



## **1. CALL TO ORDER**

**WESTERN WASHINGTON UNIVERSITY  
ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

**TO:** Members of the Board of Trustees  
**FROM:** President Bruce Shepard  
**DATE:** June 12, 2014  
**SUBJECT:** **Consent Items**  
**PURPOSE:** Action

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**Purpose of Submittal:**

Approval of the university recommendations provided on the consent item agenda.

**Proposed Motion(s):**

MOVED, that the Board of Trustees of Western Washington University, upon the recommendation of the president, approve the following consent items:

- Approval of Spring Quarter Degrees
- Board of Trustees August Meeting Date Change
- Local Government Investment Pool: New Prospectus and Approval of Updated Resolution

**Supporting Information:**

Materials supporting the consent item agenda are attached.

**WESTERN WASHINGTON UNIVERSITY  
ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

**TO:** Members of the Board of Trustees  
**FROM:** President Bruce Shepard by Provost Brent Carbajal  
**DATE:** June 12, 2014  
**SUBJECT:** **Consent Item: Approval of Degrees**  
**PURPOSE:** Action

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**Purpose of Submittal:**

Approval of the university recommendations provided for approval of spring quarter degrees. The Board of Trustees has responsibility to approve awarding of degrees.

**Proposed Motion:**

MOVED, that the Board of Trustees of Western Washington University, on recommendation of the faculty and subject to the completion of all requirements, approves awarding undergraduate and graduate degrees to the candidates listed in the files of the Registrar and Graduate Dean, for Spring Quarter 2014, effective June 14, 2014.

**Supporting Information:**

Lists on file with the Registrar and Graduate Dean.

<b><i>Students</i></b>	<b><i>June 2014</i></b>	<b><i>Comparison: June 2013</i></b>
<i>Undergraduates</i>	1825	1826
<i>Masters</i>	160	136

**WESTERN WASHINGTON UNIVERSITY  
ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

**TO:** Members of the Board of Trustees  
**FROM:** President Bruce Shepard  
**DATE:** June 12, 2014  
**SUBJECT:** **Consent Item: August 2014 Meeting Date Change**  
**PURPOSE:** Action

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**Purpose of Submittal:**

The current meeting dates for the Board of Trustees in 2014 were approved at the April 2012 meeting. The dates chosen were August 21, 22, 2014. However, after some discussion the Trustees would like to have a one day meeting instead of two days. The proposed new single meeting date is August 21, 2014.

**Proposed Motion:**

*MOVED*, on recommendation from the Chair, that the Board of Trustees change its currently scheduled meeting on Thursday, August 21 and Friday, August 22, 2014 to only Thursday, August 21, 2014.

**WESTERN WASHINGTON UNIVERSITY  
ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

**TO:** Members of the Board of Trustees

**FROM:** President Bruce Shepard by:  
Richard Van Den Hul, Vice President for Business and Financial Affairs

**DATE:** June 13, 2014

**SUBJECT: Consent Item: Local Government Investment Pool:  
New Prospectus and Approval of Updated Resolution**

**Purpose:** Action

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**Purpose of Submittal:**

In December 2010, the Board of Trustees approved a resolution authorizing investment of Western Washington University monies in the Local Government Investment Pool. In 2013, legislation amended WAC Chapter 210-10 Local Government Investment Pool governing how the state invests. While the fund's investment strategy remains the same, the amended WAC added transparency to the process, requiring a new prospectus for the depositors (local governments, universities, etc.). To ensure local governance boards are aware of the investment strategy and risks, the State Treasurer has amended the resolution to include language whereby the Board verifies they have received the prospectus.

**Proposed Motion:**

MOVED, that the Board of Trustees of Western Washington University, upon the recommendation of the President, hereby adopts Resolution 2014-03, "Resolution Authorizing Investment of Western Washington University Monies in the Local Government Investment Pool."

**Supporting Information:**

- Resolution No. 2014-03, Resolution Authorizing Investment of Western Washington University Monies in the Local Government Investment Pool
- Local Government Investment Pool Prospectus, January 2014

**RESOLUTION NO. 2014-03**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF  
WESTERN WASHINGTON UNIVERSITY**

**AUTHORIZING INVESTMENT  
OF WESTERN WASHINGTON UNIVERSITY MONIES IN THE  
LOCAL GOVERNMENT INVESTMENT POOL**

**WHEREAS**, pursuant to Chapter 294, Laws of 1986, the Legislature created a trust fund to be known as the public funds investment account (commonly referred to as the Local Government Investment Pool (LGIP)) for the contribution and withdrawal of money by an authorized governmental entity for purposes of investment by the Office of the State Treasurer; and

**WHEREAS**, from time to time it may be advantageous to the authorized governmental entity, Western Washington University, the "governmental entity", to contribute funds available for investment in the LGIP; and

**WHEREAS**, the investment strategy for the LGIP is set forth in its policies and procedures; and

**WHEREAS**, any contributions or withdrawals to or from the LGIP made on behalf of the governmental entity shall be first duly authorized by the Board of Trustees, the "governing body" or any designee of the governing body pursuant to this resolution or a subsequent resolution; and

**WHEREAS** the governmental entity will cause to be filed a certified copy of said resolution with the Office of the State Treasurer; and

**WHEREAS** the governing body and any designee appointed by the governing body with authority to contribute or withdraw funds of the governmental entity has received and read a copy of the prospectus and understands the risks and limitations of investing in the LGIP; and

**WHEREAS**, the governing body attests by the signature of its members that it is duly authorized and empowered to enter into this agreement, to direct the contribution or withdrawal of governmental entity monies, and to delegate certain authority to make adjustments to the incorporated transactional forms, to the individuals designated herein.

**NOW THEREFORE, BE IT RESOLVED** that the governing body does hereby authorize the contribution and withdrawal of governmental entity monies in the LGIP in the manner prescribed by law, rule, and prospectus.

**BE IT FURTHER RESOLVED** that the governing body has approved the Local Government Investment Pool Transaction Authorization Form (Form) as completed by the Vice President for Business and Financial Affairs and incorporates said form into this resolution by reference and does hereby attest to its accuracy.

**BE IT FURTHER RESOLVED** that the governmental entity designates the President of Western Washington University, the "authorized individual" to authorize all amendments, changes, or alterations to the Form or any other documentation including the designation of other individuals to make contributions and withdrawals on behalf of the governmental entity.

**BE IT FURTHER RESOLVED** that this delegation ends upon the written notice, by any method set forth in the prospectus, of the governing body that the authorized individual has been terminated or that his or her delegation has been revoked. The Office of the State Treasurer will rely solely on the governing body to provide notice of such revocation and is entitled to rely on the authorized individual's instructions until such time as said notice has been provided.

**BE IT FURTHER RESOLVED** that the Form as incorporated into this resolution or hereafter amended by delegated authority, or any other documentation signed or otherwise approved by the authorized individual, shall remain in effect after revocation of the authorized individual's delegated authority, except to the extent that the authorized individual whose delegation has been terminated shall not be permitted to make further withdrawals or contributions to the LGIP on behalf of the governmental entity. No amendments, changes, or alterations shall be made to the Form or any other documentation until the entity passes a new resolution naming a new authorized individual; and

**BE IT FURTHER RESOLVED** that the governing body acknowledges that it has received, read, and understood the prospectus as provided by the Office of the State Treasurer. In addition, the governing body agrees that a copy of the prospectus will be provided to any person delegated or otherwise authorized to make contributions or withdrawals into or out of the LGIP and that said individuals will be required to read the prospectus prior to making any withdrawals or contributions, or any further withdrawals or contributions if authorizations are already in place.

**PASSED AND ADOPTED** by the Board of Trustees of Western Washington University, an agency of the state of Washington on this 13<sup>th</sup> day of June, 2014.

ATTEST:

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Peggy Zoro, Chair

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Betti Fujikado, Secretary



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LOCAL GOVERNMENT  
INVESTMENT POOL

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**Prospectus**

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January 2014



*James L. McIntire*

*Washington State Treasurer*

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## I. The LGIP

The Local Government Investment Pool (the “LGIP”) is an investment pool of public funds placed in the custody of the Office of the Washington State Treasurer (the “State Treasurer”) for investment and reinvestment as defined by RCW 43.250.020. The purpose of the LGIP is to allow eligible governmental entities to participate with the state in the investment of surplus public funds, in a manner that optimizes liquidity and return on such funds. In establishing the LGIP, the legislature recognized that not all eligible governmental entities are able to maximize the return on their temporary surplus funds, and therefore it provided a mechanism whereby they may, at their option, utilize the resources of the State Treasurer to maximize the potential of their surplus funds while ensuring the liquidity of those funds.

The State Treasurer has established a sub-pool within the LGIP whose shares are offered by means of this Prospectus: The LGIP-Money Market Fund (the “LGIP-MMF” or the “Fund”). The State Treasurer has the authority to establish additional sub-pools in the future.

The Fund offered in this Prospectus seeks to provide current income by investing in high-quality, short term money market instruments. These standards are specific to the Fund, as illustrated in the following table. The LGIP-MMF offers daily contributions and withdrawals.

### FUND SNAPSHOT

**The table below provides a summary comparison of the Fund’s investment types and sensitivity to interest rate risk. This current snapshot can be expected to vary over time.**

Fund	Investment Types	Maximum Dollar-Weighted Average Maturity for LGIP-MMF
<b>LGIP-Money Market Fund</b>	Cash	60 days
<b>Current Investments (as of November 1, 2013)</b>	Bank Deposits US Treasury bills Repurchase agreements US Government agency obligations	

### Fees and Expenses

**Administrative Fee.** The State Treasurer charges pool participants a fee representing administration and recovery costs associated with the operation of the Fund. The administrative fee accrues daily from pool participants’ earnings prior to the earnings being posted to their account. The administrative fee will be paid monthly. In the event that there are no earnings, the administrative fee will be deducted from principal.

The chart below illustrates the operating expenses of the LGIP-MMF for past years, expressed in basis points as a percentage of fund assets.

**Local Government Investment Pool-MMF  
Operating Expenses by Fiscal Year (in Basis Points)**

	2006	2007	2008	2009	2010	2011	2012	2013
<i>Total Operating Expenses</i>	<i>1.12</i>	<i>0.96</i>	<i>0.84</i>	<i>0.88</i>	<i>0.64</i>	<i>0.81</i>	<i>0.68</i>	<i>0.87</i>

(1 basis point = 0.01%)

Because most of the expenses of the LGIP-MMF are fixed costs, the fee (expressed as a percentage of fund assets) will be affected by: (i) the amount of operating expenses; and (ii) the assets of the LGIP-MMF. The table below shows how the fee (expressed as a percentage of fund assets) would change as the fund assets change, assuming an annual fund operating expenses amount of \$800,000.

Fund Assets	\$6.0 bn	\$8.0 bn	\$10.0 bn
Total Operating Expenses (in Basis Points)	1.33	1.0	.80

**Portfolio Turnover:** The Fund does not pay a commission or fee when it buys or sells securities (or “turns over” its portfolio). However, debt securities often trade with a bid/ask spread. Consequently, a higher portfolio turnover rate may generate higher transaction costs that could affect the Fund’s performance.

## II. Local Government Investment Pool – Money Market Fund

### Investment Objective

**The LGIP-MMF will seek to effectively maximize the yield while maintaining liquidity and a stable share price of \$1.**

### Principal Investment Strategies

The LGIP-MMF will seek to invest primarily in high-quality, short term money market instruments. Typically, at least 55% of the Fund’s assets will be invested in US government securities and repurchase agreements collateralized by those securities. The LGIP-MMF means a sub-pool of the LGIP whose investments will primarily be money market instruments. The LGIP-MMF will only invest in eligible investments permitted by state law. The LGIP-MMF will not be an SEC-registered money market fund and will not be required to follow SEC Rule 2a-7. Investments of the LGIP-MMF will conform to the LGIP Investment Policy, the most recent version of which will be posted on the LGIP website and will be available upon request.

