

**Western Washington University**  
**Board of Trustees**  
**Agenda**  
**Friday, February 3, 2006**

**Location:** Old Main 340  
**Time:** 8:00 a.m.

**I. Call to Order**

**II. Executive Session may be held for purposes authorized in RCW 42.30.110**

**III. Reports**

**A. Board Chair Report**

- Resolution 2006-01 Recognizing the Service of Board Member Betty Woods

**B. University President Reports**

1. Recognition of Faculty and Staff
  - Paul Mueller, Risk Manager
  - Dr. Zite Hutton, Professor, Accounting
2. Legislative Report  
Robert Frazier, Vice President for External Affairs
3. Academic Instructional Center Update  
Dr. George Pierce, Vice President for Business & Financial Affairs
4. Steve Reynolds, Chairman/President/CEO, Puget Sound Energy

**C. Special Reports**

1. Internal Controls Update  
Dr. George Pierce, Vice President for Business & Financial Affairs
2. Academic Presentation - Accountability  
Dr. Andrew Bodman, Provost & Vice President for Academic Affairs
3. Strategic Planning  
Dr. Andrew Bodman, Provost & VP for Academic Affairs  
Dr. Jeff Newcomer, Professor, Engineering Technology

- D. Governance Reports
  - 1. Faculty Senate
  - 2. Associated Students

#### **IV. Action Items**

- A. Consent Items:
  - Approval of the Minutes of the December 9, 2005 Meeting of the Board
  - Approval of Winter Quarter Degrees
  - Approval of Revised Sehome Hill Arboretum Inter-local Agreement
  - Delegation of Authority to Award Construction Contract for Classroom Mediation Project, PW 506
  - Construction Contract for the Renovation of Higginson Hall, PW 464
  - Delegation of Authority to Award Construction Contract for New Tennis Courts, PW 497
- B. 2006-07 Operating Budget  
Paula Rustan, Executive Director of Planning & Budgeting
- C. Resolution 2006-02: Housing and Dining System Revenue Bonds, Series 2006  
Dr. George Pierce, VP for Business & Financial Affairs  
Dr. Eileen Coughlin, VP for Student Affairs

#### **V. Information Items**

- A. Alumni Relations Report
- B. Development Report
- C. External Affairs Report
- D. Capital Projects Status Report
- E. Mid-Year Housing & Dining Report
- F. Annual University Police Report
- G. Quarterly Report on Grants & Contracts

**VI. Date for Next Regular Meeting: Friday, April 14, 2006**

**VII. Adjournment**

**Board of Trustees will hold a Working Session, 1:30 – 4:30 p.m. in OM 340.**

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**WESTERN WASHINGTON UNIVERSITY  
BOARD OF TRUSTEES  
MINUTES  
February 3, 2006**

**I. CALL TO ORDER**

Chair John Warner called the regular meeting of the Board of Trustees of Western Washington University to order at 8:02 a.m., February 3, 2006, in Old Main 340, Bellingham, Washington.

Warner welcomed new Trustee Howard Lincoln to the board.

**Board of Trustees**

Howard Lincoln  
Dennis Madsen  
Stacy Pederson  
Kevin Raymond, Vice Chair  
Phil Sharpe, Secretary  
John Warner, Chair  
Grace Yuan  
Peggy Zoro

**Western Washington University**

Karen W. Morse, President  
Andrew Bodman, Provost and Vice President for Academic Affairs  
Wendy Bohlke, Assistant Attorney General  
Stephanie Bowers, Vice President for University Advancement  
Eileen Coughlin, Vice President for Student Affairs and Academic Support Services  
Bob Frazier, Vice President for External Affairs  
Shannon Hutchinson, Associated Students President  
Bill Lyne, Faculty Senate President  
George Pierce, Vice President for Business and Financial Affairs  
Elizabeth Sipes, Secretary to the Board of Trustees  
Barbara Stoneberg, Assistant Secretary to the Board of Trustees

**II. EXECUTIVE SESSION**

At 8:03 a.m. Chair Warner announced that the Board would convene in Executive Session for approximately one hour to discuss personnel matters.

The Board returned to open meeting at 9:00 a.m. with no action to report.

**III. BOARD OF TRUSTEES**

**A. Board Chair Report**

Warner announced that the Board would hold an additional Executive Session after lunch. He also noted that Past Trustee Betty Woods and her husband Don Lockwood would join the Board during lunch.

Chair Warner read Resolution No. 2006-03 Welcoming Trustee Howard Lincoln.

