



Ad Hoc Report
Addressing Recommendation 2
from
Fall 2013 Year Seven
Mission Fulfillment & Sustainability Evaluation

Submitted to
Northwest Commission on Colleges and Universities
September 9, 2014

Introduction

This *ad hoc* report consolidates the record of Highline College's response to Recommendation 2 from the institution's fall 2013 *Year Seven Mission Fulfillment and Sustainability Evaluation*.

The Northwest Commission on Colleges and Universities' January 31, 2014, letter of reaffirmation states that recommendation as follows:

“The evaluation committee recommends that for each year of operation, the College undergo an external financial audit and that the results from such audits, including findings and management letter recommendations, be considered in a timely, appropriate and comprehensive manner by the Board of Trustees (Eligibility Requirement 19 and Standard 2.F.7).”

Because the Commission identified Recommendation 2 as an area of non-compliance with the criteria for accreditation, the Commission required Highline to resolve the matter within the two-year timeframe prescribed by U.S. Department of Education Regulation 34 CFR 602.20 and NWCCU's policy on *Commission Action Regarding Institutional Compliance within Specified Period*.

Since receiving that recommendation, Highline College has undertaken a sustained and substantive set of activities to bring the institution fully into compliance with Eligibility Requirement 19 and Standard 2.F.7.

As documented in the following narrative, that objective has been fully achieved, well in advance of the two-year deadline.

Prior Reporting to NWCCU

The January 31, 2014, letter of reaffirmation included a request that Highline address Recommendation 2 in an *Ad Hoc Self-Evaluation Report* due fall 2014. In that report, Highline described in detail its efforts, up to that point, to attain full compliance by fall 2015.

In the 2014 report's narrative, the college noted that Washington state law establishes the Office of the State Auditor (SAO) as the auditor of public accounts for public institutions of higher education. Prior to 2010, the SAO conducted annual compliance audits. In 2010, however, the SAO changed its methodology, choosing to focus on periodic topical audits, rather than institution-specific audits.

That change of practice conflicted with NWCCU's Standard 2.F.7. As a result, beginning in 2013, a number of Washington public colleges began receiving recommendations that they were out of compliance with NWCCU's audit requirements. The State Board for Community and Technical Colleges (SBCTC) took the lead in crafting a comprehensive plan to assist the colleges in responding, developing a cyclical schedule for implementing the required audit changes based on the issuance date of any relevant NWCCU recommendations. Because Highline received its recommendation in January 2014, the college was scheduled in first group after the pilot colleges to prepare financial statements for audit.

The conversion required a detailed analysis and adjustment for each Washington campus. By late-summer 2014, Highline had completed all lists of SBCTC-required tasks for individual colleges to incorporate into their fiscal-year closing activities to prepare for the issuance of audited financial statements. In addition, the college updated its chart of accounts to reflect national reporting standards. Business Office staff also reviewed business processes and procedures for compliance with state and federal policy.

Recognizing the need for personnel investments to maintain compliance over time, Highline invested both in training and in staff capacity. College staff attended workshops on financial statement reporting offered by the SBCTC, SAO, and Governmental Accounting Standards Board. Further, the college's Executive Staff authorized an expansion of its professional accounting staff, beginning in 2014-15, to assist with financial reporting activities.

Based on these investments and accomplishments, the college reported to NWCCU that it was on schedule to complete its first set of financial statements — for fiscal year 2013-14 — for review between October and December 2014, submitting them to the SAO for audit between January and March 2015. The Commission accepted Highline's *Fall 2014 Ad Hoc Self-Evaluation Report* in a letter dated February 10, 2014.

Accomplishments since the Fall 2014 Report

The college is pleased to report that all remaining activities outlined in the Highline's *Fall 2014 Ad Hoc Self-Evaluation Report* have since been completed.