### Principal Risks of Investing in the LGIP-Money Market Fund

**Counterparty Credit Risk.** A party to a transaction involving the Fund may fail to meet its obligations. This could cause the Fund to lose the benefit of the transaction or prevent the Fund from selling or buying other securities to implement its investment strategies.

**Interest Rate Risk.** The LGIP-MMF’s income may decline when interest rates fall. Because the Fund’s income is based on short-term interest rates, which can fluctuate significantly over short periods, income risk is expected to be high. In addition, interest rate increases can cause the price of a debt security to decrease and even lead to a loss of principal.

**Liquidity Risk.** Liquidity risk is the risk that the Fund will experience significant net withdrawals of Fund shares at a time when it cannot find willing buyers for its portfolio securities or can only sell its portfolio securities at a material loss.

**Management Risk.** Poor security selection or an ineffective investment strategy could cause the LGIP-MMF to underperform relevant benchmarks or other funds with a similar investment objective.

**Issuer Risk.** The LGIP-MMF is subject to the risk that debt issuers and other counterparties may not honor their obligations. Changes in an issuer's credit rating (e.g., a rating downgrade) or the market's perception of an issuer's creditworthiness could also affect the value of the Fund's investment in that issuer. The degree of credit risk depends on both the financial condition of the issuer and the terms of the obligation. Also, a decline in the credit quality of an issuer can cause the price of a money market security to decrease.

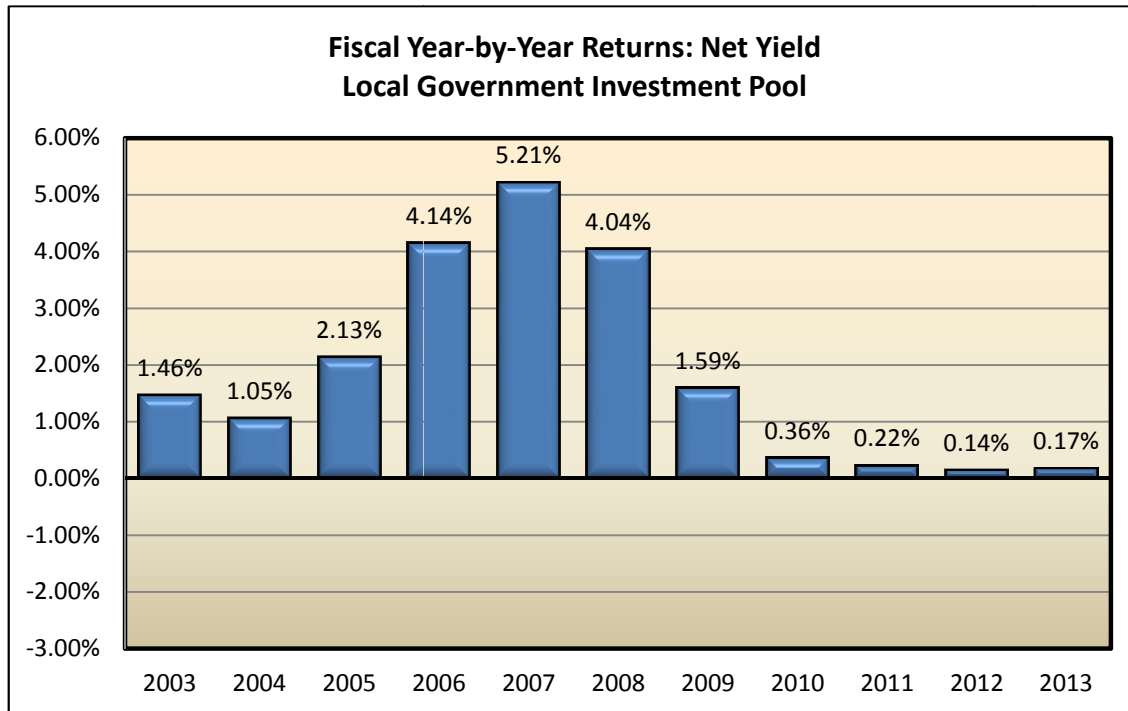
**Securities Lending Risk and Reverse Repurchase Agreement Risk.** The LGIP-MMF may engage in securities lending or in reverse repurchase agreements. Securities lending and reverse repurchase agreements involve the risk that the Fund may lose money because the borrower of the Fund's securities fails to return the securities in a timely manner or at all or the Fund's lending agent defaults on its obligations to indemnify the Fund, or such obligations prove unenforceable. The Fund could also lose money in the event of a decline in the value of the collateral provided for loaned securities or a decline in the value of any investments made with cash collateral.

**Risks Associated with use of Amortized Cost.** The use of amortized cost valuation means that the LGIP-MMF's share price may vary from its market value NAV per share. In the unlikely event that the State Treasurer were to determine that the extent of the deviation between the Fund's amortized cost per share and its market-based NAV per share may result in material dilution or other unfair results to shareholders, the State Treasurer may cause the Fund to take such action as it deems appropriate to eliminate or reduce to the extent practicable such dilution or unfair results.

**An investment in the LGIP-MMF is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of investments at \$1 per share, pool participants could lose money by investing in the LGIP-MMF. There is no assurance that the LGIP-MMF will achieve its investment objective.**

## Performance

The following information is intended to address the risks of investing in the LGIP-MMF. The information illustrates changes in the performance of the LGIP-MMF's shares from year to year. Returns are based on past results and are not an indication of future performance. Updated performance information may be obtained on our website at [www.tre.wa.gov](http://www.tre.wa.gov) or by calling the LGIP toll-free at 800-331-3284.



**Local Government Investment Pool-Money Market Fund**

**Average Accrued Net Yield**

<u>1 Year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
0.17%	0.19%	.52%	1.94%

**Transactions: LGIP-MMF**

**General Information**

The minimum transaction size (contributions or withdrawals) for the LGIP-MMF will be five thousand dollars. The State Treasurer may, in its sole discretion, allow for transactions of less than five thousand dollars.

**Valuing Shares**

The LGIP-MMF will be operated using a net asset value (NAV) calculation based on the amortized cost of all securities held such that the securities will be valued at their acquisition cost, plus accrued income, amortized daily.

The Fund's NAV will be the value of a single share. NAV will normally be calculated as of the close of business of the NYSE, usually 4:00 p.m. Eastern time. If the NYSE is closed on a particular day, the Fund will be priced on the next day the NYSE is open.

NAV will not be calculated and the Fund will not process contributions and withdrawals submitted on days when the Fund is not open for business. The time at which shares are priced and until which contributions and withdrawals are accepted is specified below and may be changed as permitted by the State Treasurer.

To the extent that the LGIP-MMF's assets are traded in other markets on days when the Fund is not open for business, the value of the Fund's assets may be affected on those days. In addition, trading in some of the Fund's assets may not occur on days when the Fund is open for business.

### **Transaction Limitation**

The State Treasurer reserves the right at its sole discretion to set a minimum and/or maximum transaction amount from the LGIP-MMF and to limit the number of transactions, whether contribution, withdrawal, or transfer permitted in a day or any other given period of time.

The State Treasurer also reserves the right at its sole discretion to reject any proposed contribution, and in particular to reject any proposed contribution made by a pool participant engaged in behavior deemed by the State Treasurer to be abusive of the LGIP-MMF.

A pool participant may transfer funds from one LGIP-MMF account to another subject to the same time and contribution limits as set forth in WAC 210.10.060.

### **Contributions**

Pool participants may make contributions to the LGIP-MMF on any business day. All contributions will be effected by electronic funds transfer to the account of the LGIP-MMF designated by the State Treasurer. It is the responsibility of each pool participant to pay any bank charges associated with such electronic transfers to the State Treasurer. Failure to wire funds by a pool participant after notification to the State Treasurer of an intended transfer will result in penalties. Penalties for failure to timely wire will be assessed to the account of the pool participant responsible.

**Notice.** To ensure same day credit, a pool participant must inform the State Treasurer of any contribution over one million dollars no later than 9 a.m. on the same day the contribution is made. Contributions for one million dollars or less can be requested at any time prior to 10 a.m. on the day of contribution. For all other contributions over one million dollars that are requested prior to 10 a.m., a pool participant may receive same day credit at the sole discretion of the State Treasurer. Contributions that receive same day credit will count, for earnings rate purposes, as of the day in which the contribution was made. Contributions for which no notice is received prior to 10:00 a.m. will be credited as of the following business day.

Notice of contributions may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to State Treasurer's Treasury Management System ("TMS"). Please refer to the [LGIP-MMF Operations Manual](#) for specific instructions regarding contributions to the LGIP-MMF.

Direct deposits from the State of Washington will be credited on the same business day.

**Pricing.** Contribution requests received in good order will receive the NAV per unit of the LGIP-MMF next determined after the order is accepted by the State Treasurer on that contribution date.

### **Withdrawals**

Pool participants may withdraw funds from the LGIP-MMF on any business day. Each pool participant shall file with the State Treasurer a letter designating the financial institution at which funds withdrawn from the LGIP-MMF shall be deposited (the "Letter"). This Letter shall contain the name of the financial institution, the location of the financial institution, the account name, and the account number to which funds will be deposited. This Letter shall be signed by local officials authorized to receive and disburse funds, as described in WAC 210-10-020.

Disbursements from the LGIP-MMF will be effected by electronic funds transfer. Failure by the State Treasurer to wire funds to a pool participant after proper notification to the State Treasurer to disburse funds to a pool participant may result in a bank overdraft in the pool participant's bank account. The State Treasurer will reimburse a pool participant for such bank overdraft penalties charged to the pool participant's bank account.

**Notice.** In order to withdraw funds from the LGIP-MMF, a pool participant must notify the State Treasurer of any withdrawal over one million dollars no later than 9 a.m. on the same day the withdrawal is made. Withdrawals for one million dollars or less can be requested at any time prior to 10 a.m. on the day of withdrawal. For all other withdrawals from the LGIP-MMF over one million dollars that are requested prior to 10 a.m., a pool participant may receive such withdrawal on the same day it is requested at the sole discretion of the State Treasurer. No earnings will be credited on the date of withdrawal for the amounts withdrawn. Notice of withdrawals may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to TMS. Please refer to the LGIP-MMF Operations Manual for specific instructions regarding withdrawals from the Fund.

**Pricing.** Withdrawal requests with respect to the LGIP-MMF received in good order will receive the NAV per unit of the LGIP-MMF next determined after the order is accepted by the State Treasurer on that withdrawal date.

**Suspension of Withdrawals.** If the State Treasurer has determined that the deviation between the Fund's amortized cost price per share and the current net asset value per share calculated using available market quotations (or an appropriate substitute that reflects current market conditions) may result in material dilution or other unfair results, the State Treasurer may, if it has determined irrevocably to liquidate the Fund, suspend withdrawals and payments of withdrawal proceeds in order to facilitate the permanent termination of the Fund in an orderly manner. The State Treasurer will distribute proceeds in liquidation as soon as practicable, subject to the possibility that certain assets may be illiquid, and subject to subsequent distribution, and the possibility that the State Treasurer may need to hold back a reserve to pay expenses.

The State Treasurer also may suspend redemptions if the New York Stock Exchange suspends trading or closes, if US bond markets are closed, or if the Securities and Exchange Commission declares an emergency. If any of these events were to occur, it would likely result in a delay in the pool participants' redemption proceeds.

The State Treasurer will notify pool participants within five business days of making a determination to suspend withdrawals and/or irrevocably liquidate the fund and the reason for such action.

## Earnings and Distribution

### LGIP-MMF Daily Factor

The LGIP-MMF daily factor is a net earnings figure that is calculated daily using the investment income earned (excluding realized gains or losses) each day, assuming daily amortization and/or accretion of income of all fixed income securities held by the Fund, less the administrative fee. The daily factor is reported on an annualized 7-day basis, using the daily factors from the previous 7 calendar days. The reporting of a 7-day annualized yield based solely on investment income which excludes realized gains or losses is an industry standard practice that allows for the fair comparison of funds that seek to maintain a constant NAV of \$1.00.

### LGIP-MMF Actual Yield Factor

The LGIP-MMF actual yield factor is a net daily earnings figure that is calculated using the total net earnings including realized gains and losses occurring each day, less the administrative fee.