**RESOLUTION NO. 2006-03**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF  
WESTERN WASHINGTON UNIVERSITY  
WELCOMING TRUSTEE HOWARD LINCOLN**

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

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

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

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

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

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

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

NOW, THEREFORE BE IT RESOLVED, that the Board of Trustees of Western Washington University officially extends hearty congratulations and a warm welcome to Howard Lincoln as he begins his term on the Board.

MOTION 2-1-2006

Grace Yuan moved that the Board of Trustees of Western Washington University adopt Resolution No. 2006-03 Welcoming Trustee Howard Lincoln.

The motion passed unanimously.

## **A. University President's Reports**

### **1. Recognition of Faculty and Staff**

#### Paul Mueller, Risk Manager, Environmental Health and Safety

The Board recognized Paul Mueller, Risk Manager, for his Outstanding Risk Reduction Commitment and Achievement (ORCA) award from the Risk Management Division of the Office of Financial Management. Trustee Zoro presented Mueller with a Certificate of Recognition. Mueller thanked the Board for the honor and said that he appreciates Western's commitment to mitigating risk. Mueller also recognized the great team he works with.

#### Zite Hutton, Professor of Accounting

The Board recognized Zite Hutton, Professor of Accounting, for the "2005 Outstanding Accounting Educator for Washington State" award she received from the Washington Society of Certified Public Accountants. Trustee Sharpe presented Hutton with a Certificate of Recognition. Hutton thanked the Board for the honor and acknowledged Dennis Murphy, Dean of the college of Business and Economics, Julie Lockhart, Department of Accounting Chair, and the faculty and students who make her work enjoyable.

### **2. Legislative Report**

Robert Frazier, Vice President for External Affairs reported on the current legislative session and highlighted the following:

Professional Technical Employees Contract - Frazier updated the Board on the status of funding the Professional Technical Employees contract. Western consulted with both the Governor's office and legislators prior to the current legislative session and it was decided that the request for funds should be made in the Governor's supplemental budget. Western is working with the legislature to see if money can be delivered more quickly. President Morse asked for assurance that would be retroactive to July. Frazier acknowledged that it would be. Chair Warner confirmed that was what the Board wants.

Lincoln Creek - Western unsuccessfully submitted a grant to purchase the Lincoln Creek property. Frazier explained that this is an important issue for the city, county and Council of Governments as Lincoln Creek sits in the middle of the Skagit Transportation District and areas served by Lynden and Ferndale.

Emergency Planning and Management - Western has requested \$250,000 to provide two additional faculty positions for the newly developed Emergency Planning and Management degree program that is scheduled to start in the fall of 2006.

Border Policy and Research Institute - An amendment has been drafted that requests \$375,000 for Western's budget for the Border Policy and Research Institute.

Waterfront Planning - Governor Gregoire has committed \$1million for waterfront planning.

Trustee Raymond noted a strong Western presence in Olympia this legislative session. President Morse commented that the university made a presentation before the Higher Education Committee and that Provost Andrew Bodman was invited to speak at two hearings on financing higher education.

### **3. Academic Instructional Center (AIC) Update**

Vice President Pierce stated that the architects on the AIC project took the concerns expressed by the Board at the December, 2005 Board meeting into consideration and incorporated their suggestions into the revised plan. Gil Aiken, AIC project manager introduced architects Greg Stack of Northwest Architectural Company and Jim Kalvelage of Opsis Architecture.

Kalvelage said that the amount of champagne colored panels on the exterior was a concern. He said that the new design's use of warmer materials on the interior would mitigate some of the cool, industrial look of the concrete.

He noted that some of the issues raised were due to the poor quality of the computer graphics. The drawings were upgraded to more accurately illustrate what the shadow and depth would actually be.

Kalvelage explained that the current design has the infill material as glass with limited use of the champagne metal material. Taking into account the feedback, the elevation would be enhanced if a darker metal panel was used at the base limiting the amount of exposed concrete. The cedar siding that is on the north side of the building will be wrapped around the south elevation, providing more warmth and creating the appearance of additional layers to the elevation.

Comments regarding the amount of concrete used in the interior were taken into account. A fir wood will be used on the interior doors. The ceiling will be wood with acoustic treatment for absorption. The carpet will be a warm gold and green color. On the second floor, adjustments were made to wrap fir around the concrete columns, which introduces a human scale and warmth, and handrails have been changed from a perforated metal to a glass.

Trustee Yuan thanked the architects for responding to the prior concerns and said that the new design is a great improvement. Chair Warner agreed.

