



Board of Trustees, District No. 20
Walla Walla Community College
Board Meeting Agenda
Friday | December 18, 2020 | 9:30 a.m.

***Please note: To comply with Governor Inslee’s Proclamation temporarily suspending the Open Public Meetings act, attendance will be virtual only. To connect to the Friday, December 18, 2020 Board Meeting, go to ZOOM: <https://us02web.zoom.us/j/84694700268> or dial-in: 253/215-8782.**

Virtual Board Meeting

All Times are Estimates

9:30 a.m.	Call to Order <i>Mr. Sergio Hernandez, Chair</i>		
	Approval of Agenda <i>Mr. Hernandez</i>	Action	
	Consent Agenda <i>Mr. Hernandez</i>	Action	
	<ol style="list-style-type: none"> 1. October 28, 2020 Board Meeting Minutes 2. Personnel Update 		<p style="text-align: right;">Tab 1</p> <p style="text-align: right;">Tab 2</p>
9:35 a.m.	Policy Governance 103	Discuss	
10:05 a.m.	President's Report <i>Dr. Chad Hickox</i>	Discuss	
10:20 a.m.	Strategic Planning Process <i>Dr. Bob Hughes</i>	Discuss	
10:50 a.m.	Student Government Association Activity Report <ul style="list-style-type: none"> ➤ Clarkston Campus <i>Mr. Shiloh Rowden</i>	Discuss	
11:05 a.m.	Interim Fall Quarter Enrollment Report <i>Dr. Nick Velluzzi</i>	Discuss	Tab 3
11:20 a.m.	November Financial Report <i>Ms. Peggy Lauerman</i>	Discuss	Tab 4
11:35 a.m.	First Read: Revised Reserves Policy <i>Ms. Lauerman</i>	Discuss	Tab 5
11:50 a.m.	Board Reports/Remarks: <ul style="list-style-type: none"> ➤ ACT Trustee Tuesday – December 22 8:00-9:00 a.m. 	Discuss	

12:00 p.m. New and Unscheduled Business

Discuss

12:10 p.m. Public Comment

Discuss

12:25 p.m. Adjournment

Board of Trustees Meeting Minutes Community College District No. 20 Walla Walla Community College

The Board of Trustees of Community College District Number 20 met in regular session on Wednesday, October 28, 2020, via Zoom. Mr. Tim Burt called the meeting to order at 9:30 a.m.

Trustees present: Mr. Sergio Hernandez, Chair
Mr. Tim Burt
Ms. Michelle Liberty
Mr. Don McQuary
Mr. Bill Warren

Administrators present: Dr. Chad Hickox, President
Ms. Davina Fogg, Vice President, Operations
Mrs. Sherry Hartford, Vice President, Human Resources
Ms. Peggy Lauerman, Vice President, Finance
Dr. Nick Velluzzi, Vice President, Enrollment Services and
Institutional Effectiveness
Ms. Kathy Adamski, Dean, Nursing Education
Mr. Jerry Anhorn, Dean, Workforce
Mr. Brent Caulk, Dean, Corrections Education, WSP
Ms. Jessica Cook, Executive Director, WWCC Foundation
Dr. Richard Middleton-Kaplan, Dean, Arts & Sciences, Criminal
Justice, Early Childhood & Parenting Education, and Human &
Social Services
Ms. Susie Pearson, Dean, Transitional Studies

Also present: Ms. Margarita Banderas, Director, Equity, Diversity, & Inclusion
Dr. Lisa Chamberlin, ctcLink Project Manager/Organizational
Change Manager
Ms. Jacqueline Meier, Director, Campus Safety & Environmental
Health & Safety
Mr. Bryan Ovens, Assistant Attorney General
Ms. Jerri Ramsey, Recording Secretary

Approval of Agenda.

Mr. Warren moved and Mr. McQuary seconded to approve the agenda for the October 28, 2020 Board of Trustees meeting as presented. *Motion carried.*

Consent Agenda.