### **Dividends**

The LGIP-MMF's dividends include any net realized capital gains or losses, as well as any other capital changes other than investment income, and are declared daily and distributed monthly.

### **Distribution**

The total net earnings of the LGIP-MMF will be declared daily and paid monthly to each pool participant's account in which the income was earned on a per-share basis. These funds will remain in the pool and earn additional interest unless withdrawn and sent to the pool participant's designated bank account as specified on the Authorization Form. Interest earned will be distributed monthly on the first business day of the following month.

### **Monthly Statements and Reporting**

On the first business day of every calendar month, each pool participant will be sent a monthly statement which includes the pool participant's beginning balance, contributions, withdrawals, transfers, administrative charges, earnings rate, earnings, and ending balance for the preceding calendar month. Also included with the statement will be the monthly enclosure. This report will contain information regarding the maturity structure of the portfolio and balances broken down by security type.

## **III. Management**

The State Treasurer is the manager of the LGIP-MMF and has overall responsibility for the general management and administration of the Fund. The State Treasurer has the authority to offer additional sub-pools within the LGIP at such times as the State Treasurer deems appropriate in its sole discretion.

**Administrator and Transfer Agent.** The State Treasurer will serve as the administrator and transfer agent for the Fund.

**Custodian.** A custodian for the Fund will be appointed in accordance with the terms of the LGIP Investment Policy.

## **IV. Miscellaneous**

### **Limitation of Liability**

All persons extending credit to, contracting with or having any claim against the Fund offered in this Prospectus shall look only to the assets of the Fund that such person extended credit to, contracted with or has a claim against, and none of (i) the State Treasurer, (ii) any subsequent sub-pool, (iii) any pool participant, (iv) the LGIP, or (v) the State Treasurer's officers, employees or agents (whether past, present or future), shall be liable therefor. The determination of the State Treasurer that assets, debts, liabilities, obligations, or expenses are allocable to the Fund shall be binding on all pool participants and on any person extending credit to or contracting with or having any claim against the LGIP or the Fund offered in this Prospectus. There is a remote risk that a court may not enforce these limitation of liability provisions.

**Amendments**

This Prospectus and the attached Investment Policy may be amended from time to time. Pool participants shall receive notice of changes to the Prospectus and the Investment Policy. The amended and restated documents will be posted on the State Treasurer website: [www.tre.wa.gov](http://www.tre.wa.gov).

Should the State Treasurer deem appropriate to offer additional sub-pools within the LGIP, said sub-pools will be offered by means of an amendment to this prospectus.

**LGIP-MMF Contact Information**

Internet: [www.tre.wa.gov](http://www.tre.wa.gov) Treasury Management System/TMS

Phone: 1-800-331-3284 (within Washington State)

Mail:

Office of the State Treasurer  
Local Government Investment Pool  
PO Box 40200  
Olympia, Washington 98504  
FAX: 360-902-9044

**WESTERN WASHINGTON UNIVERSITY  
ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

**TO:** Members of the Board of Trustees

**FROM:** President Bruce Shepard by Vice President Richard Van Den Hul

**DATE:** June 12, 2014

**SUBJECT:** **2015-2017 CAPITAL BUDGET REQUEST**

**PURPOSE:** Action item

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**Purpose of Submittal:**

Capital Budget request requirement of the Office of Financial Management.

**Proposed Motion:**

MOVED, that the Board of Trustees of Western Washington University, upon the recommendation of the President, approves a 2015-2017 Capital Budget Request from State-appropriated funding sources of \$123,258,500.

**Supporting Information:**

Supporting information is attached.



**Board of Trustees  
June 12, 2014**

**2015-2017 Capital Budget Request  
and  
2015-2025 Capital Plan**

**Introduction**

The following information is provided to the Board of Trustees as support documentation for the University's 2015-2017 Capital Budget Request. At the April 2014 Board meeting, a draft of the Capital Budget Plan and Request was submitted to the Board along with information on how the Capital Plan and Budget Request were developed over the last two years. Information was also provided on the proposed items being requested for the 2015-2017 biennium.

Following the April Board meeting, the Vice Presidents received constructive and helpful feedback on the proposed 10-year capital plan from both the University Planning and Resources Council (UPRC), a sub-committee of the Faculty Senate, and the Board of Trustees. Much of the feedback was supportive of the plan's emphasis on strategic needs and focus on academic mission. One concern voiced by both the UPRC and the Board of Trustees, however, was how uneven the capital request amounts would appear over time as a result of not submitting a major construction project in FY2017-2019 while forwarding two major construction projects in FY2019-2021. Furthermore, the Board suggested looking at combining the pre-design, design and construction phases of the projects to allow for projects to be completed faster.

The Vice Presidents reviewed how they might address these concerns and suggestions to strengthen the capital plan. They determined that it would be difficult to combine and complete all three phases of a major construction project in one biennium; however, with careful project management, we could combine the pre-design and design phases of the Science Building Renovation and Addition into the FY2015-2017 biennia which would then allow Western to seek construction funding in FY2017-2019. That approach would level out the requests over the 10-year period and would allow Western to address needs sooner, and remove the bunching of two projects in FY2019-2021. This is the only significant change to the Capital Plan presented at the April 2014 Board meeting.

For the 2015-2017 biennium, Western proposes a total capital funding request of \$123,258,500 from State-appropriated funding sources. Following are descriptions of the projects being requested as agreed to by the Vice Presidents and submitted to the Board of Trustees for the June 2014 meeting.

## **2015-2017 Major and Intermediate Capital Project Requests**

See attached 2015-2017 Capital Request & 2015-2025 Capital Plan

### **Carver Academic Renovation (Construction)**

Carver Academic Renovation continues to be the highest ranking major capital project on the University's Capital request. The seismic and safety concerns and age of the systems within the building make this the highest priority for the University. This renovation will also begin to meet the critical needs for more instructional teaching and lab space for high student demand programs such as Community Health, Pre-Physical Therapy, Pre-Health Care Professions, and P-12 Teacher Education. Design funding was received in 2011-2013 however the legislature failed to fund construction in 2013-2015 and the 2014 Supplemental budget. The construction design documents are complete and we are ready to start construction as soon as funding is secured.

### **Science Building Renovation and Addition (Predesign/Design)**

The plan recommends funding a predesign/design for the "Science Building Renovation and Addition" as the next priority for the campus after Carver. The predesign would examine and determine a best value solution for meeting both the preservation needs of the Environmental Studies Center (ES), and the space/programmatic needs in Huxley College of the Environment and the College of Sciences and Technology.

Extensive renovation of the Environmental Studies Center has been on Western's 10-year capital plan for several biennia. With the University's increased emphasis on STEM education, the needs of STEM learning have intensified while ES's capacity to meet these needs has continued to diminish.

### **Information Technology Network Update (Design/Construct)**

The Information Technology Network Update will replace undersized and outdated equipment in the Core Router Systems, Edge Security Systems, and Data Center Systems, which will increase our ability to utilize available internet bandwidth; and provide enhanced data security.

It is essential that Western keeps its network infrastructure systems up to date in order to provide the services necessary for the University to function technically and keep pace with ever changing demand. Technology advances continue to increase the ability of user operated devices to do more, thereby increasing the demand for infrastructure resources and bandwidth.

### **2015-17 Classroom and Lab Upgrades (Design/Construct)**

As in the previous two biennia, this plan requests design and construction funding to renovate and repurpose instructional space to support Western's evolving program needs. These performance based investments are based on factors such as: 1) the requesting departments' stated 'measurable outcomes', and, 2) the instructional spaces' past and projected performance relative to State utilization targets. The program is also used to repurpose under-performing instructional space to serve Western's best interests.

### **Campus Wireless Upgrade (Design/Construct)**

This request is for design and construction funding to provide ubiquitous wireless access throughout all academic and administrative buildings, and selected outdoor coverage in many campus areas. The proliferation of mobile devices and the need for wireless connectivity is one of the fastest growing areas of technology in the world today. Our campus is no exception and this has placed significant demand on our wireless network. Increased coverage and 'throughput' must occur as the wireless network is becoming more and more fundamental to our work and success. The Information Technology Network Update is required in order to have the necessary backbone in place to expand the Campus Wireless System.

### **College of Fine and Performing Arts Renovation and Addition (Revised Gateway)**

This project replaces the Gateway Complex project the University received predesign for in 2011-2013. It proposes the University self-fund a new more comprehensive predesign that looks at how to renovate the Performing Arts Center (PAC) along with a more modest addition to the building rather than the original Gateway Complex.

### **Minor Capital Request Items**

As in previous biennial requests, our Minor Works Preservation and Minor Works Program omnibus categories are for requests for projects ranging in size from \$25,000 to \$2,000,000. These projects are critical to our on-going capital program. Historically, the projects range from roofing replacements to exterior renewal to fire alarm upgrades to office renovations. The entire listing of minor works requests recommended for the 2015-2017 biennium can be found at <http://www.wvu.edu/wwuarchitect/>

# Western Washington University

## 2015-2017 CAPITAL BUDGET REQUEST & 2015-2025 CAPITAL PLAN

June 13, 2014

Univ. Priority	PROJECT TITLE	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
1	Minor Works - Preservation	14,955,000	15,400,000	15,860,000	16,336,000	16,826,000
2	Minor Works - Program	12,903,500	13,290,000	13,689,000	14,100,000	14,523,000
3	Carver Academic Renovation	73,000,000				
4	Science Building Renovation & Addition	500,000 8,300,000	83,365,000			
5	IT Network Update	4,000,000				
6	2015-17 Classroom & Lab Upgrades	4,900,000				
7	Campus Wireless Upgrade	4,700,000				
8	CFPA Renovation and Addition (Revised Gateway)	Univ. Funded Pre-design	7,300,000	83,600,000		
9	University Support Offices Facility		9,900,000			
10	Access Control Security Upgrades		6,200,000			
11	2017-19 Classroom & Lab Upgrades		4,900,000			
12	Waterfront Land Acquisition		4,500,000			
13	Steam to Hot Water Conversion		415,000	4,750,000	48,000,000	
14	Southwest Campus Roadway Revisions - Phase 1		2,000,000			
15	Wilson Academic Renovation		Univ. Funded Pre-Pre-design	425,000	7,300,000	55,500,000
16	2019-21 Classroom & Lab Upgrades			4,900,000		
17	Fine Arts/Arts Annex Renovation				400,000	4,400,000
18	Old Main Renovation				400,000	3,500,000
19	Humanities Renovation					250,000
20	Ross Engineering Renovation					500,000
21	Phy. Plant Remodel					Pre-design 2025-27
<b>Total/Biennium</b>		<b>123,258,500</b>	<b>147,270,000</b>	<b>123,224,000</b>	<b>86,536,000</b>	<b>95,499,000</b>

### Legend

Design &  
Construct

Pre-design

Design

Construct

**WESTERN WASHINGTON UNIVERSITY  
ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

**TO:** Members of the Board of Trustees

**FROM:** President Bruce Shepard by:  
Richard Van Den Hul, Vice President for Business and Financial Affairs  
Linda Teater, Budget Director

**DATE:** June 12, 2014

**SUBJECT:** **Approval of 2014-2015 Annual State Operating Budget**

**PURPOSE:** Action Item

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**A) 2014 – 2015 Tuition Rates**

**Purpose of Submittal:**

The Legislature and Governor have passed and signed an appropriations bill. Based on this approved bill, the Board is requested to approve 2014-2015 Academic Year Tuition Fees. Tuition fees include both the tuition operating fee and the capital building fee for each category of student.

**Proposed Motion:**

***MOVED*, that the Board of Trustees of Western Washington University, upon the recommendation of the President, approve the 2014-2015 annual tuition rate for resident undergraduate students be held at the 2013-2014 annual rate with no increase; and**

***FURTHER MOVED*, that the 2014-2015 annual tuition operating fees and capital building fees for the non-resident graduate students be held at the 2013-2014 annual rate with no increase; and**

***FURTHER MOVED*, that the 2014-2015 annual tuition operating fees and capital building fees for the non-resident undergraduate, resident graduate, and the Masters in Business Administration (MBA) rates for resident students be raised by 3% respectively.**

**Supporting Information:**

See the attached memo on setting 2014-15 academic year tuition.