Compliance Activities: Completion of Financial Statements and Initial Audit

Based on the prior year's work, financial statements were provided to the Office of the State Auditor (SAO) in January 2015. The SAO auditors performed the required field work between February and April. In an exit interview on May 5, 2015, audit results (Appendix A) were presented to the college president and members of the Board of Trustees. The accompanying management letter (Appendix B) offered recommendations, but identified no audit findings.

On May 7, 2015 the college's Executive Staff and full Board of Trustees discussed the financial audit and related management letter recommendations (Appendix C). All recommendations issued by the SAO have been or are in the process of being implemented by the college, under the direction of the vice president for administrative services. As noted on page 3 of the letter, the college has already corrected the coding errors in the 2013-14 financial statements. The 2014-15 and future financial statements will reflect these more accurate numbers as well. Going forward, the college will continue to strengthen its efforts during the preparation and review process to ensure accurate financial reporting.

Commitment to Sustainability: Audit Practices for Future Cycles

Going forward, the Office of the State Auditor (SAO) will continue to provide annual audit services to Highline College. Because Washington law establishes the SAO as the auditor of

public accounts, the SAO will conduct the financial statement audit using generally accepted auditing standards as defined in the United States Government Accountability Office's Government Auditing Standards. SAO staff are experienced in auditing business-type financial statements within a higher education context, having audited five of Washington's six public four-year colleges since GASB 34 became effective in 2002.

Meantime, internally, Highline College has developed clear and appropriate procedures to sustain — and to maximize the benefit from — future audit cycles. Upon completion of each year's financial statements, Highline's Financial Services Office staff will review the statements with the college's Executive Staff. Under the college's routine procedures for quarterly financial reporting to the Board of Trustees, audit results will be presented to the college president and members of the board, as required both by Standard 2.F.7 and by generally accepted auditing standards. Items requiring resolution will be addressed as prescribed by GASB and applicable state and federal policy.

For subsequent years, the college has allocated \$40,000 in line-item funds to meet the annual requirements around financial statements and audits.

Concluding Statement

Admittedly, Highline College experienced some initial turbulence in reacting to Recommendation 2 from its fall 2013 *Year Seven Mission Fulfillment and Sustainability Evaluation*. After years of comfortable familiarity with the Office of the State Auditor's topical audit system, NWCCU's heightened expectations appeared daunting, at first, to achieve.

However, since then, the college has transitioned relatively smoothly to the new set of practices. Clearly, in that process, Highline benefited from a number of key resources. Among these, some of the most valuable have included:

- The dedication and expertise of Highline's Financial Services Office staff
- The State Board for Community and Technical Colleges' assistance in forming and supporting a statewide collaboration to revise local campuses' audit practices
- The experience, contextual familiarity, and clear statutory responsibility of the Office of the State Auditor in implementing the audit process
- The tangible support and active encouragement of Highline's leadership and trustees

That is not to say that the transition has been easy. On the contrary, it has required significant investments of staff time, leadership direction, agency support, and material resources. However, the result is an integrated, fully-institutionalized process that is both sustainable and meaningful. Going forward, Highline College will continue to benefit from the operational information, constructive feedback, and heightened accountability inherent in its new audit practices. In the long term, the institution's future will be even more secure as a result.



Washington State Auditor's Office

Independence • Respect • Integrity

Financial Statements Audit Report

Highline College

King County

For the period July 1, 2013 through June 30, 2014

Published May 11, 2015

Report No. 1014199





Washington State Auditor

May 11, 2015

Highline College
Des Moines, Washington

Report on Financial Statements

Please find attached our report on the Highline College's financial statements.

We are issuing this report in order to provide information on the College's financial condition.

Sincerely,

JAN M. JUTTE, CPA, CGFM
ACTING STATE AUDITOR

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**State of Washington
Highline College
July 1, 2013 through June 30, 2014**

Highline College
Des Moines, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Highline College, King County, Washington, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated May 5, 2015.