**At 9:37 a.m. Chair Warner announced a short break and the meeting reconvened at 9:47 a.m.**

## **B. Special Reports**

### **1. Internal Controls Update**

Vice President Pierce updated the Board on internal controls. He provided a written report that provided history on internal controls that have been implemented, information on areas presently being reviewed, and a preliminary timeline for accomplishing the major tasks. He said that much progress has been made in addressing internal control goals. He stated that an internal control plan with projected timeline has been developed; a high level risk assessment was completed to determine the most critical internal control concerns; cash control policies and procedures were promulgated throughout the university; and follow-up training and departmental consultation has begun.

Pierce said that as the comprehensive plan unfolds, risk assessments in other areas of the university would be conducted, including investments, inventory, fixed assets, grants, debt, and payroll. The on-going nature of the internal control system provides follow-up on identified control weakness areas and assurance that recommended controls have been implemented and are effective.

Pierce said that goals for the immediate future include development of alternative methods for training, integrating internal control policies into a comprehensive process and organizational structure, and initiating Enterprise Risk Management in cooperation with the Risk Manager and external auditors, KPMG.

Chair Warner asked why the implementation of the purchasing and payment processes is estimated to be 1- ½ years. Mary Carlson, Assistant Vice President for Business and Financial Affairs, stated that cash handling is the university's highest priority, however, due to multiple processes available for purchasing, the implementation will take longer.

Trustee Zoro said that great progress has been made and that she is confident that progress will continue moving forward. She thanked the audit committee for the extra attention being paid to this important issue.

## **2. Academic Presentation: Accountability**

Provost Bodman gave an update on accountability measures that the university will report to the Higher Education Coordinating Board (HECB) and to the Office of Financial Management (OFM). Bodman said that institutions are negotiating with OFM and HECB with regards to the overall set of measures being used and are appealing for a single, manageable group of accountability measures.

The Office of Financial Management requires the university to report on the following new measures that were introduced in the 2005 session. The university is not required to report these measures until October 2006 with the targets set for each measure in 2010 - 2011:

- Percentage of undergraduate degree recipients who graduate within 125% of the credits required for degree.
- Percentage of total undergraduate degrees awarded to Pell Grant recipients.
- Freshman retention rates.
- Number of programs receiving national accreditation (regional universities only).
- Job placement or graduate school acceptance rates.

The following measures are reported by research universities only. However, because Western ranks 9<sup>th</sup> in the country among public comprehensives in its funding for science and technology from the National Science Foundation, the university intends to report these measures to OFM:

- Number of programs ranked in the top twenty nationally
- National ranking for federal research grants

There are two sets of measures that are reported to HECB with targets set for 2006 - 2007. The HECB master plan has redefined the goals for higher education, putting an emphasis on increasing baccalaureate degree production and increasing the responsiveness and performance of higher education institutions with respect to economic development in the state.

- Number of degrees awarded by type.
- Number of bachelor's degrees awarded in "high demand" fields, as defined by the HECB.
- Degrees awarded, per enrolled FTEs. (Not currently reported because the HECB is trying to establish a reasonable base metric for it.)
- Six year graduation rates for first-time, full-time freshmen.
- Three year graduation rates for transfers.
- Graduation efficiency index.

The university has several institution-specific HECB measures that are reported:

- Proportion of students involved in research, scholarly and creative activity.
- Six year graduation rate for students from under-represented groups.
- Aggregate percent of financial aid met.

- Persistence rates for community college transfers with 45 – 90 hours of credit.
- Pass rates on national licensure and professional exams.

Bodman briefed the Trustees on the targets that have been determined and the target rationale.

He said that because Western is such a high achieving institution, it will be difficult for the university to see considerable areas of growth. Bodman suggested that the six-year graduation rate for students from under-represented groups will be one area that will see significant growth, but that is the only indicator where a sharp trend upward will be seen.

Trustee Yuan remarked that it will be a challenge to meet the current goal for aggregate percent of financial aid met due to the new federal government budget, which she believes harms a student's opportunity to access higher education. Bodman agreed with Yuan's assessment stating that the university targets in that area were set prior to the release of the federal budget.

Trustee Yuan suggested that an incentive based program be established to encourage institutions to set aggressive goals that are rewarded if they are met rather than setting goals that are low due to a concern they will be penalized for not meeting them.

### 3. Strategic Planning

Provost Bodman introduced Dr. Jeff Newcomer, professor of Engineering Technology, and co-chair of the Strategic Planning Committee.

