

Western Washington University
Board of Trustees
Agenda
April 14 and 15, 2011

THURSDAY, April 14, 2011

Location: Old Main 340
Time: 3:00 p.m.

1. **CALL TO ORDER**
3:00 – 3:05

2. **INTERNATIONAL PROGRAMS**
3:05 – 3:30 Presentation: Roger Gilman, Interim Director, Center for International Studies
3:30 – 3:45 Discussion

3. **REBASING THE BUDGETING FOR THE 2011-2013 BIENNIUM**
3:45 – 4:15 Presentation: Bruce Shepard, President
Paula Gilman, Executive Director, University Planning and Budgeting
4:15 – 4:40 Discussion

4. **EXECUTIVE SESSION MAY BE HELD FOR PURPOSES AUTHORIZED IN RCW 42.30.110**
4:40 – 5:00

FRIDAY, April 15, 2011

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

1. **CALL TO ORDER, APPROVAL OF MINUTES**
8:00 – 8:05
 - Board of Trustees Meeting, February 10 and 11, 2011

2. **RECOGNITIONS AND INTRODUCTIONS**
8:05 – 8:20
 - Robert Mitchell, Geology – Digges Professorship
 - Ryan Brown – NCAA Division II National Champion in Indoor Pole Vault
 - Paul Madison, Sports Information Director – College Sports Information Directors of America Hall of Fame

EXECUTIVE COMMENTS

3. **BOARD CHAIR REPORT**
8:20 – 8:30

4. **UNIVERSITY PRESIDENT**
8:30 – 8:40

5. **ASSOCIATED STUDENTS**
8:40 – 8:50
 - Associated Students Strategic Plan

6. **FACULTY SENATE**
8:50 – 9:00
 - Information Item: Constitution Bylaw Amendments

ACTION ITEMS

7. **CONSENT ITEMS**
9:00 – 9:10
 - Delegation of Authority to Award Construction Contract for Residential Wireless Implementation (PW 638)
 - Delegation of Authority to Award Construction Contract for Completion of Buchanan Towers Addition (PW 640)
 - Construction Contract for Ridgeway Beta Renovation (PW 631)

8. **AWARDING AN HONORARY DEGREE**
9:10 – 9:15 Presentation: Bruce Shepard, President
9:15 – 9:25 Discussion

9. **APPROVAL OF HOUSING AND DINING RATES**
9:25 – 9:35 Presentation: Eileen Coughlin, Vice President for Student Affairs
Willy Hart, Director, University Residences and Dining Services
9:35 – 9:45 Discussion

10. **APPROVAL OF AMENDMENTS TO INTERNAL AUDIT POLICY AND PROCEDURE**
9:45 – 9:50 Presentation: Peggy Zoro, Chair, Audit Committee
9:50 – 10:00 Discussion

BREAK 10 to 10:15 a.m.

DISCUSSION ITEMS

11. **CAMPAIGN UPDATE**
10:15 – 10:25 Presentation: Stephanie Bowers, Vice President for University Advancement
10:25 – 10:35 Discussion
 - Discussion Regarding Policy U6000.02 Naming University Facilities

12. **2011-2013 CAPITAL BUDGET REQUEST UPDATE**
10:35 – 10:40 Presentation: Rich Van Den Hul, Vice President for Business and Financial Affairs
10:40 – 10:50 Discussion

13. **OLYMPIA UPDATE**
10:50 – 11:05 Presentation: Steve Swan, Vice President for University Relations
Sherry Burkey, Associate Vice President for University Relations
11:05 – 11:20 Discussion

REPORTS

14. **AUDIT COMMITTEE REPORT**
11:20 – 11:30 Presentation: Peggy Zoro, Chair, Audit Committee
11:30 – 11:35 Discussion

15. **INFORMATION ITEMS**
11:35 – 11:45 Presentation:
11:45 – 11:55 Discussion
 - Admissions and Enrollment Summary
 - Alumni Association Report
 - Capital Program Report
 - Development Report
 - Quarterly Grant Report
 - University Relations Report

16. **DATE FOR NEXT REGULAR MEETING: June 9, 10, 2011**

17. **ADJOURNMENT 12 p.m.**

18. **LUNCH**

Academic Presentation: Highlights from the College of Fine and Performing Arts
Featuring: Jeffrey Gilliam, Professor of Music; Deborah Currier, Chair of Theatre and Dance; and Theatre Student Award Recipients

**WESTERN WASHINGTON UNIVERSITY
BOARD OF TRUSTEES
MINUTES
April 14, 2011**

1. CALL TO ORDER

Chair Dennis Madsen called the regular meeting of the Board of Trustees of Western Washington University to order at 3 p.m., April 14, 2011, in Old Main 340, Bellingham, Washington.

Chair Madsen thanked everyone who went to Olympia to meet with legislators to try to preserve Western's resources; their effort is making a difference. The cuts to Western are not as large as they might be, although as he noted, the legislative session is not over. Madsen said that there are many difficult choices to be made during these challenging times, but Western is going to come out a stronger institution.

Board of Trustees

Ramiro Espinoza
Betti Fujikado, Secretary
Karen Lee
Dennis Madsen, Chair
Ralph Munro, Vice Chair
Phil Sharpe
Dick Thompson
Peggy Zoro

Western Washington University

Bruce Shepard, President
Suzanne Baker, Interim Secretary to the Board of Trustees
Stephanie Bowers, Vice President for University Advancement
Paul Cocke, Director, University Communications
Eileen Coughlin, Vice President for Student Affairs and Academic Support Services
Paul Dunn, Senior Executive Assistant to the President
Paula Gilman, Executive Director of Planning & Budgeting
Scott Pearce, President, Faculty Senate
Catherine Riordan, Provost and Vice President for Academic Affairs
Liz Sipes, Secretary to the Board of Trustees
Steve Swan, Vice President for University Relations
Richard Van Den Hul, Vice President for Business and Financial Affairs
Colin Watrin, President, Associated Students
Lisa Wochos, Assistant Attorney General

2. INTERNATIONAL PROGRAMS

President Shepard said that in his listening sessions around Western's campus, he learned that International Programs was underdeveloped and that people wanted to see a stronger program. To stimulate additional discussion, a White Paper about the strategic future for international initiatives was developed. Shepard said that in Western's partnership in the North West Education Consortium (NWECC), one of the top priorities is collaboration on international education. He noted Western's new Strategic Plan states that our vision is to help strengthen the state of Washington to become globally competitive and globally aware.