**Additional Information:**

The 2014-2015 annual operating budget plan which relies on tuition operating fee revenue generated by the tuition increases proposed under this submittal, will also be presented at the June 12, 2014 Board meeting.



## **B) 2014 – 2015 Annual State Operating Budget**

### **Purpose of Submittal:**

Based on the conference committee budget recently passed by the Legislature, and as signed by the Governor, the Board is now asked to approve the 2014-2015 Annual State Operating Budget for Western Washington University.

In addition, in a separate action item, the Board will be asked to approve 2014-2015 tuition rate increases, providing revenue necessary to support the 2014-2015 annual state operating budget.

### **Proposed Motion:**

***MOVED*, that the Board of Trustees of Western Washington University, upon the recommendation of the President, approve a 2014-2015 Annual State Operating Budget of \$145,009,266 consisting of a State Appropriations in the amount of \$51,260,000; Western Washington University net tuition operating fee revenue of \$90,217,779; administrative services assessment revenue of \$3,255,969; and the use of one-time reserves in the amount of \$275,518.**

### **Supporting Information:**

See attached memo of supporting information on the 2014-2015 Annual State Operating Budget.

### **Source of Funding:**

State appropriations (general fund-state, education legacy trust funds, and capital projects account); net tuition operating fee revenue; administrative services assessment revenue; and one-time reserves.

**WESTERN WASHINGTON UNIVERSITY  
SUPPORTING INFORMATION  
SUBMITTED TO THE BOARD OF TRUSTEES**

**MEMORANDUM**

**TO:** Members of the Board of Trustees

**FROM:** President Bruce Shepard by:  
Richard Van Den Hul, Vice President for Business and Financial Affairs  
Linda Teater, Director, Budget Office

**DATE:** June 12, 2014

**SUBJECT: Supporting Information on Setting 2014-2015 Academic Year Tuition**

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In 2011-2013 in House Bill 1795, the Legislature granted the Board of Trustees tuition setting authority. In the appropriations bill for 2013-2015, funding was appropriated to alleviate pressure to increase resident undergraduate tuition, and therefore tuition setting authority for resident undergraduate students was suspended for FY2013-2014. In the FY2015 supplemental appropriations bill, tuition setting authority for FY2014-2015 was suspended. For non-resident undergraduates and all graduate programs, the legislature did not restrict the long-standing authority of the Board to set those rates. In setting tuition to 0% for resident undergraduates, the Legislature appropriated an amount equivalent to what would have resulted from a 3% increase in resident undergraduate tuition. For non-resident undergraduates and all graduate programs, the Legislature did not restrict the longstanding authority of the Board to set those rates, nor was there an equivalent 3% tuition “buy down”. The legislature defines “tuition” as the tuition operating fee and the capital building fee. The operating fee contributes to day-to-day operations of the University and supports Western’s annual operating budget plans.

**Proposed 2014-2015 Tuition Rates for WWU**

After review by the campus, and upon the recommendation of the Vice Presidents and Deans, the President recommends that tuition fees for non-resident graduate students be held at the 2013-2014 rate with a zero increase, while non-resident undergraduate, resident graduate, and the Masters of Business Administration (MBA) rates for resident students be raised by 3% respectively.

Table 1 below details proposed 2014-2015 tuition fees (tuition operating and capital building fees). As required by law, proposed capital building fee percentage increases are equivalent to the tuition operating fee percentage increases for each student category.

**Table 1**

<b>TOTAL TUITION (Operating Fee and Capital Building Fee)</b>	<u>2013-14</u>	<u>2014-15</u>	<u>\$ Change</u>	<u>% Change</u>
Resident Undergraduate	\$ 7,503	\$ 7,503	\$ -	0%
Non-Resident Undergraduate	\$ 18,392	\$ 18,945	\$ 553	3%
Resident Graduate	\$ 8,222	\$ 8,469	\$ 247	3%
Non-Resident Graduate	\$ 18,182	\$ 18,182	\$ -	0%
Resident MBA	\$ 9,513	\$ 9,798	\$ 285	3%
Non-Resident MBA	\$ 19,562	\$ 19,562	\$ -	0%

*See Attachment A detailing percentage and dollar increases for breakout of tuition operating fee and capital building fee components.*

**Resident Undergraduate Tuition**

The majority of Western students are resident undergraduates, making up approximately 88% of the headcount for the 2014 academic year. No increase in tuition is recommended for this student group.

- While the Washington Student Achievement Council (WSAC) data shows this classification to be 13.1% higher than the national average, the study did not account for differentiation such as Carnegie classification, institution size, scope, or type of degrees produced in the compilation of the national average.
- Both the University of Washington and Washington State University undergraduate rates are approximately 39% higher than Western.
- Comparing the Global Challenge States Peer List, 70% of Western's peer group fall at or below Western's undergraduate 2013 tuition and fees\*.
- With regards to the Board-approved Peer List, 77% of Western's peer group fall at or below Western's undergraduate 2013 tuition and fees\*.

**Non-Resident Undergraduate Tuition**

Non-resident undergraduate students represented approximately 8.8% of Western's 2014 academic year headcount. The proposed tuition increase for non-resident undergraduate students is 3%, representing an annual increase of \$553.

- The WSAC data shows Western closer in this category than resident tuition at 12.7% over the computed national average.
- University of Washington non-resident undergraduate tuition is 62% higher than Western.
- Comparing the Global Challenge States Peer List, 36% of Western's peer group fall at or below Western's non-resident undergraduate 2013 tuition and fees\*.
- With regards to the Board-approved Peer List, 72% of Western's peer group fall at or below Western's non-resident undergraduate 2013 tuition and fees\*.

\*2014 data was unavailable at the time of this publication.

### **Resident Graduate Tuition**

Resident graduate students represented 2.8% of Western's 2014 academic year student headcount. The proposed tuition increase for resident graduate students is 3%, representing an annual increase of \$247.

- This classification is the closest to the WSAC computed national average at 9.9% over average.
- University of Washington resident graduate tuition is 60% higher than Western.
- Comparing the Global Challenge States Peer List, 30% of Western's peer group fall at or below Western's resident graduate 2013 tuition and fees\*.
- With regards to the Board-approved Peer List, 65% of Western's peer group fall at or below Western's resident graduate 2013 tuition and fees\*.

### **Non-Resident Graduate Tuition**

Non-resident graduate students represented less than 1% of Western's 2014 academic year student headcount. No increase in tuition is recommended for this student group.

- The WSAC study shows non-resident graduate tuition as 14.5% over the national average.
- University of Washington non-resident graduate tuition is 41% higher than Western.
- Comparing the Global Challenge States Peer List, 55% of Western's peer group fall at or below Western's non-resident graduate 2013 tuition and fees\*.
- With regards to the Board-approved Peer List, 77% of Western's peer group fall at or below Western's non-resident graduate 2013 tuition and fees\*.

### **Masters in Business Administration (MBA)**

The MBA tuition rate is currently the only differentiated tuition Western charges. Approved by the Board of Trustees during the 2011-2013 biennial tuition setting process as part of a long-term strategy to price the MBA program appropriately in the marketplace, MBA resident students are annually assessed \$1,291 higher than other resident graduate students. The proposed tuition increase for resident students is 3%, representing an annual increase of \$285, to continue this long-term strategy.

Attachments:

**Attachment A** – Proposed Western Tuition Dollar and Percentage Increases 2013-2014

**Attachment B** – WSAC 2013-2014 Tuition and Fee Report Comparison of WA Institutions (DRAFT)

**Attachment C** – Global Challenge States Peer List & Board-approved Peer List Comparison Chart

\*2014 data was unavailable at the time of this publication.

Western Washington University 2014-2015 Tuition Rates (Operating Fee and Capital Building Fee)				
TUITION FEES				
	2013-14	2014-15	\$ Change	% Change
<b><u>Operating Fee</u></b>				
Resident Undergraduate	\$7,209	\$7,209	\$0	0%
Non-Resident Undergraduate	\$17,663	\$18,194	\$531	3%
Resident Graduate	\$8,009	\$8,250	\$241	3%
Non-Resident Graduate	\$17,630	\$17,630	\$0	0%
Resident MBA	\$9,285	\$9,564	\$279	3%
Non-Resident MBA	\$18,977	\$18,977	\$0	0%
<b><u>Capital Building Fee</u></b>				
Resident Undergraduate	\$294	\$294	\$0	0%
Non-Resident Undergraduate	\$729	\$751	\$22	3%
Resident Graduate	\$213	\$219	\$6	3%
Non-Resident Graduate	\$552	\$552	\$0	0%
Resident MBA	\$228	\$234	\$6	3%
Non-Resident MBA	\$585	\$585	\$0	0%
<b><u>TOTAL TUITION (Operating Fee and Capital Building Fee)</u></b>				
Resident Undergraduate	\$7,503	\$7,503	\$0	0%
Non-Resident Undergraduate	\$18,392	\$18,945	\$553	3%
Resident Graduate	\$8,222	\$8,469	\$247	3%
Non-Resident Graduate	\$18,182	\$18,182	\$0	0%
Resident MBA	\$9,513	\$9,798	\$285	3%
Non-Resident MBA	\$19,562	\$19,562	\$0	0%

**Western Washington University**  
**2013-14 Tuition and Fee Rates\* for Washington Universities**  
**Compared to National Averages**  
**WSAC 2013-14 Tuition and Fee Report**

	Undergraduate		Graduate	
	Resident	Nonresident	Resident	Nonresident
<b>Western Washington University</b>				
Tuition and Fees	\$8,863	\$19,752	\$9,582	\$19,542
National Average	\$7,835	\$17,531	\$8,715	\$17,073
Dollar +/- National Average	<b>\$1,028</b>	<b>\$2,221</b>	<b>\$867</b>	<b>\$2,469</b>
Percent +/- National Average	<b>13.1%</b>	<b>12.7%</b>	<b>9.9%</b>	<b>14.5%</b>
<b>Central Washington University</b>				
Tuition and Fees	\$8,976	\$20,502	\$9,909	\$20,886
National Average	\$7,835	\$17,531	\$8,715	\$17,073
Dollar +/- National Average	<b>\$1,141</b>	<b>\$2,971</b>	<b>\$1,194</b>	<b>\$3,813</b>
Percent +/- National Average	<b>14.6%</b>	<b>16.9%</b>	<b>13.7%</b>	<b>22.3%</b>
<b>Eastern Washington University</b>				
Tuition and Fees	\$7,961	\$19,931	\$10,924	\$24,570
National Average	\$7,835	\$17,531	\$8,715	\$17,073
Dollar +/- National Average	<b>\$126</b>	<b>\$2,400</b>	<b>\$2,209</b>	<b>\$7,497</b>
Percent +/- National Average	<b>1.6%</b>	<b>13.7%</b>	<b>25.3%</b>	<b>43.9%</b>
<b>The Evergreen State College</b>				
Tuition and Fees	\$8,422	\$20,509	\$8,911	\$21,061
National Average	\$7,835	\$17,531	\$8,715	\$17,073
Dollar +/- National Average	<b>\$587</b>	<b>\$2,978</b>	<b>\$196</b>	<b>\$3,988</b>
Percent +/- National Average	<b>7.5%</b>	<b>17.0%</b>	<b>2.2%</b>	<b>23.4%</b>
<b>University of Washington</b>				
Tuition and Fees	\$12,399	\$31,974	\$15,303	\$27,555
National Average	\$10,009	\$26,151	\$11,555	\$24,509
Dollar +/- National Average	<b>\$2,390</b>	<b>\$5,823</b>	<b>\$3,748</b>	<b>\$3,046</b>
Percent +/- National Average	<b>23.9%</b>	<b>22.3%</b>	<b>32.4%</b>	<b>12.4%</b>
<b>Washington State University</b>				
Tuition and Fees	\$12,327	\$25,409	\$12,627	\$26,059
National Average	\$10,009	\$26,151	\$11,555	\$24,509
Dollar +/- National Average	<b>\$2,318</b>	<b>(\$742)</b>	<b>\$1,072</b>	<b>\$1,550</b>
Percent +/- National Average	<b>23.2%</b>	<b>-2.8%</b>	<b>9.3%</b>	<b>6.3%</b>

