EXECUTIVE COMMITTEE MEETING MINUTES  
Monday, November 2, 2009

Committee Members Present  
Jane Nichols (NV), chair  
Tom Buchanan (WY), vice chair  
Roy Ogawa (HI), immediate past chair  
Diane Barrans (AK)  
Joel Sideman (AZ)  
Roberta Richards (HI)  
Mike Rush for Robert Kustra (ID)  
Mary Sheehy Moe (MT)  
Dave Nething (ND)  
Patricia Sullivan (NM)  
Carl Shaff (NV)  
Camille Preus (OR)  
James Hansen (SD)  
William Sederburg (UT)  
Klaus Hanson (WY)

Committee Members Absent  
David Skaggs (CO)  
Ann Daley (WA)

WICHE Staff Present  
David Longanecker, president  
Erin Barber, executive assistant to the president and to the commission  
Jere Mock, vice president, Programs and Services

Guests Present  
Natalie Mischler, SHEEO  
Tad Perry, former WICHE Commissioner

Chair Jane Nichols called the meeting to order and asked Erin Barber to call roll. A quorum was confirmed.

ACTION ITEM  
Approval of the Executive Committee Meeting Minutes of September 10, 2009

Chair Nichols asked for a motion on the approval of the Executive Committee teleconference minutes of September 10, 2009. Commissioner Moe moved TO APPROVED THE MINUTES OF THE SEPTEMBER 10, 2009 EXECUTIVE COMMITTEE TELECONFERENCE. Commissioner Barrans seconded the motion. The minutes were approved unanimously.

ACTION ITEM  
Approval of Change in November 2010 Meeting Location and Proposed Dates and Locations for Future Meetings

The committee began discussions on future meeting locations and the November 2010 meeting, currently scheduled for Hawaii. The committee affirmed the importance of holding a commission meeting in Hawaii because it is a crucial state in the region. However, a majority felt that given the economic climate and the budget crisis in most states, the perception of holding a meeting in Hawaii was a real concern and issue and that the organization should postpone holding a meeting in Hawaii. Instead of holding the November 2010 meeting in Hawaii, it was proposed that the meeting be held in Colorado. By holding the meeting in Colorado more often, money is saved on meeting
expenses and travel. After extensive discussion, Commissioner Shaff moved TO APPROVE THE MAY 17-18, 2010 MEETING TO BE HELD IN PORTLAND, OR AND THE NOVEMBER 8-9, 2010 MEETING TO BE HELD IN COLORADO. The motion was seconded and approved unanimously. It was agreed that the committee would hold off selecting future locations in order to see what the economy does and how the states do over the coming months. Longanecker told the committee that staff would work on finding out more information about the cost of holding a meet and traveling to Hawaii in the next few months. The current meeting schedule is:

May 17-18, 2010, Portland, OR
Nov 8-9, 2010, Colorado
May 16-17, 2011, California
Oct 31-Nov 1, 2011, Colorado

**ACTION ITEM**

**New Leadership for WCET**

Longanecker shared with the committee that Louis Fox resigned as Executive Director of WCET in mid-October. Fox will stay on staff at WICHE as the vice president of Technology and Innovation, to further his work in the areas of broadband and eScience. Longanecker has been working with WCET’s Executive Council and staff to come up with a plan to fill the leadership role in WCET and to bring in expertise to help determine the long-term future of WCET. David indicated his intention to hire Ellen Wagner as the managing director of WCET. She has extensive experience in business, technology, and strategic planning experience. David asked the committee for approval to draw up to $100,000 from reserves over two years to fund Ellen’s contract with WCET. He also asked for approval to draw up to $50,000 from reserves to support Louis Fox’s activities with WICHE. These amounts would be drawn out of the reserves from the unexpected shortfall line. Funding for the $100,000 for Dr. Wagner’s contract would first come from WCET’s reserves, but when the limit is reached David would draw funds from WICHE’s reserves. David felt this scenario would be the best option for WCET to be able to analyze its long-term future. Commissioner Barrans asked about the length of contract with Wagner. Longanecker responded that it would be a one year renewable contract. Commissioner Barrans asked about Russ Poulin’s position and duties under the new leadership. Longanecker said he would remain Associate Director and possible Chief Operating Officer. Commissioner Moe asked for clarification on Fox’s duties and salary. Longanecker said he would be given new duties and a new salary. Chair Nichols clarified that the current request would be used after WCET reserves are used as a portion of this expense. Longanecker said that he would not go into WCET’s minimum reserve amount, but would exhaust the remainder of WCET’s reserves before tapping into WICHE reserves. Commissioner Ogawa reminded the committee that authorization would be to give him permission to dip into reserves if necessary. Commissioner Sideman asked if the WCET Executive Council had been advised of this plan. Longanecker said that the Executive Council has agreed to this plan. Commissioner Hansen moved to APPROVE DRAWING FUNDS FROM THE RESERVES ($150,000 OVER TWO YEARS) IF NECESSARY TO SUPPORT FOX’S EFFORTS WITH TECHNOLOGY AND INNOVATION AND TO HELP SUPPORT HIRING ELLEN WAGNER AS THE NEW EXECUTIVE DIRECTOR OF WCET. Commissioner Ogawa seconded the motion. The motion was approved unanimously.
DISCUSSION ITEM
Report of the Compensation Committee

