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

**ACTION ITEM**

Approval of the Executive Committee Teleconference Minutes of February 23, 2010

Chair Buchanan asked for a motion on the approval of the Executive Committee teleconference minutes of February 23, 2010. Commissioner Barrans moved TO APPROVE THE MINUTES OF THE FEBRUARY 23, 2010 EXECUTIVE COMMITTEE TELECONFERENCE. Commissioner Sullivan seconded the motion. The minutes were approved unanimously.

**DISCUSSION ITEM**

Update on the WICHE Budget

Chair Buchanan asked David Longanecker to update the committee on the WICHE budget. Longanecker told the committee that the budget is balanced for FY 2010 and FY 2011. Next year’s budget assumes no salary increases, dues increases, or other substantial changes. The FY 2011
budget also assumes that WICHE keeps the same commission meeting schedule by meeting in Boulder, CO in November 2010 and in California in May 2011. Revenues are being anticipated at 5% or $115,199 below what was originally budgeted due to lower indirects and interest rates, and not receiving the past dues from California in this fiscal year. Expenses have been cut by 5.4%, mostly out of the professional development fund. The Legislative Advisory Committee was added to the general fund at the Officers’ request.

**DISCUSSION ITEM**

**WICHE Dues**

Chair Buchanan asked Longanecker to walk the committee through the Review of WICHE Cost Containment document. Longanecker said that at the last Executive Committee call it was suggested that he put together a document showing ways WICHE has been containing costs and keeping a balanced budget throughout the years. He noted that the WICHE budget has increased by the rate of inflation each year for the past ten years, while the states’ budget growth was about 90% over the same period of time. WICHE’s budget has been growing at a much slower rate than the states. The non-general fund units have grown by 425% over the 10-year period of time. Longanecker said that WICHE has grown and provided substantial services through the self-funded units. Much of the savings has been a result of keeping staff numbers low and changing staff compensation. The number of WICHE staff is down to 38 from 42 over the past ten years. Senior level positions have been eliminated in order to hire more mid-level staff. The organization has reduced overhead in the area of Administrative Services by eliminating printing services, librarian services, and the director of Administrative Services position. The only staff area that has grown recently has been in the IT department in part to keep up with the nature of business and technology.

Commissioner Barrans asked Longanecker how many staff report directly to him. Longanecker replied that 9 staff members report to him directly. Commissioner Hanson pointed out that the FY 2010 budget (general fund expenditures) on the Cost Containment document differed slightly from the budget sheet that was provided for the call. The Cost Containment document reported a budget of $2,242,993, while the budget worksheet reported a budget of $2,236,509.

Longanecker then present to the committee two strategies to reduce WICHE dues by $5,000 and $10,000. He noted that no other organizations that he knows of are reducing dues and that it seemed like the timing of this would not be beneficial since most of the legislatures are already out of session. If dues are cut by $5,000, Longanecker proposed taking half of the cut from reserves, holding both commission meetings at the offices in Boulder, and taking a 2% cut from staff salaries. Longanecker noted that most of the staff haven’t received salary increases in two years and this will eventually begin to take a toll on the organization. He also said that he would not pursue furlough days, but instead wanted to cut staff remuneration as a way of keeping the cuts to the organization in the open.

If dues are cut by $10,000, Longanecker proposed taking half of the cut from reserves, holding both commission meetings at the offices in Boulder, eliminating the Legislative Advisory Committee annual meeting, and reducing staff FTE half way through the year. He said that a reduction in FTE would need to come after July because he would be required to give staff three months of notice.
Commissioner Nichols commented that it appeared that most states planned to pay their dues in the upcoming year and asked Longanecker if there is an option in place to allow for grace in dues payment. She noted that a dues cut would be symbolic but would come with great consequence to WICHE’s staff. Longanecker explained that at one time California paid in installments and New Mexico paid a portion of their dues ($200 was withheld $200 which the SHEEO paid).

Chair Buchanan asked what the typical timeline was for collecting dues. Longanecker said that the states are billed on June 1 and a majority pay by August. Chair Buchanan asked if the committee could defer a decision until the May meeting. Commissioner Nichols added that it would be a good idea to wait until the May meeting but asked whether or not they should wait to do a dues cut until next year since most of the states already know their budgets for this year. Longanecker said that 8 out of the 15 states know their budgets and by May, all but 2 states should be done with sessions (AZ and CA). Commissioner Sullivan said that New Mexico will keep the same budget for this year.

