board of Trustees of Western Washington University at its regular meeting on August 20, 2010.

Lincoln thanked the Board and said that he will continue to be involved and support Western as much as possible.

b. Trustee Dennis Madsen welcomed Ramiro Espinoza as a member of the WWU Board of Trustees.

WESTERN WASHINGTON UNIVERSITY
BOARD OF TRUSTEES

RESOLUTION NO. 2010-08
WELCOMING TRUSTEE RAMIRO ESPINOZA

WHEREAS, on July 26, 2010, Governor Christine Gregoire appointed RAMIRO ESPINOZA of Bellingham, Washington, to serve a one-year term on the Western Washington University Board of Trustees; and

WHEREAS, RAMIRO ESPINOZA received his Bachelor of Arts degree in Political Science and Anthropology in 2008, and is a Masters' candidate in good standing at Western Washington University; and

WHEREAS, RAMIRO ESPINOZA brings to his appointment as a trustee leadership qualities developed as the 2007-2008 Associated Students President, as an ex-officio member of the WWU Board of Trustees and the WWU Foundation Board, as a member of the Presidential Search Advisory Committee, and as a member of several university committees; and

WHEREAS, RAMIRO ESPINOZA brings to his appointment as a trustee dedication to the campus community through his recent employments as a Staff Recruiter in Human Resources and as the Veteran's Outreach Coordinator in 2006-2007; and

WHEREAS, RAMIRO ESPINOZA brings to his appointment as a trustee, dedication to the Bellingham community as a member of the Whatcom Museum of History and Art Board of Trustees, and as a volunteer for the Fairhaven Neighborhood Association and Worksource Whatcom; and

WHEREAS, RAMIRO ESPINOZA brings to his appointment experience as a Sergeant in the United States Marine Corps, 1998 - 2003; and

WHEREAS, RAMIRO ESPINOZA was nominated by an Associated Students committee to serve as a student member of the Western Washington University's Board of Trustees; and

WHEREAS, RAMIRO ESPINOZA has declared his commitment to serve as a member of the Western Washington University Board of Trustees;

NOW, THEREFORE BE IT RESOLVED, that the Board of Trustees of Western Washington University officially extends a warm welcome to RAMIRO ESPINOZA as he begins his term on the Board.

PASSED AND APPROVED by the Board of Trustees of Western Washington University at its regular meeting on August 20, 2010.

c. Board of Trustees Assessment Survey

Trustee Madsen asked the Board to complete the BOT Assessment Survey and return to Liz Sipes by September 17. Feedback will be discussed at the September 28 & 29, 2010 Board Retreat.

4. UNIVERSITY PRESIDENT

President Shepard thanked Kathy Wetherell for her service as Interim Vice President for Business & Financial Affairs.

WESTERN WASHINGTON UNIVERSITY
BOARD OF TRUSTEES

RESOLUTION NO 2010 – 09
RECOGNIZING THE SERVICE OF KATHY WETHERELL

WHEREAS, in March, 2009, KATHY WETHERELL was appointed by President Bruce Shepard as Interim Vice President for Business and Financial Affairs; and

WHEREAS, KATHY WETHERELL brought to her appointment as Interim Vice President for Business and Financial Affairs, one year of experience as Western Washington University's Assistant Vice President for Financial Services; and

WHEREAS, KATHY WETHERELL brought to her appointment a 27 year career, including 19 years of experience in higher education having worked as the Associate Vice President for Finance and Administration at the University of Redlands in Southern California; as the Director of Finance and Administration for the Computing and Communications department, as the Associate Director of Physical Plant, and as the Principal Auditor at the University of California, Riverside; and

WHEREAS, KATHY WETHERELL earned a Bachelor of Commerce degree from the University of Alberta and achieved Chartered Accountant designation in 1982; and

WHEREAS, KATHY WETHERELL provided university-wide leadership during a period of financial uncertainty and budgetary challenges; and

WHEREAS, KATHY WETHERELL provided guidance to the Business and Financial Affairs unit during a time of significant transition; and

WHEREAS, under KATHY WETHERELL'S leadership, the university addressed a number of significant goals, including the completion of Phase I of the Banner Finance and HR Initiatives Project; the redesign of the capital planning process; and reduced the planning and construction timeline to accomplish projects faster.