Our report includes a reference to other auditors who audited the financial statements of the Highline College Foundation as described in our report on the College's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors. The financial statements of the Highline College Foundation were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Highline College Foundation. The Highline College Foundation prior year comparative information has been derived from the Foundation's 2013 basic financial statements, on which other auditors issued their report dated December 23, 2013.

The financial statements of Highline College, an agency of the state of Washington, are intended to present the financial position, and the changes in financial position, and where applicable, cash flows of only the respective portion of the activities of the state of Washington that is attributable to the transactions of the College and its aggregate discretely presented component units. They do not purport to, and do not, present fairly the financial position of the state of Washington as of June 30, 2014, the changes in its financial position, or where applicable, its

cash flows for the year ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the College's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

In addition, we noted certain matters that we have reported to the management of the College in a separate letter dated May 5, 2015.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of the College's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain

matters that we have reported to the management of the College in a separate letter dated May 5, 2015.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Jan M. Jutte". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

JAN M. JUTTE, CPA, CGFM
ACTING STATE AUDITOR

May 5, 2015

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Highline College July 1, 2013 through June 30, 2014

Highline College
Des Moines, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Highline College, King County, Washington, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the College's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Highline College Foundation, which represents 100 percent of the assets, net positions, revenues and expenses of the aggregate discretely presented component units. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Highline College Foundation, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Highline College Foundation were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Highline College, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis

As discussed in Note 1, the financial statements of Highline College, an agency of the state of Washington, are intended to present the financial position, the changes in financial position and, where applicable, cash flows of only the respective portion of the activities of the state of Washington that is attributable to the transactions of the College and its discretely presented component unit. They do not purport to, and do not, present fairly the financial position of the state of Washington as of June 30, 2014, the changes in its financial position, or, where applicable, its cash flows for the year ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Report on Summarized Comparative Information

The financial statements include summarized prior-year comparative information for the Highline College Foundation. Such information does not include all of the information required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2013, from which such partial information was derived. Other auditors have previously audited the Highline College Foundation's 2013 financial statements and they expressed an unmodified opinion on their report dated December 23, 2013.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purposes of forming an opinion on the financial statements that collectively comprise the College's basic financial statements as a whole. The information identified in the table of contents as the Trustees and Executive Officers are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subject to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2015 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

A handwritten signature in cursive script, reading "Jan M. Jutte".

JAN M. JUTTE, CPA, CGFM
ACTING STATE AUDITOR

May 5, 2015

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Deputy Director for Communications	Thomas Shapley Thomas.Shapley@sao.wa.gov (360) 902-0367
Public Records requests	(360) 725-5617
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov



**Washington State Auditor
Troy Kelley**

May 5, 2015

Board of Trustees
Highline Community College
Des Moines, Washington

Management Letter

This letter includes a summary of specific matters that we identified in planning and performing our audit of the Highline Community College from July 1, 2013 through June 30, 2014. We believe our recommendations will assist you in improving the College's internal controls in these areas.

We will review the status of these matters during our next audit. We have already discussed our comments with and made suggestions for improvements to District officials and personnel. If you have any further questions, please contact me at 253-372-6250, ext. 105.

This letter is intended for the information and use of management and the governing body. However, this letter is a matter of public record and its distribution is not limited.

We would also like to take this opportunity to extend our appreciation to your staff for the cooperation and assistance given during the course of the audit.

Sincerely,

Renée Meyer, CPA
Audit Manager

Attachment

Management Letter
Highline Community College
July 1, 2013 to June 30, 2014

Financial Reporting

College management, the state Legislature, state and federal agencies and bondholders rely on the information included in the financial statements and reports to make decisions. It is the responsibility of College management to design and follow internal controls that provide reasonable assurance regarding the reliability of financial reporting.

