

I. SPECIAL BOARD MEETING

1. Call to Order

Chair Jessica Norouzi called the meeting to order at 1:03 P.M. and noted a quorum.

2. Public Comments

The Board heard public comments from Rick Geist, Jessica Ganska, and Elisa Westcrook.

3. Discussion

A. Budget

Vice President Jacob Jackson briefed the group on several budget scenarios following the Office of Financial Management error (which only impact 2-year colleges) as previously requested by the Board. Counsel has been to plan for a 5-20% budget reduction going into the next several fiscal years, which includes the re-basing. The best-case scenario is to plan for a 3% reduction and the worst-case scenario is projected at a 17% reduction. There is about a \$16B deficit. About 75% of the State budget goes to mandatory items. About 25% of the budget is more discretionary and this includes higher education, thus higher education is most likely to absorb the cuts.

VP Jackson walked the group through College reserves, which includes \$8M in cash, \$3M in bonds, and is about \$14.5M total in reserves. The Board reserve policy requires \$12.8M to be held in reserves. One option is to do away with the Board reserve policy and spend down the reserves with the hopes that enrollment will significantly increase and state funding will come through. This option spends \$10.5M. Another option to balance the budget through staff and faculty reductions. This is only for illustration, as neither the Board nor Executive Cabinet has approved any action at this time. This would result in a budget deficit next year with a balanced budget in 2026 and a positive budget in 2027. A third option is to balance the budget through reductions and increasing student fees. At this time, Renton Technical College is on the low end of student fees. Lesser staff and faculty cuts. There would be a surplus in 2027.

President Yoshiko Harden noted that the last Presidents and Chancellors meeting voted to increase tuition by 3.3%, which would need to come to the RTC

Board if the State Board approves. VP Jackson stated that tuition increase and COLAs are built in to the projections he outlined. Tuition increases are set by the legislature, which are voted on by the State Board. If approved there, tuition rates will be voted on by the RTC Board.

Vice Chair Tim Cooper asked about comparable student fees in the area. Bates charges \$26 for fees where RTC charges \$17 per credit. Lake Washington charges just under \$45 in fees per credit. Vice Chair Cooper requested mapping a multi-year strategy to increase fees. Chair Norouzi stated the importance of thinking about enrollment impacts and accessibility with raising student fees. VP Jackson noted that, historically and according to studies, tuition and fees are considered inelastic costs that are generally not enrollment deterrents. Renton Promise covers tuition and fees. Vice Chair Cooper asked about reinvesting future surplus. He stated that by increasing fees, we minimize impact on FTEs, create surpluses to reinvest in college and programs, and allow rebuilding of the Board reserves to ensure that the college is in a good position for future decision-making. Increased fees could be used to invest in new programming, invest in new equipment, and modernize classrooms. President Harden stated that part of RTC's mission is to provide a quality education for students, and fee dollars go back into programs and classrooms.

VP Jackson stated that the next steps are for the board to declare a fiscal emergency, which will allow the college to work with RFT and evaluate programs as well as work with staff. VP Hogan clarified that it is one item required under Article 14 in the faculty contract specific to full time faculty reductions in force. It is not required under the staff collective bargaining agreements. Trustee Frieda Takamura requested a communications plan, not just to RTC but also to the larger community. Vice chair Cooper asked for the min and max range of reductions and how to adjust strategy over the next 3-4 years.

Trustee Bob Zappone asked Vice President Lesley Hogan to pull out parts of the RFT CBA so the Board and understand what is needed. Vice Chair Cooper noted that this is not an easy conversation and expressed gratitude to faculty and staff. He also asked for grace while leadership and the Board work to navigate this evolving situation. Trustee Takamura asked that the group stay engaged while we put our minds toward how to move forward together. Chair Norouzi commented on RTC's resiliency and asked the leadership.

4. Meetings

A. Regular Board Meeting – December 11, 2024 at 3:00 P.M.

The regular Board meeting is scheduled for December 11, 2024 at 3:00 P.M.

5. Adjournment

There being no further business, Trustee Zappone motioned to adjourn the Board of Trustees meeting at 1:58 A.M. Vice Chair Cooper seconded, and the motion carried.

JESSICA NOROUZI, Board Chair
Board of Trustees

A handwritten signature in blue ink, appearing to read 'J. Norouzi', is written over a horizontal line.

YOSHIKO HARDEN, President
Renton Technical College

A handwritten signature in blue ink, appearing to read 'Y. Harden', is written over a horizontal line.