MINUTES Board of Regents March 22, 2013

The Board of Regents of Washington State University met pursuant to call in Open Meeting at 8:00 a.m., on Friday, March 22, 2013, in the following location: Compton Union Building, Room 204, WSU Pullman, Pullman, Washington; with Regents joining via video conference from the following sites: Conference Room 2, WSU West, Seattle, Washington; Dengerink Administrative Building, Room 236, WSU Vancouver, Vancouver, Washington; and the Student Academic Center, Room 503A, WSU Spokane, Spokane, Washington.

Present: Regent Scott Carson, Chair; Regents, Ted Baseler, Harold Cochran, T. Ryan Durkan, Laura Jennings, Connie Niva, Rafael Pruneda, Ron Sims and Michael Worthy; President Elson S. Floyd.

1. Report from the Chair of the Board of Regents. Regent Carson welcomed everyone to the meeting. He started off by thanking the President's Office Staff for making it possible for the Regents to join the meeting from various locations because they were not able to attend in Pullman due to airline complications occurring earlier in the day.

Regent Carson said since the last meeting, the Regents have been busy participating in several important programs and events for the University. He thanked Regents Jennings and Niva for attending the Regent and Trustee Day in Olympia with him; Regent Cochran for attending the Board of Governors meeting; Regent Pruneda for testifying in front of the House Higher Education Committee regarding the Dream Act; and Regent Worthy for providing the keynote address at the ASWSU Multicultural Fundraising Dinner. Regent Carson also mentioned that he had the privilege of speaking at the Seattle-NW 11th Annual Public Finance Conference on STEM initiatives.

2. Report from the President of the University. President Floyd thanked the Board for the opportunity to report. He also commended the teams in Pullman, Seattle, and Vancouver, for being able to facilitate the electronic meeting with very little time.

President Floyd started his report by providing the following personnel related issues:

He said that they have identified Keith Moo-Young as WSU Tri-Cities third chancellor. He said that Dr. Moo-Young, an Engineer by trade, has come enthusiastically endorsed by the Tri-Cities Community. He said that he will start his tenure as Chancellor June 1.

President Floyd took a moment to thank Dr. Richard Pratt for his leadership over the interim. He added that he's done a great job keeping the campus together and moving it forward in many important ways.

Dr. William (Bill) Andrefsky Jr., has been named Dean of WSU's Graduate School. He said that he is a professor, graduate coordinator and former chair of the Department of Anthropology. He said that Dr. Andrefsky will work well with all the academic units to ensure that we continue to grow graduate programs and enrollments. He said that he will begin his post April 1.

President Floyd reported that Provost Bayly has indicated he will be stepping down as Provost at the end of May. He said that he will miss Dr. Bayly tremendously, as they have gone through a lot of good times together, and also many difficult times. He added that that it will not be easy to find someone to replace him. He hopes to appoint an acting provost in April. He also reported that they will conduct a national search to begin this fall to identify a permanent provost.

President Floyd reported that he had the privilege of meeting with the full faculty of the College of Education. He said they talked about their role, mission and purpose within the institution and much more broadly within the academy. He indicated that they made the institutional decision to have a balloting process in which faculty will be able to weigh in on whether or not they should continue with Dr. Trevisan as the Dean of the College of Education, or should they engage in a national search. He said that he felt it was important to hear the voices of the faculty and staff in helping him to make a decision. He said the balloting process will conclude by the end of March and he will then make the decision whether to appoint Dr. Trevisan as the permanent Dean or whether they will engage in a search. He added that if they do engage in a search it will not occur until the fall. He added that Dr. Trevisan has served as interim dean for the College of Education since January 1.

President Floyd said the final personnel update is the appointment of Dr. Grant Norton as Dean of the Honors College. He has served as the associate Dean in the College of Engineering and he has no doubt that Dr. Norton will do a great job. He said that he will assume his post May 16.