During our review of the financial statements and notes we found the College's review process was not sufficiently detailed to ensure the financial reporting package is complete and accurate. As a result we noted:

- Restricted cash of \$941,884 was not reported as restricted on the Statement of Net Position. This also resulted in \$941,884 of net position not being reported as restricted.
- Cash paid to suppliers was understated by \$2,443,590 since the College netted other revenues against cash paid to suppliers on the Statement of Cash Flows. These activities should be reported separately.
- The Capital Assets table in Note 5 had the following misstatements:
 - The Construction in progress line did not include the Beginning Balance of \$5,245,056.
 - The Construction in progress line did not include the transfers (Retirements) of \$(5,245,056).
 - The Buildings line did not include Transfers of \$5,245,056.
- The Schedule of Long-term Debt in Note 15 had the following misstatements:
 - The beginning balance for the Certificates of Participation was understated \$485,892.
 - The amount paid for the Certificates of Participation was overstated \$106,083.
 - The ending balance for the Certificates of Participation was understated \$591,972.
 - The current portion of the Certificates of Participation of \$591,972 is not included in the table.
 - The table does not include compensated absences, which had an ending balance of \$3,619,606.
- The Management's Discussion and Analysis did not include compensated absences of \$3,691,606 in its Ending Debt table.

- The Management's Discussion and Analysis did not discuss the restricted net position balance of \$941,884.

The college corrected the above noted errors in the financial statements. We communicated other less significant errors to management.

We recommend the College strengthen its preparation and review process to ensure it is sufficiently detailed to ensure accurate financial reporting.

HIGHLINE COLLEGE

HIGHLINE COLLEGE
DISTRICT 9
Des Moines, WA

MINUTES OF BOARD OF TRUSTEES' MEETING

May 7, 2015

STUDY SESSION

*The Study Session was called to order at 8:06 am.
The following topics were discussed:*

*Presentation on Sound Transit
Preliminary Review of Student Services and Activities Budget
Financial Audit
Quarterly Financial Report
Proposed Changes to WAC Student Code of Conduct
Action Items related to Block Grant Funding Applications
Legislative Issues*

MEETING

Call to Order

The meeting was called to order at 10:09 a.m. by the Chair of the Board of Trustees, Fred Mendoza.

Roll Call

Present: Fred Mendoza
Sili Savusa
Dan Altmayer
Bob Roegner
Debrena Jackson Gandy

Attorney General Representative: H. Bruce Marvin

Chair Fred Mendoza noted that all members of the Board of Trustees were present.

Approval of Minutes

A motion was made by Trustee Sili Savusa to approve the regularly scheduled meeting minutes of April 9, 2015. The motion was seconded by Trustee Debrena Jackson Gandy. The minutes were approved.

Opportunity for Public Comment

There were no individuals who wished to offer public commentary for this meeting.

Correspondence

President Bermingham introduced the new Vice President of Administrative Services, Michael Pham. He noted that Michael had served in the Washington Community College System for 27 years, but this was the first time outside of a district. President Bermingham said that Highline was fortunate to have Michael's experience to add to the executive team.

The College recently hosted the Science Olympiad under the direction of Judy Mannard and Rich Bankhead. President Bermingham distributed a thank you letter from the organization. He said that there is currently a great deal of focus on STEM fields, and he was very pleased to see this level of participation at this event. He expressed his appreciation to all the colleagues and volunteers who organized this event.

Standing Reports

Associated Students of Highline Community College

Laura Yanez reported.

- Laura reported on several recent activities within student government.
- 90 students attended the Spring Leadership retreat at the City of Des Moines Park Event Center. Hoan Do, an alum, was the keynote speaker.
- Student Leaders recently organized a Job Fair.
- During Earth Week of April 20th, students in SLAC, Honors, and the Environmental Club partnered in creating workshops, a campus cleanup, promotion of water filling stations, and a water bottle exchange project.
- The Students of Color Conference was held in Yakima in late April and 38 students from Highline attended. Laura said she especially enjoyed being able to attend Vice President Toni Castro's presentation.
- The 18th Annual Unity through Diversity Week was held April 28 through May 1. The Associated Students collaborated with Multicultural Affairs in developing several presentations. Students developed performance pieces based on their response to social justice issues.
- Laura also wanted to announce the information session for May 7 on the proposals for Sound Transit station locations.
- The Student Voice Academy is to be held on May 8 and 9 at Clark College in Vancouver, WA and 8 students are expected to attend.