Dr. Roger Gilman, Interim Director, Center for International Studies and Dean of Fairhaven College, said that over 200 people commented on the White Paper which resulted in five new priorities for international initiatives: Curriculum Objectives, International Experiences, Implementation of Programs, International Students and Faculty, and Funding. There were also many suggestions on ways to accomplish these initiatives.

Gilman noted that as part of the Curriculum Objectives initiative a new Minor in International Studies was implemented. The minor includes a general education class in global studies, learning a second language, and Study Abroad requirements. Learning a second language provides the skills necessary for global employment and global citizenship. The Study Abroad programs reinforces the language learning by providing an opportunity to travel to a different country to use the second language.

Gilman led a team of faculty and students presenters, who provided an overview of International Studies and International Programs at WWU:

- Paul Storer, Professor in the Economics Department and the Center for Canadian-American Studies, spoke on the role the center plays in International Studies. The center serves to connect faculty and students who have an interest in Canada. Western offers approximately 12 courses focused exclusively on Canada and numerous other courses with a component that relates to Canada. The center's mission is to inform and foster the development of the broader community and also works closely with the Border Policy Research Institute to study cross border trade, migration, and environmental issues.
- Richard Bruce, International Programs and Exchanges, talked about the international community at Western. This fall quarter Western had 256 international students from 36 countries, making up 1-2% of the entire student body. International students are both degree-seeking and non-degree seeking. Non-degree seeking international students enroll in one of three self-supporting English language and cultural orientation programs: The Asia University America Program, The Korea University Cultural Program, and The Intensive English Program. Bruce noted that in addition to the international students, Western currently has 26 international faculty and visiting scholars from 15 different countries.
- Larry Estrada, Director of American Cultural Studies, with the help of International Studies Programs, developed a Study Abroad course to help students broaden their knowledge and experience of the Caribbean region. The course has a strong Spanish language component and a strong service learning component to help the students understand the culture, etc. The Fairhaven 337 students traveled to the Dominican Republic. Since returning, Estrada noted that many of the students have maintained their connections with the people and leaders they met, and networks they made.
- Fairhaven 337 students Ariel Morgan, Emily Carlquist, and Elian Carbone presented on their individual experiences in the Dominican Republic.

3. REBASING THE BUDGET FOR THE 2011-2013 BIENNIUM

Bruce Shepard opened discussion about rebasing Western's Budget by presenting his PowerPoint ***Rebasing for FY 2011-13***. He said many decisions will be made based upon the predictions we make about Western's future. Shepard said we would be talking about the budget, vision and priorities at the state level, and courage at the local level to help make the decisions that are right for the long run.

Shepard began his discussion at the State level with vision and priorities. He noted that the State spending and revenue relative to the state's economy (measured by personal income) has been declining over the decade; the citizen's tax burden has been dropping. Shepard noted that as indicated in the State's General Fund, support for higher education is not a top priority and no significant improvement is expected in the future. He also noted that state support for Western is way below average and we have been underfunded for at least a decade. With the governor's proposed budget it gets worse. With the House and Senate budgets it's brought back to the historical gap, which adds up to Western's shortfall of approximately \$14M. Shepard said we are a long way from an actual budget. The proposed 2011-13 Governor's, House, and Senate budgets indicate large tuition increases and larger cuts, and a net cut to Western which ranges from \$9M to \$19M. The final numbers could be outside this range.

Shepard said in planning Western's future, we must consider the proposed budget reductions as well as the budget cuts that have already occurred. Shepard said a net reduction of \$24M for 2009-11 is now being implemented at Western.

Shepard said our strategies for the future need to be based upon an accurate view of the opportunities and threats facing Western. What are the assumptions that we should build upon for our strategies? Shepard said we should not assume that when the state's rainy day fund is replenished, state support for higher education will increase. Today's level of state support could be the "new normal." There are many options facing Western under the "new normal"—become elite serving; offer smaller, less costly programs; or become a mediocre regional university, i.e. time to degree increases, more reliance on adjunct professors, graduation rates decrease, and undergraduate collaboration with outstanding faculty vanishes. Each option negates the Western Vision or the Western Promise, or both. Shepard said another option is "Rebasing." Assuming that state support does not increase, we adjust to the programs we can support on that new base budget and phase out programs that we cannot. Rebasing would be strategically driven by

Western's Vision and Promise. What we continue to do, we will do well. Western will offer high quality courses at an exceptional value. This strategy will place Western in a good position for future reinvestment should state support increase.

Shepard said the difficult decisions made during the rebasing process will affect our entire campus community. He noted that under the governor's proposed budget, the net cut is equal to the entire budgets of 3 of our 7 colleges, the salaries of 20% of our faculty and all academic and student support services. The average of the House and Senate budgets the net cut is equal to the budgets of 2 of our 7 colleges, the salaries of 12% of our faculty and all building and grounds maintenance, repairs, heating and cleaning. Shepard said that rebasing needs to be done thoughtfully, carefully, and with the engagement of the campus. A preliminary rebasing process has begun and several options have been developed and scrutinized. When the final budget from Olympia is received, the entire campus must be involved in the decisions.

Shepard said that rebasing is the only acceptable option. It does not abandon Western's Vision and Promise.

In discussion with the Trustees, Shepard said that Western has worked hard to develop a bottom-up, transparent process for budgeting and planning. However, you cannot "bottom-up" to decide program eliminations. Discussions on rebasing and program elimination have been happening in a fairly restricted group of people. It will eventually be shared with the entire campus.

The Trustees expressed their concern that with the possible increase in tuition, Western will become unaffordable for most students and therefore become elite serving. We need to think about who are the students that we want to serve. Can we maintain accessibility for the At-Risk students? The Trustees are also concerned about the difficulty to constantly maintain the high quality without additional resources. There is the risk of becoming mediocre. Western needs to think about ways to increase revenue and ways the upcoming Comprehensive Campaign could factor in. They would like to see more detail on how the rebasing will protect Western's core strengths.

