ACTION ITEM
Minutes of the Committee of the Whole

Session I: Call to Order
Monday, May 17, 2010

Commissioners Present
Thomas Buchanan (WY), chair
Joseph Garcia (CO), vice chair
Jane Nichols (NV), immediate past chair

Diane Barrans (AK)
Patricia Brown Heller (AK)
Leah Bornstein (AZ)
David Lorenz (AZ)
Joseph Sideman (AZ)
Roy Ashburn (CA)
Jim Silva (CA)
Kaye Howe (CO)
D. Rico Munn (CO)
Roy Ogawa (HI)
Roberta Richards (HI)
Michael Rush (ID)
Dan Harrington (MT)
Mary Sheehy Moe (MT)
Dede Feldman (NM)
Viola Florez (NM)
Carl Shaff (NV)
Duaine Espegard (ND)
William Goetz (ND)
David Nething (ND)
Robert Burns (SD)
James Hansen (SD)
Jack Warner (SD)
Ryan Deckert (OR)
Tim Nesbitt (OR)
Camille Preus (OR)
Bonnie Jean Beesley (UT)
Peter Knudson (UT)
William Sederburg (UT)
Jeanne Kohl-Welles (WA)
Deborah Hammons (WY)
Klaus Hanson (WY)

Guests/Speakers
Michael Dembrow, state representative and WICHE LAC member, Oregon House of Representatives
Richard Hezel, president, Hezel Associates
Karen Humphrey, executive director, California Postsecondary Education Commission
Sandra Luca, research associate, Center for Urban Education, University of Southern California
Louise Lynch, certifying officer, Arizona Board of Regents
Jeanine Sherrick, certifying officer, Nevada System of Higher Education
Lisa Shipley, certifying officer, University of Wyoming
Craig Vaske, advising coordinator, University of Wyoming
Wim Wiewel, president, Portland State University
Becke Wolf, certifying officer, Utah System of Higher Education

Staff Present
Erin Barber, executive assistant to the president and to commission
Louis Fox, vice president, Technology and Innovation
David Longanecker, president
Mimi McFaul, associate director, Mental Health Program
Mollie McGill, associate director, WCET
Demarée Michelau, director of policy analysis, Policy Analysis and Research
Craig Milburn, chief financial officer
Jere Mock, vice president, Programs and Services
Dennis Mohatt, vice president for behavioral health and director, Mental Health Program
Brian Prescott, director of policy research, Policy Analysis and Research
Margo Schultz, director, Student Exchange Programs
Pat Shea, director, WICHE ICE and WALF
Brandi Van Horn, research analyst, Policy Analysis and Research
Ellen Wagner, executive director, WCET

Commissioners Absent
Steven Wheelwright (HI)
Robert Kustra (ID)
Arthur Vailas (ID)
Patricia Sullivan (NM)
Warren Hardy (NV)
Ann Daley (WA)
Phyllis Gutierrez Kenney (WA)
Chair Thomas Buchanan called the meeting to order and welcomed the commissioners. Portland State University President Wim Wiewel provided opening remarks and welcomed commissioners, staff, and guests to Portland State University.

Chair Buchanan introduced three newly appointed commissioners in attendance:

- Roy Ashburn, state senator, California State Senate
- D. Rico Munn, executive director, Colorado Department of Higher Education
- Jim Silva, assemblyman, California State Assembly

Also newly appointed, but not in attendance, was Steven Wheelwright, president of Brigham Young University of Hawaii (he will attend the November meeting).

Chair Buchanan introduced guests attending the meeting and listed commissioners whose terms were expiring after the May 2010 meeting.

**ACTION ITEM**

**Approval of the Committee of the Whole Meeting Minutes of November 2-3, 2009**

Commissioner Lorenz moved TO APPROVE THE COMMITTEE OF THE WHOLE MINUTES FROM NOVEMBER 2-3, 2009. Commissioner Rush seconded the motion. The motion was approved unanimously.

Chair Buchanan announced chair and vice chair appointments for the commission committees:

- Programs and Services Committee:
  - Carl Shaff, chair
  - Diane Barrans, vice chair

- Issue Analysis and Research Committee:
  - Robert Burns, chair
  - Jeanne Kohl-Welles, vice chair

- Self-funded Units Committee:
  - Kaye Howe, chair
  - James Hansen, vice chair

**Report of the President**

David Longanecker introduced staff attending the meeting and announced staff changes.