President Floyd reported that the Paul G. Allen Center for Global Animal Health has been named the building of the year by the *Daily Journal of Commerce*. He said that he was very pleased with the recognition and that Mr. Allen is equally pleased.

President Floyd provided a review of the difficult choices made over the past four years due to the 52 percent reduction of state appropriations. He said, unlike many institutions in the country, WSU made a decision to make a permanent response to the

reductions and not anticipate that those buckets would be filled again by the state, yet remaining hopeful that they would, but realizing that they had to have a balanced budget. He said the budget will come into better focus over the next several weeks and that there are some institutions within the state that took a very different approach, which was to yield one-time budget reductions, as opposed to permanent reductions. He said he suspects that there will be quite a bit of conversation over the ensuing weeks about the response WSU has taken and how WSU has managed.

President Floyd reviewed several slides with the Board regarding the decisions that were made as a result of the 52 percent budget reduction. Exhibit A.

To summarize, President Floyd said that Washington State University is doing some things that are "outside of the box." He said that he has had to make some very hard decisions, and has communicated those broadly. He wanted the Regents to have some sense of what the actual numbers were and what the productivity was associated with WSU's response to the fiscal crisis. He added that he's not sure what the allocations from the legislature will look like, but WSU's budget is in alignment and it is fiscally sound. He thanked the faculty, his leadership team and the Regents for their leadership and for being a real partner with him and the institution.

Regent Carson said that it is worth noting that the institution continues to receive awards for program excellence and it is because of his leadership. He congratulated President Floyd and his team for all that they've done.

Regent Durkan asked if the federal sequestration has affected WSU's research dollars and if he had any concerns about it.

President Floyd said that there are concerns and his estimation of the fiscal impact on WSU could be anywhere between 8-12 million dollars. He said the reason for such a spread is because each agency is charged with deploying those cuts.

Regent Baseler commented that President Floyd was at the Washington Roundtable last week and as always, did a superior job of representing higher education and Washington State University with the Roundtable members. He added that a manager from the Boston Consulting group who attended provided the group with some statistics about the importance of STEM and the potential of filling 25 thousand jobs in the state of Washington and the need for additional software engineers, computer science, and engineering in general.

Regent Carson thanked President Floyd for the update. He said it certainly has been challenging times during his leadership and he continues to be an exemplary leader for all higher education in the State.

- 3. Minutes. It was moved and seconded that the Board of Regents approve the minutes of the January 25, 2013. Carried.
- 4. Reports from University Groups. Representative from each of the university groups—Faculty Senate, Administrative and Professional Advisory Council, Associated Students of Washington State University, the Associated Students of Washington State University Spokane, the Graduate and Professional Student Association, Foundation Board of Governors, and the WSU Alumni Association—reviewed their reports as submitted. (Individual written reports may be found online at the Board of Regents website or requested from the President's Office.)
- 5. Focused Discussion Washington State University's Contribution to the Washington Economy. Provost and Executive Vice President Warwick Bayly and Associate Vice President for Economic Development and External Affairs, Anson Fatland provided a presentation to the Board regarding the economic contribution of Washington State University to the State Washington. See Exhibit B for full presentation.
- 6. Executive Committee Report. Regent Carson reported that the committee reviewed the future actions items that will come before them at the May meeting. He said those items included the process for identifying the Regents' Distinguished Alumni Award candidates, the 2014 Board of Regents Meeting Dates and the election of officers for the Board for next year. He also reviewed the two action items prior to Board of Regents approval.

The Board took action on the following:

<u>Facilities Names Recommendation</u>. It was moved and seconded that the Board of Regents approve the recommendation to rename the College of Communication Addition building on the WSU Pullman Campus, the Goertzen Communication Addition. Carried.

<u>Conduct on Campus Code (Chapter 504-31 WAC)</u>. It was moved and seconded that the Board of Regents approve the adoption of the Washington Administrative Code establishing a Conduct on Campus Code. Carried.

