

**The Evergreen State College
College Budget Council**



2/3/03

Introduction and Review of CBC's Charge

Steve Trotter provided an overview of the work plans charged by President Purce for the College Budget Council's work for the year. He indicated that his view was that CBC's overarching responsibility this year was in coordination and communication. He highlighted that CBC's work has two overall phases.

The first phase has two parts:

Part A – Finalize a 2004-05 balanced budget to the President:

Updating sources of one-time financial flexibility

Identifying any new unavoidable cost increases

Finalizing the 1% budget reduction planning strategy

Adopting plans to achieve \$400,000 of new net revenue/cost savings

Part B – Identifying priorities for TESC's 2005-07 Legislative Budget Request

The second phase also has two long-range aspects:

Part A – Working with the Financial Futures Group, recommend a realistic integrated campus revenue enhancement program including the following areas of emphasis:

Revenue raising programs regarding TESC's physical assets

Extended Education program plans

Ideas from the Conference Services and Campus Life workgroups

Increased Fundraising and possible Comprehensive Campaign effort

Solvent and rational charge back expectation regarding auxiliary enterprises

New long-range strategic plan for food services operation

Part B – Consult with the Enrollment Coordinating Committee in their work of developing long-range enrollment directions.

Changes to the CBC plan adopted last summer

Steve then walked the group through CBC's June 6, 2003 final report highlighting where there has been deviations/changes to CBC's adopted recommendations.

1. The Food Facilities Fee was not implemented. Ann described why we pulled the recommendation for the new food facilities fee from Board action. The Assistant Attorney General advised that, in his opinion, the Board does not have authority to impose such a fee. This opinion was based on the recent court decision that overturned the all student energy fee that the UW Board of Regents implemented last year. The only way this fee would stand up to legal challenge is if students themselves voted to voluntarily self-impose the fee. She indicated that we have not abandoned the idea but it can't come about as rapidly as we had hoped.
2. The Technology Fee appears to be moving more slowly than the CBC assumed last year. A general discussion ensued about the timing of engaging students given that students are taking on the idea of student government this year.

ACTION ITEM: Ann agreed to convene a meeting with Art, Anna, and Lee to discuss the issue further and will report back to CBC at a subsequent meeting.

3. In the final budget adopted by the legislative last year, there were two enrollment pools that were created.

TRANSFER STUDENT POOL: Based on evergreen's applicant pool the college requested financial support to slightly alter our student mix to yield 50 more slots for transfer students. The college was awarded \$265,000 for increasing the number of slots for transfer students by a 34FTE. The president approved permanently funding the additional 2 faculty lines and the program assistant in the registrar's office associated the impact of plus 16 credit hour change. \$124,000 remains as part of the college hold-back contingency. In effect, this action resulted in getting state funds to support some of our over enrollments, some of the on-going costs we have been covered by one-time reserves, lowered the level of one-time funds needed to bridge this year, and provided additional budget flexibility for next year.

HIGH-DEMAND STUDENT POOL: The college submitted a proposal to secure permanent state funding for our MPA-Tribal Track. We were not successful in getting resources from this highly competitive process but are continuing to work to secure permanent hopefully in this year's legislative session.

2004 Legislative Session & Governor's Supplement Budget Proposal

The 2004 legislative session began January 12th and will adjourn March 13th. Steve briefly described the elements of the Governor's budget recommendation and noted that the most significant aspect is that there are no mandated cuts. He went on to say that his recommendation would provide additional state resources to Evergreen to support 25 more of our overenrolled student population. The governor also would provide substantial additional high-demand student funding that would be administered by the HECB allowing us to re-request MPA-Tribal support. Although the final outcome will not be known until the legislature adjourns, we are hopeful the elements of the Governor's budget will be enacted which would provide additional resources for CBC to work with.

Vice President's Report on Their Current Thinking about the 04-05 budget

Ann articulated that the Vice Presidents and Budget Coordinators had been meeting to compare the final CBC recommendations to current conditions. She relayed that the VP's and BC's jointly propose the following specific recommendations for the CBC:

1. Apply one-time resources to offset shortfalls in expected results from the financial futures group recommendations that were adopted last year (computer acquisition process, expanded conference activities, and web payment program).
2. Do NOT implement a 1% budget reduction next year since it is likely that further mandated legislative cuts will be not required.
3. Change how we account for the \$400,000 of new net revenues that were assigned to the Financial Futures group for next year because they will not be generated or collected directly in the state-operating budget. Instead revenue increases will be accounted for in other college revenue accounts such as the annual fund, extended education and summer conferences.
4. Retain a small \$550,000 operating budget reserve which is about 1% of our operating budget as a base holdback contingency pending further analysis before finalizing decisions.

Sonya asked why we felt certain that further legislative cuts would not be required out of this legislative session. Ann responded that the state revenue picture had improved where the enacted budget can be sustained and sufficient enough to allow the legislature to make selective enhancements in some areas. She added that this is an election year and the higher education is one of the primary topics before the legislature, which is also a strong signal. Bill reminded the group that the legislature approved a full two-year budget last year and that this supplemental session is only to adjust that previously approved budget if it is required.

Stacey asked for greater clarity on CBC's role in deciding what to do with the \$550,000 base holdback contingency plan. Steve explained that is CBC's responsibility to present a balanced 04-05 budget recommendation to Les that will include any unavoidable new costs and college contingency plans. He went on to say that the vice presidents are tasked to work within divisions determine if any new unavoidable costs have emerged and bring them to the full CBC for consideration. Stacey voiced her preference for CBC to discuss process parameters before the Vice President's would do any work in this regard. She articulated that without having that opportunity, CBC would be getting decisions that had already made. Walter noted that we needed to more fully discuss the meaning of and perhaps rename the term unavoidable. Art suggested we add these topics to the agenda for the next CBC meeting.

<p>CBC's DECISION: CBC approved the Vice President's recommendation outlined above with the understanding that CBC will design the process parameters concerning the potential release of the identified holdback contingency. Steve will be responsible for communicating this recommendation to the President for approval.</p>
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Draft CBC Work plan and Proposed Schedule of Regular Meetings

Steve distributed a draft work plan/schedule and asked for comment his proposal to meet every other Wednesday afternoon. It was noted that there would be a conflict on March 3 because of Provost candidate interviews. It was also suggested that we should expand the earlier meetings to be 4 hours instead of only 2 hours to more effectively accomplish the up-front work that is needed.

ACTION ITEM: Steve will modify his proposed schedule based on the comments received and re-distribute it to group. Individual members are responsible to let Steve know about any other large scheduling conflicts that would prohibit the majority of CBC members from meeting.

Meeting Adjourned