

MEMORANDUM

DATE: December 4, 2003

TO: The College Budget Council
The Enrollment Coordinating Committee
The Financial Futures Group

FROM: Thomas L. Purce, President

SUBJECT: Work Plans

Last year, confronted by the prospect of a significant statewide budget cut, Evergreen responded in a spirit of collaboration and innovation. We formed the College Budget Council (CBC) to carry out an open, clear and thoughtful budget planning process that emphasized cross-divisional communication. We also formed the Financial Futures Group to propose ways in which we could develop new sources of revenue that would support and not distract from the college's core mission and values. The college's success in meeting last year's challenges in these areas is truly commendable.

Although the budget crisis has eased for the moment, it is important that we follow through and build upon the work we did last year in order to ensure the college's long-term fiscal and academic health while remaining true to our mission. In its final report last year, the CBC noted that crisis-driven budget management and long-term planning are very different processes. In particular, they identified the need to work rapidly toward a comprehensive enrollment growth plan to enable more effective long-term, campus-wide planning this year. At the same time, the Financial Futures Group noted that, in addition to identifying projects that might generate new revenue, it is important that we develop a long-term view, both of what is realistic and what is consistent with important campus values as we consider possible new revenue sources.

I am asking the College Budget Council to continue to act in a significant coordinating role in organizing our work in these areas this year. I am confident that the CBC will provide us with a structure that can allow the campus community to work together on these significant college-wide issues.

We have a lot to get done. In an effort to better manage our workload, I am asking the CBC to:

- 1) work with the Vice Presidents and Budget Coordinators in establishing a balanced budget recommendation for 2004-05,
- 2) work with the Enrollment Coordinating Committee in establishing a viable comprehensive enrollment growth direction, and
- 3) work with the Financial Futures Group to build a realistic but aggressive strategic revenue enhancement plan.

College Budget Council (CBC)

Goal: Integrate college planning functions to foster efficient and effective management and to promote better communications and more clarity in decision making.

Charge: The College Budget Council will finalize the 2004-05 budget planning and develop recommendations for the college's 2005-07 legislative budget request priorities. The CBC will update the college student enrollment growth plan and recommend a desired overall student mix at the full 5000 Student FTE level. The CBC will recommend a clear strategic revenue enhancement vision to further diversify and develop a more robust funding structure.

Membership:

In addition to those that normally work on college budget matters (the Provost and Vice Presidents, Budget Coordinators, the Budget Dean and the Executive Director of Operational Planning and Budget), I am asking Lee Lyttle, Stacey Davis, Sonja Wiedenhaupt, Steve Hunter, Andrea Coker-Anderson, Phyllis Lane, Kathryn Ford and Laura Grabhorn to continue with the work begun last year. In addition, I will appoint at least two students to formally join this group. I am confident that the members of this group will continue their work with the best interests of the college as a whole in mind.

I have asked Steve Trotter to chair the CBC and to coordinate the overall process.

Timeline and Tasks

Phase one: To be completed by February 1, 2004

- a. The Vice Presidents and I will consult within divisions to review and determine if any new unavoidable costs have emerged that impact our 2004-05 financial planning.
- b. The Vice Presidents and I will consult within divisions to review and update the college's sources of current financial flexibility.
- c. The Vice Presidents and I will consult within divisions to develop 1% reduction options for the 2004-05 fiscal year.
- d. The Vice Presidents will be responsible for monitoring progress on Financial Futures Group projects approved last year.
- e. The Vice Presidents and I will consult within division to prepare legislative operating and capital budget request priorities for the 2005-07 regular legislative session.
- f. The Operational Planning and Budget Office will be responsible for monitoring the 2003-04 special legislative session for potential fiscal impacts that would alter college plans and/or budget levels.
- g. The Financial Futures Group will provide the CBC with business plans for new revenues streams or produce costs-savings amounting to \$400,000 for the 2004-05 fiscal year.