THEREFORE BE IT RESOLVED, that the Board of Trustees of Western Washington University hereby offers thanks and commendation to Kathy Wetherell for her many achievements and for her service as Interim Vice President for Business and Financial Affairs.

Dated and signed this 20th day of August, 2010.

5. ASSOCIATED STUDENTS

Colin Watrin, AS President, briefed the Board on recent activities of the Associated Students.

- The AS is researching options to run the Western Late Night Shuttle on Sundays. The Whatcom Transportation Authority (WTA) has eliminated Sunday service and approximately 1,000 Western students are affected.
- The AS has increased new student outreach through involvement in the Summer Start New Student Orientation program.
- The Renewable Energy Fee Committee has been developing criteria for proposals. They hope to implement short term and very visible projects so students are aware of how their money is being used.
- AS will be launching a Voter Registration Campaign in an effort to increase the number students registered to vote and active in civic participation.

6. FACULTY SENATE

Scott Pearce, Faculty Senate President, briefed the Board on recent activities of the Faculty Senate.

- Pearce has been working on the Faculty Handbook.
- Faculty Senate is looking at their role in shared governance in the UPRC.
- Pearce is working on creating consensus building among the faculty.
- Faculty Senate is working on Community Outreach and creating ongoing dialogue with the business community. One of the roles of the university is to enrich the town both culturally and intellectually.

Pearce said that it is important to the Faculty Senate to maintain the level of the faculty that makes Western an outstanding institution. He said we are losing some faculty to other

institutions. Provost Riordan said we have been mostly successful in retaining faculty who come with offers from other institutions, by offering summer support, etc. However, Western has never been able to match the salary offers and has a difficult time attracting new employees because of salary.

President Shepard said that because Western is located in a place that people want to live, we are able to retain quality faculty. But the cost of living is higher than it was 10-20 years ago and salaries have not kept up. The Board needs to have a future conversation regarding Western's ability to attract and retain quality faculty and sustain the high caliber of the institution. It was noted that it would be very challenging to articulate the need for higher salaries to the public and the legislature during these difficult economic times. We must be able to back up our campaign with accurate data.

Trustee Espinoza said Western enriches the entire community, not just the students. When we are recognized as a resource to the community, Western will receive more public support.

It was agreed to have a more in-depth discussion on this topic at a future Board meeting.

8. CONSENT AGENDA

MOTION 8-2-10 Phil Sharpe moved that the Board of Trustees of Western Washington University, upon the recommendation of the president, approve the following consent item:

- Approval of Summer Quarter Degrees

Motion passed unanimously.

9. MOTION TO RENEW DANCE PROGRAM LEASE AGREEMENT

Rich Van Den Hul, Vice President for Business and Financial Affairs, said that Western has several leases for additional space in the community. He said there will be a comprehensive review of all leases in the future as a possible cost saving measure, and a review of our leasing procedures.

Van Den Hul said the Dance Program leases space at 311 Holly Street and the 5 year lease is up for renewal effective September 1, 2010. Van Den Hul said the rate is very competitive, but language will be incorporated to allow the university to terminate the lease at any time if an alternative space is identified.

MOTION 8-3-10 Ralph Munro moved that upon the recommendation of the President, that the President or his delegate execute documents for the leasing of property at 311 Holly Street, Bellingham, Washington, 98225.

Motion passed unanimously.

10. APPROVAL OF 2011-13 BIENNIAL OPERATING BUDGET REQUEST

President Shepard asked the Board to approve the 2011-13 Biennial Budget Request as it was developed over the last six months. It is required to be submitted to OFM on September 12, 2010. Shepard said that we have just learned that a couple of weeks after this budget is submitted to OFM, we will need to submit a new 2011-13 budget.

Shepard said that this year's Strategic Planning Budgeting process is based on the effort and participation of the University Planning and Resources Council (UPRC). Western's overall Annual Operating Budget, which includes academic instruction, administrative operations, residence hall, food service, etc., is \$256,000,000. He noted that state support for the academic instruction budget is approximately 40%, while for the overall operating budget is only 20%. Of the overall annual operating budget, 80% comes from other sources.