Washington Public Employees Association

No report was presented.

Highline College Education Association

Ruth Windhover reported.

- Ruth said the HCEA and administrative representatives are in the final stages of negotiation for the faculty contract.
- The faculty union is awaiting the legislative budget with trepidation, but they remain hopeful.
- Ruth offered a warm welcome to Michael and mentioned that he was now at the best college in the State.

Faculty Senate

Kate Skelton reported.

- Kate said that spring quarter is the time for Faculty Senate elections, and they are now accepting nominations for Senate Chair, Vice Chair, and Senator at Large.
- The recent Faculty Senate meeting reviewed changes to the Associate Business Degree. Currently Math 148 is a required course, and the change would allow for an alternate course of 151 to be taken.
- The State FACTC Association is looking into the possibility of working with the public universities within the organization.
- Kate said she will be retiring from the Faculty Senate after her term is completed and would be focusing more on classroom teaching.

HC Foundation

Rod Stephenson reported.

- Rod said that the Foundation was now advertising for applicants to student scholarships for the next year. The applications are online.
- The Shirley B. Gordon scholarship winner will be announced at the next Board meeting.
- On July 17, the Foundation will offer 200 tickets to a Rainiers game.
- As a follow-up to the GALA, Rod noted that once again, the record held true, and the event carried beautiful weather. The evening was a success, and more than \$125,000 was donated for scholarships and student funding. \$40,000 was raised for the JumpStart program and \$40,000 in scholarships with the match from the Yoshida family for single mothers. Next year's GALA will be on April 26.

Action Items

Action Item a. Resolution 129-2015 (Pertaining to King County CDBG for StartZone)

Trustee Savusa moved to approve Resolution 129-2015 (Pertaining to King County CDBG for StartZone). Trustee Jackson Gandy seconded the motion. The motion was approved. This resolution authorizes the College to apply for block grant funding for the StartZone Microenterprise Program.

President's Remarks

President Bermingham stated that we are not the only institution in the south end, but we are the only one that is actually on the line and the only one whose mission is open access. In the name of equity, the station location should come to Highline's doorstep. He reminded everyone of the public comment opportunity that evening on campus at 5:30 pm.

Dr. Bermingham also expressed his thanks to Shirley Bean for stepping in as Interim Vice President and her great leadership during the audit process.

He thanked Vice Presidents Wagnitz and Skari for their efforts in the College Spark award focused on Math and also the funding received for Gateway to College.

Dr. Bermingham congratulated all those who worked on the program for Unity Week which always energizes the campus. Global Fest, again, this year was a great event and for those parents and friends overseas, it also could be seen through a live stream in real time.

Lastly, President Bermingham offered his thanks to the Board members for their support and their patience through the discussions regarding Sound Transit.

New Business

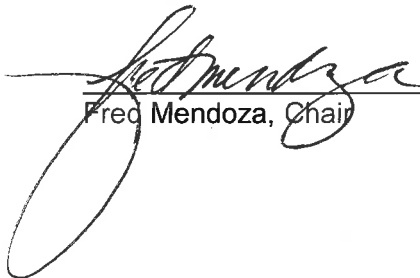
No new business was noted.


Adjournment

The meeting was adjourned at 11:25 am.

Next Regularly Scheduled Meeting of the Board of Trustees

The next regularly scheduled meeting of the Board of Trustees will be on June 11, 2015.