Mr. McQuary moved and Mr. Warren seconded that the consent agenda items be approved or accepted, as appropriate: 1) Special Board Meeting Minutes: A. June 17, 2020, B. June 24, 2020, C. July 15, 2020 and; 2) Personnel Update. *Motion carried.*

Mr. Hernandez made the following statement:

"I would like to take a minute to recognize the collaboration and hard work that the WWCC staff, faculty, administrators, union leaders, and the various committees that have been meeting for untold hours. It's an incredible amount of work these past few months. On behalf of the Board, we really want to express our appreciation for the efforts that you are making to meet the needs of our students during these very difficult times and what you accomplish each day individually and collectively makes a lasting difference, as you know, in the lives of our students so, sincerely, thank you from the five of us. Thank you for all your hard work at the college. And if you will bear with me just for one second. I would like to add one more thank you that I believe is important and that is to Tim Burt, our past board chair. Tim, you guided us through some of the most difficult times the college could have faced. You have done it with dignity, compassion, transparency, your shoes will be difficult to fill so I will rely on your expertise this year to help me. Thank you for your guidance."

Human Resources Update. Mrs. Hartford presented information on the following:

- Historical full-time employment – 2003-2020
- Breakdown between full-time and part-time employees as of September 2020
- Diversity and age distribution of employees
- Information about the Employee Assistance Program; services available and utilization
- Employee benefits
- Furloughs: Classified and exempt employees furloughed over 11,000 hours – equal to five full-time employees and resulting in a savings of almost \$342,000
- Status of both faculty (AHE) and classified (WPEA) contracts
- Minimum wage increasing January 1, 2021 from \$13.50 to \$13.69 per hour
- Effective July 1, 2020, salary thresholds for overtime exempt employees became a multiplier of the state minimum wage for a 40-hour work week and effective January 1, 2021, the overtime threshold will be \$49,83 (1.75 X minimum wage)

President's Report. Dr. Hickox reviewed the following:

- Planning is underway for the annual WWCC/CBC Legislative Event to be held virtually on December 7
- The NWAC Executive Board will meet soon and possibly provide direction to the colleges regarding athletics

- The pool of potential strategic planning consultants/facilitators has been narrowed to two individuals with a decision anticipated within a week
- The deadline to register for winter quarter was moved-up and registration for new students has begun
- A limited number of employees in student-facing positions are now working on campus to accommodate students calling and/or for on-campus appointments.
- State of the College address will be held October 29 at 3:30 p.m.
- Working with Foundation staff, Dr. Hickox has held several meetings with donors in the communities served

Policy Governance. Mr. Hernandez noted the Board and President had participated virtually in a six-part series sponsored by ACCT on Policy Governance and had agreed to discuss one or more sessions at each Board meeting, with Board Governance 101 as the first. Based on input from the Trustees, a common area of interest was on communication – between Trustees, between the President and the Trustees, and the role of the Board Chair in the process. Items discussed included:

- The Trustees agreed that the President's weekly updates were excellent and, if a Trustee had a question about a particular item, they could contact the President.
- It was agreed that, at times, monthly meetings did not provide opportunities for extensive discussions. However, it was also noted that the Board was a policy-setting body vs an operational board.
- It was agreed that Trustees who had an interest in a particular topic and wanted an opportunity to discuss it, could contact the Board Chair and request consideration to have it be included on a future Board meeting agenda as a study session with adequate time allotted.
- As a means of being informed of events and issues, Trustees were reminded that they have access to all college-wide emails.
- Regarding policies, it was agreed that the President should continue to review existing and needed policies; the Trustees would be provided with links to the ACT website and to the Governor's Boards and Commissions website that contain information specific to serving as a community college trustee in the state of Washington.
- It was agreed to continue discussing the ACCT Policy Governance sessions at each upcoming Board meeting.

Student Government Association Activity Report

➤ **Clarkston Campus.** Shiloh Rowden, SGA President for the Clarkston Campus, reported on SGA leadership's participation in summer training provided by the American Student Government Association; that the SGA leadership from both the Walla Walla and Clarkston campuses were holding joint workshops and meetings; the Clarkston Campus would be holding a virtual Halloween costume contest; hoped to organize Thanksgiving baskets for students in need; developing a new constitution and bylaws for the Clarkston Campus; will wear blue on November 14 to recognize Diabetes Awareness month; will honor Veteran's Day with signs and flags; and are working with the Walla Walla SGA and Student Life to evaluate budgets to reflect the impact of enrollment.

