

STATE BOARD MEETING MINUTES

Martin Valadez, chair // Kady Titus, vice chair // Bernal Baca // Ben Bagherpour // Crystal Donner // Mack Hogans // Chelsea Mason-Placek // Jay Reich // Emily Yim

Chris Bailey, Interim Executive Director // Marianna Watson, Executive Assistant

Statutory Authority: Laws of 1991, Chapter 28B.50 Revised Code of Washington

Study Session: Wednesday, February 5, 2025 // 1 p.m. to 5:05 p.m.

Regular Business Meeting: Thursday, February 6, 2025 // 8:30 a.m. to 12:30 p.m.

State Board Office: 1500 Jefferson St SE, Olympia, WA

Hybrid option via Zoom

State Board Members Present: Martin Valadez, Chelsea Mason-Placek, Kady Titus, Mack Hogans (Feb. 6), Ben Bagherpour, Jay Reich, Crystal Donner, Emily Yim, Bernal Baca

State Board Members Absent: Mack Hogans (Feb. 5)

Study Session

The State Board held a study session on Feb. 5 from 1 p.m. to 5:05 p.m. Members discussed the impact of recent federal executive orders on higher education, particularly in relation to funding, DEI (diversity, equity, and inclusion), and accessibility.

The board also reviewed Gov. Ferguson's budget proposals, the current allocation model, and the capital budget proposal, focusing on funding priorities, project prioritization, and the challenges faced by rural colleges. Lastly, they discussed labor market outcomes and heard the baccalaureate degree quarterly update, which included statements of need from:

- Columbia Basin College — Bachelor of Applied Science in Respiratory Therapy
- Pierce College — Bachelor of Applied Science in Accounting
- Skagit Valley College — Bachelor of Science in Nursing (RN to BSN)

Welcome and Board Member Introductions

Chair Valadez called the meeting to order at 12:30 p.m. and welcomed those present. He also asked all board members to introduce themselves and introduced Interim Executive Director Chris Bailey and the Executive Division's new Executive Assistant, Marianna Watson to the group.

Land and Labor Acknowledgement

Board Member Yim read the Land and Labor Acknowledgement.

Review of governor's 2025-27 biennial and 2025 supplemental budget proposals

Former Gov. Inslee released his operating and capital budget proposals in December 2024, which

represented his vision and priorities for the current fiscal year and the 2025-27 biennium amid a budget shortfall. Darrell Jennings, capital budget director, and Stephanie Winner, operating budget director, reviewed the investments and adjustments the governor's proposals made for the community and technical college system. This included a discussion of the Office of Financial Management's budgeting error.

Capital budget request

| College | Project | Funding Phase | Request amount* | Cumulative request |
|----------------|--|--------------------------|-----------------|--------------------|
| Systemwide | Preventive Facility Maintenance and Building System Repairs | 2003 operating fund swap | \$ 22,800,000 | \$ 22,800,000 |
| Systemwide | Minor Works - Preservation (25-27) | Design & Construction | \$ 33,325,000 | \$ 56,125,000 |
| Systemwide | Minor Repairs - Roof (25-27) | Design & Construction | \$ 12,153,000 | \$ 68,278,000 |
| Systemwide | Minor Repairs - Facility (25-27) | Design & Construction | \$ 47,554,000 | \$ 115,832,000 |
| Systemwide | Minor Repairs - Site (25-27) | Design & Construction | \$ 4,771,000 | \$ 120,603,000 |
| Systemwide | Minor Repairs - Infrastructure (25-27) | Design & Construction | \$ 43,400,000 | \$ 164,003,000 |
| Systemwide | Minor Works - Program (25-27) | Design & Construction | \$ 45,446,000 | \$ 209,449,000 |
| Grays Harbor | Lake Swano Dam Study | Planning/Design | \$ 1,000,000 | \$ 210,449,000 |
| Olympic | Innovation & Technology Learning Center | Construction | \$ 31,054,000 | \$ 241,503,000 |
| Lower Columbia | Center for Vocational and Transitional Studies | Construction | \$ 45,196,000 | \$ 286,699,000 |
| Columbia Basin | Performing Arts Building Replacement | Design & Construction | \$ 54,548,000 | \$ 341,247,000 |
| Whatcom | Technology and Engineering Center | Design & Construction | \$ 51,042,000 | \$ 392,289,000 |
| Cascadia | CC5 Gateway building | Construction | \$ 40,034,000 | \$ 432,323,000 |
| Edmonds | Triton Learning Commons | Construction | \$ 43,716,000 | \$ 476,039,000 |
| Bellingham | Engineering Technology Center - Bldg J Replacement | Design & Construction | \$ 18,559,000 | \$ 546,456,000 |
| Centralia | Teacher Education and Family Development Center | Construction | \$ 12,808,000 | \$ 559,264,000 |
| Spokane | Apprenticeship Center | Construction | \$ 42,861,000 | \$ 602,125,000 |
| Skagit | Library/Culinary Arts Building | Construction | \$ 37,375,000 | \$ 639,500,000 |
| Systemwide | Clean Buildings Compliance - Equipment Inventory and Reporting | Data & Compliance | \$ 5,490,000 | \$ 644,990,000 |

