

**BOARD STUDY SESSION:****1. FINANCIAL STATUS**

Vice President Rodriguez presented our current budget status during the Board study session. Here is a summary of main points:

**Operating Revenue Budget**

RTC's approved revenue budget for the 2018-19 year is \$30,648,408. A mid-year revenue forecast reduces the total revenue by \$686,257. The reduction is mostly a result of lower enrollments and tuition revenue for the year (\$1,073,305) because we did not meet FY18 targets and further weakening enrollment this year. Some of the reduction was offset by higher fees and Running Start revenues, though the latter increases are much smaller than neighbor comprehensive colleges are experiencing. The adjusted revenue forecast is \$29,962,151.

**Operating Expenditure Budget**

RTC's approved expenditure budget for the 2018-19 year is \$30,612,041. A mid-year expenditure budget forecast increased it by a total of \$582,417. The increase is due to increases in salaries and benefits due to COLAs, compensation in the new faculty contract, sick leave buyouts, and unbudgeted items. Total increases were offset with decreases in apprenticeship and current efforts to reduced goods and services budgets. The adjusted expenditure forecast is \$31,194,459. It is significant that the legislative policy to fund only 65 percent of COLAs since 2015 and leaving the remaining 35 percent to the College's local funds has a \$1,000,000 impact on our current payroll.

**Revenues and Expenditures**

The decrease in the revenue forecast and increase in the expenditure forecast creates a deficit for the 2018-19 fiscal year of \$1,232,308 if all budgets are spent down during the remainder of the year. We hope to realize further actual savings before the year closes.

**Reserves**

Per SBCTC's reserve calculation guidelines, RTC's reserve at the end of the 2017-18 fiscal year was \$1,528,008 above the \$5,000,000 required reserve for operational integrity. Based on the current operating budget forecasts, if RTC would remain in status quo (without increases in revenues, or decreases in expenditures), it would deplete its entire reserves within the next two years and become insolvent in the 2021-22 fiscal year. This reality constitutes a financial emergency that the College needs to address through significant cuts and significant growth.

## REGULAR MEETING:

### 1. CALL TO ORDER

The meeting was called to order at 3:08 p.m. by Board Chair Entenman. A notation was made that a quorum was established, and Board Chair Entenman led the flag salute. Trustee Unti was absent from the meeting.

### 2. ADOPTION OF MINUTES

Board Chair Entenman asked for corrections and/or additions to the following minutes:

#### **January 16, 2018 regular meeting**

*Trustee Page introduced a motion to approve the meeting minutes for the regular meeting held on January 16, 2019 as presented. Trustee Palmer seconded, and the **motion carried**.*

### 3. COMMUNICATIONS

**A. General Information/Introductions** Dr. McCarthy thanked Jenna Pollock, Associate Dean for College and Career Pathways (CCP) for her years of service to the college. She is moving onto Clover Park Technical College to their Transitional Studies program. Ms. Pollock's commitment and dedication to the college and the CCP program will be greatly missed.

**B. Correspondence** All news stories and correspondence were shared with Board members electronically.

**C. Comments from the Audience** Students Angelina Onishenko and Anyes Kim from the June 2020 cohort of the Registered Nursing program spoke in support of the program and respective faculty members. They noted reasons the RTC program was chosen in lieu of other colleges, including distances from which students travel to participate in the program, and how well prepared they feel for the nursing field, thanks to the program faculty.

#### **D. Student Leadership**

**All USA/Phi Theta Kappa Nominees** Phi Theta Kappa fall scholarships were awarded to Ana de Souza Mendez, Michael Greer and Anna White. Students Ana de Souza and Michael Greer have also been selected to the All Washington Academic Team, which further extends other scholarship opportunities. Michael Greer is retired Navy, now enrolled in the Mechatronics program, and scheduled to graduate this year. He is grateful to RTC in assisting him with his transition from the military. Ana de Souza Mendez is a second year Computer Science student, and is also appreciative of the opportunities the scholarships provide. Anna White is a second quarter Computer Network Technology student and was previously honored by the Board of Trustees for the ACT Transforming Lives award.

**E. Renton Federation of Teachers** RFT President Sheila May Farley noted that the students are the backbone of why faculty are here. She described scenarios where faculty were asked a year ago to cut budgets, and make suggested changes to programs, for which most complied. The faculty was provided with a list of 17 programs that would be under review for revisions, reductions or elimination. There has been a lot of reflection, and need for faculty to call together advisory members for meetings. The faculty want the Board and community to know that they are not going away. She further noted that this didn't happen on their watch. They do want to be part of the solution, but informed the Board they are not the problem.

- F. **Written Communication Reports**      There were no comments or questions.

#### 4. ACTION ITEMS

*As a result of the previous Board Study Session on the college's financial status, Trustee Page introduced a motion to declare a Financial Emergency via authorizing Resolution 19-02-13. Trustee Page read the resolution aloud for the audience. Trustee Takamura seconded, and the motion carried.* Board Chair Entenman noted for the record that Trustee Unti was absent the meeting and the vote.