Source: WSAC 2014 National Tuition and Fee Report (DRAFT)

\*Note: WSAC reported "Tuition and Fees" for Washington's 4-year institutions includes tuition and mandatory fees

# Western Washington University

## FY 2013 Comparison of Tuition and Mandatory Fees Global Challenge States - WWU Peer Group

	WWU Tuition and Fees (FY 2013)	Global Challenge States (60th Percentile)	\$ Difference	% Difference	Percentile Rank
Resident Undergraduate	\$ 8,805	\$ 8,590	\$ 215	2.5%	70%
Nonresident Undergraduate	\$ 19,152	\$ 19,754	\$ (602)	-3.0%	36%
Resident Graduate	\$ 9,276	\$ 9,477	\$ (201)	-2.1%	30%
Nonresident Graduate	\$ 18,957	\$ 19,319	\$ (362)	-1.9%	55%

	WWU Tuition and Fees (FY 2013)	WWU Peer Group (60th Percentile)	\$ Difference	% Difference	Percentile Rank
Resident Undergraduate	\$ 8,805	\$ 8,079	\$ 726	9.0%	77%
Nonresident Undergraduate	\$ 19,152	\$ 18,569	\$ 583	3.1%	72%
Resident Graduate	\$ 9,276	\$ 8,860	\$ 416	4.7%	65%
Nonresident Graduate	\$ 18,957	\$ 17,970	\$ 987	5.5%	77%

**NOTE:**

- A) The Global Challenge States peer group is comprised of 11 institutions (see the Budget Office website for list).
- B) WWU Peer Group is comprised of 25 institutions (see the Budget Office website for list).
- C) "Percentile Rank" represents WWU's relative position to the peer group. For example, a 60% percentile rank indicates that 60% of the peer group are at or below WWU tuition and fee rate.

**WESTERN WASHINGTON UNIVERSITY  
SUPPORTING INFORMATION  
SUBMITTED TO THE BOARD OF TRUSTEES**

**TO:** Members of the Board of Trustees

**FROM:** President Bruce Shepard by:  
Richard Van Den Hul, Vice President for Business and Financial Affairs  
Linda Teater, Budget Director

**DATE:** June 12, 2014

**SUBJECT:** **Supporting Information for Board Approval of the 2014-2015 Annual State Operating Budget**

**Schedule of Approvals for 2014-2015 Annual State Operating Budgets**

At the June 12, 2014, Board meeting the Board of Trustees will be requested to approve tuition rates for all student categories for the 2015 academic year. At this same meeting, the Board will be asked to approve the 2014-2015 Annual State Operating Budget, which relies on the projected tuition operating fee revenues generated from these tuition rate proposals.

**Introduction**

In order to fund the basic instructional and academic support missions of the institution, the President is proposing, for Board approval, a 2014-2015 budget for state funded operations which reflects revenue and expenditure estimates available for University operations from state appropriations, net tuition operating fees, the administrative services assessment, and the use of one-time reserves.

**Proposed FY 2014-15 Annual State Operating Budget**

A summary of all revenue sources is included in the table below. Please note that tuition operating fee revenue is presented net of tuition waivers and Western's student loan/grant fund contribution at 4%.

2014-15 Fiscal Year		
WWU State Operating Budget		
by Funding Source		
Funding Source	Proposed for Board Approval FY15	% of Budget
State Appropriations	51,260,000	35%
Net Tuition Operating Fees	90,217,779	62%
Administrative Services Assessment	3,255,969	2%
One-Time Reserves	275,518	0%
<b>State Operating Budget</b>	<b>145,009,266</b>	<b>100%</b>



### **Western's Student Loan/Grant Fund**

Gross tuition operating fees collected are currently subject to a 4% minimum set-aside for the Western Washington University student loan and grant fund. The capital building fee (part of tuition) and student activities fee are assessed at 3.5%. For the 2013-2014 fiscal year, Western will allocate close to \$4.0 million to this form of financial aid.

### **Western's Budget Process**

Last year, through Western's open, transparent, and bottom up process, the campus developed an operating budget for the current biennium. The Board of Trustees approved the first year of that two year budget at a special meeting in July 2013. This spring, the budget process re-examined year two of that budget to see if there are adjustments, or "emergent issues," that should be included in the FY2014-2015 annual operating budget for the Board to act upon.

Campus planning unit leaders submitted proposals for emergent issue requests for the FY2014-2015 operating budget in April 2014 after the legislative session ended. Proposals were presented to the University Planning and Resources Council, and audiocast to the campus with venues for feedback.

### **Budget Recommendation Detail**

The Vice Presidents and Deans evaluated all the requests and recommended a budget which includes: funding for year three of the faculty contract commitment; funds to raise salaries for the lowest paid classified staff and graduate teaching assistants; funds to continue the approved compensation plan for professional and executive staff; funds for video service support; and finally, funds to support student success and achievement.

Please see Attachment A for a copy of this recommendation, or the web version with active hyperlinks may be reviewed at this location:

<http://www.wvu.edu/upb/1516Emerg/FINALFY2015.pdf>

The President now recommends the Board of Trustees approve the state operating budget in the amount of \$145,009,266 for the 2014-2015 fiscal year.

## President's Recommendation to the Board of Trustees Proposed FY 2014-15 Operating Budget

The campus feedback period for the FY 2014-15 Operating Budget has now ended, and the President will be presenting his recommendation to the Board of Trustees on June 12, 2014.

President Shepard has accepted the recommendation of the Vice Presidents and Deans with one modification. There was substantial feedback from the campus regarding the \$31,000 IT efficiency reduction administered by the Office of Financial Management (OFM) being disproportionately assessed to Academic Technology and User Services (ATUS). Since information technology is a campus wide need and expenditure, any efficiencies that can be made to offset this cut will need to be made at the campus level rather than at a unit level. To offset this modification, the recurring contingency reserve will be reduced by an additional \$31,000 as reflected in the updated [uses and sources table](#).

*Note: The remainder of this document is the recommendation from the Vice Presidents and Deans, revised with the change in the preceding paragraph.*

### **Background:**

The [strategic budget processes](#) at Western always involve at least three rings. There is a biennial budget **request** process; the budget requests for the 2015-17 biennium have been developed bottom up and penultimate recommendations are about to be posted. There is the **capital** budget process. And, once the legislature has considered budget requests and cut us a check, there is a process for adopting an **operating** budget.

Last year, through an open, transparent, and bottom up process, the campus developed [an operating budget for the current biennium](#). The Board of Trustees then approved [the first year of that two year budget](#).

Now it is time to re-examine year two of that budget to see if there are adjustments, or "emergent issues," that should be included in what is then the Trustees' responsibility to act upon.

As is always the case, we proceeded bottom up with proposals [posted on the web](#) for all to see. The [University Planning and Resources Council \(UPRC\)](#), broadly representative of faculty, staff, students, and administration, considered budget presentations in [audiocast sessions](#) and then formed recommendations. Central leadership - the president, vice presidents and deans - then met on several occasions to discuss budget options and to consider the recommendations of the UPRC.

Their recommendations to campus on the FY 2014-15 operating budget now follow. Your feedback is welcome, and there are several means to respond:

- UPRC final feedback will be discussed at their May 7<sup>th</sup> meeting;
- Feedback will be solicited at the President's Cabinet meeting on May 7<sup>th</sup>; and,
- A discussion forum was established on Viking Village through May 16<sup>th</sup>.

After considering this additional feedback, President Shepard will recommend an FY 2014-15 Operating Budget to the Board of Trustees at their June meeting. They are expected to act upon that recommendation in open and audiocast session on Friday, June 13<sup>th</sup>.

**Summary:**

The budget for the second year of the biennium is a fairly cut-and-dried matter as the strategic decision making – deriving funding decisions from stated strategic priorities of the university – was completed a year ago.

The FY 2014-15 budget continues those decisions in these ways:

- Western's excellence, and the need for competitive compensation that then follows, was identified last year as our top priority. This FY 2014-15 proposal fully funds contractual commitments for faculty and classified staff. Added to this is funding for the previously announced "compensation floor" for our 69 lowest paid colleagues. We propose to add support to continue the plan to bring all professional staff with five or more years of satisfactory service to the middle third of the salary range defined by market comparability studies. And, we include salary adjustments for the lowest paid graduate teaching assistants. (Those salaries had not been adjusted in five years.)
- In simplest terms, we seek to apply our considerable strengths to meeting the critical needs of Washington State. The proposed operating budget funds the continuing and, in some cases, the additional second year costs of implementing the initiatives previously approved as a part of the biennial budget, including diversity, engineering, computer science, and energy studies.
- Joining with UPRC who saw this as the top priority, the deans and vice presidents recommend funding the proposal to improve student and academic support services.
- We again join with UPRC in seeing the enhanced support for graduate and research programs as necessary. We recommend a different approach, though. As the investment is expected to generate additional returned overhead, we will fund the initiative for three years using one-time reserves with an expectation that permanent recurring funding will then be possible through the increase in overhead support coming to Western as a result of additional grant activity.
- Several proposals we considered may well need to be funded but we think more study is necessary. The Banner Data Defense proposal needs to be analyzed in the context of several alternatives and with a more precise

understanding of the vulnerabilities that would then remain. We set a six-month deadline for completing that analysis.

- The Visual Media proposal identifies an exploding need on our campus. We discussed the need, the various pockets of expertise on campus, and the possible use of different funding strategies. We set aside most of what was requested, but will allocate funds to specific areas once a more comprehensive review of capabilities and funding strategies is conducted. We set a similar six month deadline for bringing closure to this budget decision.
- There were also several “emergent items” that had to be funded no matter what. That is because they emerged from the legislature. Described as “lean management” and “IT efficiency” reductions, these are simply cuts to Western’s annual base budget and total \$271,000.

These proposals are responsive to UPRC’s top priorities: student support services, teaching assistant compensation, and support for graduate studies and research.

Spending money is easy. Finding the funds is the other side of the coin. In the biennial budget, we had built in an assumption of a 0% tuition increase in resident undergraduate instruction for FY 2013-14 and 2.75% for FY 2014-15 with modest increases in other tuition categories.

The good news is that there will be no tuition increase next year for resident undergraduates. After studying data from peers, we also will not raise graduate non-resident tuition. Resident graduate tuition rates are well below peers and would, we propose, be increased 3%. Non-resident undergraduate tuition would also increase by 3%, but those increases would be balanced by a program of partial waivers designed to keep Western’s tuition competitive with peers.

To bring the budget into balance going forward, we would also add revenues from two other sources. First, we would increase the overhead assessment on auxiliaries and self-support operations by 0.3%. This is a complex matter in which there are all sorts of apples and oranges; further, affected units must plan ahead. Consequently, we would postpone the implementation for one year while the details are worked out, covering next year’s projected revenue from reserves.

Overall, this proposal is responsive to the emergent issues of highest priority while not cutting division budgets and not raising undergraduate resident tuition.

We also propose to reduce the institution’s budgeted and recurring contingency fund by 10%. Six years ago, Western had no such regularly budgeted fund. It was brought to a level that has seen us through some very challenging times. We have analyzed worst-case budget scenarios for the next biennium along with our current level of institutional reserves, and believe such a reduction is now not only fiscally prudent but also strategically wise – putting more dollars to work for Western.