Interim Fall Quarter Enrollment Report. Dr. Velluzzi reviewed the Interim Fall Quarter Enrollment Report, noting that compared to the close of Fall Quarter the previous year:

- State supported enrollment reported 1,600 FTE, down 680 FTE, or 30%
- Contract enrollment reported 835 FTE, down 495 FTE, or 46%
- Self-support enrollment reported 50 FTE, down 27 FTE, or 36%
- BAS enrollment reported 58 FTE, up 9 FTE

September Financial Report. Ms. Lauerman presented the September Financial Report, including:

- Operating budget reconciliation
- Revenues
- Expenditures
- Course program fees
- Grants and contracts

Marketing Campaign. Dr. Velluzzi provided a wrap-up of the marketing efforts used leading up to Fall Quarter, as follows:

- Total leads generated – 300
 - Of the 300, over half did not apply; two new students registered and four students were reengaged
- Total investment was just over \$37,000 that occurred from mid-May to late-September
- Next steps will include direct mail, email, ads on Spanish-speaking radio
- Participating in a Media Preference survey to determine the media consumption habits of students so as to direct the marketing dollars and student communication

Retention Report. Ms. Tessa Kimball provided information on the College's retention efforts:

- Historically, fall quarter to fall quarter retention rates have averaged 57%; fall 2019 to fall 2020 saw a 55% retention rate of new students with a 48% retention rate for all students
- Spring 2020 to fall 2020 resulted in a 53% retention rate
- 81% of spring quarter 2020 students that received CARES Act funding reenrolled for fall quarter

Ms. Herrmann reviewed the variety of efforts used to engage students, determine their needs, help them with resources, continue to engage them throughout the quarter, whatever is needed to keep them enrolled and successful.

ctcLink Update. Dr. Chamberlin provided an update on ctcLink, noting ctcLink, PeopleSoft, and Warrior Link were all used interchangeably with ctcLink the name of the overall statewide project, PeopleSoft the software on which it's built, and Warrior Link the WWCC name of the project. Dr. Chamberlin pointed out Warrior Link will manage all areas used in the day-to-day functioning of the college, i.e., finance, human resources, payroll, enrollment, outreach, admissions, financial aid, etc. It will be Cloud-based and mobile-friendly, therefore easily

accessible from anywhere. Dr. Chamberlin outlined the efforts that have been, and continue to be, underway to prepare for an anticipated go-live date of February or March of 2022.

Office of Equity, Diversity, and Inclusion Update. Ms. Banderas reported the work of the Office of Equity, Diversity, and Inclusion is to collaboratively identify and remove barriers, create opportunities for success across the college, and create the best possible educational environment for all. Ms. Banderas noted in her first year she has focused on what equity work was already being done, identifying gaps, and building relationships. One of the first initiatives was to build on the existing search advocate program with ongoing training; create professional development opportunities to promote cultural understanding; advise student equity clubs; work with counterparts at Whitman College and Walla Walla University to evaluate successful practices. Ms. Banderas also noted equity, diversity, and inclusion will be embedded into the components of the strategic planning process.

First Read: 2021 Board of Trustees Meeting Schedule. Dr. Hickox presented the proposed 2021 Board of Trustees Meeting Schedule, noting the dates reflected meeting on the fourth Wednesday of each month. By consensus, the Board agreed the schedule could be placed on the consent agenda for the November Board meeting.

Board Reports / Remarks:

➤ **Appoint Primary and Secondary Representatives to ACT Legislative Action Committee.**

By consensus, it was agreed that Mr. Burt and Mr. Warren would remain as the primary and secondary representatives, respectively, to the ACT Legislative Action Committee.

New and Unscheduled Business: None.

Public Comment. None.

Adjournment. The meeting adjourned at 12:28 p.m.

Dr. Chad E. Hickox, President

ATTEST

Mr. Sergio Hernandez, Chair
Board of Trustees

WALLA WALLA COMMUNITY COLLEGE

MEMORANDUM

DATE: December 14, 2020
TO: Board of Trustees
FROM: Sherry Hartford, Vice President of Human Resources
SUBJECT: Personnel Update

Below is an update capturing changes to college personnel in November, 2020.