Fred Mendoza, Chair


Jack Bermingham, Ph.D., Secretary

**HIGHLINE COLLEGE
DISTRICT 9
RESOLUTION 129-2015
(Pertaining to StartZone Microenterprise Program)**

WHEREAS, Highline College is fully committed to providing small business development services to its service area via the StartZone Microenterprise Program at Highline College; and,

WHEREAS, the King County Community Development Block Grant (CDBG) Consortium is accepting applications for funding to support microenterprise development projects in south King County,

THEREFORE BE IT RESOLVED, that the Board of Trustees of Highline College supports development of the StartZone Microenterprise Program and authorizes submission of an application for 2016 funds from the King County CDBG Consortium in an amount up to \$120,000.

PASSED BY THE BOARD OF TRUSTEES this 7th day of May, 2015.

COLLEGE DISTRICT 9
State of Washington

Certification:

I, Jack Bermingham, Secretary to the Board of Trustees of College District 9, State of Washington, do hereby certify that the above is a true and accurate copy of Resolution No. 129-2015 for the use and purpose intended.

Secretary to the Board

Chair Fred Mendoza

Vice Chair Sili Savusa

Member Dan Altmayer

Member Debrena Jackson Gandy

Member Bob Roegner

An official copy of Resolution 129-2015 is on file in the Office of the President.

Action Item b. Resolution 130-2015 (Pertaining to Federal Way CDBG for StartZone)

Trustee Savusa moved to approve Resolution 129-2015 (Pertaining to King County CDBG for StartZone). The motion was seconded by Trustee Jackson Gandy. The motion passed.

**HIGHLINE COLLEGE
DISTRICT 9
RESOLUTION 130-2015
(Pertaining to StartZone Microenterprise Program)**

WHEREAS, Highline College is fully committed to providing small business development services to its service area via the StartZone Microenterprise Program at Highline College; and,

WHEREAS, the City of Federal Way Community Development Block Grant (CDBG) program is accepting applications for funding to support microenterprise development projects in Federal Way,

THEREFORE BE IT RESOLVED, that the Board of Trustees of Highline College supports development and authorizes submission of a StartZone Microenterprise Program application for 2016 funds from the Federal Way CDBG program in an amount up to \$90,000.

PASSED BY THE BOARD OF TRUSTEES this 7th day of May, 2015.

COLLEGE DISTRICT 9
State of Washington

Certification:

I, Jack Bermingham, Secretary to the Board of Trustees of College District 9 State of Washington, do hereby certify that the above is a true and accurate copy of Resolution No. 130-2015 for the use and purpose intended.

Secretary to the Board

Chair Fred Mendoza

Vice Chair Sili Savusa

Member Dan Altmayer

Member Debrena Jackson Gandy

Member Bob Roegner

An official copy of Resolution 130-2015 is on file in the Office of the President.

Action Item c. Resolution 131-2015 (Pertaining to Federal Way CDBG for SBDC)

Trustee Savusa moved to approve Resolution 131-2015 (Pertaining to Federal Way CDBG for the Small Business Development Center). Trustee Debrena Jackson Gandy seconded the motion. The motion was approved. This resolution authorizes the College to apply for block grant funding for the Small Business Development Center.

HIGHLINE COLLEGE, DISTRICT 9
RESOLUTION 131-2015
*(Pertaining to Small Business Development Services
for the City of Federal Way)*

WHEREAS, Highline College is fully committed to providing small business development services to its service area via the Southwest King County Small Business Development Center at Highline College; and,

WHEREAS, the City of Federal Way will provide \$22,500 in funding toward the provision of such services; and,

WHEREAS, federal Community Development Block Grant (CDBG) funds are available for the purpose of providing matching funds, and

WHEREAS, Highline College is eligible to receive CDBG funds, and

WHEREAS, the City of Federal Way has requested that Highline College apply for these CDBG funds in order to match its general fund allocation,

THEREFORE BE IT RESOLVED, that the Board of Trustees of Highline College supports development and authorizes the submission of an application for 2016 Community Development Block Grant funds from the City of Federal Way in an amount up to \$22,500.