**WESTERN WASHINGTON UNIVERSITY - SOURCES AND USES**  
**OPERATING BUDGET 2014-15**

**USES**

<b>ITEMS RECOMMENDED AND DECIDED JULY 2013</b>	
<a href="#"><u>Faculty Contract Commitments - year 3</u></a>	2,840,123
<a href="#"><u>Utility Budget Increase</u></a>	174,019
<a href="#"><u>Energy Decision Package</u></a>	543,548
<a href="#"><u>Classified CBA Commitments (Step M)</u></a>	42,042
<b>EMERGENT ISSUES DECIDED AFTER JULY 2013</b>	
<a href="#"><u>Final year of Post Tenure Review commitment left out of FY14</u></a>	149,187
<a href="#"><u>Pro-Staff/Exec Staff Increases implemented at 4% vs. planned 3.5%</u></a>	129,885
<a href="#"><u>Lean Management allocation reductions from OFM</u></a>	240,000
<a href="#"><u>IT efficiency reduction from OFM</u></a>	31,000
<a href="#"><u>Classified CBA Commitment (Compensation Floor adjustment)</u></a>	158,380
<b>EMERGENT ISSUES RECOMMENDED - YET TO BE DECIDED</b>	
<b><u>Institutional</u></b>	
<a href="#"><u>Pro-Staff and Exec. Staff - continuation of compensation plan</u></a>	111,167
<a href="#"><u>Teaching Assistant Compensation</u></a>	156,424
<b><u>Enrollment and Student Services</u></b>	
<a href="#"><u>Student Success and Achievement</u></a>	230,701
<b><u>Academic Affairs</u></b>	
<a href="#"><u>Video Services Support</u></a>	75,000
<b>TOTAL RECURRING NEW NEEDS</b>	<b>4,881,476</b>

**SOURCES**

<b>ITEMS RECOMMENDED AND DECIDED JULY 2013</b>	
<a href="#"><u>Revenue from overhead assessment as auxiliary income has increased</u></a>	248,090
<a href="#"><u>Rollover to Yr 2 of recurring Yr 1 under commitments</u></a>	3,199,560
<a href="#"><u>Cost Estimate Variance on Step M Implementation in FY14</u></a>	34,012
<b>NEW SOURCES:</b>	
<b><u>Tuition</u></b>	
<a href="#"><u>Tuition: 3% increase - Non-Res UG</u></a>	548,061
<a href="#"><u>Tuition: 3% increase - Res Graduate</u></a>	80,235
<b><u>Recurring Assessment on all Auxiliary and Self-Sustaining Funds</u></b>	
<a href="#"><u>Total, all Divisions (In addition to 0.5% agreed to; would require 1 yr soft \$ to plan, implement sensibly across offices, divisions)</u></a>	275,518
<b><u>Other</u></b>	
<a href="#"><u>Permanently Reduce Recurring Contingency Reserve</u></a>	496,000
<b>TOTAL NEW SOURCES</b>	<b>4,881,476</b>

[Return to recommendation narrative](#)

**Faculty Compensation:**

The base budget commitments for year one of the University/Faculty CBA were covered using one-time reserves. This was done knowing that permanent, recurring savings from rebasing would become available in 2013-15. The commitments for years two and three of the contract was built into the biennial budget last year and approved by the Board of Trustees in July 2013.

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**Utility Budget Increase:**

This is an inflationary increase to prudently cover any rate or usage increases in utilities, such as heat and electricity, imposed on the university. Any funds not spent revert back to the fund balance reserve and can be used for funding one-time commitments in the future.

[Return to Uses and Sources](#)

### **Multi-College Energy Academic Program:**

This is an initiative of three colleges: Huxley College of the Environment, the College of Sciences and Technology, and the College of Business and Economics. The proposal, in ways unique to the West Coast, prepares students for leadership in the energy economy of the 21<sup>st</sup> century. The proposal has strong support from among prospective employers and is funded through a combination of state appropriation and private philanthropy.

The Energy Program epitomizes clearly what it means to take strengths particular to Western and apply them to critical needs. That it involves partnerships among three colleges and with public and private sector entities is also appealing. So, we have included funding for the state support piece even though the state did not appropriate funds specifically for this decision package but, instead, providing increased general institutional support; the funding obligation related to private fundraising remains.

This initiative was approved as a part of last year's budget. Here, we fund 2<sup>nd</sup> year costs that were anticipated at that time.

Details are available [here](#).

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## **Classified Compensation:**

Step M: An additional step was added to the State General Service Salary Schedule in the 2013-15 operating budget, referred to as Step M. All classified employees who had been at Step L for six consecutive years or more progressed to Step M on July 1, 2013. Other classified staff progress to Step M on their anniversary date after completing six consecutive years at Step L. The cost to implement Step M, which was not included in our state allocation, was less than anticipated in FY14. Funding was committed in Western's biennial budget last year to cover those employees that will progress to Step M this coming year.

Compensation Floor: Effective July 1, 2014, the base salary for permanent (half-time or greater) WFSE and PSE employees will be brought to a new minimum compensation floor. Sixty nine current WFSE and PSE employees compensated below \$15 per hour will be moved up to the step closest to \$15 an hour on the state's salary schedule, and new employees will be brought to the new level following successful completion of the probationary period.

Other Note: Under the 2013-15 state operating budget and terms of the state's collective bargaining agreements with unions representing many state employees, salaries would have risen by 1.0 percent if, as a result of increased economic activity, the February 2014 quarterly revenue forecast had been at least \$200 million higher than what was forecast in September 2012. Revenue growth generated by economic changes increased only \$11.7 million over that period. That increase was too small to trigger a 1.0 percent cost of living adjustment. Since compensation is a top university priority, Western and the two unions have agreed to partially offset this lost cost of living increase with a one-time lump sum payment to WFSE and PSE bargaining unit employees.

For WFSE, in addition to previously agreed upon lump sum payments of 2.20 percent paid August 25, 2013 and 1.0 percent to be paid on December 14, 2014, a 1.0 percent lump sum will be added.

For PSE, in addition to a previously agreed upon 2.5 percent lump sum paid December 10, 2013, a 1.7 percent lump sum payment will be added.

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### **Post Tenure Review**

The final year of the five year university commitment to fund faculty post-tenure review was inadvertently left out of the recurring budget in FY14. The cost to cover the expense in FY14 was funded from one-time reserves, so the base budget must be adjusted to cover these on a recurring basis. Moving forward, the Academic Affairs budget funds this cost from savings from turnover of tenured positions.

[Return to Uses and Sources](#)

## **Professional and Executive Staff Increases**

FY14 Implementation: In building the biennial budget for 2013-15 it was anticipated that professional and executive staff salary increases would be 3.5%. Prior to implementation, it was decided that these employee classes, having received no increases over the preceding 5 years, would receive a 3% across the board increase, and a 1% pool would be used for equity and retention issues. One-time funds were used to cover the differential for FY14, so the base budget must be adjusted to cover this on a recurring basis.

Continuing Compensation Plan: Recurring funding is being added in FY15 to continue the compensation plan to bring all professional staff with five or more years of satisfactory service to the middle third of the salary range defined by market comparability studies.

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## **Teaching Assistant Compensation**

Graduate teaching assistantship stipends have not increased since 2009, even as the cost of living and educational expenses have increased dramatically. Higher stipends for graduate teaching assistants will improve recruitment and retention of highest quality students, which will have both direct and indirect effects of improving undergraduate education.

Find more details [here](#).

[Return to Uses and Sources](#)

## **Student Success and Achievement**

Western is at a critical juncture in several of our key core state-funded service areas that have seen the greatest growth in demand: Academic Advising and Student Outreach Services, the Counseling Center, and the Office of disAbility Resources for Students. The demands in these areas reflect changes in demographics of our enrollment, and this has impacted both the yield of new students and the retention of currently enrolled students. This funding addresses these most critical needs.

Find more details [here](#).

[Return to Uses and Sources](#)

## **Video Services Support**

The original emergent issues proposal for Video Services Support can be reviewed [here](#). The partial base funding of this proposal helps cover increased demand for services while a comprehensive review of the total needs and alternative funding strategies is undertaken. This review will be completed in six months. The ultimate funding of this proposal may vary based on the outcome of this review.

[Return to Uses and Sources](#)

### **Increased Income from Auxiliaries**

Auxiliaries are the various components of the university's operations that run as businesses, which must generate revenues to cover costs. Our residence halls are just one example.

The university charges fees to auxiliaries to cover overhead services provided. Last biennium the fee structure was carefully studied and then significantly revised.

Included was a somewhat higher fee to be charged beginning FY 2013-14. This is not an addition we are now proposing be added but, rather, is the realization of income from a fee increase our auxiliaries knew was coming and have been budgeting for. This line also reflects revenue growth because auxiliary activity has been increasing and, consequently, revenue realized from the overhead charge has increased as a result of that greater activity.

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### **Rollover of Year One to Year Two**

We had a substantial carryover between the two years of this biennium. This has to do with the way the legislature appropriates across a biennium compared to the commitments we have for the biennium. Because our appropriations are essentially the same for both years of the biennium, as is our tuition revenue, there are about the same number of dollars available to spend in 2013-14 as in 2014-15. However, our expenses in 2014-15 are significantly higher than in 2013-14 because we are budgeting for annual compensation increases both years.

[Return to Uses and Sources](#)



## **Tuition**

Resident undergraduate tuition is legislatively restricted to a zero percent increase for FY15, consistent with legislative action for FY 2014.

We propose, then, to increase tuition by 3% in FY 2014-5 for resident graduate students and for non-resident undergraduates. This modest increase keeps those tuitions at or below the tuition levels among Western's peer institutions while supporting program improvements.

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### **Recurring Assessment on all Auxiliary and Self-Sustaining Funds**

Due to the limited options for new sources, an additional 0.3% assessment on auxiliary and self-sustaining funds will need to be charged. To avoid any adverse unintended consequences, one-time reserves will be used in FY 2015 as we plan how best to implement this source for the recurring budget.

[Return to Uses and Sources](#)

## **Lean Management and IT Efficiency Reductions from OFM**

Lean Management: In the 2013-15 biennial budget, the legislature reduced the allocation to the Office of Financial Management (OFM) with the direction to "... develop a strategic lean management action plan to drive efficiencies in state spending and increase productivity of state employees while improving and increasing state services for taxpayers. The action plan must determine the specific agencies and programs that would benefit most from application of the action plan, and the plan must target resources accordingly." Western's targeted resources for the 2013-15 biennium has been determined by OFM to be \$240,000.

IT Efficiency: OFM was directed to reduce agency allotments to reflect savings resulting from efficiencies in information technology expenditures statewide. Our forced efficiency resulted in a reduction to be covered *by reducing the recurring contingency reserve* in the amount of \$31,000. *Note: this is a change from the original recommendation from the Vice Presidents and Deans implemented by the President in response to feedback from the campus community.*

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### **Permanently Reduce Recurring Contingency Fund**

The university maintains a base-budgeted contingency fund to cover unexpected and unbudgeted expenses. For example, in recent years that fund has been used several times to "buy time" in order to make budget reductions thoughtfully. Western drew upon the contingency fund to send the dollars Olympia immediately required as a cut in our budget while we took a year, bottom up, to make permanent cuts.

At the end of a fiscal year, unspent balances feed the university's reserves and those reserves are also available to cover one-time unexpected and unbudgeted expenses. Based upon our experiences as we have successfully weathered five difficult years, we believe it possible to now permanently reduce the size of the recurring contingency fund in order to free up funds to provide base budget funding for other needs.

[Return to Uses and Sources](#)



**WESTERN WASHINGTON UNIVERSITY  
SUPPORTING INFORMATION  
SUBMITTED TO THE BOARD OF TRUSTEES**

**TO:** Members of the Board of Trustees

**FROM:** President Bruce Shepard by:  
Richard Van Den Hul, Vice President for Business and Financial Affairs  
Linda Teater, Budget Director

**DATE:** June 12, 2014

**SUBJECT:** **CONTINUATION OF 2015-2017 DECISION PACKAGE PROPOSALS**

**PURPOSE:** Discussion Item

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The 2015-2017 budget process began in January 2014 with the Planning Units developing requests to be considered for decision packages to the state. In this transparent, bottom-up approach, each college or department had the opportunity to develop proposals, following predefined criteria for consideration as a decision package. The proposals that are included in this recommendation for further development achieved approval from the department, then from the division to be presented to the University Resource and Planning Committee (UPRC) for further consideration.