Rebasing is being looked at by all areas of the university. The Associated Students are cutting programs and reinvesting the resources in other programs. Dr. Eileen Coughlin, Vice President for Student Affairs and Academic Support Services, noted that one outcome of the rebasing is that time to degree may be faster, which would offset some of the increased cost of tuition.

Shepard said that in Fall Quarter, there will be a comprehensive review of all graduate programs. Graduate programs that are weaker will be phased out. Those resources will be reinvested in the quality of the remaining graduate programs and our core of undergraduate programs.

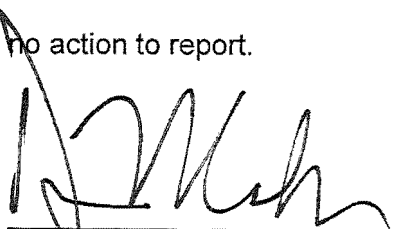
Shepard said that Western is in daily discussions on the Kilmer-Carlyle Bill on Tuition Flexibility. Sherry Burkey, Associate Vice President for University Relations, will report on this bill at tomorrow's meeting.

It was noted that the Board of Trustees' responsibility in rebasing is to make sure that Western is very clear about the direction it is taking in the upcoming budget cuts, and the cuts that have already happened. The Board will hold Western accountable for delivering on those. If there are actual program eliminations, it is the Board's responsibility to act on those. It is not their role to decide which program is eliminated.

Chair Madsen recommended that members of the Board read the AGB Cost Project: An Initiative on College Costs. Copies will be ordered and distributed to the Trustees.

At 4:47p.m. Chair Madsen announced that the Board would go into Executive Session for approximately 20 minutes to discuss matters as authorized by RCW 42.30.110.

At 5:10 p.m. the Board of Trustees meeting adjourned with no action to report.


Dennis Madsen, Chair

ATTEST:


Betti Fujikado, Secretary

**WESTERN WASHINGTON UNIVERSITY
BOARD OF TRUSTEES
MINUTES
April 15, 2011**

1. CALL TO ORDER – APPROVAL OF MINUTES

Chair Dennis Madsen called the regular meeting of the Board of Trustees of Western Washington University to order at 8:01 a.m., April 15, 2011, in Old Main 340, Bellingham, Washington.

Board of Trustees

Ramiro Espinoza
Betti Fujikado, Secretary
Karen Lee
Dennis Madsen, Chair
Ralph Munro, Vice Chair
Phil Sharpe
Dick Thompson
Peggy Zoro (arrived at 9:00 a.m.)

Western Washington University

Bruce Shepard, President
Stephanie Bowers, Vice President for University Advancement
Sherry Burkey, Associate Vice President for University Relations
Paul Cocke, Director, University Communications
Eileen Coughlin, Vice President for Student Affairs and Academic Support Services
Paul Dunn, Senior Executive Assistant to the President
Scott Pearce, President, Faculty Senate
Catherine Riordan, Provost and Vice President for Academic Affairs
Liz Sipes, Secretary to the Board of Trustees
Steve Swan, Vice President for University Relations
Richard Van Den Hul, Vice President for Business and Financial Affairs
Colin Watrin, President, Associated Students
Lisa Wochos, Assistant Attorney General

Chair Madsen announced a change to today's agenda. Ryan Brown's recognition as NCAA Division II Champion in Indoor Pole Vault has been postponed until the June meeting as Ryan is at a Track Meet and unable to attend today's meeting.

MOTION 4-1-2011 Ralph Munro moved, that the Board of Trustees of Western Washington University, upon the recommendation of the President, approve the minutes of the February 10, 11, 2011 Board of Trustees Meeting.

Motion carried.

2. RECOGNITIONS AND INTRODUCTIONS

Chair Dennis Madsen thanked Suzanne Baker for her exceptional job as Interim Board Secretary during Liz Sipes' absence and presented her with flowers from the Board.

Provost Riordan introduced Arlan Norman, Dean of the College of Sciences & Technology, who recognized Robert Mitchell, Department of Geology, for his appointment as the first Robert H. and Kathleen Digges Distinguished Professor of Geology.

Eileen Coughlin, Vice President for Student Affairs and Academic Support Services and Lynda Goodrich, Director of Athletics, recognized Paul Madison, WWU Sports Information Director for his induction in the College Sports Information Directors of American (CoSIDA) Hall of Fame.

3. BOARD CHAIR

Chair Madsen received a letter from the Northwest Commission of Colleges and Universities (NWCCU) acknowledging that WWU has met their accreditation standards and passed accreditation review.

4. UNIVERSITY PRESIDENT

President Shepard expressed his gratitude of WWU's faculty, staff and students for their patience, understanding, and commitment during this difficult budget time.

5. ASSOCIATED STUDENTS

Colin Watrin, AS President, shared some highlights of the first Associated Students Strategic Plan. Watrin highlighted the core values which are central to their mission and provide a framework for collective leadership. The core values identified by the Associated Students are: Student Representation, Collaboration, Student Learning and Development, Inclusion, and Community and Social Engagement. The AS Board of Directors, also identified strategic objectives to improve the organization including: Support for student representation in decisions which impact students, Increase knowledge and understanding of the AS organization, Improve the internal structure of the AS organization, and Improve collaboration with organizations and university departments outside of the Associated Students.

Watrin reported that he, the AS Vice President for Governmental Affairs and the AS Legislative Liaison, collaborated on legislative meetings with President Shepard and Vice President Swan in Washington, DC. They were able to speak cohesively on issues with Washington legislators, meet Western alumni, and generally made a good, strong impression for WWU.

6. FACULTY SENATE

Scott Pearce, Faculty Senate President thanked the administration, and the leadership of the unions, AS, etc. for bringing the campus together during this difficult budget time.

Pearce reported the Senate committees and subcommittees are thinking more about their function and their contributions to the Senate. He said that Shared Governance is being fostered on the campus by the President and Provost resulting in more dialogue amongst the faculty on shared governance and other issues.

Pearce presented the amendments to Bylaw 7.2 – Faculty Legislative Representative and Bylaw 7.7 – Senate Library Committee.