Appointments

None

Separations

None

Changes

Lugo, Cristina – Career Navigator, WSP

Recruitments in process

Assistant Director, Career Services (Title III funded)

Athletic Trainer

Vice President of Instruction

Follow up: At the October 2020 Board of Trustees meeting, the Board requested information related to the number of part-time faculty employed by academic year.

Year	Number of Part Time Faculty
2020-21	97
2019-20	174
2018-19	195
2017-18	198
2016-17	208
2015-16	163
2014-15	230
2013-14	216



Walla Walla Community College

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DATE: December 14, 2020
TO: Board of Trustees
FROM: Dr. Nick Velluzzi
RE: Interim Fall Quarter Enrollment Report

The corresponding tab provides a detailed report for Fall Quarter 2020 and preceding years and quarters from 2017-2018.

- State-supported enrollment for Fall Quarter is reporting 1,656 FTE, a decline of 621 FTE or 27% from the **close** of Fall Quarter 2019.
- Contract enrollment is reporting 990 FTE, a decline of 372 FTE (about 27%) from the **close** of Fall Quarter 2019. Corrections education accounts for 736 FTE of contract enrollment. Corrections education is down 338 FTE (about 30%) from the **close** of Fall Quarter 2019.
- Self-support enrollment is reporting 48 FTE, which is down 27 FTE (36%) from the **close** of last Fall Quarter.
- Enrollment in the Bachelors of Applied Science (BAS) programs is reporting 61 FTE, up 12 FTE from the **close** of last Fall Quarter.
- Running Start is reporting 229 FTE, down 3 FTE from the **close** of last Fall Quarter.
- Course enrollment by Intent:
 - Academic Transfer is reporting 660 FTE, down 210 FTE from last Fall Quarter.
 - Workforce Education is reporting 841 FTE, down 270 FTE from last Fall Quarter.
 - Basic Education for Adults is reporting 54 FTE, down 86 FTE from last Fall Quarter.
 - Pre-College is reporting 253 FTE, down 99 FTE from last Fall Quarter.
- To date, state-supported enrollment for Winter Quarter is reporting 1,424 FTE, which is down about 28% from **this time last year**.

WWCC Enrollment Report for Winter 2020

As of December 14, 2020

All current and future quarter FTEs are estimates and subject to change. Historical FTEs match SBCTC official records.

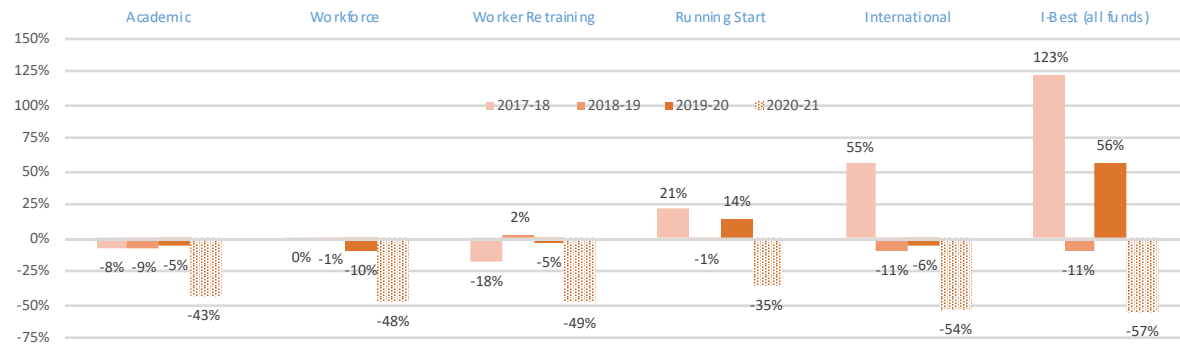
FTE by Funding Source

	2017-18				2018-19				2019-20				2020-21			
	State FTE	Contract FTE	Self support FTE	Total FTE	State FTE	Contract FTE	Self support FTE	Total FTE	State FTE	Contract FTE	Self support FTE	Total FTE	State FTE	Contract FTE	Self support FTE	Total FTE
summer	793	1,078	29	1,900	689	889	41	1,619	561	972	36	1,569	474	759	6	1,239
fall	2,583	1,401	33	4,017	2,367	1,347	31	3,745	2,277	1,362	75	3,714	1,656	990	48	2,694
winter	2,566	1,407	29	4,002	2,371	1,353	29	3,753	2,158	1,529	38	3,724	1,424	221	28	1,673
spring	2,402	1,381	19	3,802	2,199	1,341	40	3,580	1,829	1,016	8	2,853				0
Total	8,344	5,267	110	13,721	7,626	4,930	141	12,697	6,825	4,879	157	11,860	3,554	1,970	82	5,606
AAFTI	2,781	1,756	37	4,574	2,542	1,643	47	4,232	2,275	1,626	52	3,953	1,185	657	27	1,869
													State Allocation Plan for 2020-21:	3,147	-62%	