Phase two: To be completed by May 1, 2004 {tentative}

- h. The Enrollment Coordinating Committee will consult with the CBC on various scenarios for long-term enrollment growth directions in the following broad categories.
- Full-Time/Part-Time Student Mix
 - Lower/Upper/Graduate Student Mix
 - Resident/Non-Resident Student Mix
 - Residential/Commuter Student Mix
 - Olympia Campus/Off-Campus Student Mix
 - Daytime/Evening & Weekend Student Mix
 - Incremental Growth/Accelerated Growth
- i. The Financial Futures Group will provide CBC with a long-term vision of a realistic integrated campus revenue enhancement program in the following broad categories.
- Private Giving
 - Federal & State Resources
 - Land and Space
 - Auxiliary Services
 - Contract/Partnerships
2. **Using Data Gathered.** The CBC will need to develop a set of principles to finalize the 2004-05 budget and to provide council on the 2005-07 legislative budget requests.
 3. **Consult with the community.** Throughout the process the CBC will consult with the campus community. As specific policy options are examined, the CBC will consult directly with those who would be affected by options and those that have expertise in the area affected.
 4. **Develop Policy Options.** Based on the information described above, the CBC will develop a set of policy options to address both the short-term issues impacting the 04-05 budget and to provide policy recommendations regarding the college's 2005-07 legislative operating and capital budget request recommendations.
 5. **Finalize Recommendations.** The CBC will be responsible for providing the president recommendations regarding 04-05 budget allocation plan by the 1st of February and counsel regarding the college's legislative operating and capital budget request by the 1st of March 2004.
 6. **Final Approval.** Taking the CBC report into consideration the president will make a final recommendation to the Board of Trustees regarding the 2004 budget allocation plan and the 2005-07 legislative budget request. The Board of Trustees has final responsibility to determine college expenditure plans and biennial legislative budget policy requests.

Enrollment Coordinating Committee (ECC)

Goal: Review and update/revise the existing college 10-year enrollment growth plan.

Charge: The Enrollment Coordinating Committee will develop at least three white papers/scenarios regarding different viable sources of enrollment growth for the campus to evaluate in determining a desired student mix once we achieve the full 5,000 state funded student FTE level (growth of approximately 1,000 FTE students). Expanded Summer Session enrollments and Extended Education proposals would be in addition to the 5,000 state funded enrollments.

- Viable enrollment growth options must be developed within the context of Evergreen's capabilities and values.
- Each plan would be developed in the context of integrating curriculum planning parameters and include an analysis of revenue and costs.
- Each plan would anticipate growth in enrollment levels in non-subsidized enrollments in the summer session and extended education proposals.
- Each plan will take the external authorizing environmental issues into consideration (e.g. pressure for high school direct, transfers, high demand, etc.)
- Each plan will identify those conditions that would lead to deviations from the plan.

Membership:

For the purpose of working in this project, I have asked faculty members Andy Brabban and Erik Thuesen to join the usual members of the ECC (Laurie Arnold, Jim Beaver, Eddy Brown, Laura Coghlan, Andrea Coker-Anderson, Rob Cole, Art Costantino, Pete Ellis, Steve Hunter, Diane Kahaumia, Phyllis Lane, David Marshall, Jennifer Minner, Kitty Parker, Doug Scrima, Mike Segawa, Brian Shirley, and Tom Womeldorf).

I have asked Steve Hunter and Andy Brabban to co-chair the ECC's work on the enrollment growth plan.

Timeline and Tasks:

Overall Phases of the Project:

1. By December 19, 2003, recommend to the Senior Staff a 2005-07 legislative enrollment growth request strategy that should prioritize funding for existing overenrolled students before recommending expanded enrollment levels.
2. By May 2004, develop at least three viable long-term enrollment growth scenarios for long-term enrollment directions.
3. By July 2004, utilize summer institutes to focus faculty and staff involvement concerning options under consideration, to more fully identify constraints and parameters on various growth directions.
4. By September 2004, recommend to the President a final long-term enrollment growth plan.

1. Gather Data

- a. The Enrollment Coordinating Committee (ECC) will examine Evergreen's past application and enrollment history.
- b. The ECC will review previous Strategic Plans and review Evergreen's tracking of various components of enrollment growth (Olympia FT, Olympia PT, resident/non-residents, Tacoma, Tribal, Graduate, Grays Harbor, lifting the 16 credit hour limit, etc.)
- c. The ECC will analyze changes to revised population forecasts and in changes in participation rates and enrollment patterns at the college.
- d. The ECC will analyze prospective student interests and enrollment patterns by program for state, national and alignment with TESC curriculum.
- e. The ECC will review the relationship of student mix to tuition revenues and the relationship of enrollment growth with the Seminar II building and Library remodeling projects.
- f. The ECC will review various materials concerning state enrollment policy including the HECB master plan, employment forecasts, CC/4yr. Attendance patterns.
- g. The ECC will review the historical information concerning student/faculty ratio analysis to understand the relationship of enrollment growth with faculty and staff workload.
- h. The ECC will gather information from faculty and others to understand the relationship of historical and potential future enrollment growth with our ability to deliver a uniquely Evergreen curriculum (i.e., team taught interdisciplinary 8 & 16 credit programs.)
- i. The ECC will review the historical information concerning the faculty hiring plan to understand the relationship of enrollment growth with faculty hiring.
- j. The ECC will review the history of Summer Session and the more recent Extended Education Feasibility prepared by the Extended Education Committee to more fully understand non-state subsidized forms of enrollment growth.

2. **Using Data Gathered.** The ECC will need to develop and share a set of principles that will guide its work.