Shepard noted that two budget-related matters are not addressed at this time: tuition and compensation. These two items will be addressed through separate legislative processes. It was agreed that the Board would discuss Western's faculty compensation, with data to support the discussion, at a future meeting.

MOTION 8-4-10 Ralph Munro moved that the Board of Trustees of Western Washington University, upon the recommendation of the President, approve the 2011-2013 biennial operating budget request, including \$132,072,415 in state appropriations, and corresponding tuition operating fee expenditures, in support of academic, administrative and departmental operations.

Motion passed unanimously.

Shepard presented a powerpoint, "*New 2010 & 2011-2013 Budget Submissions.*" The new 2010-11 Budget is due OFM on October 13, 2010 and the new 2011-13 Biennial Budget is due OFM on September 30, 2010.

Because of deadlines established by the Office of Financial Management, it was agreed that the Board would authorize the President to take any revisions to the 2011-13 biennial budget to OFM to be ratified by the Board at a future meeting.

MOTION 8-5-10 Ralph Munro moved that the Board of Trustees, in recommendation of the president, delegates authority to the president to approve changes to the proposed 2011-13 Biennial Budget on or prior to September 30, 2010 should such action be required to meet deadlines established by the Office of Financial Management.

Motion passed unanimously.

10. APPROVAL OF AGREEMENT BETWEEN WESTERN WASHINGTON UNIVERSITY AND THE WESTERN WASHINGTON UNIVERSITY FOUNDATION.

President Shepard said the proposed agreement between WWU and the WWU Foundation, in anticipation of a Comprehensive Campaign, has struck the clause that would prohibit the WWU Foundation from having its own employees. Because of the state hiring freeze, it was thought wise to have that option available to the Foundation. There is no plan to hire anyone at this time.

Wendy Bohlke, Legal Counsel, noted that it is practice for Washington's public universities, that the president is the appointing authority for all employees. People who work for the WWU Foundation are working for the university and accrue certain benefits as employees of the university. Should the WWU Foundation hire their own employees, the president would no longer have appointing authority and the employees would not be on Western's payroll.

Stephanie Bowers, Vice President of University Advancement, said the proposed change would allow the Foundation the flexibility to create a contract for someone to work for the Foundation who might be based in Seattle or elsewhere. Under the current agreement, that would be prohibited.

After further discussion it was agreed to table action on this item until the October Board of Trustees meeting.

11. APPROVAL OF 2011 BOARD OF TRUSTEES MEETING SCHEDULE

MOTION 8-6-10 Ralph Munro moved that the Board of Trustees of Western Washington University, establish the following meeting schedule for the year 2011.

- February 10 & 11, 2011
- April 14 & 15, 2011
- June 9 & 10, 2011
- August 18 & 19, 2011
- October 13 & 14, 2011
- December 8 & 9, 2011

Motion passed unanimously.

At 10:05 a.m. Chair Madsen announced a ten minute break. The meeting reconvened at 10:20 a.m.

DISCUSSION ITEMS

12. OLYMPIA UPDATE: GOVERNOR'S HIGHER EDUCATION FUNDING TASK FORCE

Bruce Shepard, President, said that Governor Gregoire has formed a Higher Education Funding Task Force to focus on reforms to four-year universities to provide long-term stable funding and improve performance and accountability. Gregoire has asked the task force to focus on three tasks:

- Develop a realistic and viable long-range funding strategy that provides Washington's students with affordable higher education opportunities.
- Recommend ways to improve accountability and performance in our public four-year higher education institutions to ensure we get the very highest value for the state's and student's investment.
- Consider whether the higher education system's current governance model should be modified to improve system-wide performance and accountability.

Sherry Burkey, Associate Vice President for University Relations, said that President Shepard has met with some members of the Higher Education Funding Task Force. All the presidents of the state four-year institutions will meet with the task force on August 31. Burkey said the task force's focus is mostly on the funding issue. They will make their recommendations to the governor on September 17. The proposals will eventually be incorporated into her 2011 legislative agenda.