Trustee Madsen welcomed students from the MBA 525 class, **Seminar in Corporate Governance**, who were attending the Board of Trustees Meeting as a class assignment.

ACTION ITEMS

7. CONSENT ITEMS

MOTION: 4-2-2011

Ralph Munro moved, seconded by Dick Thompson that the Board of Trustees of Western Washington University, upon the recommendation of the President, approve the following consent items:

- Delegation of Authority to Award Construction Contract for residential wireless implementation (PW 638)
- Delegation of Authority to Award Construction Contract for completion of Buchanan Towers Addition (PW 640)
- Construction contract for Ridgeway Beta Renovation (PW 631)

Motion carried.

8. AWARDING AN HONORARY DEGREE

Chair Madsen reported that per RCW 28B.35.205 the Washington State Legislature authorized Western's Board of Trustees, upon recommendation of the faculty, to confer honorary bachelor's, master's, and doctorate level degrees upon persons in recognition of their learning or devotion to education, literature, art, or science. It was noted that Western's policy also includes criteria such as humanitarian service and social service.

President Shepard said this authority brings recognition to Western and allows us to celebrate and honor a person that we believe worthy of a doctoral degree and to share that honor at Commencement. The process involves solicitation of nominations and consultation with Faculty Senate Executive Committee. In consultation with the Board and the Board Chair, a finalist will be selected from the nominations received. Nominees are people of significance in Washington State, the Country and the World. Currently elected public officials are excluded from nomination. The name will be made public upon acceptance by the finalist. Shepard noted that this is an academic award. It's not an award to recognize people who have been very generous support the university or with whom we would like to cultivate a strong relationship for philanthropic purposes.

MOTION 4-3-2011 Ralph Munro moved, seconded by Ramiro Espinoza, that the Board of Trustees of Western Washington University, delegate its authority to select a recipient of an honorary degree to its Chair subject to confirmation at its June 2011 meeting.

Motion carried.

9. APPROVAL OF HOUSING AND DINING RATES

Eileen Coughlin, Vice President for Student Affairs and Academic Support Service, presented that proposed Housing and Dining Rate increase for 2011-2012. Coughlin said the proposed 4% increase is below that projected in the 10-year capital plan, and is sensitive to students' total WWU costs. Coughlin noted that just as the rest of university is taking reductions and making adjustments, University Residences has also made adjustments to operate more efficiently and effectively. In response to a question, Coughlin said in addition to covering the cost of the student's room and meals, the Housing and Dining fee covers the cost of residence hall maintenance, custodial service, Bond debts, sprinkler systems, etc. Coughlin said the fee also includes administrative overhead costs that are given back to the university.

Coughlin introduced Willy Hart, Director of University Residences. In response to a question regarding the difference in cost between WWU and CWU, Hart said it could be a difference in their systems and/or the difference in the cost of living.

The question was raised as to whether Western has considered having a Real Estate provider manage the residence halls? Coughlin said that has been looked into but Real Estate providers save costs by providing cheaper buildings. Western provides a better quality and safer structure. It was noted that Western's buildings meet LEEDS standards and are considered a benchmark for others.

In response to a question whether scholarships cover a student's room and board, Coughlin said that some full scholarships cover room and board in addition to tuition and fees, but most require additional financial aid.

A question was asked on how Western assesses the level of student satisfaction on campus? Coughlin said that Student Affairs conducts a "Quality of Life" survey annually. Also, bi-annually we complete the National Survey of Student Engagement.

MOTION 4-4-2011 Ralph Munro moved that the Board of Trustees of Western Washington University, upon recommendation of the President, approves the Housing and Dining rates as proposed in the attached (**Att. A**). The 2011-2012 proposed rates call for a 4.0 percent increase in residence hall and Birnam Wood apartment rental rates.

Motion carried.

10. APPROVAL OF AMENDMENTS TO INTERNAL AUDIT POLICY AND PROCEDURE

Trustee Zoro, Chair of the Board Audit Committee, reported that the committee has reviewed and discussed the Audit Committee Charter and the Internal Audit Charter and policies as they relate to Internal Audit resources. Throughout the year, unscheduled audits occur that disrupt the established audit schedule. The proposed amendments to POL-U1500.01 Establishing Internal Audit Activities and PRO-U1500.01B Requesting Internal Audit Services During the Year, establishes a collaborative, fluid process to address the unscheduled audits.

MOTION 4-5-2011 Phil Sharpe moved, seconded by Karen Lee, moved that the Board of Trustees of Western Washington University, upon recommendation of the Board of Trustees Audit Committee and President Shepard, approve amendments to POL-U1500.01 Establishing Internal Audit Activities; and PRO-U1500.01B Requesting Internal Audit Services During the Year.

Members of the Board of Trustees and President Shepard explained the Board's role, the selection and expectation of the Trustees to MBA 525 class who were present at the meeting. They encouraged the students to become involved with boards early in their career.

At 9:50 a.m. Chair Madsen called for a 15 minute break. The meeting reconvened at 10:12 a.m.

DISCUSSION ITEMS

11. CAMPAIGN UPDATE AND REVIEW/DISCUSSION OF UNIVERSITY NAMING POLICY

Bruce Shepard, President, reported that the Collins Group will report the results of the Campaign Feasibility Study at the June 10, 2011 Board of Trustees meeting.

Shepard said that current policy, *POL-U6000.02 Naming University Facilities* calls for the naming of all university facilities, regardless of stature, to be approved at the Trustee level. Historically, buildings on campus have been named for those who have contributed academically, e.g. past presidents. Shepard said it is a shift in tradition to recognize donors with the naming of facilities or parts of facilities. At this time only the Wade King Student Recreation Center has been named as the result of a generous gift.

Under the current policy, every gift naming recognition process would call for Trustee approval. Over the course of the Comprehensive Campaign, several hundred naming opportunities could be brought before the Board for their approval. A preliminary review of best practices shows that universities have moved toward reserving the naming approval of Trustees to whole buildings only. With few exceptions, all other namings are delegated to the university president. Shepard asked the Trustees their thoughts on bringing forward a revised naming policy for their approval at the June meeting.

