

Hybrid Special Meeting: Building I Boardroom

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Hybrid Regular Meeting: Culinaire Room (I-108)

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I. SPECIAL MEETING

1. Call to Order

Board Chair Tim Cooper called the meeting to order at 1:07 P.M. and noted a quorum. Chair Cooper welcomed guests and commented that it's wonderful to see so many people in attendance.

2. Public Comments

There were no public comments.

3. Capital Projects Update

Vice President Jacob Jackson briefed the group on capital projects updates. The pipeline for the entire state contains over 30 projects totaling over \$1.2B. Some projects have been on the list since 2018. The top projects are construction that have received design funding. RTC is the fourth on this list, and still has not received construction dollars. Two years ago, the state Presidents issues a directive to cut down on this timeline. The recommendation to the Presidents was that intermediate projects be introduced, and this recommendation was adopted.

The revised pipeline includes minor projects, intermediate projects, and major projects. Minor projects include emergency needs, such as elevator repair. Major projects include items like construction of the Funding Hub. The State Board committed to funding major projects awarded construction funds prior to funding intermediate projects. Intermediate projects will take precedence over minor projects in future bienniums. Minor projects are predicted to increase by 10% due to inflation and other rising costs and take over capital funds that the state receives. The last major project that will be funded at current funding levels will be Highline at \$61M. No other major projects will be funded. Colleges can opt in to intermediate projects so long as they remove themselves from major projects.

Building L is currently being remodeled. RTC currently does not have a need for major projects funding, and VP Jackson advises that RTC should remove itself from the major projects list in order to receive \$15M in funds for the intermediate project of renovations to Building A. There are two interior load-bearing walls. The proposal is to remove one of the load-bearing walls and replace it with a wall providing more visibility as well as build a common faculty suite and classrooms so that Building A can become the Welding and Machining Building. The roof and bones of the building are still solid. Trustee Debra Entenman asked about maintaining Clean Air standards. Welding already occupies the space, and the ventilation in Welding was updated in 2019.



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The State Board is working on budget requests and colleges will need to let the State know if they'd like to opt in to intermediate projects by December 15. If funding is received, construction likely wouldn't start until the 2029-2031 biennium. The \$15M does include some accounting for inflation. The trade off for not opting in to intermediate projects is an unlikelihood to receive any funding. RTC would lose dollars earmarked to demolish Buildings A, B, and E if its major project is not funded. With the intermediate dollars, Welding and Machining could continue to operate during construction.

At this point, this item is informational only. The State Board does not anticipate that the Board would need to take action on this. Chair Cooper asked about other projects that might also need funding. Buildings L and J are being remodeled. Buildings H and C are in the works to be remodeled. Building B will be remodeled. Building A is the only building that will need to be planned to be remodeled. The original reason for the demolition of Buildings A, B, and E was that the Trades Building would have replaced all of Buildings A and B with one two-story building. Building E was reasoned for demolition because it is the least secure building on campus. Programs already in Building E are scheduled to be moved after remodel. Chair Cooper stated that he supports this decision because it is the right thing to do. President Harden agreed.

4. Budget Planning

In September's Board meeting, the Board asked VP Jackson to review the budget and add more buffer. Items four through seven of the Board Reserve Policy require that RTC have reserve cash of at least one payroll cycle, two months of expenditures, two weeks of emergency reserves for operating expenses, and two weeks of Innovation Fund reserves. The total dollar amount is about \$14M, but this adjusts annually with operating and payroll costs.

Trustee Entenman requested itemized breakdown. ELGB is the local government investment pool that is a high-yield savings account tied to the federal serve rate. Currently, there is about \$11M in ELGB and \$4M in bonds. Some bonds are locked in at 4% for long-term, which is higher than ELGB. There is less than \$1M in funds that are required to be held for student financial aid. There is \$3.8M in grants and contracts with requirements designated by the grant or contract.