7. Academic and Student Affairs Committee Report. Regent Niva reported that the committee received an enrollment update from John Fraire, Vice President for Student Affairs and Enrollment.

Regent Niva also reported that Dr. Bruce Wright, Executive Director of Health and Wellness, along with Dr. Melynda Huskey, Dean of Students, updated the Committee on the President's Task Force on Alcohol Abuse. She said that they covered significant data trends, have reviewed thoroughly WSU's current policies and programs, reviewed

best practices and will be ready to make recommendations to the President in early to mid-April.

Lastly, Regent Niva reported that Provost Bayly updated the Committee on two departmental name changes and also discussed a program called the Cougar Assurance Program. She said that program indicates that freshman would be able to immediately join the department of their choosing. She said the ultimate aim of this program is for retention in graduate rates.

8. External Affairs Committee Report. Regent Jennings reported that the Committee received a legislative update from Associate Vice President for Government Relations, Colleen Kerr, emphasizing what is occurring at the local, state and federal levels. She said that Ms. Kerr also provided an update on a Memorandum of Understanding with King County.

Regent Jennings also reported that Anson Fatland, Associate Vice President for Economic Development and External Affairs, presented on the future action of Commercialization and Intellectual Property. She added that over the last decade, WSU has enjoyed great success in growing research expenditures, however their ability to commercialize the work has not matched their ability to bring in new research expenditures. She said under Dr. Fatland's leadership, the WSU Research Foundation has taken a thorough look at their processes, best practices and performance of their peers, and has put forward a recommendation to transition the intellectual property commercialization functions from the WSU Research Foundation to a new internal office of commercialization.

9. Finance and Audit Committee. Regent Worthy reported that the Committee received an update from Roger Patterson, Vice President for Business and Finance, and Barry Johnston, Associate Vice President for Business and Finance, on the sale of general revenue bonds. He said they also reviewed the future action items that will come before them at the May regarding student activities fees and the remodeling and construction of the Chief Joseph Village apartments.

Regent Worthy reviewed the action on the Visitor Center Schematic Design before the Board of Regents approval.

The Board took action on the following:

<u>WSU Pullman, Visitor Center, Schematic Design</u>. It was moved and seconded that the Board of Regents approve the schematic design documents for the Visitor Center. Carrried.

10. Executive Session. Regent Carson reported that the Regents convened in Executive Session, Thursday, March 21, 2013, at 4:30 pm, for the purpose of discussing

with legal counsel litigation or potential litigation. He said as a result of that discussion, he recommends the following action.

Request for Defense of University Employees. It was moved and seconded that the Board of Regents approve Resolution #130322-449, approving the request for defense by WSU employee Margaret Cohn-Urbach, D.V.M. Carried.

- 11. Public Comment Period. No public comments were made.
- **12. Adjournment.** In closing, Regent Carson announced that the next Regents' Meeting will be held May 2-3, in Pullman, which is also commencement for WSU Spokane and Pullman campuses.

The meeting adjourned at 10:00 am.

Approved by the Board of Regents at its meeting held May 23, 2013, in Pullman.

Chair, Board of Regents

Secretary, Board of Regents



Hard Choices for Hard Times

MARCH 21-22, 2013



Eliminated 581 currently filled or recently vacated positions

Currently Filled 317

Vacated 264

		Currently Filled	y Filled	***		Vacant	ant		Tota	Total Vacant and Currently Filled	Currently Fi	lled
	AP	AP Classified Faculty	Faculty	Total	AP	AP Classified Faculty	Faculty	Total	AP	AP Classified Faculty	Faculty	Total
FY10 Cut	20	70	47	167	.58	73	- 61	192	108	143	108	359
FY11 Cut	39	51	36	126	8	16	∞.	.32	47	29	44	158
FY12 Cut as of 10/17/11	10	5	6	24	14	16	10	40	24	21	19	64
Total	66	126	92	317	80	105	62	264	179	231	171	581