13. BANNER FINANCE AND HUMAN RESOURCES INITIATIVES PROJECT UPDATE

Rich Van Den Hul, Vice President for Business & Financial Affairs, said that reporting capabilities was one of the 15 initiatives identified by President Shepard. He said that Banner is a good higher education system, but has not been used effectively at Western. Van Den Hul gave a summary of the goals and objectives of the initiative project -- to fully utilize the functionality of current technology, to improve data integrity, to provide consistency and timeliness, to improve management reporting capabilities, to improve our business practices and to integrate finance and payroll data for budgeting and purposes. Van Den Hul said we need to integrate other Human Resource initiatives with the Banner project as one overall project to ensure consistency and leverage our learning experiences. Some changes, e.g. purchasing modules, may require additional funds. In response to a question, Van Den Hul said that internal controls will be in place as we make these modifications.

14. NORTHWEST HIGHER EDUCATION COALITION REPORT

The Northwest Higher Education Coalition (NWHEC), comprised of 7 institutions in Kitsap, Whatcom, Skagit, and Snohomish counties, was formed to address a growing set of issues in higher education that are best served through a collaborative approach.. The mission of the NWHEC is to foster regional partnerships to better serve the educational needs of the region and the people of Washington State.

Sherry Burkey, Associate Vice President for University Relations said the institutions have several common ideas that could move forward better as a team. The group narrowed those ideas down into three prime areas:

- environmental/sustainability/marine area
- Internationalizing the curriculum, experiences for the students, and speakers on campus
- Serving Veterans on campus

All agreed that the collaboration between the institutions offers some wonderful opportunities for the future and will have strength in the political arena.

15. EDUCATIONAL CHANNEL IN BELLINGHAM

Steve Swan, Vice President for University Relations, reported that the City of Bellingham cable television contract with Comcast is up for renewal. Swan said that currently there is a government channel in Bellingham, but no public access channel or educational channel. Western has an opportunity to urge negotiation for these channels in the new contract. The City staff is supportive and is urging the Bellingham City Council to support an educational and/or public access channel.

Swan said an educational channel is one of many ways to increase Western's presence in the community. The UW, NWIC, BTC, WCC are interested in becoming programming partners with Western. Because Western would not have any editorial control of the programs, Swan said we are more interested in an educational channel vs. a public access channel. We are proposing to bring public activities from the non-profits into the "E" channel.

As part of our proposal, Western is requesting funding for \$118,000 per year to hire an additional 1.5 FTE to enable us to have the extra production capability. In addition, Western is prepared to improve our equipment and technology capabilities, as our current equipment is very outdated and could not meet the needs of high quality television.

With the help of Trustee Munro, Swan, Sherry Burkey, and President Shepard met with the leadership of TVW to discuss the opportunity to improve Western's exposure statewide. This would be a two-prong approach as TVW is interested in Western providing them web-streaming capabilities and they would showcase Western on TVW.

16. INFORMATION ITEMS

- **Alumni Relations Report and Development Report**

Stephanie Bowers, Vice President for University Advancement, said the WWU Foundation and Alumni Relations have had several successful events -- the two President's Club BBQ's and the Golden Vikings Reunion. Next year the "Back to Bellingham" event will be anchored by the College of Business & Economics and the College of Fine & Performing Arts. The following year, we will be anchored by Woodring College and it will be the 5th year since the reunion of the Campus School.

- **Capital Program Report**

Rich Van Den Hul, Vice President for Business & Financial Affairs, updated the Board on Miller Hall renovations. Faculty should start occupying the building starting September 1.

All Minor Capital projects are proceeding well.

The Buchanan Towers will be open for students, but the addition is behind schedule.

- **Quarterly Academic Program Review**

Provost Riordan provided a written overview of activities with the Academic Affairs division.

- **University Relations**

Steve Swan, Vice President for University Relations, provided a written report on the recent activities of University Relations. Swan reported on the success of the VRI team and the opportunity it has provided to showcase Western.

17. MEETING EVALUATION AND FUTURE AGENDA TOPICS

18. DATE FOR NEXT REGULAR MEETING: October 7 & 8, 2010

19. EXECUTIVE SESSION

At 11:25 a.m. Chair Madsen said the Board would go into Executive Session for 15 to 20 minutes to discuss real estate issues as authorized in RCW 42.30.110. The Board reconvened in Open Session at 11:55. No action was taken.

20. ADJOURNMENT

Meeting adjourned at 11:57 a.m.