At the moment, there is about \$855k above the Board reserve policy as cushion. Vice Chair Zappone asked for a historical context. VP Jackson stated that in 2018-2019, there was a financial crisis that necessitated selling almost all of the bonds (previously, cash investments totaled over \$6M) to make payroll. That event precipitated this Board policy. Because of COVID, the federal government gave higher education Higher Education Emergency Relief Fund (HEERF) dollars three

times to offset lost tuition and keep full-time employees employed. RTC was able to collect funds for lost revenue. The Board then identified Board policies to cushion the college and protect funds so that RTC would be protected from not making payroll.

Fiscal year 2027 (FY27) is the first year of the new State Allocation Model. RTC anticipates receiving about \$32M and an additional \$393k. Rolling over expenses and factoring in the cost-of-living adjustment (COLA) and COLA split creates about a \$250k budget deficit for next year. There is more volatility in the new allocation model. How dollars move from safe harbor to the new allocation model will lower the DEAB for all colleges. Keeping these projects in mind, fiscal year 2028 is looking at a \$900k deficit due to increasing expenses despite a slight increase in revenue. Chair Cooper asked about enrollment growth. This factors in enrollment growth as well as growth allowed by the state legislature, increased fees from ASG, and increased tuition amounts.

Chair Cooper asked if there is risk of the state allocation dropping further. VP Jackson responded that there is risk that the State Allocation will decrease. The new allocation model includes no target and adjusts each year. It will be based on both headcount and FTE for a four-year rolling average. Priority enrollments are 50/50 weighted between skills gap (employment gap calculations by King County), BETA (called College and Career Pathway at RTC). These numbers will be recalculated every year. This will change how projects are done because RTC will need to anticipate how other colleges are projected to perform.

HR 1 is another factor which introduced items that can impact enrollment, such as short-term program Pell eligibility (which impacts student funding for programs like CNA and Phlebotomy) and a mechanism that looks at wages of graduates versus wages of high school graduates with work experience. If graduate wages are not better than high school graduate wages, the program can lose Pell eligibility (EEC and BIRT are two examples of program graduates that do not currently attain wages higher than high school graduates with some experience). The Western states are anticipating about 15% fewer high school graduates by 2041 that will continue for the next 16 years before leveling out. This will mean fewer students. RTC's average student age is 31 years old, so the impact of the enrollment cliff will come after other colleges see an enrollment decrease. Higher education enrollment has been declining for the last 15 years, and RTC has only begun to see this decrease in the last couple years.

The current Board policy allows the Board to direct the President to increase a category as well as create a new item in the Board policy to create a reserve. VP Jackson recommends planning for increasing reserves. There is a 6-year rollout for the new state allocation model. Washington state will lose funds to Human and

Healthcare Services under HR 1. The Governor has stated that he intends to backfill funds for Human and Healthcare Services, but there is not a plan for this. RTC needs to be more proactive and intentional in putting aside dollars. Chair Cooper stated that having such a small amount of wiggle room is concerning and there is a need for the Board to do what it can to grow the reserve. Historically, RTC has not budgeted interest income. Chair Cooper asked that motion language be crafted to present to the Board in December.

5. State of Emergency Discussion

President Harden stated that this study session item is a response to a question about lifting the financial state of emergency that came up at previous Board meeting. Trustee Entenman asked about the criteria for declaring a state of financial emergency. RTC is continuing to show a budget deficit for upcoming years. College reserves are less than \$900k. The legislature has provided a 3.5% general wage increase, which is fully funded for classified staff and faculty, but was not fully funded for other employee categories. There is generally a fund split for wage increases, which the college needs to account for. The legislative session is scheduled to be short, and so more information is forthcoming. Vice Chair Zappone stated that criteria that would necessitate a financial state of emergency is still being met. Chair Cooper stated that this item should be revisited every couple months (next in March) to determine if projects allow for a change of circumstances.

6. Meetings

A. Regular Board Meeting – November 19, 2025

The next regular Board meeting is scheduled for November 19, 2025 at 3:00 P.M.

7. Adjournment

There being no further business, Vice Chair Zappone motioned to adjourn the Board of Trustees meeting 2:10 P.M. Trustee Entenman seconded, and the motion carried.

II. REGULAR BOARD MEETING

1. Call to Order

Board Chair Cooper called the meeting to order at 3:04 P.M. and noted a quorum.