Change to date

		Δ prev.yr.	Δ 3yrs.	3-yr avg. Δ
State	summer	-16%	-40%	-16%
	fall	-27%	-36%	-13%
	winter	-34%	-45%	-17%
	spring			
	annual			
Contract	summer	-22%	-30%	-10%
	fall	-27%	-29%	-10%
	winter	-86%	-84%	-25%
	spring			
Self Support	summer	-83%	-79%	-18%
	fall	-36%	45%	34%
	winter	-26%	-3%	2%
	spring			

Annual Change in FTE by Class Intent and Program



FTE Highlights by Class Intent and Funding Source

Duplicative. Do not sum to totals		2017-18				2018-19				2019-20				2020-21			
		summer	fall	winter	spring	summer	fall	winter	spring	summer	fall	winter	spring	summer	fall	winter	spring
intent*	State																
	Academic	285	959	933	851	237	851	859	814	240	870	799	705	245	660	577	
	Workforce	367	1,165	1,147	1,150	309	1,214	1,148	1,119	232	1,111	1,088	968	183	841	754	
	Basic Ed. for Adults	130	310	344	292	117	165	229	168	61	140	135	76	25	54	25	
	Pre-College	11	149	142	109	26	137	134	98	29	155	136	80	21	101	68	
	Worker Retraining	154	312	371	354	93	380	379	366	102	352	361	342	98	253	238	
	I-Best**		35	38	29		30	21	47		44	26	33	11	15	14	
	BAS						3	7	9	4	49	49	45	5	61	60	
	International	11	20	23	22	8	20	19	21	4	19	23	18	6	14	10	
	Contract																
	DOC	1,078	1,081	1,108	1,081	888	1,018	1,052	1,056	972	1,074	1,244	766	748	736		
	Running Start		211	200	181		199	202	183		232	234	202		229	203	
Alternative HS		85	95	97		97	93	86	9	42	42	28	1	20	14		
College in HS		19		12		14		10			3	10					
I-Best**	82	73	98	46	63	60	70	68	123	95	165	74	101	100			

Full-time Equivalent (FTE) enrollments are an analytical measurement of student activity across the term, equal to 15 quarterly or 45 annual credits, and may not match billing requirements for all programs.

*Based on intent of the course as defined by CIP. Does not equate to department or college organizational structures.

**All state-funded I-Best enrollments receive a 75% enhancement. Enhancement of contract -funded courses began in 2017-18.

Financial Presentation November 30, 2020

Board of Trustees Meeting
December 18, 2020



Presentation Summary

Today's review includes operating results for year to date ending, November 30, 2020.

- Operating Budget Reconciliation
- Revenue
- Expenditures; by category and function
- Course/Program Fees
- Grants & Contracts Summary
- Questions



Operating Budget Reconciliation

Approved 2020-2021 Operating Budget	\$28,990,514
Approved 2020-2021 Course/Program Fees Budget	1,593,486
Approved 2020-2021 Operating Budget	\$30,584,000

Operating Budget

Approved 2020-2021 Operating Budget Spending	\$28,990,514	
Allocation 1-Workforce Dev. Project	45,000	} 149,126
Allocation 2-Goldstar Families	3,489	
Allocation 3-GEER Funding	773,439	
Operating Fees (Tuition) Revised	-722,552	
Allocation 4-Reduction to Centers of Excellence funding	-1,500	
Allocation 4-Worker Retraining increase	51,250	
Updated 2020-2021 Operating Budget Spending	\$29,139,640	