* Request authorized by SBCTC on 2/6/2025.

Certificate of Participation/Alternative Financing Requests

| College | Project | Funding Phase | Request Amount |
|----------------|------------------------------|-----------------------|----------------|
| Columbia Basin | Student Housing Construction | Design & Construction | \$ 18,000,000 |
| Edmonds | Student Housing Acquisition | Acquisition | \$ 9,000,000 |

| College | Project | Funding Phase | Request Amount |
|-------------|--|--------------------------|----------------|
| Clover Park | Technical Training Facility Acquisition & Renovation | Acquisition & Renovation | \$ 15,000,000 |

Operating budget request

- Preserve 2025-2025 state allocation for fiscal year 2025
- Maintain current funding for community and technical colleges
- Make targeted investments in compensation and operations

Update on emerging federal issues

Choi Halladay, deputy executive director for business operations, provided the board with an update on education-related federal executive orders that have been issued since Jan. 20 and what, if any, impact they have on community and technical colleges. In particular, the executive orders related to diversity, equity, and inclusion were discussed with the board.

There were conversations surrounding the impacts of the executive orders on international student programs and their ability to grant student visas. The discussion also touched on the rescission of several Biden executive orders related to higher education's role in combating climate change and the disbanding of the White House Office of Domestic Climate Policy. Board Member Baca raised concerns about the perception of affirmative action programs, which Choi Halladay clarified have been outlawed in the State of Washington for several decades.

Part of this update focused on how the executive orders could affect the funding that the agency and our community and technical colleges receive from the federal government. Choi Halladay discussed the challenges that came with interpreting and implementing the orders, highlighting the confusion and sense of panic they caused among the different colleges and within SBCTC itself. He also expressed concern about the potential impact on Hispanic-Serving Institutions, which were already seeing canceled technical assistance webinars.

Choi Halladay and the board talked about Title IX protections and how there has been a revert to a 2020 ruling which removed LGBT+ community protections from Title IX. They also discussed the Department of Education dissolving its Diversity and Inclusion Council, along with the potential closure of the Department of Education as a whole.

Allocation model review update

Stephanie Winner, operating budget director, and Carli Schiffner, president of Grays Harbor College, provided the board with an update on the current status of the allocation model review being conducted by the Allocation Model Review Committee (AMRC). The committee contains five different subcommittees that review different components of the allocation formula. They are:

- Student Achievement Initiative (SAI)
- Minimum Operating Allocation (MOA)
- Weighted Priority Enrollment
- Earmarks

- District Enrollment Allocation Base (DEAB)

Stephanie Winner and Carli Schiffner also reviewed initial recommendations from the committee, which covered topics of the minimum operating allocation, district enrollment allocation base, SAI (Student Achievement Initiative) performance funding, weighted priority enrollment, and earmarks.

The board was provided with an updated timeline for the allocation model, with semi-final recommendations to come to the board and other CTC leadership in April 2025, final recommendations in June 2025, final review and WACTC vote in July 2025, and final State Board approval in August 2025.

Capital program and major project prioritization study update

Darrell Jennings, capital budget director, provided the board with an update about the capital budget and its role in funding maintenance, construction, and equipment replacement in educational facilities. He explained that the budget itself is zero-based, meaning it starts from zero each biennium and the funding comes from various sources including the Legislature, colleges, and private monies. He contrasted this approach with the operating budget, which begins with maintenance level funding and can be used for more capital-orientated tasks.

Operating budgets are much less restrictive than capital ones. While SBCTC's capital budget for 2023-2025 was at about \$500 million, the operating budget was over \$2 billion.