2. Adoption of Minutes

A. October 15, 2025 – Special and Regular Meeting

Vice Chair Zappone introduced a motion to approve the minutes for the special and regular meeting held on October 15, 2025. Trustee Entenman seconded, and the motion carried.

3. Communications

A. General Information/Introductions

Christina Solis, Financial Services Director, introduced Accounting Manager Chad Norris. Chad is happy to be here as someone who came up through the community college system.

B. Correspondence

There was no correspondence.

C. Public Comments from the Audience

There were no public comments.

D. Student Leadership

The Halloween Event went well last month. Over 200 people showed up. There is a student campuswide survey out that is asking students whether they are being pointed in the right direction and whether they are receiving the help they need. There are QR codes around campus and in the Cafeteria. The survey will be open until November 25.

There is a Friendsgiving event November 25 from 12:30 P.M. – 4:00 P.M. with food, games, and giving. This event is open to the public. If you'd like to donate, please donate to the Learning Resource and Career Center (LRCC).

E. Renton Federation of Teachers

Dr. Huma Mohibullah, President of the Renton Federation of Teachers (RFT), gave an update from RFT. Last month, RFT stated that they heard that the college was hiring a third-party efficiency company. This is a LEAN training provided by the state. RFT's priority is to end the financial state of emergency. The state of emergency was discussed in the study session. RFT discussed a third-party consultant contracted by the college to support the Strategic Equity Plan and other deliverables in the contract. The comments specified that the cost of the contract was over \$100,000. The NWCCU commended instruction and critiqued the strategic plan. RFT is advocating for high demand pay, a full-time counselor position, and a better understanding of trustee appointment. RFT is working on a MOU for mandated trainings.

F. Written Communication Reports

Thank you all for submitting your written and video reports. The Board appreciates hearing from the college.

4. Action Items

A. President's Contract Addendum

After considering the recommendation presented to the Board, Trustee Entenman moved to approve the President's Contract Addendum as presented. Vice Chair Zappone seconded, and the motion carried.

5. Discussion/Reports

A. President's Report

College Technology Services (CTS) was awarded a \$105k grant through the State and Local Cybersecurity Grant Program to help shore up Cybersecurity on campus. Thank you to John Henry Whatley, Michelle O'Connor, Jack Schultz, and others for your work on this. The November 5 All-College meeting was well attended. Thank you to Jack Schultz for his presentation on TRIO. Thank you to the campus for participating. The ad hoc accreditation visit was this month. Reported metrics aligned with internal measurements of progress. The official report has not come out. Kudos to those who attended a great Disability Justice event.

Dr. Tomas Ybarra, the college's Guided Pathways Coach, has been working on campus data fluency. One goal of the Strategic Equity Plan (SEP) Task Force is to increase fluency on data and metrics. There are legitimate concerns regarding the college's budget, the state's role, and the need for states to backfill federal losses. There is a prediction that there will be further system cuts. President Harden's goal is to prevent budget reductions.

Enrollment continues to remain strong. As of now, General Education is up 27% when compared to last year. Professional Technical is up 13% over last year. The new allocation model that starts next fiscal year will require a focus on retaining students and adjusting class sizes.

President Harden and Trustee Jessica Norouzi attended the Association of Community College Trustees (ACCT) Leadership Congress last month. Notably, there were no sessions on diversity, equity, or inclusion. Sessions were on workforce and artificial intelligence. Nationally, there are college trends that focus on non-credit trainings.

President Harden also met with James Alberson, a Renton Councilmember, who is in support of Renton Promise. She and Wade Parrott III, Executive Director of Innovation and Strategic Partnerships, met with Derek Sciba, Executive Director of Vision House, which supports families that are faced with housing insecurity.

Some of their clients come to RTC for English language learning. The Foundation pop-up dinner event that unveiled the gratitude wall was provided by 15 volunteer student chefs. Thank you to the student chefs as well as Chefs Gary Fowler and Robert Holland and Dean Warren Takata. President Harden attended Association of College Trustees Fall Conference with Vice Chair Zappone. There was a great session on tribal affairs. ED Parrot, Dean Takata, and President Harden attended the City of Renton planning meeting for a culinary partnership proposal to Nishiwaki. Megan Allen, Chief Products Officer at Zip Recruiter, presented to Executive Cabinet on labor trends. There is both low unemployment and low hiring rates. The number one driver for job growth over the next decade will be healthcare. There is no reporting that artificial intelligence is actually replacing jobs at the rates being reported.