Newcomer updated the Board on the current draft of Western's Strategic Plan. The purpose of the briefing was to provide the Board with an opportunity to share their views on the draft document. He reminded the Board that in preparation for the project, the existing plan was reviewed by a number of groups on campus with input taken into account by the committee. The committee then assessed the strengths and weaknesses of the current plan. Newcomer provided an outline of the draft plan that includes the following:

- Vision
- Mission
- Values
- Strategic Actions
  - increase and diversify funding
  - maintain growth trajectory and improve enrollment management
  - recruit and retain high quality students
  - recruit and retain high quality faculty and staff
  - build collaborative relationships with off-campus communities
  - enhance opportunities for students to learn about and experience culturally diverse societies
  - develop and maintain campus infrastructure
  - improve communication throughout campus
  - promote the effective management of resources
- Expected Outcomes
  - To be a model for interactive learning and the active participation of students in scholarly and creative activities with opportunities to develop professional skills in the context of a liberal arts education.
  - To be a model for supporting teacher-scholars who integrate the highest quality teaching, scholarship, and creative activities.
  - To be a model for civic engagement by developing leadership, effective citizenship, and social responsibility in all members of the campus community.
  - To be a model campus community where members appreciate, honor, and celebrate people with diverse perspectives and backgrounds.
  - To be a model for environmental stewardship and sustainable practices.

Newcomer stated that the order of the strategic actions and expected outcomes is an area the committee is looking for feedback on. He explained that the committee will meet with groups on campus to capture feedback, then go back into committee, and amend the plan where appropriate.

Chair Warner asked the Trustees for feedback.

Trustee Lincoln asked that in the process of refining the Strategic Plan, the committee focus on the idea that the plan must be understood by a broad audience. Newcomer said that the audience is mostly an internal one and that the document would guide internal decision making over the next five years. President Morse reminded the Board that the document is also the basis for which the university talks about Western to legislators and that the document will be submitted to OFM and HECB.

Trustee Raymond commented that he appreciates Western's commitment to diversity and community service, and he was also pleased to see environmental stewardship and sustainable practices built into the expected outcomes.

Trustee Yuan reminded the committee that the Board uses this document as a tool for presidential evaluations. She asked the committee to consider this as it moves forward on revisions. She also requested that the committee continue to show comparisons and changes in the draft as the document evolves.

The Trustees thanked the committee for their work; appreciated the opportunity to comment and trust that their suggestions will be considered. The Board asked that the document come back for review before they take final action and acknowledges that this will revise the proposed timeline.

#### **D. Governance Reports**

##### **1. Faculty Senate**

Faculty Senate President Lyne provided a brief update on the activities of the Senate. Lyne reported that the faculty is currently voting on collective bargaining. He said the Faculty Senate will be making a presentation to the President's Planning and Resource Council, and he hopes to share that information with the Board at the April meeting.

##### **2. Associated Students**

AS President Hutchinson provided a report on the Associated Students' resolution concerning the Whatcom Transportation Authority (WTA) Bus Route Revisions. The Associated Students are continuing discussions with WTA and have requested WTA Board of Directors postpone upgrading Route 1 and develop an alternative plan that would upgrade Route 114. Hutchinson is optimistic the discussions will provide a positive outcome for the university.

#### **IV. ACTION ITEMS**

##### **A. Consent Items**

Trustee Yuan recused herself from voting on the Sehome Hill Arboretum Inter-local Agreement and the construction contract for the renovation of Higginson Hall. The Board agreed to remove the two items from the consent agenda and vote on them separately.

##### **MOTION 2-2-2006**

Grace Yuan moved that the Board of Trustees of Western Washington University, upon recommendations of the president, approve the following consent items:

- Approve the minutes of the December 9, 2005 Board of Trustees meeting.
- Approve the awarding of undergraduate and graduate degrees, upon recommendation of the faculty and subject to the completion of any unmet requirements, to the candidates listed in the files of the registrar and graduate dean, for winter quarter 2006, effective March 18, 2006.
- Authorize the president or her delegate to award contracts and execute documents for the construction of the Classroom Mediation Project.
- Authorize the president or her delegate to award contracts and execute documents for the construction of the new tennis courts.

The motion passed unanimously.



MOTION 2-3-2006

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

- Approve the revised Sehome Hill Arboretum Inter-local Agreement.
- Award a contract to Dawson Construction Inc., Bellingham, Washington, for the amount of \$6,123,000 (base bid, plus alternates #1, 3, 5, 6, and 7), for the renovation of Higginson Hall. This award is contingent on the successful sale of Housing and Dining System Revenue Bonds.

The motion passed. Trustee Yuan abstained.