SBCTC has several goals for the capital budget including supporting its mission, taking care of what we have, remaining consistent with college master plans, and only wanting space essential for our needs. Darrell Jennings expressed the importance of maintaining our over 20 million square feet of educational facilities as it would cost tens of billions of dollars to replace. The average age of college educational facilities is 36.7 years, emphasizing the agency's need to maintain building integrity and care.

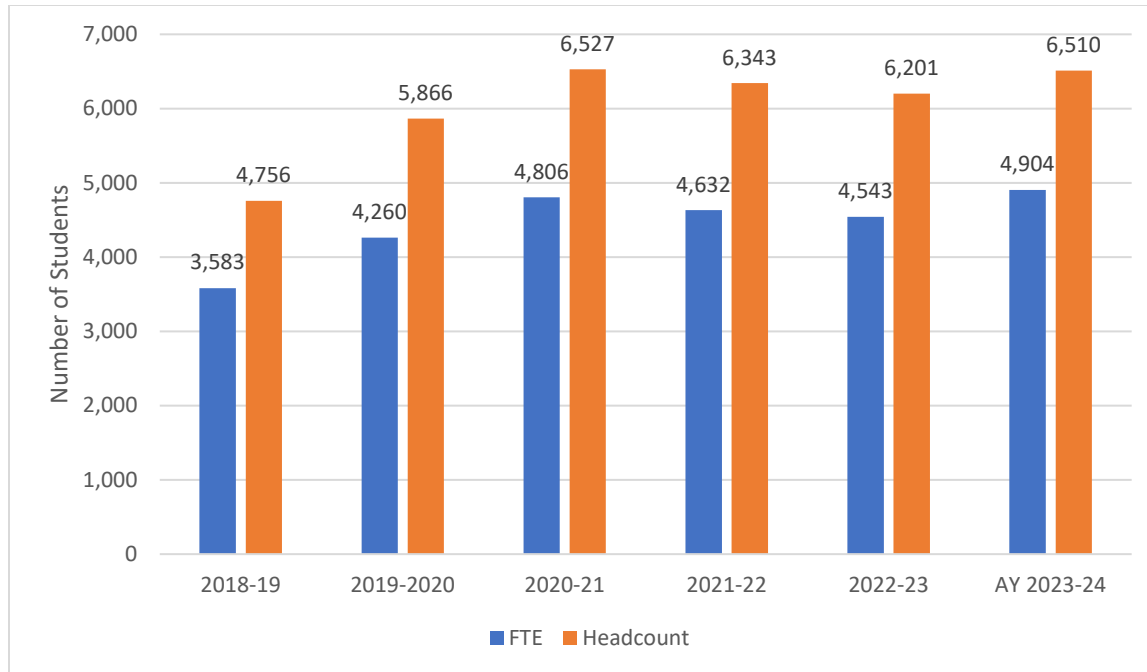
Darrell Jennings updated the board on major project prioritization. The State Board sets policy objectives and works together with the colleges to develop relevant metrics. The colleges propose projects based on local need and those projects are ranked based on how well they meet objectives. There is a 100-point scale for project scoring. This includes overarching criteria, infrastructure criteria, replacement criteria, and new era criteria.

Board Member Reich raised the issue of student housing and its accompanying challenges, while Joyce Hammer, deputy executive director for education, added that the division is conducting a study on student housing and its potential impacts to send to the Legislature.

Baccalaureate degree quarterly update and statements of need presentation

Ken Hang, policy associate for baccalaureate programs, provided an update to the board on bachelor's degrees at community and technical colleges and gave two statements of need. The update included a discussion of a study on the different demographics that play a role in enrollment at community and technical colleges. These include rurality, race, gender, and program area.

