

MEMORANDUM

DATE: December 16, 2002

TO: Management Group

FROM: Thomas L. Purce, President

SUBJECT: Work plans

Thank you for your participation in the Management Group meetings this quarter. As we have discussed, I am now formally charging four groups to carry forward the work we've begun this fall and to involve the rest of the college that work. The four groups are the , the Core Values group, the Financial Futures group, College Budget Council and the Communications group.

Taken together, these efforts have two overarching goals:

1. To provide to the president a recommendation for a budget for 2003-2005 biennium – a recommendation that makes the most of our resources and allows us to continue our educational mission in a way that reflects our core values. Ultimately, it will be my responsibility to present a plan to the Board of Trustees for their approval.
2. To begin a long-term process of taking greater control over our financial resources by developing a process and set of skills to identify opportunities to increase our revenues and reduce our expenses while remaining true to our mission and values.

In addition, we discussed at our retreat the need for better communication and more clarity in decision-making. Our present work provides an opportunity for us to work thoughtfully together on these issues.

I. Core Values

Purpose:

To ensure that we continue to use our core values as shared principles to guide our work together.

Composition:

Steve Hunter, Phyllis Lane and Tom Womeldorff will continue to this work. In addition, the others who joined this group at our November 6 meeting will continue to participate in the work of this group.

Functions:

This group will work to make two written recommendations:

1. Recommend a short list of questions that the College Budget Council (CBC) and the Financial Futures Group will refer to during their deliberations. Those groups will use these questions to test their recommendations against our values and will be expected to report on how our core values inform the options they recommend. The Core Values group will report on this work at the December 18 Management meeting.
2. Recommend some steps to ensure that new members of the college community – faculty, staff and students – are exposed to the college's values in a thoughtful way. The orientations we provide for new faculty, staff and students already give some attention to this work, but it would be useful to define steps to improve these efforts. I would ask that the Core Values group share their recommendations with the Management Group by the end of January.

II. Financial Futures Group**Purpose:**

To design plans to improve our financial position by creating new revenue or reducing expenses through improved efficiencies.

Composition:

Don Bantz, Anna Kircher, Frank McGovern and Enrique Riveros-Schäfer will continue to serve on this group. Art Costantino and Ann Daley have also joined this effort. In addition, I am asking Petra Carver and Mike Segawa to join this committee. Steve Trotter will serve on the committee in an advisory capacity.

Functions:

1. The group will identify any plans that should be implemented almost immediately, before the 2003-2005 biennium, and require minimal campus consultation. The Financial Futures Group will present those plans to the Senior Staff.
2. The group will recommend to the College Budget Council a set of business plans that could create new revenue or produce cost savings in the 2003-2005 biennium.
3. Finally, the group will recommend to Senior Staff a set of revenue-generating and cost-saving ideas to be further developed for future biennia.

The work of the Financial Futures Group will be central to gaining greater control over our funding. The Vice Presidents and I are committed to providing the resources to allow this group to be successful. The group should notify Senior Staff if it identifies resources needed to develop through business plans. I assume that many of the plans for generating new revenue or producing cost savings will require resources for start-up and implementation. The Vice

Presidents and I will be responsible for developing a strategy to provide one-time funding for such projects.

Tasks and Timeline

Phase One: To be completed by February 1

1. Solicit ideas from the community.
2. Share the list of ideas with the community and collect comments.
3. Select the a set of promising ideas. Develop specific business plans analyzing costs, benefits, effect on mission.
4. Share these analyses with the community and collect feedback.
5. Forward recommendations to the College Budget Council.

Phase Two: To be completed by June 1

6. Forward recommendations for longer-term ideas to the Senior Staff.

III. College Budget Council

Purpose:

To develop policy options to balance the college's budget for the 2003-2005 biennium by enhancing revenues (through new revenues or tuition and fee increases) and/or reducing expenses (through cost-saving efficiencies and budget reductions), and to present a final recommendation to the president.

Composition:

We have talked extensively about various models for constituting this group, including models based on hierarchy, on expertise, and on the equitable representation of various groups and constituencies. I have heard general agreement that the group should be reasonably sized so that it can carry out this work in a timely fashion.

In addition to those who normally work with me on budget matters (the Vice Presidents, the Budget Coordinators, the Budget Dean and the Executive Director of Operational Planning and Budget), I am asking Lee Lyttle to continue working on with this group. I will also ask the Agenda Committee's budget liaison to formally join this group, and I will appoint two students and a member of the classified staff to join the group as well. Finally, I will make three additional appointments from nominations provided by the Core Values group, the Financial Futures Group and the Communications Group. I am confident that the members of this group will approach 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.

Functions:

The College Budget Council (CBC) will coordinate the work necessary to prepare a recommendation for the president. This process has several elements:

1. *Collect data*
 - a. The Core Values group is charged with providing the CBC with a set of questions to help test options and recommendations against the college's values.
 - b. The Vice Presidents and I will identify a very short list of unavoidable new costs for the 2003-2005 biennium and will determine what sources of current financial flexibility can be carried forward to soften the impact of any necessary budget reductions.
 - c. The Financial Futures group will provide the CBC with business plans that may create new revenue or produce cost-saving efficiencies.
 - d. From sources external to the college, the CBC will be responsible for estimating the size of possible budget reductions, enrollment changes, and tuition increases that may be authorized by the legislature.
2. *Set parameters.* Using the data gathered, the CBC will need to develop a set of principles and instructions for the Vice Presidents, which they will use to provide the CBC with budget reduction options.
3. *Consult with the community.* Throughout the process the CBC will consult extensively 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 who 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, combining new revenue possibilities, cost-saving efficiencies, budget reductions and tuition and fee increases. The CBC should clearly address how the college's core values are expressed by each option under consideration.
5. *Provide a recommendation for the President.* Ultimately, it is my responsibility to make a recommendation to the Board of Trustees. I will rely extensively on the CBC's guidance in formulating my recommendation.

Tasks and Timeline

Phase One: To be completed by February 1

1. From the Core Values group, collect a set of questions to keep values in mind.
2. From the Vice Presidents, identify unavoidable new costs
3. From the Vice Presidents, identify sources of current financial flexibility and carry-forward options.
4. From the Financial Futures group, select plans that may increase revenue, realize efficiencies.

Phase Two: To be completed by May 1 (tentatively)

5. From sources external to the college, estimate the size of possible budget reductions, enrollment changes, and tuition increases.
6. Forward a recommendation to the President

IV. Communications

Purpose:

To develop ways to share information with the campus and to foster a dialogue on issues important to the Evergreen community.

Composition:

Kate Brown, Edie Harding, Lee Hoemann were joined at the November 6 Management Group meeting by Rita Pougiales, Wyatt Cates, Steve Huntsberry and Mary Ann Steele. I have asked Kate and Edie to co-chair the group. Art Costantino, Steve Hunter and a representative from Institutional Research will also join the group.

In addition, I have asked Steve Trotter to work with the Budget Coordinators to develop the "Budget 101" materials explaining current revenue and expenditures.

Functions:

The Communications Group will set short-term and long-term priorities for addressing communication that will include the following:

1. Arrange a series of campus-wide meetings on topics of general interest, to be decided by the committee.
2. Explore means of disseminating information and fostering dialogue, including: a web site newsletters, campus television broadcasts, and other ideas.
3. Work with the other groups to ensure that clear, timely and accurate information is available to the campus.
4. Over time, develop assessments to evaluate the effectiveness of our communication.