### **B. 2006 – 2007 Operating Budget**

Paula Rustan, Executive Director for University Planning and Budgeting, provided an update on the university's 2006 – 2007 State Operating Budget. Rustan reminded the Board that they had approved the 2005 – 2006 Operating Budget in June 2005 and approved tuition increases for both years of the 2005 – 2007 biennium at the legislatively authorized level of 6 percent per year for undergraduate resident students, undergraduate non-resident students, and resident graduate students. No increase is planned for non-resident graduate students. Based on the Governor's recommended technical adjustments, the President is now requesting that the Board approve the 2006 – 2007 State Operating Budget.

Trustee Yuan asked Rustan to remind the Board about the Education Construction Account. Rustan summarized for the Board how the legislature replaced state general funds with Education Construction Account funds. Trustee Yuan expressed concern that the Education Construction Account is K – 12/Higher Education merged together. She suggested that it would be helpful to all institutions if it were "de-linked".

MOTION 2-4-2006

Peggy Zoro moved that the moved that the Board of Trustees of Western Washington University, on the recommendation of the president, approve a 2006 – 2007 State Operating Budget of \$108,650,983, consisting of a State Appropriations in the amount of \$62,942,000, and WWU net tuition revenue of \$45,708,983.

The motion passed unanimously.

### **C. Resolution No. 2006-02: Housing and Dining Systems Revenue Bonds, Series 2006**

Vice President Pierce recommended that the Board issue housing and dining system revenue bonds to provide funds for improvements to Higginson Hall. Trustee Yuan recused herself from voting on the resolution. Pierce said this action would delegate authority to the president to execute the sale of bonds. The proposed resolution allows for a rate that is measured by a true interest cost no greater than 5.25% with a total bond size not to exceed \$10,000,000.

MOTION 2-5-2006

Kevin Raymond moved that the Board of Trustees of Western Washington University, upon the recommendation of the President:

1. Adopt Resolution No. 2006–02 authorizing the issuance of Housing and Dining System Revenue Bonds, Series 2006:
  - a. On or before April 19, 2006
  - b. At a rate as measured by true interest cost no greater than 5.25%
  - c. For a term not to exceed twenty-one (21) years
  - d. To fund the renovation of Higginson Hall; and,
  - e. With a total bond size not to exceed \$10,000,000.
2. Authorize the President or the Vice President for Business and Financial Affairs, in accordance with authorities granted in the Bond Resolution, to:

- a. Sign the necessary documents for the execution and delivery of the bonds; and,
- b. Make other determinations relative to the bond financing as described in the Bond Resolution and summarized below.

The motion passed. Trustee Yuan abstained.

## **V. INFORMATION ITEMS**

### **A. Alumni Relations Report**

Vice President Bowers provided a written report on the university's Office of Alumni Relations. Bowers mentioned that once again this spring the Alumni Association will bring approximately 70 people to Mariners Spring Training for a luncheon and game in Phoenix.

### **B. Development Report**

Vice President Bowers provided a written report on recent activities of the Western Washington University Foundation. Trustee Madsen, Board liaison to the Western Washington University Foundation, spoke about the upcoming Seattle Business Forum which will take place on April 18, 2006 and will feature Steve Ballmer, CEO of Microsoft, as the keynote speaker.

### **C. External Affairs Report**

Vice President Frazier presented a written report on the recent activities of External Affairs.

### **D. Capital Projects Status Report**

Vice President Pierce provided the Board a written report on the status of the following capital projects:

- Academic Instructional Center
- Higginson Hall Renovation
- New Tennis Courts
- Shannon Point Marine Undergraduate Center

### **E. Mid-Year Housing and Dining Report**

Vice President Coughlin provided a programmatic and fiscal report to the Board on the university's housing and dining system. Trustee Sharpe asked for information on the results of the Motivated Strategies for Learning Questionnaire and roommate match program. Coughlin said she did not have the results with her at the meeting but would get the results to him.

### **F. Annual University Police Report**

Vice President Pierce provided a written report on the University Police Department.

### **G. Quarterly Report on Grants & Contracts**

Provost Bodman presented an update on grant awards for the period of October 1, 2005 – December 31, 2005.

**At 11:20 a.m. Chair Warner announced a short break and reconvened at 11:39 a.m.**

## **VI. UNIVERSITY PRESIDENT REPORT**

President Morse introduced Steve Reynolds, Chairman/President/CEO of Puget Sound Energy. Mr. Reynolds shared his thoughts and insights into the future of renewable energy in our state and region, and the role Puget Sound Energy will play.

Mr. Reynolds thanked the Board for the opportunity to visit the university. He said that "Puget Sound Energy is thrilled to be partners with the university in the green energy program that was driven by the students, approved by the trustees and supported by the faculty." Reynolds spoke about clean energy sources including wind generated power. He presented President Morse with a certificate congratulating Western Washington University

for its commitment in supporting environmentally-friendly renewable energy through the purchase of Green Power. President Morse accepted the certificate and said it will be placed in the Student Union.