The first session of the Committee of the Whole was concluded, and the committee went into recess until Tuesday, May 18.
Session II: Business Session  
Tuesday, May 18, 2010

Commissioners Present
Thomas Buchanan (WY), chair  
Joseph Garcia (CO), vice chair  
Jane Nichols (NV), immediate past chair  
Diane Barrans (AK)  
Patricia Brown Heller (AK)  
Leah Bornstein (AZ)  
David Lorenz (AZ)  
Joseph Sideman (AZ)  
Roy Ashburn (CA)  
Jim Silva (CA)  
Kaye Howe (CO)  
D. Rico Munn (CO)  
Roy Ogawa (HI)  
Robert Richards (HI)  
Michael Rush (ID)  
Dan Harrington (MT)  
Mary Sheehy Moe (MT)  
Dede Feldman (NM)  
Viola Florez (NM)  
Carl Shaff (NV)  
Duaine Espegard (ND)  
William Goetz (ND)  
David Nething (ND)  
Robert Burns (SD)  
James Hansen (SD)  
Jack Warner (SD)  
Camille Preus (OR)  
Bonnie Jean Beesley (UT)  
William Sederburg (UT)  
Jeanne Kohl-Welles (WA)  
Deborah Hammons (WY)  
Klaus Hanson (WY)  

Commissioners Absent
Steven Wheelwright (HI)  
Robert Kustra (ID)  
Arthur Vailas (ID)  
Patricia Sullivan (NM)  
Warren Hardy (NV)  
Ryan Deckert (OR)  
Tim Nesbitt (OR)  
Peter Knudson (UT)  
Ann Daley (WA)  
Phyllis Gutierrez Kenney (WA)  

Guests
Karen Humphrey, executive director, California Postsecondary Education Commission  
Louise Lynch, certifying officer, Arizona Board of Regents  

Staff Present
Erin Barber, executive assistant to the president and the commission  
David Longanecker, president  
Demarée Michelau, director of policy analysis, Policy Analysis and Research  
Craig Milburn, chief financial officer  
Jere Mock, vice president, Programs and Services  
Dennis Mohatt, vice president for behavioral health and director, Mental Health Program  
Margo Schultz, director, Student Exchange Programs  
Pat Shea, director, WICHE ICE and WALF  
Brandi Van Horn, research analyst, Policy Analysis and Research  
Ellen Wagner, executive director, WCET  

Chair Thomas Buchanan called the meeting to order and reconvened the Committee of the Whole.

Report and Recommended Action of the Audit Committee
Committee Chair Jane Nichols reported that the Audit Committee met on Sunday, May 16, prior to the commission meeting. The Audit Committee elected to retain Clifton Gunderson for the FY 2010 audit and approved the letter of engagement provided by Clifton Gunderson, outlining the terms and fees of the FY 2010 audit. The Audit Committee plans to meet in the fall, before the November meeting, to consider sending out an RFP to select a new auditing firm. The committee reviewed the committee charter and code of ethics. It was decided that the president of WICHE would be asked to sign the President’s Code of Ethics. Nichols reported that there was some discussion on whether or not the commissioners should sign the Commission Code of Ethics; there will be more discussion on this at the November meeting.

Report and Recommended Action of the Executive Committee
Chair Buchanan reported that the Executive Committee continued its discussion of a deferred compensation and salary proposal for the WICHE president. At the November commission meeting in Boulder, the Executive Committee considered a salary proposal presented by the Compensation Committee that would put a plan in place to bring
the president’s salary more in line with other organizations, in an effort to make WICHE competitive when the time came to seek a successor for Longanecker’s position and to provide him with an incentive to stay with WICHE for the duration of the plan. Several suggestions came out of the conversation: 1) the salaries used for the comparison data should be for organizations like WICHE, instead of national organizations such as the National Governors’ Association or the Association of Governing Boards, or campus/institutional CEOs; 2) the target salary for the WICHE CEO should be higher than average to keep WICHE competitive; 3) the plan should be phased in over time, beginning in 2011; and 4) the plan should be sensitive to current economic circumstances.

The Executive Committee is considering a five-year plan that would phase in incremental increases, beginning in FY 2011. The proposal uses the average of the median salaries of the WICHE-state SHEEOs, the CEOs of the State Higher Education Policy Center (SHEPC), and the CEOs of the Midwestern Higher Education Compact, New England Board of Higher Education, and Southern Regional Education Board. The average of the median salaries of these groups is $193,753 (Longanecker’s current salary is $180,295). The 60th percentile for the three groups is $207,935. The plan would enable WICHE to be competitive when it’s time to hire Longanecker’s successor. The proposal also gradually shifts the financial burden from the WICHE reserves to the general fund budget by the time it’s fully implemented in 2015. In addition, the incremental increases would either be put aside as deferred compensation, to be used as an incentive to keep Longanecker in his current position for the next five years; or they’d function as salary increases over the course of the five years. Commissioner Warner moved TO APPROVE THE YEAR-BY-YEAR INCREMENTAL INCREASE TO GRADUALLY MOVE THE PRESIDENT’S COMPENSATION TO THE 60TH PERCENTILE ($207,935). Commissioner Barrans seconded the motion. The motion was approved by a majority. Commissioner Moe voted nay.