#### 5. DISCUSSION/REPORTS

- A. **Operationalizing of the DEI Plan**      Vice President Reyna spoke of the Diversity, Equity and Inclusion plan that was presented to the Board last June. Since that time, the council has been working towards fine-tuning and moving forward to operationalize the plan. There are five (5) Action Teams; each Action Team has a Lead. The Leads were introduced, and each shared their respective teams focus.

Huma Mohibullah spoke on behalf of the Instruction Action Team. The goal of this team is to immerse DEI work into curriculum and pedagogy. They will work with special projects to create and schedule trainings for development. Coordinators work to ensure that accreditation standards are met. This work assists in satisfying **Objective 3 of the plan: Diversity, Equity and Inclusion in Pedagogy and Curriculum.**

Evysen Beasley is the lead for the Special Projects Action Team. This team works to support the creation of affinity groups and goal setting on campus, as well as calendaring events, messaging, and resources. This work assists in satisfying **Objective 2 of the plan: Creation of Affinity Groups on Campus and Objective 5 of the plan: Continue intentional conversations/dialogues/workshops (cross-cultural dialogues).**

Jessica Gilmore English is the lead for the Research and Development Action Team. This teams focus is on **Objective 1 of the plan: 'Student Success' with emphasis on bullets 4, 6, and 7.** Priority activities have been developing research questions in order to further narrow the focus, guide research, and inform recommendations to the DEIC for action. This includes exploration of enhanced internal communication, supplemental instructional supports, and improved student services/resources to meet students where they are, without extra barriers.

Jessica Supinski is the lead of the Professional Development/Training Action Team. This team is responsible for expanding learning and shared understanding of diversity, equity, and inclusion. They will organize two mandatory all-staff trainings for faculty and staff that will continue to support learning opportunities to increase cross-cultural communication skills. Data from the Intercultural Development Inventory (IDI) will inform development of the trainings. Working together with Guided Pathways, coordinators will align outcomes.

Eugene Shen is the lead for the Fiscal Action Team. This team will support all other teams in the development of a budget for the DEI Council, as well as ensure fiscal equity and accountability in the budgeting process. They will look to advocate for the development of a multi-cultural center; designing and sustaining a space where students can feel comfortable. They will also be looking at the viability of a chief diversity or equity officer.

Trustee Takamura inquired about working with deeper disaggregated data, and shared her

pleasure about infusing and integrating the work into every facet of the college. She thanked Vice President Reyna for his work, along with the leads and the council members.

**B. President**

**Goals** – This year, Dr. McCarthy's goals are *Equity, Advocacy, Trust and Finance*. He thanked Representative (and Board Chair) Entenman for juggling her schedule to attend today's meeting. This is both a difficult time in the legislature and at the college.

**Equity** – Dr. McCarthy thanked the DEI Council leads and members for their work. It is great to see actionable things in place and gearing up. Faculty members Huma Mohibullah, Eugene Shen, Kayla Jang, Camille Pomeroy, Warren Takata, and Batholomew Kimani participated in the Cross-Institutional Faculty of Color Mentorship Program on January 25. The statewide Administrators of Color Leadership program is off to a great start this year, under the direction of Vice President Reyna. Director of Outreach, Anthony Covington participated in this program on January 24-25. A Lunar New Year celebration happened on campus during the lunch hour on February 7. The Faculty and Staff of Color Network Coffee Hour kicked off in January, with a second event held February 19. The Men and Women of Merit meetings continue. Both had rescheduled meetings this month due to snow.

**Advocacy and Finance** – This is the time where WACTC presidents schedule visits on the Capital Campus. Dr. McCarthy was scheduled for a full agenda in Olympia on February 11, but had to be adjusted due to weather conditions. Trustee Takamura and Dr. McCarthy were able to meet via phone with Senator Joe Nguyen, and Dr. McCarthy separately with Senator Mona Das. Dr. McCarthy was in Olympia again for the WACTC Presidents meeting on February 14. During this time he was able to meet with Representative Nicole Macri, Representative Tina Orwall, Representative Vandana Slatter, Senator Guy Polumbo, and Senator Mark Mullett. The latter three were collective meetings with Dr. Amy Morrison of Lake Washington Institute of Technology (LWTech). These relationships are important. When we approach the legislators as individuals, we have a system ask, as well as adding the local flavor from RTC. There are a lot of nuances as one of the five technical colleges in the state. RTC has the most legislative districts (11), so we have a lot of people to connect with. We have a big ask this year message: 1) Fully fund compensation increases – using RTC as an example - \$1M of our current payroll is due to the local-fund match of state monies and this cannot continue; 2) Guided Pathways – RTC is an example of why this is a good investment as our completion rates are the best in the state (yet more than one of three are not completing and this is not acceptable; 3) High demand funding – clearly a key to RTC; and 4) Capital – while there is no direct request, it is important to get through the list. The deeper one goes, the better; Senator Mullet was very receptive. Dr. McCarthy is meeting with Representative Tina Orwall and Representative Pat Sullivan on February 22, regarding Running Start in the Trades.