**At 12:03 p.m. the Board adjourned for lunch.**

During the Board luncheon, President Morse thanked Woods for her service and presented her with a plaque and two gifts in appreciation of her contributions to the Board and campus community. Trustee Sharpe presented Woods with a bouquet of yellow roses.

**VII. Resolution No. 2006-01 Recognizing the Service of Board Member Betty Woods**

Trustee Pederson read Resolution No. 2006-01.

**RESOLUTION NO. 2006-01**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF  
WESTERN WASHINGTON UNIVERSITY  
RECOGNIZING THE SERVICE OF BOARD MEMBER  
BETTY WOODS**

WHEREAS, BETTY WOODS of Seattle, Washington, has served on the Western Washington University Board of Trustees from October 29, 1998 to October 31, 2004 and was reappointed to a second 6 year term effective November 1, 2004; and

WHEREAS, BETTY WOODS brought to her appointment as trustee exceptional knowledge, experience, and insight stemming from her experience as president and chief executive officer of Premera Blue Cross, and founding director of the National Institute of Health Care Management; and

WHEREAS, BETTY WOODS also brought to the University experience gained as an active member on several corporate and civic Boards, including as a member of the board of directors of Beckman Coulter, Inc., a member of the board of directors of Pacific Northwest Bank, chair of the Snohomish County Economic Development Council, a member of the board of the United Way of King County, a member of the Shoreline Community College Foundation, Eastern Washington University's President's Council, Bastyr University's Board of Trustees, and Seattle University's Board of Trustees; and

WHEREAS, BETTY WOODS as a resident of Seattle and as Chair of the Board of Trustees, 2002-2004, contributed her time to the stewardship of the University above and beyond the usual expectations for board service, and at considerable personal sacrifice; and

WHEREAS, BETTY WOODS contributed to the increased stature and the future potential of Western Washington University through her participation in numerous activities and decisions affecting the University;

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

PASSED AND APPROVED by the Board of Trustees of Western Washington University at its regular meeting on February 3, 2006.

MOTION 2-6-2006

Phil Sharpe moved that the Board of Trustees of Western Washington University adopt Resolution No. 2006-01 Recognizing the Service of Board Member Betty Woods.

The motion passed unanimously.

**At 1:35 p.m. the Board reconvened in OM 340.**

**VIII. EXECUTIVE SESSION**

At 1:35p.m. Chair Warner announced that the Board would convene in Executive Session for approximately 30 minutes to discuss personnel matters. The Board reconvened for a study session at 1:48 p.m. with no action to report.

## IX. BOARD OF TRUSTEES WORKING SESSION

President Morse began the working session by stating that this is a critical time for planning at Western. The university is currently working on revising the strategic plan, planning for a Western presence on Bellingham's waterfront and the 2008 accreditation site visit. She explained that the purpose of the study session is to lay a foundation for understanding and assessing Western's mission and strategic plans in light of the university's niche, state enrollment projections, demographic changes, and policy directions. Presentations included information about WWU's role in the state, enrollment projections, legislative actions affecting the shape of the public higher education system, and issues and challenges for the future.

President Morse asked the trustees to consider the following questions:

1. What role should Western play in meeting the state's future higher education demands, given statewide enrollment and demographic projections for higher education?
2. What are the implications for WWU and other public 4-year institutions of the following:
  - a. Decline in Fall 2006 applications.
  - b. Decline in community college enrollments that began in 2004.
  - c. Impact when lower division enrollments are added to Bothell, Tacoma, and WSU-Vancouver in 2006 – 2007.
  - d. Statewide decline in Fall 2006 applications.
  - e. Improving economic conditions (which typically lead to a decrease in enrollments).
  - f. Changing racial and ethnic composition of the state's K-12 population.
  - g. WASL requirement for graduation in 2008.
  - h. Investment by the state in higher education.
3. Given Western's commitment to diversity, how can Western position itself strategically to service the changing population in the state?

President Morse asked Vice President Coughlin to speak about Western's niche and enrollment issues. Coughlin spoke to Western's niche as a premier comprehensive university, unique among four-year institutions in its reputation for excellence in a student-centered environment.

President Morse commented on the issue of statewide enrollment projections and the sources of the data used in the projections. There are two sources of data that are based on differing assumptions: OFM assumptions, based on population growth and **current** participation rates project 18,000 new FTE students by 2009-10 while HECB assumptions, based on population growth and **increased** participation rates; project 45,000 new FTE students by 2009-10. President Morse stated that the implications of choosing one set of projections over the other would have a major impact in terms of the university's planning.