Ken Hang shared several different tables to showcase these findings:



Race/Ethnicity of students enrolled by entering cohort

| Race/Ethnicity | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|------------------------|---------|---------|---------|---------|---------|---------|
| Am. Indian/AK Native | 1% | 1% | 1% | 1% | 1% | 1% |
| Asian | 13% | 12% | 13% | 14% | 14% | 14% |
| Black/African American | 6% | 6% | 7% | 8% | 8% | 8% |
| Hispanic/Latine | 8% | 9% | 9% | 8% | 9% | 8% |
| Pacific Islander | 1% | 0% | 0% | 1% | 1% | 0% |
| White | 53% | 51% | 48% | 48% | 48% | 48% |
| 2+ Races | 12% | 13% | 14% | 15% | 16% | 17% |
| Not Reported | 7% | 7% | 7% | 5% | 4% | 4% |

Gender of enrolled students by entering cohort

| Gender | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--------------|---------|---------|---------|---------|---------|---------|
| Female | 56% | 58% | 59% | 59% | 57% | 58% |
| Male | 44% | 42% | 41% | 40% | 41% | 40% |
| Not Reported | 1% | 1% | 1% | 1% | 2% | 2% |

Comparing CCB students at rural-serving and non-rural-serving institutions, 2023-2024

| CCB Characteristics | Rural-Serving Institutions (n=10) | Non-Rural-Serving Institutions (n=24) |
|---------------------------|--------------------------------------|--|
| Total headcount (2023-24) | 998 | 5,512 |
| Female | 68% | 57% |
| Under age 25 | 40% | 35% |
| Received need-based aid | 51% | 46% |

The board was presented with several Statements of Need.

- Columbia Basin College — Bachelor of Applied Science in Respiratory Therapy
- Pierce College — Bachelor of Applied Science in Accounting
- Skagit Valley College — Bachelor of Science in Nursing (RSN to BSN)

There was also a program proposal for Bates Technical College to implement a Bachelor of Applied Science in Computer Information Security & IT Project Management, which will be Bates' second bachelor's degree program.

Adjournment

Board Chair Valadez adjourned the study session at 5:05 p.m.

Regular Business Meeting

The State Board held a regular business meeting on Feb. 6 from 8:30 a.m. to 12:30 p.m. Members discussed the current budget situation, key bills within the Washington state Legislature, including a bill that would add a student member to the board. There was also an update on the current legislative session and the student legislative intern program.

Welcome and introductions

Chair Valadez called the meeting to order at 8:30 a.m. and welcomed those present.

Establish a quorum and adopt meeting agenda

Chair Valadez noted that a quorum was present and requested a motion to adopt the agenda.

Motion: Moved by Board Member Reich, seconded by Board Member Hogans, and unanimously approved by the board, the adoption of the Feb. 5, 2025, regular meeting agenda.

Approval of consent agenda

- SBCTC Board Meeting Minutes — December 2024
- South Puget Sound Community College — local capital expenditure authority to construct a facility for soccer

Resolution 25-02-01

- Bates Technical College — local capital expenditure authority for Fire Service Training Center

project 40000130

Resolution 25-02-02

- d. Centralia College — local capital expenditure for Silver Street Apartments Interior Renovations

Resolution 25-02-03

- e. Lower Columbia College — property acquisition of 1954 Maple Street in Longview, Washington

Resolution 25-02-04

- f. Renton Technical College — local capital expenditure authority to remodel Building J

Resolution 25-02-05

- g. Columbia Basin College — local capital expenditure authority for safety, accessibility, and wayfinding improvements at Saraceno Way

Resolution 25-02-06

- h. Bates Technical College — proposed Bachelor of Applied Science in Computer Information Security and IT Project Management

Resolution 25-02-07

- i. Creation of a Search Advisory Committee to assist in the Executive Director search

Resolution 25-02-08

Motion: Moved by Board Member Mason-Placek, seconded by Board Member Hogans, and approved by the board, the adoption of the Feb. 6, 2025, consent agenda.

Public comments

No public comments.

2025 legislative session update

Arlen Harris, legislative director, provided the board with an update on legislative-related action between the end of 2024 and session to date, as well as key bills currently in play. He discussed the board's top priority, maintaining the \$28.6 million awarded during the Office of Financial Management's budgeting error. However, for the next biennium, more than \$50 million in double-counted funds will likely be removed. It is important to note, though, that colleges would not be as impacted as other state agencies due to Gov. Ferguson prioritizing higher education.

SBCTC is tracking several bills that would directly impact the community and technical college system:

- **HB 1554/SB 5543 Expand the College Bound scholarship eligibility** to include High School Equivalency (HSE) passers. Based on the fact the graduates from public and private high schools and individuals receiving homebased instruction (home schooling) are already eligible, the exclusion of students with an HSE is an equity issue.
- **HB 1556/SB 5542 High School Completion tuition waiver:** Seeks to remove the age restriction (currently 19 years and older) for colleges to waive all or a portion of tuition and fees for students eligible for resident tuition and fee rates and enroll in a course of study that will allow them to complete their high school diploma. As the number of students needing to

complete their high school education coming to our colleges increases, the use of this waiver could benefit these students by placing them on a college pathway as they complete their secondary education. This is a “may” not a “shall” waiver, so if passed by the Legislature it would provide colleges an option, not an obligation to provide it.

