

MINUTES
Board of Regents
March 26, 2010

The Board of Regents of Washington State University met pursuant to call in Open Meeting at 9:00 a.m., on Friday, March 26, 2010, at the Consolidated Information Center, Rooms 212-214, Richland, Washington.

Present: Regent Michael Worthy, Chair; Regents Theodor Baseler, Scott Carson, Harold Cochran, Elizabeth Cowles, Francois X. Forgette, Laura Jennings, Connie Niva, V. Rafael Stone, and Kasey Webster; President Elson S. Floyd, and Executive Assistant to the President and Board of Regents Christine Hoyt.

1. Report from the Chair of the Board of Regents. Regent Worthy welcomed everyone to the meeting. He reported that the Regents covered a variety of subjects in their committee meetings and that it has been a very busy couple of months for WSU and for President Elson Floyd. He thanked Chancellor Carwein for hosting the Regents at WSU Tri-Cities and the Tri-City Development Council for hosting a community reception the prior evening.

2. Report from the President of the University. President Elson S. Floyd thanked the Regents for the opportunity to report and for their leadership. He stated that Academic Showcase would be taking place on the Pullman Campus beginning that afternoon. He said this is WSU's opportunity to salute academic excellence, and he thanked the University leadership for putting it together.

President Floyd provided an update on dean searches for the College of Sciences, the College of Education, and the College of Pharmacy. He noted that under the strong leadership of Provost Bayly, WSU recruited and hired the associate dean of the School of Pharmacy at the University of North Carolina to lead the College of Pharmacy. The other two searches are ongoing. President Floyd further reported that admission numbers continue to look strong across the WSU system. He attributed the positive numbers to the leadership of Vice President Fraire and his entire team.

President Floyd also said that beginning Monday, he would be engaging in a 39 county tour. He said that he would visit all the counties in the State to talk about the investments that Washington State University has made and, most importantly, to discuss ways in which WSU can continue to support the communities that are so crucial to the institution. He stated that this is one of WSU's responsibilities as the State's only research, land-grant institution.

Lastly, President Floyd reported on legislative environment. He indicated that the cut for WSU will be somewhere in the range of \$8 to \$13.8 million. He said that it is unclear what the absolute number will be, but the planning has been more on the 13 million

dollar side as opposed to the 8 million dollar side. He said that last year, the institution went through an extremely difficult budget circumstance having to reduce the biennial budget by \$54 million. He said, as a consequence of that, they made the decision to hold budget reductions centrally to allow the institution to better manage those reductions. He noted that, with the Regents support, they have a number of tools at their disposal including two voluntary early retirement programs. He added that they will make sure they have a balanced budget at the end of the day without continuing to tax the students, employees, and faculty within the institution. He said that they are looking very closely at all of the fees that are charged throughout the institution and announced that WSU will not have a parking increase for the Pullman campus in the upcoming academic year. He said that this is the right thing to do, and that they need to help their workforce as much as possible to get them through this fiscal crisis. He thanked the Board for the privilege and honor to serve as President of Washington State University. He also thanked Chancellor Carwein and her team for hosting the Regents' Meeting. He also thanked Tri-Dec for hosting such a wonderful reception for them.

3. Minutes. It was moved and seconded that the Board of Regents approve the minutes of January 29, 2010. Carried.

4. Reports from University Groups. Representatives from each of the university groups—Faculty Senate, Administrative and Professional Advisory Council, Associated Students of Washington State University, 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 on-line at the Board of Regents website or requested from the President's Office.)*

5. Report from WSU Tri-Cities Chancellor Chancellor Vicky Carwein provided a presentation entitled "Critical Demands and Creative Responses - Planning for Our Future." She provided information on the following topics: the growth of the WSU Tri-Cities campus, which is the fastest growing and most diverse in the system; the high demand for graduates in the "STEM" and health sciences occupations; student demand for our programs in all academic areas and our response to those demands; the Capital Campaign at WSU Tri-Cities; the Wine Science Center at WSU Tri-Cities; and Hispanic enrollment and our efforts toward achieving Hispanic Serving Institution (HSI) status.

Chancellor Carwein introduced Mike Kluse, Director of Pacific Northwest National Laboratory (PNNL), who discussed the partnership that exists between Washington State University and the Pacific Northwest National Laboratory. He emphasized and elaborated on key elements of this important partnership. Vice Chancellor Carwein also introduced Evan Bates, ASWSU Tri-Cities President, who is a senior graduating in May in English. Mr. Bates introduced the President-elect and Vice President-elect, Zixu Ha and Amber Eubank, respectively. He also discussed ASWSU Tri-Cities accomplishments over

the past year, including the restructuring of ASWSU TC; growth in student life, including growth in student organizations and clubs; transitioning and sustaining the growth; student body elections and an increased voter turnout; some of their initiatives, including those that meet the needs of both non-traditional student needs and multicultural student needs; and community engagement and involvement.