		Currently Filled	ly Filled			Vacant	nt		Tota	Total Vacant and Currently Filled	Currently F	illed
	AP	AP Classified Faculty	Faculty	Total	AP	Classified	Faculty	Total	AP	Classified	Faculty	Total
FY10 Cut	30%	42%	28%	100%	30%	38%	32%	100%	30%	40%	30%	100%
FY11 Cut	31%	40%	29%	100%	25%	20%	25%	100%	30%	42%	28%	100%
FY12 Cut as of 10/17/11	42%	21%	38%	100%	35%	40%	25%	100%	38%	33%	30%	100%
Total	31%	40%	78%	100%	30%	40%	30%	100%	31%	40%	78%	100%

Restructured academic support administration, reducing cost of senior administration

Merged Student Affairs and Enrollment Management.

Merges Economic Development, Advancement (Foundation), University Relations, and International Programs.



Phased out 17 degrees or options and curriculum

- BA in American Studies
- BA in Psychology
- BS in Architectural Studies, Spokane
- MS in Architecture, Spokane
- M Elementary Education
- M Secondary Education
- School Psychology State Certificate
- Diverse Learners option in EdD
- 5 of 12 options in BA in Communications
- 2 majors and 1 option of BS in Agricultural and Food Systems
- Doctor of Design

Consolidated or reduced eight degrees

- BS in Crop Science, BS in Horticulture, and BS in Soil Science consolidated into BS in Integrated Plant Science
- BS in Landscape Architecture reduced from 5 to 4 year program
- Reduced credits required in Agricultural Education from 143 to 125
- Business reduced number of business courses required for graduation
- Reduced number of students admitted into BA Education program from 120 to 80 students per year
- Nutrition and Dietetics consolidated with Exercise Physiology and Metabolism in Spokane



Reorganized or phased out seven academic units

- General Education Program being reorganized
- · Phased out Speech and Hearing Science Clinic in Pullman
- Moved Statistics from CAHNRS into Sciences. Bi-state School of Statistics proposed.
- · Change 'Department of Management and Operations' to 'Department of Management,' reducing administrative overhead expenses.
- Change 'Department of Finance, Insurance, and Risk Management' to 'Department of Finance and Management
- Change 'Department of Information Systems' to 'Department of Entrepreneurship and Information Systems'. The 'Center for Entrepreneurial Studies' moved to within this department.
- Consolidate the departments of Comparative Ethnic Studies, Women's Studies, and American Studies

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Consolidated seven academic departments and programs into two

- School for Design
- Design Doctorate Spokane
- Interior Design
- Landscape Architecture
- Architecture
- Construction management
- School for Environment
- Department of Natural Resource Sciences and
- * the School of Earth and Environmental Sciences

Consolidated two academic colleges

College of liberal arts and college of sciences

Eliminated three majors/programs of study

- Theater and Dance The department and both the major and minor were phased out beginning immediately. The department will officially close July 2011. All students currently certified in Theater and Dance will complete their course of study.
- Community and Rural Sociology The department was phased out effective immediately with the official close July 2010. (There are no students or majors within this department.)
- German The major was eliminated July 2011. All students currently certified in German will complete their course of study.



Additional Innovations for Efficiency

- Consolidated capital planning and all facilities operations
- Consolidated local and global media relations
- Consolidated student services and enrollment activities
- Revised course schedule to eliminate 80-minute-long classes on Mondays and Wednesdays, enabling more classes to be scheduled and students more flexibility to obtain needed courses
- Eliminated mandatory minors in order to graduate with baccalaureate degrees in some majors, opening space for more students seeking to complete their preferred major
- Created an online, three-week-long winter program allowing students to earn three required credits and an identical program for between the summer session and fall semester.
- Froze summer tuition rates to drive more students to earn needed credits for graduation
- Created the University College to consolidate advising for undergraduates with undeclared majors
- Streamlined undergraduate general education requirements to streamline path and time to degree:
- Reduce required credits by ~15%
- Enabled more general education credits to count toward major