The question was raised as to the term of the name. How long should a name last? What happens when there are building renovations? Bowers said that "limited term naming" is more common these days.

Trustee Zoro agreed that if we embark on a comprehensive campaign, there will be a lot of opportunities for naming. She agrees that with the exception of naming University Buildings and Large Open spaces, the president should have the authority to name university facilities.

A revised University Naming Policy with several options, will be brought before the Board for their action at the June meeting.

12. 2011-2013 CAPITAL BUDGET REQUEST

Rich Van Den Hul, Vice President for Business & Financial Affairs, distributed an updated 2011-2013 Capital Requests that included the Senate Budget. Western's prioritized project listing was approved by the Board last year and it has gone through the OFM rating process. The Governor's budget includes only projects that are "shovel ready" and not in the design phase. The House budget and Senate budget have identified different priority projects and

the Senate budget includes design money for Carver Gym. Van Den Hul said that the Capital Budget Request now goes to the Conference Budget.

The 2011-2013 Capital Budget will be on the agenda for the June meeting for Board approval.

13. OLYMPIA UPDATE

Sherry Burkey, Associate Vice President for University Relations, provided an update on legislative activities in Olympia. Burkey said the legislature is in the last 10 days of the formal Legislative Session and there will probably be a Special Session. There are 60+ bills that need to be passed before the budget can be implemented.

Burkey said Western will continue to work hard to prevent any deeper budget cuts to Higher Education. She noted that all six of the state universities have done a good job working collaboratively in Olympia. Western's trustees, administrators, faculty, staff, student worked well as a team and Western's alumni, and parents have been very effective advocates for Western in Olympia.

Burkey distributed a summary of Representative Carlyle's tuition bill (Summary 2PSHB 1795 (April 14, 2011) by Representative Carlyle, H-2661.2/11). This bill grants tuition setting authority to the four year colleges and universities for all students for a 4-year period, through the 2014-15 academic year. Senator Kilmer's bill, on the Senate side, sets tuition rates for Western at 16% for each year of the biennium. The goal is to combine the two bills into one tuition policy bill. Burkey and Shepard said that tuition setting authority has not been a big issue for Western, and under the dual approach, Western would like our tuition set by the legislature in the Appropriations Act for the coming biennium.

Trustee Munro said it is important to continue to advocate for WWU and offered to help connect the Whatcom County business leaders who support Western with our State legislators. Munro also said it is important to have our legislators, particularly the freshmen legislators, on campus to learn more about Western. Shepard agrees and is in talks with Representative Seaquist about Western hosting the House Higher Education Committee on campus.

14. AUDIT COMMITTEE REPORT

The three members of the Board Audit Committee are Trustee Zoro, Trustee Sharpe, and Trustee Fujikado. Trustee Zoro, Chair of the Audit Committee, reported on the April 14, 2011 Audit Committee meeting and noted the following:

- The committee approved the minutes of the February 10, 2011 Audit Committee meeting.
- The committee received an update on the university's computer systems and security from John Lawson, Vice Provost for Information Services and CIO. He provided a list of recent activities including network scans, and implementing security software and processes. John also outlined additional areas that the university will continue to work on.
- Rich Van Den Hul, Vice President for Business and Financial Affairs, presented information about BFA's internal control operations and roles and responsibilities.
- The committee performed and completed the annual Audit Committee Self-Assessment.
- The committee performed their annual review of the Audit Committee Charter and did not have any recommended changes.
- The committee reviewed the Internal Audit Charter, policies and procedures and did not have any recommended changes other than those adopted by the Board earlier today.
- Audit Director Kim Herrenkohl facilitated a preliminary planning discussion on establishing the biennial internal audit schedule for 2011-2013. A proposed schedule will be submitted for Board approval at the June 10, 2011 meeting.
- Audit Director Kim Herrenkohl updated the committee on recent Internal Audit activities.
- The committee met separately with Internal Audit and the President as provided by the Audit Committee Charter.

15. INFORMATION ITEMS

- **Admissions and Enrollment Summary**

Vice President Eileen Coughlin provided a written report on the university's enrollment planning consulting.

- **Alumni Relations Report**

Vice President Bowers provided a written report on the university's Alumni Relations activities.

Bowers reported on the upcoming "Back to Bellingham" activities scheduled for May 12 – 15. This is a university-wide effort to bring people back to campus. 110 events are planned including the Alumni Awards celebration, department and college reunions. "Back to Bellingham" is being held in collaboration with the Student Affairs' annual Family Spring Weekend on campus.

- **Capital Program Report**

Vice President Van Den Hul provided a written report on the university's capital projects.

- **Development Report**

Vice President Bowers provided a written report on activities of the Western Washington University Foundation.

Madsen reminded the Board of the Seattle Business Forum is April 25, 2011 at the Westin Hotel.

- **Quarterly Grant Report**

Provost Riordan provided information from the Office of Research and Sponsored Programs concerning grant awards for the period of July 1, 2010 through March 31, 2011 and fiscal year 2010/11.

- **University Relations Report**

Vice President Swan provided a written report on the recent activities of University Relations.

16. FUTURE AGENDA TOPICS

Trustee Munro said he would like to see members of the legislator attend a future Board of Trustees Meeting.

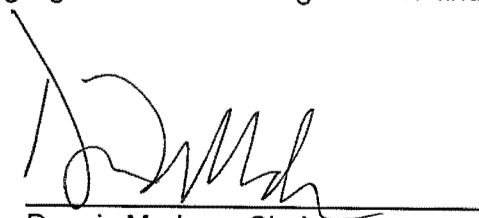
17. DATE FOR NEXT REGULAR MEETING: June 9 & 10, 2011

18. ADJOURNMENT

The meeting adjourned at 11:25 a.m.

19. LUNCH

The Board proceeded to lunch at 12:00 Noon to see highlights from the College of Fine and Performing Arts.



Dennis Madsen, Chair

ATTEST:



Betti Fujikado, Secretary

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

TO: Members of the Board of Trustees
FROM: President Bruce Shepard on behalf of Vice President Eileen V. Coughlin
DATE: April 15, 2011
SUBJECT: Housing and Dining Rate Increases for 2011-2012
PURPOSE: Action Item

Purpose of Submittal:

To obtain approval from the Board for increases in rates for Housing and Dining room and board for 2011-2012.