The Executive Committee discussed David Longanecker’s proposal for FY 2012 and FY 2013 WICHE dues (outlined on p. 10-12 of the agenda book). The plan proposes keeping FY 2012 dues at $125,000 and instituting a 5 percent increase to $131,000 for FY 2013 dues, contingent upon improved budgets in at least one-half of the WICHE states. Commissioner Presus seconded the motion. Commissioner Hammons asked for clarification on whether the improvement of state budgets would be measured by an increase in state revenues. Longanecker said that by the time dues need to be considered for FY 2013, states will only know their revenue projections. Commissioner Ogawa said clarity was needed on the motion to determine a time limit, so that there would be no dispute later on. Longanecker said his presumption was that the best proxy in terms of looking at a state's condition in the fall of 2011 would be revenue estimates for FY 2013 – compared to the budgets approved and being executed for FY 2012 in the fall of 2011. Commissioner Nichols said that Nevada has to submit the dues amount in their budget request very soon and thought it would be wise to put in the higher amount for FY 2013, just in case they are able to make the increase. Longanecker said that projected revenues out of the legislative or governor’s offices seemed to be the best estimate for states because they tend to be more conservative and more reliable. Commissioner Barrans moved TO APPROVE THE FY 2012 AND 2013 PLAN TO INCREASE WICHE DUES AS OUTLINED ON P. 10-12 OF THE AGENDA BOOK. The motion was approved unanimously.

Chair Buchanan reported that Longanecker had brought before the Executive Committee a request to draw $38,000 from the undedicated reserves to cover the upfront cost of connecting WICHE to Internet2 with UCAR. The connection to Internet2 would significantly increase WICHE’s broadband capacity and would also be a cost-saving measure, providing the access and connectivity for a lower cost than what is currently paid. Commissioner Hansen moved TO APPROVE THE REQUEST TO DRAW UP TO $38,000 FROM THE RESERVES TO COVER THE COST OF CONNECTING TO INTERNET2. Commissioner Bornstein seconded the motion. The motion was approved unanimously.

Report and Recommended Action of the Programs and Services Committee
Committee Chair Carl Shaff reported that Jere Mock had given a presentation on the 2011 workplan for the Programs and Services unit. Commissioner Shaff moved TO APPROVE THE 2011 WORKPLAN SECTIONS PERTAINING TO THE PROGRAMS AND SERVICES UNIT. Commissioner Barrans seconded the motion. The motion was approved unanimously.

Commissioner Shaff reported that WICHE staff is proposing a 1.5 percent increase for the Professional Student Exchange Program (PSEP) support fees for FY 2011-12 and FY 2012-13. The increase is in line with the 2008-2009
HECA (higher education cost adjustment) increase developed by SHEEO. Commissioner Shaff moved TO APPROVE THE 1.5 PERCENT INCREASE FOR PSEP SUPPORT FEES IN FY 2011-12 AND FY 2012-13. Commissioner Sideman seconded the motion. The motion was approved unanimously.

Commissioner Shaff reported that WICHE submitted a funding proposal to the U.S. Department of Education’s Investing in Innovation (I3) program to create a new initiative in partnership with secondary schools in five states: the Western Scholars Program would be patterned after the State Scholars Program, previously operated by WICHE. Commissioner Sideman asked Longanecker to explain the staffing implications of the Western Scholars Program. Longanecker said that the program would add an additional 52 positions: 6.5 positions would be added to WICHE and the remaining positions would be counselors and advisors in school districts throughout the participating states. Longanecker said the implications of receiving funding for this program would be substantial. The revenues would be more than sufficient to cover staffing costs, and the indirect cost recovery would be more than $.5 million per year. The program would be administered in conjunction with the Colorado Department of Higher Education. Commissioner Shaff moved TO APPROVE WICHE TO RECEIVE AND EXPEND FUNDS AS THE PROGRAM ADMINISTRATOR OF THE WESTERN SCHOLARS PROGRAM. Commissioner Warner seconded the motion. The motion was approved by a majority. Commissioner Munn abstained from the vote due to a potential conflict of interest because this program is being pursued in partnership with the Colorado Department of Higher Education.

Commissioner Shaff reported that the Programs and Services committee heard updates on the Western Academic Leadership Forum and the newly developed two-year forum for community colleges. The committee also heard a presentation on health information technology academic programs given by William Hersh, chairman of the Department of Medical Informatics and Clinical Epidemiology at the Oregon Health & Science University.