Chair Warner expressed concern over varying data from the same organization concerning current participation rates. Rustan explained that some data includes currently unfunded enrollments and that the chart presented to the Trustees does not include unfunded enrollments.

Coughlin spoke to four possible factors affecting enrollment:

- Application Trends
- Legislative Action Regarding Baccalaureate Education
- State Population Shifts
- WASL Exam

### **Application Trends**

Coughlin stated that Western has had a steady increase in applications over the past ten years. However, the current application trend across the state for all institutions is showing a decline. When researching why current application trends are showing a decline, there were no congruent responses. There was discussion on how the economy and the opportunity for employment may reduce the number of applicants. Trustee Sharpe suggested that with a decrease in the middle class income level, a decrease in financial aid

opportunities for the middle class, and an increase in tuition rates, he would not be surprised that the average middle class family cannot afford to send their children to college.

### **Legislative Action Regarding Baccalaureate Education**

Provost Bodman summarized the following recent legislative actions that may affect enrollment:

- UW-Tri Cities will offer selected lower division offerings in fields not offered at community colleges.
- UW-Tacoma and WSU-Vancouver will admit lower division students in fall 2006.
- UW-Bothell was given permission to admit lower division students in fall 2006.
- Clark College, Edmonds, Everett, and Pierce College have been authorized to offer applied bachelor's degrees on a pilot basis.
- Everett Community College is in the process of developing a plan to serve the Snohomish-Island-Skagit area.

### **State Population Shifts**

Coughlin provided the Board with an overview of the Washington State Public School K-12 enrollment comparisons that shows an increase in minority enrollment of 20.1% in the past 30 years. The Hispanic/Latino population is the fastest growing student group in the state of Washington.

### **WASL Exam**

Coughlin presented the Board with information from the Office of the Superintendent of Public Instruction (OSPI) on the Washington Assessment of Student Learning (WASL) test. Included in the information were the following types of statistics:

- Percent of 10<sup>th</sup> graders meeting WASL standards in three subjects.
- Percentage of low-income students who meet WASL standards.
- 10<sup>th</sup> grade pass rates by gender.
- Projected increases in 10<sup>th</sup> grade WASL results.
- Projected Increases in 10<sup>th</sup> grade WASL results by ethnic and racial composition.

### **Summary**

President Morse reviewed areas that could strengthen the opportunities and experiences for students who come to Western. Possible objectives included:

- Investing in Western's niche to invigorate the Western Experience.
- Partnering with K-12, to "open the pipeline" for under-represented student groups in the region and state.
- Expanding programs at Western to recruit and retain under-represented students.
- Partnering with local/state corporations to increase the investment in scholarships and general support.
- Investing in campus facilities and waterfront development to accommodate slow growth.

The Board agreed that Western should continue to grow but that it should do so carefully. Trustees emphasized the importance of protecting the university's mission to continue to provide a high quality undergraduate education with a core focus on the liberal arts. They also said that the university must assure it has the facilities that can accommodate the programs provided.

VI. DATE FOR NEXT REGULAR MEETING: Friday, April 14, 2006

V. ADJOURNMENT

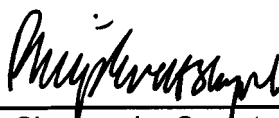
The Board adjourned at 4:00 p.m.



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John D. Warner, Chair

ATTEST:



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Philip E. Sharpe, Jr., Secretary

RESOLUTION NO. 2006-01

**A RESOLUTION OF THE BOARD OF TRUSTEES OF  
WESTERN WASHINGTON UNIVERSITY  
RECOGNIZING THE SERVICE OF BOARD MEMBER  
BETTY WOODS**

WHEREAS, BETTY WOODS of Seattle, Washington, has served on the Western Washington University Board of Trustees from October 29, 1998 to October 31, 2004 and was reappointed to a second 6 year term effective November 1, 2004; and

WHEREAS, BETTY WOODS brought to her appointment as trustee exceptional knowledge, experience, and insight stemming from her experience as president and chief executive officer of Premera Blue Cross, and founding director of the National Institute of Health Care Management; and

WHEREAS, BETTY WOODS also brought to the University experience gained as an active member on several corporate and civic boards, including as a member of the board of directors of Beckman Coulter, Inc., a member of the board of directors of Pacific Northwest Bank, chair of the Snohomish County Economic Development Council, a member of the board of the United Way of King County, a member of the Shoreline Community College Foundation, Eastern Washington University's President's Council, Bastyr University's Board of Trustees, and Seattle University's Board of Trustees; and

WHEREAS, BETTY WOODS as a resident of Seattle and as Chair of the Board of Trustees, 2002-2004, contributed her time to the stewardship of the University above and beyond the usual expectations for board service, and at considerable personal sacrifice; and

WHEREAS, BETTY WOODS contributed to the increased stature and the future potential of Western Washington University through her participation in numerous activities and decisions affecting the University;

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

PASSED AND APPROVED by the Board of Trustees of Western Washington University at its regular meeting on February 3, 2006.