In February and March, presentations were made to the UPRC, audiocast to the campus and recorded for availability to those that could not attend, and made available on the Budget Office home page for review and comment by the campus. At the end of the review process, President Shepard, the Vice Presidents and the Deans met on several occasions to discuss the proposals and put together a recommendation for the campus community for review and comment. This review process has just concluded, and this recommendation is now being presented to the Board of Trustees for additional feedback before the finalizing of the 2015-2017 State Operating Budget Request is presented to the Board for final approval at the August 2014 Board of Trustees meeting.

The 2015-2017 budget request consists of two components:

- Legislative Priorities
- Decision Packages

Two Legislative Priorities were recommended by the Planning Unit Leaders:

- Sustaining Excellence Through Competitive Compensation  
Key to our commitment to apply Western's strengths to meet the critical needs in Washington State is the commitment to assure the continuing strengths of Western. Our top priority again this biennium is to ensure Western is providing competitive compensation for faculty, staff, and student employees.
- Reinvesting for Transformational Enhancement of Access and Quality  
Recent research findings are unequivocal: the role of public higher education as the major pipeline to upward social mobility has been dramatically squeezed off. As our second priority, Western will again press for reinvestment for access and transformation through state revenues, rather than reliance on increasing tuition rates for students to foot the bill.

Four Decision Packages out of the 13 proposals last presented to the Board were identified as most clearly delivering on Western's commitment to apply strengths to important state needs.

- Investing in Student Success and Achievement  
This decision package was top priority for both our Board of Trustees and the UPRC. It is ours as well, and follows directly from the challenge posed for Washington State and for Western as we framed our second top legislative priority.
- Audiology Clinical Doctorate  
This is an already strong program addressing an area where the needs of the state are not being fully met. The program also provides important community outreach services. However, because of licensure changes beyond Western's control, if we are to turn out the graduates much needed by our state, the program must move to the level of a clinical doctorate.
- Vehicle Engineering  
Western is proud to be able to respond to state needs by moving three of our engineering technology programs to mainline engineering. The Vehicle Research Institute has long been a hallmark program for Western. There are important private and public sector development and growth needs in this area; and, it is our view that if our commitments in this area are to keep pace with the caliber of preparation now needed by Washington State, we must move from a Vehicle Research Institute to Vehicle Engineering.
- Engineering Geology  
Our Geology program is extraordinarily strong. The need to build upon that base to offer Engineering Geology was all too dramatically apparent as we all grieved over the consequences of the Oso tragedy. But, that is just a small part of the expanding need for experts trained in Engineering Geology and able to serve in critical private sector as well as public sector roles.

The full text of these proposals can be reviewed on the Budget Office home pages (<http://www.wvu.edu/upb/1517DP/Summary1517DPRequestForm.pdf>). If the Board concurs with the recommendation of the President, Vice Presidents and Deans, these proposals will be refined over the summer and presented in penultimate final form for approval in August before being sent to the state in September.

# WESTERN WASHINGTON UNIVERSITY ITEM SUBMITTED TO THE BOARD OF TRUSTEES

**TO:** Members of the Board of Trustees

**FROM:** President Bruce Shepard by Provost Brent Carbajal

**DATE:** June 12, 2014

**SUBJECT: Accreditation Report**  
Brent Carbajal, Provost and Vice President for Academic Affairs  
Steve VanderStaay, Vice Provost for Undergraduate Education

**PURPOSE:** Presentation

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## **Purpose of Submittal:**

In April, 2014, a team from NWCCU assessed Western's "Resources, Capacities and Processes" (Standard Two) against the regional standards for accreditation. This assessment included evaluation of the University's "Year-Three Accreditation Self-Study" and three days of extensive follow-up phone interviews. The concluding evaluation report included "commendations," "concerns," and "recommendations" for further improvement. NWCCU "recommendations" require action and a follow-up report in the 2017 comprehensive evaluation.

## **Results**

The evaluators' commendations praised Western's integrated, university-wide response to the recent budget cuts, the University's new programs and strategies to increase student learning and success, and Enrollment and Student Services' focus on the development of a division-wide template for assessment. Noted "concerns" addressed appropriate staffing and resource levels in operational and support areas, and progress on implementation of the University's student learning assessment plan. The recommendations for further improvement are as follows:

1. WWU should continue its efforts to identify and publish expected course, program and degree learning outcomes, speed its efforts to have expected student learning outcomes for courses provided consistently in written form to students, and to consistently assess student learning outcomes across all departments and programs.
2. As Western Washington University continues to attract more underrepresented students, the University will be well served to remain attentive to expanding or starting campus-wide initiatives that will ensure the success of these students. There is a concern that students, especially freshmen and sophomores, may find it difficult to access academic advisors. A closer assessment of this concern will allow for the development of effective policies and practices.



**Interpretation**

The NWCCU recommendations affirm the improvement initiatives we identified in our self-study. This affirmation represents an important endorsement of the University's continual improvement efforts.

**Response**

The Accreditation and Assessment Advisory Committee (AAAC) reviewed the NWCCU Peer-Evaluation Report and created a plan to respond to the recommendations and prepare the University for its 2017 comprehensive evaluation.

**Next Steps**

NWCCU Commissioners will review the Peer-Evaluation Report and Western' Self-Study Report this summer, issuing the final commendations and recommendations.

**WESTERN WASHINGTON UNIVERSITY**  
**ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

**TO:** Members of the Board of Trustees

**FROM:** President Bruce Shepard by Senior Vice President Eileen Coughlin

**DATE:** June 12, 2014

**SUBJECT:** **Sexual Assault on College Campuses: Issues, Concerns, Actions and Commitments**

**PURPOSE:** Discussion Item

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**Purpose of Submittal:**

To inform the Board of Trustees regarding national conversations and expectation of Title IX changes related to sexual assault prevention and response on college campuses. This is an opportunity for the Board to provide feedback regarding Western's commitment and actions in preventing and responding to sexual assault

**Supporting Information:**

Attachment A: White House Task Force Report Executive Summary – April 2014  
Attachment B: DOE April 2011 Dear Colleague Letter Fact Sheet



# NOT ALONE

The First Report of the White House Task Force to  
Protect Students From Sexual Assault

April 2014



# Executive Summary

## Why We Need to Act

One in five women is sexually assaulted in college. Most often, it's by someone she knows – and also most often, she does not report what happened. Many survivors are left feeling isolated, ashamed or to blame. Although it happens less often, men, too, are victims of these crimes.

The President created the Task Force to Protect Students From Sexual Assault to turn this tide. As the name of our new website – NotAlone.gov – indicates, we are here to tell sexual assault survivors that they are not alone. And we're also here to help schools live up to their obligation to protect students from sexual violence.

Over the last three months, we have had a national conversation with thousands of people who care about this issue. Today, we offer our first set of action steps and recommendations.

### 1. Identifying the Problem: Campus Climate Surveys

The first step in solving a problem is to name it and know the extent of it – and a campus climate survey is the best way to do that. We are providing schools with a toolkit to conduct a survey – and we urge schools to show they're serious about the problem by conducting the survey next year. The Justice Department, too, will partner with Rutgers University's Center on Violence Against Women and Children to pilot, evaluate and further refine the survey – and at the end of this trial period, we will explore legislative or administrative options to require schools to conduct a survey in 2016.

### 2. Preventing Sexual Assault – and Engaging Men

Prevention programs can change attitudes, behavior – and the culture. In addition to identifying a number of promising prevention strategies that schools can undertake now, we are also researching new ideas and solutions. But one thing we know for sure: we need to engage men as allies in this cause. Most men are not perpetrators – and when we empower men to step in when someone's in trouble, they become an important part of the solution.

As the President and Vice President's new Public Service Announcement puts it: if she doesn't consent – or can't consent – it's a crime. And if you see it happening, help her, don't blame her, speak up. We are also providing schools with links and information about how they can implement their own bystander intervention programs on campus.

### 3. Effectively Responding When a Student Is Sexually Assaulted

When one of its students is sexually assaulted, a school needs to have all the pieces of a plan in place. And that should include:

#### Someone a survivor can talk to in confidence

While many victims of sexual assault are ready to file a formal (or even public) complaint against an alleged offender right away – many others want time and privacy to sort through their next steps. For some, having a confidential place to go can mean the difference between getting help and staying silent.

Today, we are providing schools with a model reporting and confidentiality protocol – which, at its heart, aims to give survivors more control over the process. Victims who want their school to fully investigate an incident must be taken seriously – and know where to report. But for those who aren't quite ready, they need to have – and know about – places to go for confidential advice and support.

That means a school should make it clear, up front, who on campus can maintain a victim's confidence and who can't – so a victim can make an informed decision about where best to turn. A school's policy should also explain when it may need to override a confidentiality request (and pursue an alleged perpetrator) in order to help provide a safe campus for everyone. Our sample policy provides recommendations for how a school can strike that often difficult balance, while also being ever mindful of a survivor's well-being.

New guidance from the Department of Education also makes clear that on-campus counselors and advocates – like those who work or volunteer in sexual assault centers, victim advocacy offices, women's and health centers, as well as licensed and pastoral counselors – can talk to a survivor in confidence. In recent years, some schools have indicated that some of these counselors and advocates cannot maintain confidentiality. This new guidance clarifies that they can.

### **A comprehensive sexual misconduct policy**

We are also providing a checklist for schools to use in drafting (or reevaluating) their own sexual misconduct policies. Although every school will need to tailor a policy to its own needs and circumstances, all schools should be sure to bring the key stakeholders – including students – to the table. Among other things, this checklist includes ideas a school could consider in deciding what is – or is not – consent to sexual activity. As we heard from many students, this can often be the essence of the matter – and a school community should work together to come up with a careful and considered understanding.

### **Trauma-informed training for school officials**

Sexual assault is a unique crime: unlike other crimes, victims often blame themselves; the associated trauma can leave their memories fragmented; and insensitive or judgmental questions can compound a victim's distress. Starting this year, the Justice Department, through both its Center for Campus Public Safety and its Office on Violence Against Women, will develop trauma-informed training programs for school officials and campus and local law enforcement. The Department of Education's National Center on Safe and Supportive Learning Environments will do the same for campus health centers. This kind of training has multiple benefits: when survivors are treated with care and wisdom, they start trusting the system, and the strength of their accounts can better hold offenders accountable.

### **Better school disciplinary systems**

Many sexual assault survivors are wary of their school's adjudication process – which can sometimes subject them to harsh and hurtful questioning (like about their prior sexual history) by students or staff unschooled in the dynamics of these crimes. Some schools are experimenting with new models – like having a single, trained investigator do the lion's share of the fact-finding – with very positive results. We need to learn more about these promising new ideas. And so starting this year, the Justice Department will begin assessing different models for

investigating and adjudicating campus sexual assault cases with an eye toward identifying best practices.

The Department of Education’s new guidance also urges some important improvements to many schools’ current disciplinary processes: questions about the survivor’s sexual history with anyone other than the alleged perpetrator should not be permitted; adjudicators should know that the mere fact of a previous consensual sexual relationship does not itself imply consent or preclude a finding of sexual violence; and the parties should not be allowed to personally cross-examine each other.

### **Partnerships with the community**

Because students can be sexually assaulted at all hours of the day or night, emergency services should be available 24 hours a day, too. Other types of support can also be crucial – like longer-term therapies and advocates who can accompany survivors to medical and legal appointments. Many schools cannot themselves provide all these services, but in partnership with a local rape crisis center, they can. So, too, when both the college and the local police are simultaneously investigating a case (a criminal investigation does not relieve a school of its duty to itself investigate and respond), coordination can be crucial. So we are providing schools with a sample agreement they can use to partner with their local rape crisis center – and by June, we will provide a similar sample for forging a partnership with local law enforcement.

## **4. Increasing Transparency and Improving Enforcement**

### **More transparency and information**

The government is committed to making our enforcement efforts more transparent – and getting students and schools more resources to help bring an end to this violence. As part of this effort, we will post enforcement data on our new website – [NotAlone.gov](http://NotAlone.gov) – and give students a roadmap for filing a complaint if they think their school has not lived up to its obligations.