6. Executive Committee. Regent Worthy reported that the Executive Committee reviewed the 2011 Board Meeting Schedule and also discussed the future action for the Regents' Distinguished Alumnus Award.

The Board took action on the following:

Establishment of the 2011 Board of Regents Meeting Schedule. It was moved and seconded that the Board of Regents approve the 2011 Regents' Meeting Schedule, which appears in Resolution #100326-380. Carried.

7. Finance and Audit Committee Report. Regent Scott Carson stated that President Floyd has recognized the stress caused by the current economic environment and felt that the President's action of deferring the parking rate increase is more than a token. He said it is an important observation on his part, and he thanked him for his efforts in helping out where he can. Regent Carson reported that the Finance and Audit Committee had reviewed the actions being brought before the Board and that they also moved the future action of the Housing and Dining System Refunding Bond Resolution for action at today's meeting. He asked Vice President Royer to make a few comments before seeking the Regents' approval. Vice President Royer provided details regarding the actions on the hotel/conference center in Pullman and the land sale in the City of Richland.

The Board took action on the following:

WSU Pullman, Hotel/Conference Center, Ground Lease or Land Purchase. It was moved and seconded that the Board of Regents delegate authority to the President or his designee to approve a Letter of Intent (LOI) and to negotiate and execute a ground lease or land purchase with a developer for the purpose of building a Hotel/Conference Center on University-owned property. Carried.

Land Sale, City of Richland Parcel Portion of Benton County Parcel No. 1-2608-200-0001-002. It was moved and seconded that the Board of Regents delegate authority to the President or his designee to approve the sale of a portion of Benton County Parcel No. 1-2608-200-0001-002, located west of George Washington Way and south of Hanford Street, totaling approximately 26 acres, in the City of Richland, Washington, and approved the execution of all documents necessary for the sale. Carried.

Voluntary Early Retirement Incentive (VERI) Program. It was moved and seconded that the Board of Regents approve the Voluntary Early Retirement Incentive Program (VERI) for employees in the Washington State University Retirement Plan (WSURP), and to authorize the President or his designee(s) to offer the incentive to any eligible member of the Washington State University Retirement Plan. See [Exhibit A](#). Carried.

Consolidated Endowment Fund, Investment Policy Statement and Corresponding Changes to the Agreement between Washington State University and Washington State University Foundation. It was moved and seconded that the Board of Regents approve the Investment Policy and Agreement between Washington State University and the Washington State University Foundation, subject to minor formatting edits. Carried. *(The above-referenced policy and agreement may be found on-line at the Board of Regents website or requested from the President's Office.)*

Housing and Dining System Refunding Bond Resolution. It was moved and seconded that the Board of Regents approve the Housing and Dining System Refunding Bond Resolution to authorize the issuance and sale of bonds to refinance the University's outstanding Housing and Dining System Revenue Bonds, 2001. The Board also delegated authority to the President or his designee, the Vice President for Business and Finance to sell bonds, determine whether to fund a reserve requirement and if so, how much to fund, determine the final bond size, maturity schedule, redemption provisions, timing and method of sale of the bonds. The Resolution authorized the issuance of refunding bonds in an amount to exceed \$18,000,000 so long as there is a net present value savings accomplished by the funding the 2001 Bonds. Carried.

8. Academic and Student Affairs Committee Report. Regent Harold Cochran reported that the Academic and Student Affairs Committee had met and that they received reports from WSU Spokane Chancellor Brian Pitcher and WSU Vancouver Interim Chancellor Lynn Valentar. He also said that Vice President Tate reported on WSU's world class Children's Center. Regent Cochran also reported that the Committee reviewed the future action item for the *Faculty Manual* revision, which concerned Section III.H (Eligibility of Untenured Faculty for Appointment to Emeritus Rank). *Note: the Committee also discussed the proposed changes to Section III.F.3 of the Faculty Manual and determined not to forward it to the full Board for action at the May 7, 2010, meeting.*

9. External Affairs Committee Report. Regent Theodor Baseler reported that the External Affairs Committee heard from Bill Moos, WSU's newly appointed athletic director. He said that his comments were extremely inspirational. He said that he made great statements and predictions about the future and that he would use

creativity and innovation to take WSU athletics to the top tier. He said that they are very excited about his capacity to improve the Athletics program and to increase fundraising. He also reported that Vice President Wilson-Hale provided an update on the Foundation Campaign and year-to-date progress report through the end of February 2010. Lastly, he reported that President Floyd had provided a legislative and budget update.

10. Adjournment. In closing, Chair Worthy announced that the next meeting of the Board of Regents would be held in Pullman on May 6-7, which would also include Spokane and Pullman Commencement Ceremonies. He also indicated that the WSU Tri-Cities Commencement Ceremony will be held May 14, and WSU Vancouver Ceremony will be held May 15.

Approved by the Board of Regents at its meeting held May 7, 2010, at the Compton Union Building, Room 204, Pullman, Washington.

SIGNED COPY AVAILABLE IN THE PRESIDENT'S OFFICE