Points to Consider:

- The majority of the rate increase is to address capital plan expenditures. Most operating cost increases are offset through operating cost reductions, such as terminating the lease of the New York apartments and reducing purchase of equipment, services, and supplies. A potential increase for meal plans, pending negotiation of the food service contract bid, has been factored in.
- The proposed 4.0% rate increase allows investment for scheduled renovations, is below the rate increase range of 4.5% – 5.0% projected in the 10-year capital plan, and is sensitive to students' total WWU cost.
- Western's housing and dining rates are expected to be in the middle of the Washington public state universities. Meaningful comparison is complicated by the schools' different meal plan programs.
- The proposed rate increases are integral to the 10-year capital plan which, in the upcoming year, includes:
 - Start of sprinkler upgrades for Ridgeway Beta and design for Mathes
 - Start of two-year installation of wireless access points in all residential areas
 - Completion of the Buchanan Towers addition
- The current long-term capital plan, shared at the Trustee's December 2010 meeting, was based on the approximate rate increases shown below. Capital plan revisions and adjustments to inflation estimates may result in changes to these estimates.

Year	FY08	FY09	FY10	FY11	FY12
<i>Estimated</i>	4.50%	4.50%	5.00%	4.75%	4.75%
<i>Actual/proposed</i>	4.50%	4.50%	4.75%	4.25%	4.00%

Year	FY13	FY14	FY15	FY16	FY17
<i>Estimated</i>	4.75%	4.75%	4.75%	4.75%	4.75%

Supporting Information:

- Housing and Dining Proposed Rates (an updated copy of document shared with student groups)
- Housing and Dining Proposed Operations for 2010-11 and 2011-12
- Rate Comparison Charts
- Ten-year Rate History

Source of Funding:

Housing and Dining System

Action/Decision Needed from the Board:

Approval of the proposed room and board rates for 2011-2012.

Proposed Motion:

MOVED, that the Board of Trustees of Western Washington University, upon recommendation of the President, approve the Housing and Dining rates as proposed in the attached. The 2011-

2012 proposed rates call for a 4.0 percent increase in residence hall and Birnam Wood apartment rental rates.

**WESTERN WASHINGTON UNIVERSITY
HOUSING & DINING SYSTEM
2011-2012 PROPOSED RATES**
**Presented to the Residential Advisory Committee, Residence Hall Association &
Associated Students Board of Directors**
PRO-FORMA SUMMARY:
March 3, 2011
Updated March 14, 2011

Introduction

The attached budget and rates represent the recommendations for fiscal year 2011-12. The challenging fiscal climate facing the State and WWU has introduced complexities and uncertainties into this year's process. This rate package is presented prior to the campus knowing the extent of the State's fiscal expectations for WWU, the ramifications of which may affect the System. The campus dining contract was bid out this year and financial negotiations are not expected to conclude prior to setting rates for next year. The System's leadership has presented a budget and rate proposal which maintains core functions of the residential program while recognizing the fiscal uncertainty that awaits the campus. The proposed rate and fee increase has been thoughtfully considered relative to the total cost for students to attend Western. As with every year, a major influence for planning came from the University's Strategic Action Plan and standards and expectations outlined in the Principles for the Housing & Dining System. This recommended budget meets those standards and ensures that management attends to the necessary reserve fund balances, planned major maintenance, debt service coverage, and capital planning. Room and Board revenue is based on a slight increase in occupancy from the current fiscal year. The figures and explanatory text reflect student input from surveys and committees as well as the most recent projections for revenue and expenditures.

The Capital Plan

The Student Affairs Housing & Dining Capital Plan ensures that the System's facilities meet Western's enrollment plan, meet or exceed the Board of Trustees fiscal principles, invests in infrastructure to ensure longevity, health and safety, and responds to changing student needs and expectations. Fiscal Year 2012 brings the start of the Ridgeway Beta fire sprinkler installation and general renovation and design planning for the Mathes fire sprinklers; installation of wireless access points in all of the residential facilities will begin. The Buchanan Towers renovation is scheduled to be completed in FY2012. Capital projects planned over the next 10 years include continued fire sprinkler additions, scheduled replacement of fire and safety alarms, upgrades to radiant heat systems, and seismic upgrades.

Why is a Housing Rate Increase Needed?

The proposed rates represent the System's continued efforts to provide a quality program at an affordable cost. The attached documents review the impacts of the additional costs to the system, and the results of the responses to those impacts. The larger increases include an increase in the institutional overhead assessment, anticipated dining rate increases, and an increase in contributions to the System's capital plan for planned renovations. In the midst of this pressure residential programs and services are expected to continue at a high quality level. System staff continues to look for efficient operating means and methods to bring services to students. State funds are not used to support the Housing & Dining System.

Proposed Rate Increase:

- The proposed residence hall and Birnam Wood rate increase is 4%.

- The budget and rate materials presented herein show that the System can support its 2011-12 programs with a rate increase of 4% based on our current understanding of a dynamic fiscal environment. This increase recognizes that additional costs may be possible and seeks to give students realistic information to help their financial planning for the coming year.
- The 4% increase is consistent with the long-range financing plan presented to the Board of Trustees and the Residence Hall Association which projects annual increases in the 4-5% range over a ten-year period.

Impact of the Rate Increases

- Residence Halls: At a 4% increase, a double room w/125-Block Meal Plan increases \$37/month or \$337 for the school year.
- Birnam Wood: With 4 residents per unit: At a 4% increase the rent increases \$12.33/month or \$111 for the school year.

Background Information and Revenue & Expenditure Details:

Comments and figures pertaining to FY2012 are compared to the FY2011 proposed budget and rates presented at the April 2010 Board of Trustees meeting (revised Fall 2010 to address opening occupancy adjustments).