- **SB 5110 Tribal elder tuition waiver:** Currently, colleges may waive tuition for any Tribal elder aged 60 or older. Many Tribes in Washington state consider elders to be aged 55 and older. Legislation would lower the age for eligible Tribal elders to receive the tuition waiver to age 55.
- **Other policy issues to watch**
 - Financial Aid support for students
 - Dual Credit – College in the High School and Running Start

The board was asked if they had any feedback on adding a student member to the board, pursuant to HB 1486 currently in the House of Representatives. There was a lengthy discussion about this. The idea was originally brought up by the Washington State Student Association, and members of the board shared their differing opinions on the pros and cons of adding a student member of the group. Some of the logistics are complicated, but there are many benefits to students being able to have a direct voice on the board. Ultimately, the board decided to consider the idea further while also thinking about other ways to integrate student voices into their decision making. Arlen Harris stated that the discussion was helpful, and he would bring talking points back with him to the Legislature.

SBCTC intern update

The board was introduced to Kahnh Pham, one of SBCTC’s student legislative interns for this year. Isabella Flores, the other intern, could not be present during the meeting due to class conflicts.

The overall success of the internship program was shared with the board as Kahnh Pham shared his family background and how he came to be in this program. He immigrated with his family from Vietnam in 2022 and attended Tumwater High School before enrolling at South Puget Sound Community College. He plans to pursue a bachelor’s degree in computer science. He has had a great experience with the internship so far and expressed gratitude for the opportunity to advocate for students and find confidence in public speaking.

Executive director search

Julie Huss, human resources director, provided the board with an update on the search for the agency’s next executive director. SBCTC has contracted Academic Search and is working closely with consultants Rich Cummins and Shirley Pippins, who both have extensive experience in higher education and community colleges. They have conducted several different listening sessions with constituents and stakeholders to gather feedback for the position profile. The position will open in mid-February 2025 and remain open until mid-March 2025. The Search Advisory Committee, chaired by Board Members Mason-Placek and Hogans, will review applicants and conduct the semifinalist interviews. Final interviews with the board and forums will happen in mid-May. The intent is to have a

new executive director appointed by June.

ACT report

Bertha Ortega, ACT president, reported on the upcoming 2025 National Legislative Summit, which takes place Feb. 9-12, 2025 in Washington, DC. The ACT Spring Conference will take place from May 22-23, 2025 in Spokane, Wash.

WACTC report

Amy Morrison, WACTC president, spoke about challenges facing the college presidents due to federal and state budget uncertainties. Colleges are responding with tapping reserves, planning for layoffs or cuts, and implementing various types of freezes.

System unions report

Sue Nightingale of the WEA shared the new ADA compliance for web content, which can potentially lead to faculty having to change their textbooks to meet the updated standards. Another possibility is that more expensive textbooks will have to be used from major publishers. Karen Strickland of AFT Washington highlighted the importance of supporting new progressive revenue to address the state's revenue deficit. She also mentioned the need for increased security and safety measures on campus due to recent incidents

Executive director report

Chris Bailey, interim executive director, discussed the passing of former Clark College president Bob Knight and the Jan. 30 Hill Climb. He also reported the concerns regarding efforts within the agency to streamline the reporting employee process and stated that he is working with internal partners on navigating these concerns. He added he is looking forward to attending the National Legislative Summit in Washington, DC. Lastly, he thanked everyone for their work and stated he's excited to continue work in the system for the next few months.

Board discussion and chair's report

- Proposal to amend the bylaws to allow for a chair to serve more than two consecutive terms, particularly in years when a new executive director is hired.
- Need to appoint a committee to review candidates for the executive director position, per the bylaws.
- Chair Valadez thanked the board members for their time and participation in the day's meeting and thanked SBCTC staff for their presentations.

Adjournment/next meeting

There being no further business, the State Board adjourned its Feb. 6, 2025 regular business meeting at 11:45 a.m. The next State Board meeting will be April 9-10, 2025 in Olympia.

Attest

Chris Bailey, interim secretary

Martin Valadez, chair