Among many other things on the website, sexual assault survivors can also locate an array of services by typing in their zip codes, learn about their legal rights, see which colleges have had enforcement actions taken against them, get “plain English” definitions of some complicated legal terms and concepts; and find their states’ privacy laws. Schools and advocates can access federal guidance, learn about relevant legislation, and review the best available evidence and research. We invite everyone to take a look.

### **Improved Enforcement**

Today, the Department of Education’s Office for Civil Rights (OCR) is releasing a 52-point guidance document that answers many frequently asked questions about a student’s rights, and a school’s obligations, under Title IX. Among many other topics, the new guidance clarifies that Title IX protects all students, regardless of their sexual orientation or gender identity, immigration status, or whether they have a disability. It also makes clear that students who report sexual violence have a right to expect their school to take steps to protect and support them, including while a school investigation is pending. The guidance also clarifies that recent amendments to the Clery Act do not alter a school’s responsibility under Title IX to respond to and prevent sexual violence.

OCR is also strengthening its enforcement procedures in a number of ways – by, for example, instituting time limits on negotiating voluntary resolution agreements and making clear that schools should provide survivors with interim relief (like changing housing or class schedules) pending the outcome of an OCR investigation. And OCR will be more visible on campus during its investigations, so students can help give OCR a fuller picture about what’s happening and how a school is responding.

The Departments of Education and Justice, which both enforce Title IX, have entered into an agreement to better coordinate their efforts – as have the two offices within the Department of Education charged with enforcing Title IX and the Clery Act.

## Next Steps

This report is the first step in the Task Force’s work. We will continue to work toward solutions, clarity, and better coordination. We will also review the various laws and regulations that address sexual violence for possible regulatory or statutory improvements, and seek new resources to enhance enforcement. Also, campus law enforcement officials have special expertise to offer – and they should be tapped to play a more central role. We will also consider how our recommendations apply to public elementary and secondary schools – and what more we can do to help there.

\* \* \*

The Task Force thanks everyone who has offered their wisdom, stories, expertise, and experiences over the past 90 days. Although the problem is daunting and much of what we heard was heartbreaking, we are more committed than ever to helping bring an end to this violence.

U.S. Department of Education  
Office for Civil Rights



Dear Colleague Letter: Sexual Violence  
Background, Summary, and Fast Facts  
April 4, 2011

Sexual Violence Statistics and Effects

- Acts of sexual violence are vastly under-reported.<sup>1</sup> Yet, data show that our nation's young students suffer from acts of sexual violence early and the likelihood that they will be assaulted by the time they graduate is significant. For example:
  - Recent data shows nearly 4,000 reported incidents of sexual battery and over 800 reported rapes and attempted rapes occurring *in our nation's public high schools*.<sup>2</sup> Indeed, by the time girls graduate from high school, more than one in ten will have been physically forced to have sexual intercourse in or out of school.<sup>3</sup>
  - When young women get to *college*, nearly 20% of them will be victims of attempted or actual sexual assault, as will about 6% of undergraduate men.<sup>4</sup>
- Victims of sexual assault are more likely to suffer academically and from depression, post-traumatic stress disorder, to abuse alcohol and drugs, and to contemplate suicide.<sup>5</sup>

Why is ED Issuing the Dear Colleague letter (DCL)?

Title IX of the Education Amendments of 1972 ("Title IX"), 20 U.S.C. Sec. 1681, *et seq.*, prohibits discrimination on the basis of sex in any federally funded education program or activity. ED is issuing the DCL to explain that the requirements of Title IX cover sexual violence and to remind schools<sup>6</sup> of their responsibilities to take immediate and effective steps to respond to sexual violence in accordance with the requirements of Title IX. In the context of the letter, sexual violence means physical sexual acts perpetrated against a person's will or where a person is incapable of giving consent. A number of acts fall into the category of sexual violence, including rape, sexual assault, sexual battery, and sexual coercion.

<sup>1</sup> For example, see HEATHER M. KARJANE, ET AL., SEXUAL ASSAULT ON CAMPUS: WHAT COLLEGES AND UNIVERSITIES ARE DOING ABOUT IT 3 (Nat'l. Institute of Justice, Dec. 2005).

<sup>2</sup> SIMONE ROBERS, ET AL., INDICATORS OF SCHOOL CRIME AND SAFETY 104 (U.S. Dep't of Education & U.S. Dep't of Justice, Nov. 2010), available at <http://nces.ed.gov/pubs2011/2011002.pdf>.

<sup>3</sup> EATON, D. K., KANN, L., KINCHEN, S., SHANKLIN, S., ROSS, J., HAWKINS, J., ET AL., YOUTH RISK BEHAVIOR SURVEILLANCE-UNITED STATES 2009, *Morbidity and Mortality Weekly Report*.

<sup>4</sup> CHRISTOPHER P. KREBS ET AL., THE CAMPUS SEXUAL ASSAULT STUDY FINAL REPORT xiii, 5-5 (Nat'l. Criminal Justice Reference Service, Oct. 2007), available at <http://www.ncjrs.gov/pdffiles1/nij/grants/221153.pdf>.

<sup>5</sup> For example, see WORLD HEALTH ORGANIZATION, WORLD REPORT ON VIOLENCE AND HEALTH 162-164 (Etienne G. Krug, et al. eds., 2002), available at [http://whqlibdoc.who.int/publications/2002/9241545615\\_eng.pdf](http://whqlibdoc.who.int/publications/2002/9241545615_eng.pdf); CENTERS FOR DISEASE CONTROL, UNDERSTANDING SEXUAL VIOLENCE: FACT SHEET 1 (2011), available at [http://www.cdc.gov/violenceprevention/pdf/SV\\_factsheet\\_2011-a.pdf](http://www.cdc.gov/violenceprevention/pdf/SV_factsheet_2011-a.pdf).

<sup>6</sup> "Schools" includes all recipients of federal funding and includes school districts, colleges, and universities.



## What does the DCL do?

- Provides guidance on the unique concerns that arise in sexual violence cases, such as the role of criminal investigations and a school's independent responsibility to investigate and address sexual violence.
- Provides guidance and examples about key Title IX requirements and how they relate to sexual violence, such as the requirements to publish a policy against sex discrimination, designate a Title IX coordinator, and adopt and publish grievance procedures.
- Discusses proactive efforts schools can take to prevent sexual violence.
- Discusses the interplay between Title IX, FERPA, and the Clery Act<sup>7</sup> as it relates to a complainant's right to know the outcome of his or her complaint, including relevant sanctions facing the perpetrator.
- Provides examples of remedies and enforcement strategies that schools and the Office for Civil Rights (OCR) may use to respond to sexual violence.

## What are a school's obligations under Title IX regarding sexual violence?

- Once a school knows or reasonably should know of possible sexual violence, it must take immediate and appropriate action to investigate or otherwise determine what occurred.
- If sexual violence has occurred, a school must take prompt and effective steps to end the sexual violence, prevent its recurrence, and address its effects, whether or not the sexual violence is the subject of a criminal investigation.
- A school must take steps to protect the complainant as necessary, including interim steps taken prior to the final outcome of the investigation.
- A school must provide a grievance procedure for students to file complaints of sex discrimination, including complaints of sexual violence. These procedures must include an equal opportunity for both parties to present witnesses and other evidence and the same appeal rights.
- A school's grievance procedures must use the preponderance of the evidence standard to resolve complaints of sex discrimination.
- A school must notify both parties of the outcome of the complaint.

## How can I get help from OCR?

OCR offers technical assistance to help schools achieve voluntary compliance with the civil rights laws it enforces and works with schools to develop approaches to preventing and addressing discrimination. A school should contact the OCR enforcement office serving its jurisdiction for technical assistance. For contact information, please visit ED's website at <http://wdcrobcolp01.ed.gov/CFAPPS/OCR/contactus.cfm>.

A complaint of discrimination can be filed by anyone who believes that a school that receives Federal financial assistance has discriminated against someone on the basis of race, color, national origin, sex, disability, or age. The person or organization filing the complaint need not be a victim of the alleged discrimination, but may complain on behalf of another person or group. For information on how to file a complaint with OCR, visit <http://www2.ed.gov/about/offices/list/ocr/complaintintro.html> or contact OCR's Customer Service Team at 1-800-421-3481.

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<sup>7</sup> The Family Educational Rights and Privacy Act is at 20 U.S.C. Sec. 1232g, and the Jeanne Clery Disclosure of Campus Security and Campus Crime Statistics Act is at 20 U.S.C. Sec. 1092(f).

# Preventing and Responding to Sexual Assault at Western

**Presentation to  
Board of Trustees  
June 12, 2014**

Sue Guenter-Schlesinger, Vice Provost, Equal Opportunity and Title IX Coordinator  
Ted Pratt, Dean of Students  
Elva Munro, Director, Prevention and Wellness Services

# Introduction

- Western Takes Sexual Assault Seriously
  - Title IX Campus Task Force
- Our Efforts Shaped by:
  - Western’s Values to Ensure Safety and Inclusiveness
  - Understanding “Cultural Context”
  - Lessons Learned from Other Institutions
  - Enhanced Federal Guidelines
  - Identifying Vulnerabilities

# President Obama's Task Force Action Steps/Recommendations



Today's Presentation Framed By:

- 1) Identifying the Problem: Campus Climate Surveys
- 2) Preventing Sexual Assault—and Engaging Men
- 3) Effectively Responding When a Student is Sexually Assaulted
- 4) Increasing Transparency and Improving Enforcement

# 1) Identifying the Problem: Campus Climate Surveys

- 2010 Student Survey
  - Broad Aspects of Climate Identified
- Sexual Assault Campus Climate Survey Fall/Winter, 2015 will:
  - Show us our Vulnerabilities by:
    - Defining Scope of Problem
    - Assessing Reporting Rates
    - Identifying Barriers to Reporting

## 2) Preventing Sexual Assault—and Engaging Men

### Prevention: Challenges and Vulnerabilities

- Society, Social Traditions, College Culture, Alcohol and Drugs, Violence, Consent
- Evolving Mandates
- Reaching all Students & Employees
- Interfacing Educational Efforts
- Engaging Student Leaders
- Focusing on Marginalized Groups

## 2) Preventing Sexual Assault—and Engaging Men

### Engaging Men

- Individual and Collective Education
- Awareness, Attitudes, Behaviors
- Changing Culture from Violence Accepting to Empowering Men to be Part of Solution
- Bystander Intervention

### **3) Effectively Responding When a Student is Sexually Assaulted**

Opportunities and Challenges:

- Many Reporting Options, Including Confidential Ones
- Immediate Emotional and Medical Assistance
- Ensuring Survivor is Safe and has Access to Education and Resources During Investigation



## **3) Effectively Responding When a Student is Sexually Assaulted**

### Vulnerabilities:

- Clear Sanctions
- Accountability for Violators
- Multiple Reporting Options Good, but can be Confusing
- Staying Survivor-Centered

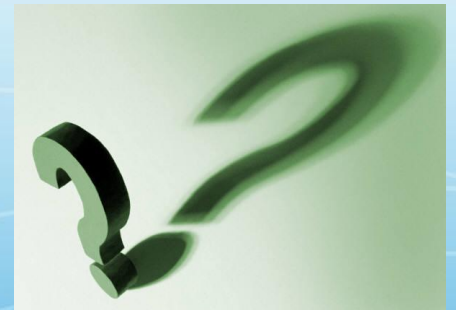
## 4) Increasing Transparency and Improving Enforcement

### Vulnerabilities:

- Transparency
  - Policies and Protocols: Clear, Comprehensive, Accessible, Survivor-Centered
  - Easy Access to Information
- Enforcement
  - Balance Between Immediate Assessment/Sanctions and Ensuring Civil Rights Due Process

# Questions?

Do you see additional vulnerabilities?



**8. EXECUTIVE SESSION**

Executive Session may be held to discuss personnel, real estate, and legal issues as authorized in RCW 42.30.110.