3. **Determining Curricular Implications.** The ECC will need to determine how different enrollment growth options impact the shape and delivery of the curriculum (e.g. full-time programs vs. 4-credit classes).

4. **Consult With The Community.** As ECC develops various options they will consult directly with those that have expertise in the areas being examined and will provide regular updates to the CBC, faculty and other members of the campus community on the progress of their work. The ECC will need to work with the provost to ascertain which aspects (if any) of each enrollment growth option require faculty approval (e.g., required changes to the faculty handbook). ECC will need to work with the budget office and divisional budget coordinators to provide fiscal analysis of options under consideration.

5. Develop Policy Options. Focusing on growth to 5,000FTE and based on the information described above, the ECC will develop set of at least three viable scenarios for long-term enrollment growth directions containing variations in the following broad categories:

- Full-Time/Part-Time Student Mix
- Lower/Upper/Graduate Student Mix
- Resident/Non-Resident Student Mix
- Residential/Commuter Student Mix
- Olympia Campus/Off-Campus Student Mix
- Daytime/Evening & Weekend Student Mix
- Team Taught 8 & 16 Credit Program/4-Credit Class Mix
- Incremental Growth/Accelerated Growth

These scenarios will be developed in the context of integrating curriculum planning parameters and include an analysis of revenue and costs associated with each.

6. Finalize Recommendations. The ECC will be make a strategic enrollment growth plan recommendation to the President that defines a preferred overall student mix once we reach 5,000 total student FTE state funded enrollments. In formulating their final recommendations for the president the ECC will consult broadly with the campus community.

Financial Futures Group (FFG)

Goal: Build a strategic revenue enhancement plan to strengthen, support and institutionalize efforts to cultivate, diversity and further develop robust college funding structures.

Charge: The Financial Futures Group will carry out the commitments made during the 2002-03 budget planning process including the development of projects to yield \$400,000 in new net revenue or cost savings strategies by 2004-05. The Financial Futures Group will also develop a long-term vision of a realistic integrated campus revenue enhancement program and to formulate strategies to further coordinate and institutionalize efforts to improve college funding structures within the context of Evergreen's capabilities and values.

Membership: The Provost and Vice Presidents, Anna Kircher, Bill Zaugg, Mike Segawa, Petra Carver and Steve Trotter. In addition, I will appoint two students to join this committee.

I have asked Frank McGovern to chair the FFG and to coordinate the overall process.

Timeline and Tasks:

Phase one: To be completed by December 1, 2003

1. The Vice Presidents will be responsible for monitoring progress on Financial Futures Group projects approved last year.
2. The Financial Futures Group will revisit the many revenue or expense reductions ideas submitted last year that were not included in short-list submitted to CBC last year.
3. The Financial Futures Group will provide the CBC with business plans for new revenues streams or produce costs-savings amounting to \$400,000 for the 2004-05 fiscal year.

Phase two: To be completed by March 2004 {tentative}

1. Gather Data

- a. The Financial Futures Group (FFG) will examine revenue raising possibilities regarding TESC's physical assets in consultation with the college Space Management and Campus Land Use committees.
- b. The Financial Futures Group will examine the revenue raising potential of the Extended Education Feasibility study prepared by the Extended Education Committee.
- c. The Financial Futures Group will examine revenue raising ideas from the Conference Services and Campus Life workgroups.

- d. The Vice President for College Advancement will further refine efforts to cultivate a major donor base to build the needed financial structure for future possible Comprehensive Campaign effort.
 - e. The Vice President for Finance and Administration will work to develop a rational charge-back expectation for Auxiliary Enterprises with a focus on financial stability.
 - f. The Vice President for Finance and Administration will complete a new long-range strategic plan for the food service operation that will guide negotiations for a new food services contract that will go into effect beginning next September. This plan will address both the operation and facilities aspects of our food services operation and will be particularly focused on long-term financial stability.
 - g. Business Services and Budget Offices will continue to improve college financial and budget management reporting systems.
2. **Using Data Gathered.** The FFG will need to develop a set of guiding principles to provide council to the CBC on strategic revenue enhancement directions.
 3. **Consult With The Community.** Throughout the process CBC will consult extensively with the campus community. As FFG develops various options and strategies for the CBC they will consult directly with those that have expertise in the areas being examined including external experts in the field. In formulating their final recommendations for the president the CBC will consult broadly with the campus community.
 4. **Finalize Recommendations.** The CBC will be responsible for making a strategic revenue enhancement plan recommendation to the president that defines a long-term integrated vision and direction to guide future work to operationalize the plan.
 5. **Final Approval.** Taking the CBC report into consideration, the president will make a final recommendation to the Board of Trustees regarding a strategic revenue enhancement plan. The Board of Trustees has final responsibility to establish college policy concerning long-term strategic directions.