PASSED BY THE BOARD OF TRUSTEES this 7th day of May, 2015.

COLLEGE DISTRICT 9
State of Washington

Certification:

I, Jack Bermingham, Secretary to the Board of Trustees of College District 9 State of Washington, do hereby certify that the above is a true and accurate copy of Resolution No. 131-2015 for the use and purpose intended.

Chair Fred Mendoza

Vice Chair Sili Savusa

Member Dan Altmayer

Member Debrena Jackson Gandy

Member Bob Roegner

Secretary to the Board

An official copy of Resolution 131-2015 is on file in the Office of the President.

Board Report: Student Awards and Achievements for academic year 2014-2016

The presentation on student awards and achievements began with Vice President Toni Castro's introduction of Jenni Sandler. Ms. Sandler invited Fawzi Belal, from the Outreach Division, and they explained Highline's participation in the Unified Special Olympics Tournament event held during April 17-18. Students from 15 higher education institutions participated in the event. The Highline Team members were introduced and received a round of applause for their win at the tournament.

Toni then introduced John Dunn, Athletics Director who announced a series of awards won by students in Athletics during the 2014-2015 academic year. He noted that this was one of the best years in his 25 years at Highline. In wrestling, Highline had four national qualifiers and again this year, Highline won the Athletic Academic Achievement Award with a 3.31 cumulative grade average.

The Student Employee of the Year, Jacqui Silva, was also introduced by Vice President Castro. Jacqui works under Rus Higley at the MaST Center and was recently recognized at a student celebration luncheon.

Student government officers were recognized: Laura Yanez, President, Ruth Krizan, Vice President, and LaTonya Brisbane, Speaker of the Caucuses. Laura Yanez and Rebecca Ring received recognition for their accomplishments as Highline's All-Washington Scholars this year. In addition to being an All-Washington Scholar nominee, Laura Yanez was chosen as a Coca Cola Gold Scholar.

Vice President Wagnitz introduced Dr. Amelia Phillips, Chair of the Pure and Applied Science Division. Dr. Phillips presented members of the Highline team who participated this year in the Cyber Defense Competition. This was the sixth year for Highline to host this event. Fourteen teams entered the competition, and the event was also featured on the Channel 5 Evening News. The team members spoke about how much they had learned during the competition and what an enjoyable event it had been.

Lastly, Jacque Clinton introduced three students who excelled academically this year in the Honors program: Elizabeth Jatta, Brendan Newell, and Rebecca Ring. She noted that not only were these students exceptional scholars, but they had also given back to their community by working on issues of personal interest. Brendan said he hopes to go on to UW and major in English and Sexuality and Gender Studies. Rebecca hopes to obtain her degree at UWT in political science and to work for social justice and to assist people in developing healthy living skills through urban gardening. Elizabeth hopes to progress in research into health care and access and equity issues. She has already presented a poster at a recent conference and hopes to be a doctor, perhaps in the public health field.

Area Reports

Institutional Advancement

Lisa Skari reported.

- Lisa noted that she was very appreciative of the thoughtful remarks in Study Session regarding Sound Transit issues, and wished to recognize the work of the student government, Jonathan Brown, James Peyton, Natasha Burrowes, and Noory Kim on spearheading the issue on campus. She also recognized the efforts of Madison Gridley who reached out to the Alumni organization regarding this issue.

- Lisa thanked Rod Stephenson and the Board of Trustees for all their work on the GALA, as well as Melissa, Alana, and Rachel for all their behind the scenes work. On a sad note, Lisa said that Rachel would soon be leaving Highline, having accepted a promotion at South Seattle College.
- Lisa also noted that Highline had been busy in submission of a number of grant proposals including one on urban agriculture, one for Sports Diplomacy, and an AANAPISI grant application.

Student Services

Toni Castro reported.