Revenue Highlights and Assumptions

- Opening System occupancy for September 2011 at 20 additional students.
- Additional residence hall beds from the anticipated opening of Buchanan Towers East and a reduction in off-campus leased apartments.
- Slight increase in anticipated conference revenues and commissions.
- The Building Fee figure, in part, reflects a fee increase proposed by Viking Union management that will be reviewed and acted on through a separate process in spring quarter.
- Overall, the budgeted Operating Revenue increase is \$2,006,141 or 5.8% over FY2011's proposed budget.

Operating Expenditures Highlights and Assumptions

- Wages and Benefits increase \$39,000 or 0.63%. Primary drivers for the increase are health benefits and room and board increase for resident advisors. There are no State cost-of-living increases, but classified staff step increases are incorporated. Position reductions are reflected in these figures.
- The variance in food services is due to a) the uncertainties in the potential dining rate since dining services bids are still being evaluated and will not be final until late spring; b) the addition of meal plans from the opening of the 100 beds at Buchanan Towers. In addition, the figure reflects the growth in voluntary meal plans not in place at the FY2011 budget writing.
- Utilities: While most utilities increased slightly, reductions were found in natural gas expenditures as the market continues to remain favorable for the University.
- Maintenance: A \$53,000 or 2.8% increase over FY2011 is shown on the attached document, but the FY2012 expenditure compared to the revised FY2011 budget, which reflected recharge increases communicated in June 2010, actually shows a slight decrease in University Residences maintenance expenditures.
- Rentals and operating leases decrease \$268,000 or 73% due to the termination of the New York apartment leases.

- Institutional Services, which includes University Police charges and the University's Administrative Services Assessment (ASA) increases 25%. The ASA increases from 4% of adjusted revenue to a 5% assessment.
- Budgeted operating expenditures are projected to increase by \$1,099,955 or 4.6%. The operating expenditures total includes \$552,000 of expense reductions.

Non-Operating Expenditures Highlights and Assumptions

- Allocations for major repairs and planned renovations increase \$93,000 or almost 2.9%. This investment in the existing facilities keeps the System within targeted levels per the fiscal principles established by the Board of Trustees.
- Transfer to the System's capital plan increases \$1 million or 65%. Upcoming projects include significant fire sprinkler additions, follow-up work on the Buchanan Towers addition, and the installation of wireless access points in all residential areas.
- Overall, budgeted non-operating expenditures and transfers increase \$906,000 or 8.7%.

**WESTERN WASHINGTON UNIVERSITY - HOUSING AND DINING SYSTEM
PROPOSED OPERATIONS FOR BUDGET YEARS ENDED JUNE 30, 2011 & 2012**

	PROPOSED BUDGET 2010-11 As Presented to BOT		DRAFT BUDGET 2011-12 As of 3/10/11		PERCENT CHANGE		DIFFERENCE BUDGET \$
REVENUES							
Room and Board Payments	\$29,558,000	1	\$31,509,000	2	6.60%	3	\$1,951,000
Room and Board Fees and Penalties	142,500		142,500		0.00%		0
S & A Fee Distribution	1,253,000		1,253,000		0.00%		0
Investment Income	117,000		102,000		-12.82%		(15,000)
Bond Interest Subsidy	318,574		318,574		0.00%		0
Housing Rentals	134,650		136,650		1.49%		2,000
Viking Union	170,464		161,564		-5.22%		(8,900)
Conferences	524,069		554,069		5.72%		30,000
Commissions	493,800		522,300		5.77%		28,500
Building Fee	1,507,393		1,519,934	4	0.83%		12,541
Other	87,150		93,150	5	6.88%		6,000
Total Revenues	\$34,306,600		\$36,312,741		5.85%		\$2,006,141
OPERATING EXPENDITURES							
Salaries & Benefits	\$6,104,891		\$6,143,653	6	0.63%		\$38,762
Food Service	9,518,422		10,405,870	7	0.00%		\$887,448
Communications	255,785		255,485		-0.12%		(\$300)
Electricity	732,951		763,343		4.15%		\$30,392
Heat	1,589,933		1,449,933	8	-8.81%		(\$140,000)
Water/Sewer	393,673		396,227		0.65%		\$2,554
Refuse Disposal/Recycling	265,422		266,651		0.46%		\$1,229
Television Cable	123,725		111,725		-9.70%		(\$12,000)
Maintenance & Repairs	1,937,630		1,991,070		2.76%		\$53,440
Operating Supplies	227,550		231,365		1.68%		\$3,815
Equipment	237,055		296,424	9	25.04%		\$59,369
Insurance	463,630		457,852		-1.25%		(\$5,778)
Rentals and Operating Leases	365,156		97,014	10	-73.43%		(\$268,142)
Institutional Services & ASA	1,007,832		1,261,896	11	25.21%		\$254,064
Assigned Student Affairs Costs	53,000		78,000		47.17%		\$25,000
Other Expenditures	601,947		772,049	12	28.26%		\$170,102
Total Operating Expenditures	\$23,878,602		\$24,978,557		4.61%		\$1,099,955
NON-OPERATING EXPENDITURES/TRANSFERS							
Bond Debt Service	\$5,465,895		\$5,465,895		0.00%		\$0
R&R/ Minor Cap./Public Works Projects	3,186,760		3,280,023		2.93%		93,263
Other Transfers	221,811		25,000				(196,811)
Transfer for capital plan support	1,553,532		2,563,266	13	65.00%		1,009,734
Total Non-Operating Expenditures	\$10,427,998		\$11,334,184		8.69%		\$906,186
Total Expenditures	\$34,306,600		\$36,312,741		5.85%		\$2,006,141
EXCESS (DEFICIT) OF REV OVER EXP	\$ 0		\$ 0				\$ 0