Commissioner Shaff noted that $5,000 or $10,000 is not a significant amount to most states and wondered if a cut in dues was worth the cost to the WICHE staff. Commissioner Sullivan agreed with Commissioner Shaff and recommended keeping the dues flat. She said that it would not be fair to take advantage of WICHE staff. Chair Buchanan agreed with Commissioners Shaff and Sullivan and said that the states would have a clearer picture of budgets when they meet in May. He said that the discussion would be brought back up at the May meeting. Commissioner Shaff MOVED TO APPROVE KEEPING THE DISCUSSION ON DUES OPEN UNTIL THE MAY MEETING. COMMISSIONER HANSEN SECONDED THE MOTION. The motion was approved unanimously.

Longanecker reminded the committee that they would need to approve the FY 2012 and 2013 dues at the May meeting. He said any counsel from the committee on what to propose would be helpful. He said that he was considering freezing dues for FY 2012 and having a contingent increase in FY 2013 for states that could do it. Commissioner Hansen said that they feared the South Dakota FY 2012 budget would be worse than the FY 2011 budget. Longanecker also mentioned to the committee that profiles for each of the states on what WICHE does for them have been prepared and updated. The profiles would be sent out electronically and commissioners could request hard copies for their use and hard copies would be provided at the May meeting.

Commissioner Rush asked Longanecker to look into the cost savings of skipping a commission meeting in FY 2011 instead of cutting dues.

DISCUSSION ITEM
May 2010 Preliminary Agenda

Longanecker noted that there has been one change to the agenda since the last Executive Committee call to replace Michael McPherson with Martha Kanter, under secretary for the U.S. Department of Education in the last plenary session. Commissioner Hanson asked if it would be better to move this session up on the agenda because of a possible decrease in participation during the last plenary session. Longanecker said that now that the Business Session has been moved to first thing on Tuesday morning, participation has stayed steady through the entire meeting.
DISCUSSION ITEM
2011 Workplan

The 2011 Worplan includes projects already in place and a couple of new items have been added. The senior staff didn’t think there was enough emphasis on productivity and looking at ways in which higher education does business. Longanecker suggested that each of the committees look at this section at the May meeting.

Jere Mock told the committee that the Programs and Services unit has a full portfolio of initiatives and that they are also working in a tight environment for funding. She said that they would discuss with their committee in May more about a possible energy initiative. They have done a preliminary inventory of academic programs that have been developed over the last few years around sustainability, climate, and new energy sources and have developed a good sense of what the programs look like. But they would like to continue looking at new state energy departments or divisions and if there are any bridges between the new programs at the institutions and these new state departments. Funding sources aren’t clear yet but they have had some conversations with energy corporations such as Chevron and Siemens and would hope to host a regional policy forum to look at what has been developed in programs and policy.

Longanecker told the committee that staff continue their work with proposals to the Gates Foundation to continue work with database development. He thought funding was promising and that the foundation would likely want to expand their work with 4 states out more broadly to more states.

Mock told the committee that staff were looking to expand the Western Academic Leadership Forum (WALF) with a new initiative focusing on the community college sector. They will be holding a meeting in Seattle in a few weeks that she’ll report back on at the May meeting and will seek approval for a new regional forum in this area.

Demi Michelau shared with the committee that the Policy unit is continuing its work with the College Access Challenge Grant (CACG) consortium and network. The money to states for the program has doubled so they will be working to continue their efforts with states in this area. She also said that they would be sharing with the Issue Analysis and Research committee about a project serving student soldiers in the west. The Policy staff are also looking to build on their work with the Non-traditional No More project and are expected to go back to the Lumina Foundation for additional funding. She said that the Issue Analysis committee will also discuss a possible project on residency that has been on the workplan for several years. Michelau told the committee that other projects included looking at ways to improve remedial and developmental education and how to help states develop more effective web portals (with the possibility of a national meeting in spring 2011). Commissioner Nichols asked Michelau if she had seen the recent RFP from the Lumina Foundation. Longanecker said that WICHE helped draft the RFP and would be applying. Commissioner Sullivan expressed interest in the military project and asked to have a follow up conversation with Michelau.
Longanecker told the committee that if staff can be helpful to states that are phasing down their student lending to Direct Loans to get in touch with him.

Chair Buchanan asked for any other business. Commissioner Nichols MOVED TO ADJOURN THE APRIL 1 EXECUTIVE COMMITTEE TELECONFERENCE. COMMISSIONER SHAFF SECONDED THE MOTION. The motion was approved unanimously.

The committee was adjourned.