Revenue

	2020-2021 Adjusted Budget	% of Total	2020-2021 YTD Actuals	% of Budget	2019-2020 YTD Actuals	% of Budget	Difference over Prior Year	% Change YOY
State Allocation								
Base Allocation	\$15,265,773	52%	\$5,316,558	35%	\$6,097,737	35%	-\$781,179	-13%
Opportunity Grant	461,412	2%	145,779	32%	164,117	36%	-18,338	-11%
GEER Funding	773,439	3%	209,561	27%	-	-	209,561	-
Worker Retraining	1,838,069	6%	589,628	32%	640,366	32%	-50,738	-8%
Total State Revenue	\$18,338,693	63%	\$6,261,525	34%	\$6,902,220	35%	-\$640,695	-9%
Tuition & Other Revenue								
Tuition	\$6,237,448	21%	\$2,286,574	37%	\$2,916,680	45%	-\$630,107	-22%
Student Fees/Other Misc Rev	883,499	3%	248,247	28%	355,538	46%	-107,291	-30%
Open Doors Program	300,000	1%	-	-	-	-	-	-
Running Start	1,700,000	6%	-	-	-	-	-	-
Foundation Support	200,000	1%	100,000	50%	100,000	50%	-	-
Corrections Ed.-Indirect	990,000	3%	226,372	23%	212,256	31%	14,117	7%
Community Service	340,000	1%	60,430	18%	92,570	31%	-32,140	-35%
Ancillary Programs	150,000	1%	28,649	19%	41,387	24%	-12,739	-31%
Total Tuition & Other Revenue	\$10,800,947	37%	\$2,950,271	27%	\$3,718,431	12%	-\$768,159	-21%
Use of Fund Balance	\$0	0%	\$0		\$1,058,350	66%	-\$1,058,350	-100%
TOTAL REVENUE	\$29,139,640	100%	\$9,211,797	32%	\$11,679,001	23%	-\$2,467,204	-21%

Expenditures, *by Category*

	2020-2021 Adjusted Budget	% of Total	2020-2021 YTD Actuals	% of Budget	2019-2020 YTD Actuals	% of Budget	Difference over Prior Year	% Change YOY
Salaries and Wages	\$17,468,224	60%	\$5,620,057	32%	\$6,876,325	35%	-\$1,256,268	-18%
Benefits	6,106,307	21%	\$2,180,735	36%	\$2,498,159	37%	-317,423	-13%
Rents	38,960	0%	\$10,400	27%	\$42,871	81%	-32,471	-76%
Utilities	899,188	3%	\$194,517	22%	\$205,552	23%	-11,036	-5%
Goods and Services	2,699,079	9%	\$663,894	25%	\$686,432	27%	-22,539	-3%
Travel	37,500	0%	\$1,431	4%	\$45,387	16%	-43,956	-97%
Equipment	300,069	1%	\$39,485	13%	\$75,634	20%	-36,149	-48%
Fin Aid, Debt Service, Transfer	1,590,313	5%	\$424,441	27%	\$517,993	35%	-93,551	-18%
TOTAL EXPENSE	\$29,139,640	100%	\$9,134,960	31%	\$10,948,353	34%	-\$1,813,393	-17%

Expenditures, *by Function*

	2020-2021 Adjusted Budget	% of Total	2020-2021 YTD Actuals	% of Budget	2019-2020 YTD Actuals	% of Budget	Difference over Prior Year	% Change YOY
Instruction	\$11,521,404	40%	\$3,341,984	29%	\$3,928,437	28%	-\$586,453	-15%
Community Service	340,002	1%	\$53,280	16%	\$111,576	37%	-58,296	-52%
Instructional Computing	200,416	1%	\$118,850	59%	\$141,882	56%	-23,032	-16%
Ancillary Programs	150,000	1%	\$32,295	22%	\$53,458	31%	-21,163	-40%
Academic Administration	2,650,119	9%	\$990,796	37%	\$1,190,104	43%	-199,308	-17%
Library Services	559,527	2%	\$233,047	42%	\$289,130	42%	-56,083	-19%
Student Services	3,991,819	14%	\$1,367,739	34%	\$1,657,197	38%	-289,458	-17%
Institutional Support	6,466,965	22%	\$1,929,348	30%	\$2,262,394	36%	-333,046	-15%
Facility Services	3,259,388	11%	\$1,067,621	33%	\$1,314,175	39%	-246,554	-19%
TOTAL EXPENSE	\$29,139,640	100%	\$9,134,960	31%	\$10,948,353	34%	-\$1,813,393	-17%