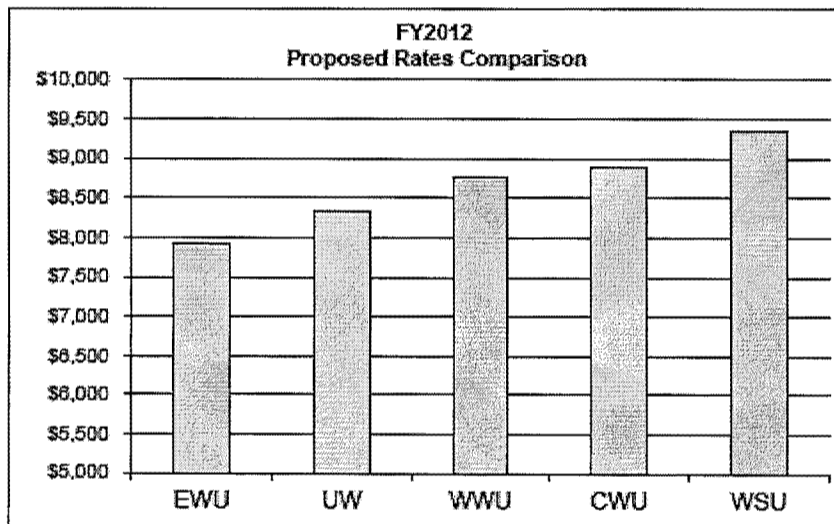
SEE FOOTNOTES FOR EXPLANATIONS

FOOTNOTES TO THE ATTACHED HOUSING & DINING SYSTEM PROPOSED BUDGET

- (1) The 2010-11 Budget, as approved by the WWU Board of Trustees April 2010, is shown to compare with the FY2012 proposed budget. After Fall opening, adjustments were made based on an analysis of opening residence hall and apartment occupancy. Those October 2010 revisions are not shown here.
- (2) Opening occupancy for Fall FY2012 is shown at 4,060, an increase of 14. The actual System occupancy for the Fall opening FY2011 was 4,046.
- (3) The 2011-12 residence hall and Birnam Wood rate increase is proposed at 4% in this pro-forma budget. The variance between that rate and the R&B revenue variance is due to changes in occupancy and meal plan purchases.
- (4) Building Fee variance due to a) FY2011's figure being based on projected income and a rate increase that did not become final until June 2010; b) A Fee increase proposed by the Viking Union which will be reviewed and acted on via a separate process in Spring Quarter.
- (5) Other Income includes: Western Card replacements, Ticket Sales, and interdepartmental support recharges.
- (6) Salary/Benefit increase due to Classified step increases, benefits increase and student staff wages tied to room & board rate increase.
- (7) The Food Service line incorporates expenses for residential dining, catering, conference dining and departmental food costs. The variance shown is due to the anticipation of a board plan price increase (dining bids are currently under review), additional meal plans due to the addition of the Buchanan Towers beds, and increased voluntary meal plans.
- (8) Heat expenditures reduced due to favorable natural gas procurement climate.
- (9) Increase primarily due to emergency communications equipment.
- (10) Reduction in rental/lease expense due to terminating the leased apartments in Fall 2011.
- (11) Line item total includes institutional services recharge (ASA) and the expense for University Police Greencoats (Safety Assistants). The WWU ASA assessment rate for FY2012 is 5% vs. 4% for FY2011.
- (12) Increase in "Other" due to anticipated division/campus support transfers, and the anticipated re-programming of the System's occupancy projection program.
- (13) The "Transfer for Capital Plan Support" is an allocation representing Operating, Non-Operating and Building Fee funds to be placed into the System's Renewal & replacement Reserve Fund for planned Capital Plan projects For University Residences and the Viking Union.

**WASHINGTON PUBLIC UNIVERSITIES
 RESIDENCE HALL ROOM & BOARD PLAN COSTS
 FY2012 (as of 2/22/11)
 For a Double Room with Best-as-Possible Program & Meal Plan Comparison:**

	EWU	UW	WWU	CWU	WSU
	Gold	"Level 4"	125 Block	"Large"	Level 2
Type of Meal Plan	Meals & Points	Declining Balance	Meals & Points	Declining Balance	Declining Balance
Elements of the Meal Plan	1.5 - 5.5 meals/wk plus Points	Equivalent of 13-15 meals/wk	Approx. 12+ meals/wk + \$450 Points	Equivalent to Approx. 14 meals/wk	Equivalent to Approx. 14 meals/wk
What you'd see on their web page	\$7,900	\$8,340	\$8,758	\$8,878	\$9,088
Additional Charges not part of the base	\$30	\$0	\$0	\$0	\$254
Total Cost of a Double Room and Meals:	\$7,930	\$8,340	\$8,758	\$8,878	\$9,342
Rate of Increase Over 2010-11	Proposed 7.5%	Proposed 2.3% - 3.4%	Proposed 4.0%	estimated 5.0%	Approved 2.7%



H&D Rate Comparison Chart Options_125_4%_3-14-11.xls

WESTERN WASHINGTON UNIVERSITY
HOUSING & DINING SYSTEM

TEN YEAR HISTORY OF RESIDENCE HALL RATES		
ACADEMIC YEAR	ACADEMIC YEAR RATE with 125 BLOCK PLAN*	% OF CHANGE
2001-02	\$5,354	
2002-03	\$5,648	5.50%
2003-04	\$5,945	5.25%
2004-05	\$6,242	5.00%
2005-06	\$6,523	4.50%
2006-07	\$6,784	4.00%
2007-08	\$7,089	4.50%
2008-09	\$7,412	4.50%
2009-10	\$8,076 *	4.75%
2010-11	\$8,419	4.25%
2011-12:	\$8,756	4.00% Proposed
10-Year Average Percentage Change		4.63%

* The meal plan used for comparison changed in 2009-10 from the Gold /100 to the 125 Meal Plan

SAMPLE ROOM & BOARD RATES and APARTMENT RENTS FOR 2011-2012			
Room & Board Plans: Academic Year (@ 4% increase)	2010-11 Actual	at 4% 2011-12 Proposed	2011-12 Cost per Month
Double Room with Unlimited meal plan	\$8,749	\$9,099	\$1,011
Double Room with 125-Block meal plan	\$8,419	\$8,756	\$975
Double Room with 100-Block meal plan	\$8,093	\$8,417	\$935
Double Room w/ 75-Block meal plan	\$7,765	\$8,076	\$897
Triple Room with 125-Block meal plan	\$7,327	\$7,620	\$847
Single Room Room with 125-Block meal plan	\$9,318	\$9,691	\$1,077
Birnam Wood Apartment Rents: Academic Year (4% increase)			
Birnam Wood: Monthly rate per person per bed (Two bedrooms with 4 occupants)	\$308	\$320	\$320

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2/5/11