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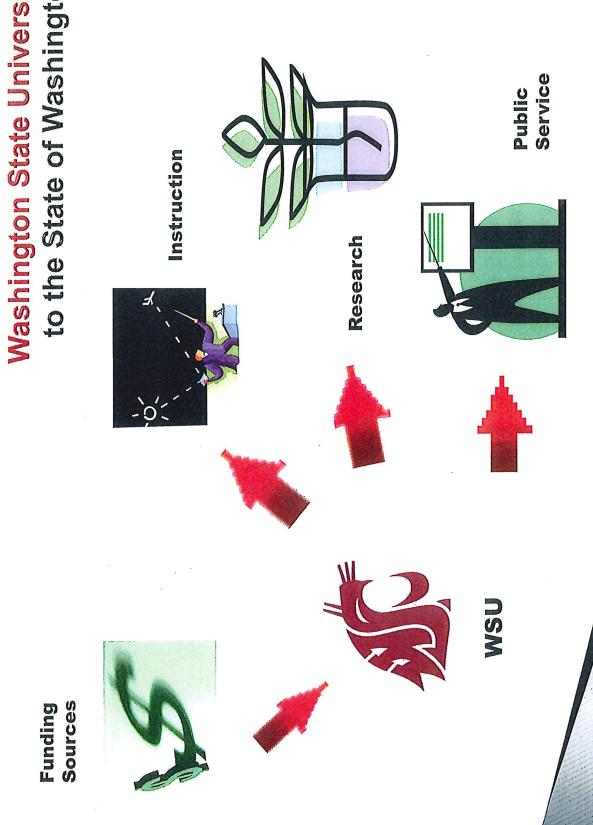
WASHINGTON STATE UNIVERSITY

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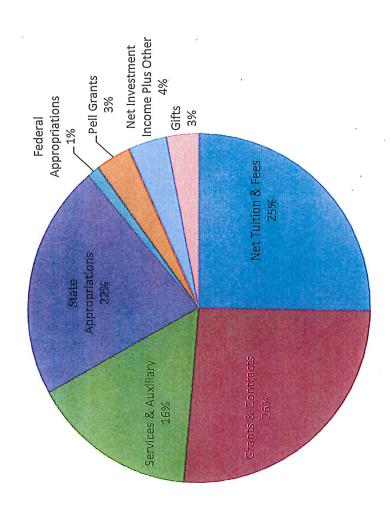
Washington State University to the State of Washington The Economic Contribution of



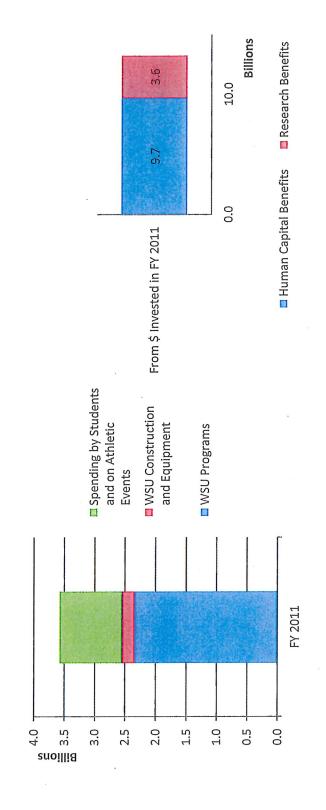
to the State of Washington The Economic Contribution of Washington State University



WSU's Sources of Funds FY 2011 \$868.4 million



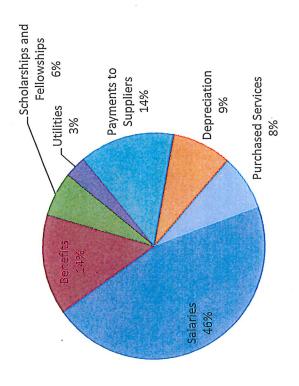
Summary of WSU Economic Contributions



Economic Contributions Total \$3.6 billion

Long Term Expected Benefits Total \$13.3 billion

WSU Uses of Funds FY 2011 \$858.2 million



WSU uses funds to meet its land grant mission of education, research, and public service