  
John D. Warner, Chair

ATTEST:

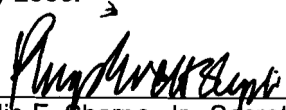
  
Philip E. Sharpe, Jr., Secretary

**SECRETARY'S CERTIFICATE**

I, the undersigned, Secretary of the Board of Trustees of Western Washington University and keeper of the records of said Board, DO HEREBY CERTIFY:

1. That the attached Resolution No. 2006-03 is a true and correct copy of a resolution of the Board finally adopted at the regular meeting thereof held on the 3<sup>rd</sup> of February 2006, and duly recorded.
2. That said meeting was duly convened and held in all respects in accordance with law and, to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Board of Trustees voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed; and that we are authorized to execute this certificate.

**IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the University this 3<sup>rd</sup> day of February 2006.**

  
Philip E. Sharpe, Jr., Secretary

ITEM SUBMITTED TO THE  
BOARD OF TRUSTEES  
WESTERN WASHINGTON UNIVERSITY

DATE: February 3, 2006

TO: Members of the Board of Trustees

SUBJECT: RESOLUTION 2006-02: HOUSING AND DINING SYSTEM  
REVENUE BONDS, SERIES 2006

SUBMITTED BY: President Morse from Vice President Pierce

EFFECTIVE DATE: February 3, 2006

PROPOSED (Recommended) ACTION: **REVISED**

MOVED that the Board of Trustees of Western Washington University, upon the recommendation of the President:

1. Adopt Resolution 2006-02 (attached) authorizing the issuance of Housing and Dining System Revenue Bonds, Series 2006:
  - a. On or before April 19, 2006
  - b. At a rate as measured by True Interest Cost no greater than 5.25%
  - c. For a term not to exceed twenty-one (21) years
  - d. To fund the renovation of Higginson Hall; and,
  - e. With a total bond size not to exceed \$10,000,000.
  
2. Authorize the President or the Vice President for Business and Financial Affairs, in accordance with authorities granted in the Bond Resolution, to:
  - a. Sign the necessary documents for the execution and deliver of the bonds; and,
  - b. Make other determinations relative to the bond financing as described in the Bond Resolution and summarized below.

SUPPORTING INFORMATION:

Included herewith: Draft Series 2006 Bond Resolution  
Summary of Financing Structure and Terms  
Overview of Master and Series Bond Resolutions



RESOLUTION NO. 2006-03

**A RESOLUTION OF THE BOARD OF TRUSTEES OF  
WESTERN WASHINGTON UNIVERSITY  
WELCOMING TRUSTEE HOWARD LINCOLN**

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

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

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

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

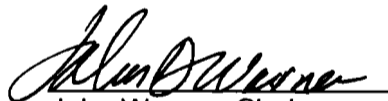
WHEREAS, Howard Lincoln earned his bachelor's degree from the University of California of Berkeley, and a law degree from the Boalt Hall, the University of California School of Law, and;

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

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

NOW, THEREFORE BE IT RESOLVED, that the Board of Trustees of Western Washington University officially extends hearty congratulations and a warm welcome to Howard Lincoln term on the Board.

PASSED AND APPROVED by the Board of Trustees of Western Washington University at its regular meeting on February 3, 2006.

  
John Warner, Chair

ATTEST:


  
Philip E. Sharpe, Jr., Secretary

**SECRETARY'S CERTIFICATE**

I, the undersigned, Secretary of the Board of Trustees of Western Washington University and keeper of the records of said Board, DO HEREBY CERTIFY:

1. That the attached Resolution No. 2006-03 is a true and correct copy of a resolution of the Board finally adopted at the regular meeting thereof held on the 3<sup>rd</sup> of February 2006, and duly recorded.
2. That said meeting was duly convened and held in all respects in accordance with law and, to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Board of Trustees voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed; and that we are authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the University this 3<sup>rd</sup> day of February 2006.

  
Philip E. Sharpe, Jr., Secretary