**Trust** – Dr. McCarthy noted that he depends on transparency and communication as keys to a foundation of trust, but reception is the key, so that is up to how others react. We have been providing updates with emails and listening sessions. We are meeting with Advisory Boards and will continue this format. Tremendous progress has been made on the reliability of numbers, and we have the ability to forecast in a manner that has not before been practiced. Much thanks to Vice President Rodriguez, Raewel Chea, Neal Parker, and Jacob Jackson

**Finance** – The study session held earlier with the Board provided a detailed look at the financial snapshot, adjustments throughout the year, and the process we have taken with reductions.

Other Advocacy Work: Trustee Page reported on College Promise work. This is a part of the legislative action agenda, which is well aligned with our system ask and funding for proper compensation for faculty and staff. Trustee Page participates on this group. Higher Education is a commitment by the state to achieve a more educated workforce for the economy's growth. This is a wise investment on the part of the state. We need this on all fronts over a period of time, which will hopefully reap rewards in the future. Representative Entenman is co-vice chair on the College and Workforce Development Committee, and is joined by others with CTC experience, so there is much more knowledge than from the system than in the past. The learning curve for a number of people is huge. They assume that staff and faculty get the same funding as the University of Washington. System work is extremely important. It is equally important for everyone in the legislature to hear from you as well. Representative Entenman urged everyone to contact your local representatives and talk to them about the impact community and technical colleges have. Rules, Appropriations and Educations committees are the ones that move the money. People have a false understanding that a CTC student is attending a CTC because they can't be selected for a University. Four-year colleges have full-time lobbyists to advocate for funding, and CTCs do not have that luxury. Funds appropriated from the legislature go to the entire system.

**C. Administration/Finance**

- 1) **Monthly Finance Report** Vice President Rodrigues shared that the expenditure budgets are higher this December than in previous years. Most of that increase is due to back pay as a result of the RFT contract, but they also include legislative COLA increases. Tuition revenue is down and fee revenue is up compared to last year at this time. Our latest mid-year revenue and expenditure budget forecasts show our operating budgets at a deficit of \$1.2 million, which includes a decrease in revenue of \$686,257 and increase in expenditure of \$582,417.

**6. BOARD OF TRUSTEES**

**A. Board Liaison Reports**

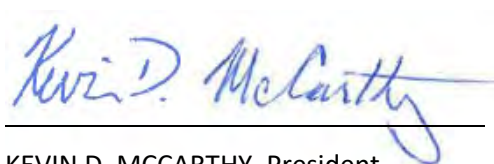
- 1) **ACT Winter Conference** Trustee Palmer shared her enthusiasm from the Transforming Lives Scholarship Dinner. As always, this is a highlight of the winter conference. The legislative conference was interesting, and included speaker Noah Purcell from the State Attorney General's office. He is a very sharp and smart individual. Lobbying is the key to this legislative session. The Governor's proposed budget is the largest ever in support of CTC's.
- 2) **RTC Foundation** Trustee Palmer indicated that 127 candidates were awarded scholarships from the Foundation for spring. The Student Success Breakfast had to be postponed to March 15, due to weather. Dr. McCarthy and Executive Director Shaw have been cultivating donors and strengthening partnerships. The Foundation has wrapped up their 2017-18 independent audit. The possible program reductions have caused some concerns from industry folks. We need to be sure to continue strengthening industry partnerships.
- 3) **RTC Advisory Board** Unfortunately, Trustee Palmer was unable to attend the meeting. Executive Dean Jackson shared out from the meeting. He indicated that attendance was light. There was a long conversation about what programs might be added to fit within our portfolio, including start-up costs. Data will follow at a future meeting. There is a general skills shortage, and incumbent needs. Suzanne Dale Estey will be the new chair for the Advisory Board. This will be great for RTC, as she is very well connected. Trustee Palmer will be unable to attend the next council meeting on April 3<sup>rd</sup>. Trustee Takamura offered to attend on her behalf.

7. **MEETINGS** A special meeting of the Board of Trustees will be scheduled on March 15, 2019, for an Executive Session. Further, on March 20, 2019 the Board of Trustees will hold a special session prior to their regular meeting, for the purposes of an Executive Session. Special meetings are scheduled for tenure candidate's sessions with the Board.
8. **EXECUTIVE SESSION** No executive session was held.
9. **EXECUTIVE SESSION ACTION** No action was taken.
10. **ADJOURNMENT**

There being no further business, *it was moved by Board Chair Entenman to adjourn the Board of Trustees' meeting at 5:06 pm. Motion carried.*



DEBRA ENTENMAN, Board Chair  
Board of Trustees



KEVIN D. MCCARTHY, President  
Renton Technical College