WSU Economic Contributions

WSU impacts the economy of the state of Washington

- directly through expenditures on
- creation of human capital through education
- Research and innovation that generates and disseminates new information
- participation in public service through WSU Extension and other outreach activities
- directly through investments in construction and equipment on the several campuses
- indirectly through spending by vendors
- through spending by WSU employees
- through spending by students and their dependents
- through spending by out-of-town spectators attending athletic events

WSU Uses of Funds FY 2011

In FY 2011, WSU invested

- \$783.8 million for instruction and institutional costs, research, and public service
- \$93.9 million in capital costs
- \$21.2 million for equipment

WSU Economic Contributions FY 2011

WSU expenditures

\$783.8 million

2.98

\$2.3 billion impact

MSC

1.73

construction

\$199.6 million

impact

- . \$93.9 million
- equipment
- \$21.2 million

2.11

\$1.0 billion

Spending by

- student and dependents
- · visitors to athletic events

Estimates and multipliers from IMPLAN Model

WSU Tax and Job Impacts

State and Local Tax Effects of

- **Expenditures on WSU programs**
- **Expenditures on construction and equipment**
- Expenditures made by students and dependents
- Expenditures made at athletic events

Total: \$147.9 million

jobs beyond the University in the Washington economy, which was 0.74 % of Washington non-farm employment WSU and related economic activity supported 20,900 in 2011 **Estimates from IMPLAN Model**

WSU Economic Performance per State Dollar

WSU state appropriations in FY 2011 were \$189.2 million

including those on construction and equipment, was Economic activity generated by WSU expenditures, \$2.5 billion

· \$13.41 per dollar of state appropriations

plus spending by students and on athletic events was **Economic activity generated by WSU expenditures** \$3.5 billion

\$18.89 per dollar of state appropriations

WSU Land Grant Mission: Education

WSU creates human capital through education

Work-life earnings increase with college and graduate education

- High School graduates are estimated to have work-life earnings of
- Bachelor's degree holders are estimated to have work-life earnings of \$3.5 million
- The human capital added is \$1.7 million for each bachelor's
- A master's degree adds \$500,000 to work-life earnings beyond a bachelor's degree
- A doctoral degree adds \$700,000 to work-life earnings beyond a bachelor's degree
- A professional degree adds \$1.3 million to work-life earnings beyond a bachelor's degree

WSU Land Grant Mission: Education

In FY 2011, WSU graduated 6,391 students

- · 5,221 bachelor's degrees
- 763 master's degrees
- 211 doctoral degrees
- 196 professional degrees

The additional human capital contributed by WSU for the FY 2011 graduates was \$9.7 billion



WSU Land Grant Mission: Education

WSU produces graduates for which Washington has high demand. In 2011, the fastest growing industries were:

- Professional and Business Services -- averaged 338,200 jobs, up 11,900 from 2010
- Manufacturing -- averaged 269,200 jobs, up 11,000 from 2010
- Trade, Transportation, and Utilities -- averaged 525,700 jobs, up 8,900 from 2010

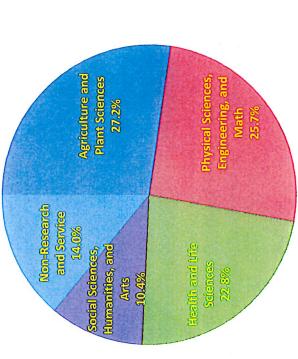
WSU graduated in FY 2011:

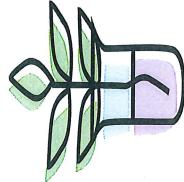
- 496 engineering degrees, 380 U and 116 G
- 94 computer science degrees, 72 U and 22 G
- 681 science degrees, 517 U and 164 G
- 1,116 business and economic degrees, 976 U and 140 G