Tad Perry presented to the Executive Committee a report from the compensation committee (Tad Perry, Tom Buchanan, and Cam Preus). The compensation committee looked at salary packages of various organizations and associations such as SHEEO offices, the other regional organizations, governor associations, organizations based in Washington, DC (One DuPont Circle), and 4-year institutions. Tad explained that these organizations and associations are likely where WICHE would go to find new leadership when Longanecker leaves his position at WICHE. The committee considered various components of compensation such as deferred compensation, health benefits, retirement, vehicle and housing compensation. The report showed that WICHE ranks third in salary (for its president) out of the four regional organizations. And it ranks 11th out of the western SHEEO offices, and is significantly lower than institutional presidencies. Overall, the average comparable salary of a president is $250,000 and WICHE is currently at $180,000. Perry proposed to the committee that measures need to be taken to close this salary gap over time. The committee discussed the importance of “righting” the salary of WICHE’s president to put the organization in a more competitive place when it becomes time to look for new leadership. The compensation report clearly indicated that WICHE currently would not be competitive in the job market. At some point WICHE will be seeking new leadership, and the commission needs to work on strengthening the compensation of WICHE’s leadership over the next couple of years to put the organization in a better place.

Longanecker told the committee that the CHAFA loan will be paid off in 2015 and the mortgage on the building will likely be paid off in 2016, which will free up funds that the commission might choose to use towards compensation of a new leader. Commissioner Barrans thought it would be a mistake to wait until 2015 to begin the process of adjusting the president’s salary. She felt that it would be good to begin with small increments in FY 2012 since they don’t know who will be on the Executive Committee in 2015. Commissioner Barrans added that they’ve been discussing this for several years, and now is the time to move forward with action. Commissioner Shaff agreed that since the committee had been talking about implementing some kind of plan over the past several years that it seemed time for the committee to take action. Commissioner Ogawa thought 2012 is too late to establish some sort of plan. He proposed beginning in 2011. Commissioner Sideman said the committee could ask Longanecker and staff to bring back a more specific plan to them with specific salary numbers. The committee could vote on a plan in May and have it go into effect July 1, 2010 or January 1, 2011. Commissioner Sideman also said responsibility falls to Longanecker on how to adjust staff salaries and compensation. Commissioner Shaff asked if the plan could be presented at the May 2010 meeting. Commissioner Sideman said that the committee would have to look into where the money would come from. Chair Nichols said May would be good time since the commission votes on a budget at that meeting. Commissioner Nething voiced concern on the salary levels given in the recommendation, particularly the national numbers. Commissioner Nething felt that the comparison and changes need to be more regional so they are not skewed by national numbers. Commissioner Moe added that the national numbers cannot be dismissed since WICHE would likely recruit new leadership nationally. Commissioner Hanson wanted to know if the committee should be looking at other benefits for compensation (housing, retirement, etc) that
maybe more palatable for the organization. Longanecker said the most valuable of the options would be deferred compensation because it can be structured to build in incentives. For most of senior staff, deferred compensation is attractive but maybe not for junior staff. Housing is probably not the best option since it’s hard to make the case when the organization is not part of a campus. Chair Barrans said that it’s important to recognize that the profile of WICHE has been raised to a national level thanks to Longanecker’s leadership and his senior staff. She said it has benefited the organization. Commissioner Sideman said that the committee should set a target so that staff can come back with a plan. Commissioner Buchanan said that the 2009 data won’t be same in 2016, but establishing the capacity to pay on a national level is a matter of preparedness. Longanecker also suggested that the Executive Committee consider using a reference group, such as the western SHEEEOs or the other two presidents of SHEPC (Dennis Jones and Paul Lingenfelter) to determine the salary level for WICHE’s president. Chair Nichols said the advantage would be that the committee could analyze the salary of the president and it would give them something to measure against. Longanecker said he would work with Commissioner Buchanan to present data in May. Commissioner Sideman suggested that the Executive Committee work on developing the benchmarks before the May meeting so that it can be incorporated into the budget in May. Commissioner Rush voiced concern around the perception with the timing and initiation of adjusting the president’s salary. Idaho is breaking all relationships with due-organizations. WICHE is safe for now because of the students it serves. Commissioner Rush worried that it would jeopardize relationship with his state. Longanecker said that this should be revenue-neutral and that staff could bring back a plan that shows that it will not affect the general fund, dues, etc. Longanecker said that they would find a by-path to incorporate the salary adjustment into the budget with reserves and the upcoming largesse. Commissioner Buchanan moved THAT A SUBCOMMITTEE APPOINTED BY THE WICHE CHAIR BRING BACK A REPORT AND PLAN FOR COMPENSATION OF THE WICHE PRESIDENT FOR THE NEXT EXECUTIVE COMMITTEE MEETING. Commissioner Shaff seconded the motion. Commissioner Sederburg asked that “long term” be added to the motion for succession planning. Commissioner Ogawa asked if the subcommittee was to come back to the Executive Committee in May or before May. Chair Nichols clarified that the subcommittee’s report would come to the Executive Committee before May for full action to be taken at the May meeting. The motion was approved unanimously.

Discussion Item

November 2009 Meeting Schedule

Longanecker mentioned that a couple of minor adjustments were made to the meeting schedule in order to accommodate Lt. Governor O’Brien’s schedule. Prescott’s session would be shortened and the Jones/Wellman session would be moved up. Longanecker told the committee that community college guests had been invited to the meeting and that staff would be in attendance and interested in meeting the commissioners. Pat Callan would be the moderator for Tuesday’s session.

Chair Nichols dismissed guests and staff, except for Dr. Longanecker, and the Executive Committee went into the closed session to discuss the President’s performance.