- Toni said that in continuing with the awards theme, she reported that on May 20th, Student Services will hold its Annual Awards Ceremony. She also said that two TRiO graduates won WA opportunity scholarships.
- Ay Saechao, TRiO Director, will be participating in the Harvard Management Program in June.
- Highline will also host its next milestone achievement event, at which students who have achieved the 15, 30, or 45 credit benchmark will be recognized.
- Toni announced that in June, there will be a ceremony to unveil the new Veterans Memorial Plaza. Student government contributed \$70,000 for this space to commemorate veterans' service to the country. She wished to acknowledge the dedication of Barry Holldorf on this project.

Instruction

Jeff Wagnitz reported.

- In returning to the STEM theme, Jeff wished to acknowledge the work of all the faculty and volunteers for hosting more than 900 students and coordinators whose work made the Science Olympiad event such a success.
- The Math Department has been collecting awards and recently faculty member Dusty Wilson was a keynote speaker at the state conference. Ed Morris was one of the first speakers at that conference. Terry Meerdink was also honored for her work by the State two-year college organization. Aaron Warnock was recognized as a technical expert for the MyMath Test.
- Jeff also reminded everyone of the Global fest event to be held on Saturday, May 8th.

Administrative Services

Michael Pham reported.

- Michael expressed his appreciation at the welcome to the College, and said it was great to have his first board meeting as one that focused on all the student awards and achievements.
- He wished to recognize Shirley Bean for leading a successful audit and for her leadership as Interim Vice President for Administration.
- Michael followed up on Toni's remarks and said that the beginning of construction on the Veteran's Plaza would be starting on Monday.

Trustee Sili Savusa mentioned that in thinking about the issues that were facing the community with regard to the Sound Transit station; she said it was very important that the voices of local residents be heard. She hoped that the responses for public comment would make sure to include that aspect.

HIGHLINE COLLEGE BOARD OF TRUSTEES

STUDY SESSION NOTES Prepared by Patti Rosendahl

May 7, 2015 8:06 am

1. Sound Transit

- Cathal Ridge and Chelsea Levy joined the study session to provide more details concerning the location proposals for Sound Transit. Cathal introduced a video that was shown to discuss the options. Cathal noted:
 - There is no funding yet for extending the light rail all the way down to Federal Way however the decisions being made now will impact that.
 - Cathal discussed the areas of where the cross over on I-5 and Hwy 99 will become key issues.
 - The comment period is through May 26.
 - The Sound Transit Board will consider commentary in June and final decision will be made later.
 - Another consideration is the number of years of construction which will also impact the area.
 - Parking and transit connections are key considerations.
 - Discussion was held on concerns that have been raised by local mayors.
 - Board Chair Fred Mendoza requested that two board members work with Jack and Lisa to provide commentary to the Sound Transit Board.

2. Preliminary Review of Student and Activities Budget

- Jonathan Brown introduced Cassandra Bennett, the student representative of the S & A committee who distributed the S & A budget for review.
 - The total budget was listed at \$2.65M.
 - Cassandra noted that the yellow highlighted areas were noting decreases in the amounts from last year, while the pink highlighted areas were for increased amounts. Increases were noted for travel for student leaders, for National Poetry Month events, and new budgeted areas were for the Gateway and Umoja programs.
 - One area of note was that in anticipation of reduced enrollment, the S & A committee had agreed to use a forward funding model which is aimed to protect against the ups and downs of enrollment numbers that are the basis of the S & A fund.

3. Audit

- Chair Mendoza noted that the summary of the Highline College Audit report read as a "clean" audit which he considered remarkable. He said that there were a few discrepancies which were already in correction in which some items would be re-categorized.
- Trustee Altmayer noted that further discussion should be planned on the audit for the Foundation.

4. Quarterly Financial Report (Shirley)

- Shirley explained that everything was on track for this quarter's financial report, but she did wish to say that tuition revenue was a little short, and that this was an area that would continue to be monitored.
- Page 1 is a summary of all revenue sources by fund.