Course/Program Fees

	2020-2021 Adopted Budget	% of Total	2020-2021 YTD Actuals	% of Budget	2019-2020 YTD Actuals		Difference over Prior Year	% Change YOY
Course/Program Fee Revenue	\$1,593,486	100%	\$488,162	31%	656,508	44%	-\$168,346	-26%
Course/Program Fee Expense	\$1,593,486	100%	<u>\$399,306</u>	25%	<u>535,487</u>	36%	<u>136,181</u>	25%
Totals			<u>\$88,856</u>		<u>\$121,020</u>		<u>-\$32,164</u>	

Grants & Contracts

	Current Month Budget Changes	2020-2021 YTD Budget	Expenditures to Date	YTD % Spent
Corrections Education	\$0	\$7,158,967	\$2,767,093	39%
State Funded Grants	\$0	2,264,929	558,992	25%
Federally Funded Grants	\$0	2,875,062	561,613	20%
Privately Funded Grants	\$6,990	420,854	101,718	24%
Fiscal Agent Grants	\$0	829,935	301,839	36%
TOTAL GRANTS & CONTRACTS	<u>\$6,990</u>	<u>\$13,549,747</u>	<u>\$4,291,255</u>	<u>32%</u>

Private: November increase, Pacific Education

Questions ?



Walla Walla Community College
500 Tausick Way
Walla Walla, WA 99362-9267
Phone: 509/522-2500

MEMORANDUM

TO: Board of Trustees
DATE: December 18, 2020
FROM: Peggy Lauerma, Vice President of Finance
RE: Revised Reserve Policy – First Read

Adequate fund balance and reserve levels are necessary components of the college’s overall financial management strategy and key factors in assessing the college’s financial strength and fiduciary integrity. Maintenance of a fund balance for each accounting fund assures adequate resources for cash flow and mitigation of short-term revenue shortages, and enables multi-year planning for self-support program improvements.

The attached revised reserve policy is submitted for your consideration and will be presented to you at the next regularly scheduled Board meeting for approval.

Thank you.



Walla Walla Community College

Policy: Reserves

Adopted: April 20, 2005

Revised: ~~April 19, 2017~~

RESERVES

~~The President shall ensure that the College maintains a reserve fund balance of at least twenty percent (20%) of general operating revenues. The reserve will ensure that sufficient funds are available to deal with fluctuations in revenue and expenditures. The Board may approve spending resulting in lower reserve balances in an emergency situation or when they believe it to be in the best interests of the College's immediate or long term needs. The President will notify the Board at any time the reserve balance is less than twenty percent (20%).~~

~~The status of the College's reserve will be reported to the Board of Trustees at least annually.~~

Walla Walla Community College will maintain an operating reserve to provide for such items as adequate cash flow, emergencies, budget contingencies, multi-year planning or capital commitments. The general fund operating reserves will be based on seventeen percent (17%) of the College's operating budgeted expenditures.

The College will maintain three percent (3%) within its discretionary fund balances as a reserve to allow for adequate cash flow and fluctuations in revenue and/or expenditure amounts in any given fiscal year.

Only the Board of Trustees can authorize a reserve of less than 17% and 3%, respectively, for any one fiscal year at a time. The status of the College's reserve will be reported to the Board of Trustees at least annually.

If future state-level budget cuts appear likely, it may be appropriate to bring the balances to a higher level, allowing the College to maintain valuable infrastructure during reduction periods.

Board of Trustees' approval is required for the use of these funds. In case of an emergency, the college president has the authority to draw on these funds and provide the Board with a report for ratification at its next meeting.

Definitions

The General Operating Budget is composed of the state allocation (Fund 001), tuition and operating fees (Fund 149), worker retraining (Fund 123), dedicated revenues (Fund 148), and Running Start (Fund 146). This budget is considered to represent the basic ongoing operations of the College.

Discretionary Fund Balances are those portions of the fund balances that have been generated by College operations and have not been committed to specific projects. The primary funds and activities in this category for consideration of the operating budget reserve are Fund 146 – Running Start and Grant Overhead.

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