**Report and Recommended Action of the Issue Analysis and Research Committee**

Committee Chair Robert Burns reported that the committee had discussed the 2011 workplan sections pertaining to the Policy Analysis and Research unit. The committee made one change to the workplan: taking off the residency policies project from the “On the Horizon” list. Commissioner Burns moved TO APPROVE THE FY 2011 WORKPLAN SECTIONS PERTAINING TO THE POLICY ANALYSIS AND RESEARCH UNIT’S ACTIVITIES. Commissioner Heller seconded the motion. Commissioner Munn asked whether it would be appropriate to add an item specifying the examination of data, policies, and issues related to undocumented students in light of the removal of the item pertaining to residency policies. Longanecker said that some information on undocumented students might be captured in the State Policy Inventory Database Online (SPIDO), but that it would be appropriate to add it in to the workplan. Commissioner Munn moved TO APPROVE THE FY 2011 WORKPLAN SECTIONS PERTAINING TO THE POLICY ANALYSIS AND RESEARCH UNIT’S ACTIVITIES WITH THE ADDITION OF RESEARCH INTO UNDOCUMENTED STUDENTS TO THE WORKPLAN. Commissioner Garcia seconded the motion. The motion was approved unanimously.

Commissioner Burns reported that the Policy unit is optimistically waiting to hear if their proposal to the Bill & Melinda Gates Foundation will be funded. The project would involve working with four states to develop a multistate data exchange. Commissioner Burns moved TO APPROVE THE DEVELOPMENT OF A MULTISTATE LONGITUDINAL DATA EXCHANGE. Commissioner Warner seconded the motion. The motion was approved unanimously.

Commissioner Burns reported on a proposed project that would work to increase access and success in higher education to military students in the West. Commissioner Burns moved TO APPROVE THE SERVING STUDENT SOLDIERS OF THE WEST PROJECT. Commissioner Lorenz seconded the motion. The motion was approved unanimously.

Commissioner Burns reported that WICHE staff gave a review of their work with the Center for Urban Education, the recent factbook survey, and Web portal research follow-up.

**Report and Recommended Action of the Self-funded Units Committee**

Committee Chair Kaye Howe reported that the committee reviewed the 2011 workplan sections pertaining to the self-funded units. Louis Fox reported on work being done in WICHE Technology and Innovation. It was an integral part of becoming connected to Internet2. The goal is to be self-sustaining in the next year. Dennis Mohatt reported that the Mental Health Program budget is balanced. The program is currently working on 18 projects in various states. The committee received a draft of the new Mental Health brochure. The mental health first aid program is in its second year, with 10 out of 15 WICHE states involved. Ellen Wagner reported on work she’s doing in WCET, specifically trying to become more integrated with WICHE. She reported that staffers are working on a new branding for WCET and expect to officially launch it sometime in July. Other projects within WCET include a focus group series for corporate
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members, possible new funding from the Bill & Melinda Gates Foundation, CatalystCamp and the annual fall meeting. Wagner hopes to have the WCET budget balanced by May 2011. Commissioner Howe moved TO APPROVE THE FY 2011 WORKPLAN SECTIONS PERTAINING TO THE SELF-FUNDED UNITS’ ACTIVITIES. Commissioner Hansen seconded the motion. The motion was approved unanimously.

**ACTION ITEM**
Approval of the FY 2011 Annual Operating Budget
General Fund and Non-General Fund Budgets

Craig Milburn reported that the Legislative Advisory Committee has been added to the general fund budget, as previously approved by the commission. The balance of the reserves is $1.1 million. Only one-third of WICHE’s budget is shown in the general fund budget; the remaining two-thirds of the budget is in project areas. Commissioner Espegard asked how WICHE handles the delinquent dues within the budget. Milburn said that WICHE projected to not receive the dues this year but that the dues are budgeted as revenue. The auditors have to be convinced that it is conceivable that we’ll receive them as revenue. Longanecker shared with the committee the history behind the delinquent dues from the California Community College System. Commissioner Shaff moved TO APPROVE THE FY 2011 ANNUAL OPERATING BUDGET AND GENERAL AND NON-GENERAL BUDGETS. Commissioner Ogawa seconded the motion. The motion was approved unanimously.

**ACTION ITEM**
Approval of Salary and Benefit Recommendations for FY 2011

Commissioner Nething moved TO APPROVE THE SALARY AND BENEFIT RECOMMENDATIONS FOR FY 2011. Commissioner Moe seconded the motion. The motion was approved unanimously.

**ACTION ITEM**
Approval of the FY 2011 Workplan

Commissioner Espegard moved TO APPROVE THE FY 2011 WORKPLAN. Commissioner Shaff seconded the motion. The motion was approved unanimously.

Chair Buchanan told the committee that the meeting evaluation would be sent via email. Longanecker reminded the committee that the next commission meeting will be November 8-9, 2010, in Boulder, CO, at the SHEPC offices. Longanecker also thanked the Oregon commissioners for their hospitality and Chancellor Pernsteiner for his help in hosting the WICHE Commission at Portland State University.

The Committee of the Whole was adjourned.