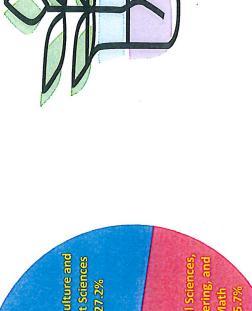
as well as many other students whose WSU education prepares them to excel in today's economy

WSU Land Grant Mission: Research

WSU Research Funding of \$236.9 million in FY 2011







WSU Land Grant Mission: Research

- agricultural research that, when adjusted for the A USDA study estimates a benefit/cost ratio for current cost of capital, is 15:1
- WSU was awarded \$105.0 million for agricultural research in FY 2011
- investment in FY 2011 are expected to be \$1.6 billion Applying the benefit/cost ratio, benefits of WSU agricultural research from the \$105.0 million
- the total benefits from WSU research would expected to be \$3.6 billion from FY 2011 research investments If remaining WSU research produced similar returns, of \$236.9 million

WSU Land Grant Mission: Public Service

WSU Extension Mission:

support the citizens of the state in their efforts to improve their economic well-being and quality of life

Enhancing the economic viability of agricultural production

· fruit trees, wheat, wine, livestock

Community development

economic development planning, Small Business Development Center, export assistance, regional food systems

Natural resource stewardship

biofuels, Energy Program, alternative energy

Youth programs

4-H, STEM education

Family agenda

· financial asset building, family nutrition, Master Gardeners



WSU's Economic Engagement

survey preliminary results and insights

WSU Economic Contributions for FY 2011

Total WSU expenditures, including construction and equipment, generate \$2.5 billion economic contribution to Washington Spending by student and dependents and on athletic events contribute an additional \$1.0 billion

Washington 2011 Gross State Product was \$355.1 billion

Total economic contribution of WSU and students is \$3.6 billion, or 1% of Gross State Product







Long Term WSU Economic Contributions from FY 2011 Investments

WSU enhanced human capital for FY 2011 graduates by \$9.7 billion

WSU agricultural research investments in FY 2011 are investments would be expected to produce benefits of expected to produce \$1.6 billion in benefits; if other research produced similar benefits, FY 2011 research \$3.6 billion Taken together, these quantifiable benefits total \$13.3 billion In addition, invaluable public service is provided by WSU Extension

WSU Economic Contributions Telling the Whole Story

Economic Engagement summary statement

Invited to participate in pilot award year for Innovation **Economic Prosperity Award**

Will analyze results with SESRC, determine 3 areas to Conducted self-assessment of economic engagement

highlight, 3 areas to develop growth plan

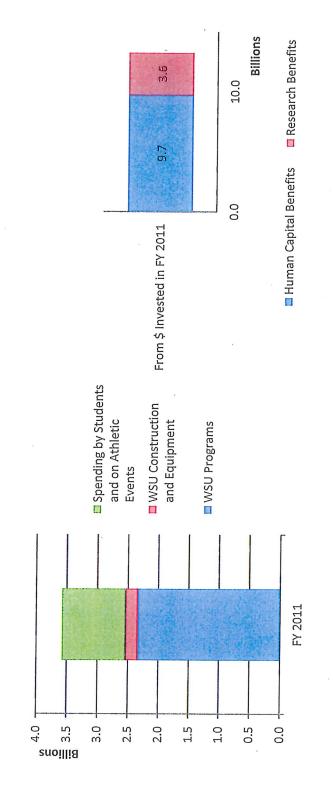
Working on communications plan, heavy focus on social

Will participate in Show our Impact and Advance America Campaign with APLU and other universities

CICEP New Metrics of University Economic Contributions

Regional and National Workforce, and 3. University-Based Knowledge 20 priority metrics in 1. Relationship with Industry, 2. Developing the Incubation and Acceleration Programs

Summary of WSU Economic Contributions



Economic Contributions Total \$3.6 billion

Long Term Expected Benefits Total \$13.3 billion