Director Lia Homeister and Executive Director Doris Martinez are working on the SEP Task Force and have been assigning priorities to work groups. The statewide priorities are being solidified, which include no COLA funding split, budget for inflation, and no cuts. The legislative session starts on January 12. The food and warm clothing driving is going on in the LRCC. Our community has been generous. Condiments, spices, cooking oils and other seasonings, as well as pasta sauces and noodle kits are all in demand. As Trustee Entenman says, "no hungry students." We need to keep sight on the students and that we all rely on one another as we serve our students.

B. Financial/Budget Status

VP Jackson presented financials for month end in October. The general fund state allocation is 34% collected, which is on track. \$4.3M has been collected for tuition. By the time the college get to February, finances should be at 67% because of the way that tuition is collected. The current collection is promising. Thank you to ASG for their help with student fees. Some fees are waived, making the fee collection not quite aligned with tuition. Fall Quarter Running Start and high school completion billing is not finished yet. Enterprise (which is Catering and S&A fees) has increased since last year due to fees. Catering is down from last year.

Salary and wages are on target and down from last year. Benefits are down from last year, but not by much. Goods and Services are about the same as last year. Costs of goods sold have increased from last year due to inflation. Travel is slightly up compared to last year. Equipment is up this year because CTS has been replacing both student and faculty machines. Student Aid (local) accounts for the opportunity grant, emergency grant, and worker retraining, is slightly

under compared to last year due to additional healthcare dollars that were removed last legislative session.

Regarding debt services, RTC had anticipated going out to bid earlier than it turns out was possible. The Office of Financial Management estimated that there would be an increased bond payment. There is not an extra bond payment as had been planned. Expenditures are slightly behind when compared to last year.

Facilities updates that created more workspaces have also necessitated sound masking. Sound masking will begin in December on the second floor of Building I. Building L is planned for remodel so that the space can be updated.

C. State of Emergency Update

Chair Cooper stated that there has been a lot of conversation about what should be done with the state of emergency and RTC's current state and finances. The resolution covers multiple academic years and provides guidelines. There is still significant uncertainty at the state level with a \$1.4B gap in the state funds. The Board recognizes that this does put the college in a state of uncertainty. The Board does not take this lightly and recognizes that we all experience this uncertainty, including the Board. However, the Board is charged with fiscal management. The Board will keep the financial state of emergency in place with a commitment to continue reviewing the situation.

One thing that we hold true is that our mission is to education students. Layoffs have a deep impact on everyone. We have a Board Reserve Policy to keep fiscal solvency and a duty to ensure that this institution is here to serve students in 50 years. The Board is working planning to shore up reserves to protect salary coverage and ensure that operations can continue in the event of emergency.

Trustee Entenman stated that fiduciary responsibility includes thinking about how the college will remain in the community. Sometimes these decisions are very hard, and Trustee Entenman has been learning quickly why there aren't more trustees who are part of legislature. It is not easy, but please know that trustees are being thoughtful and care about the RTC community in this building and outside of this building. We want a place for community members to come and learn.

Vice Chair Zappone has spent his life in Washington. He's worked a variety of jobs in different sectors and has lived through four recessions. What we're going through right now is another economy slowdown with fewer people being hired

and a lot of churn. The way Vice Chair Zappone could get through it was to try to take things as they come and not speculate. Speculation leads to winding oneself up. This is all exacerbated by the mindset at the federal level, which is really different than how things were before. We get through these things by sticking together, by working together, and by giving the people in our community the benefit of the doubt. There is no malice in the Board. We can come through this if we stick together. Vice Chair Zappone wants to find solutions together.

Trustee Norouzi stated appreciation for the Board's comments. This situation is really hard. It might sound frustrating or empty to hear that when the Board does not experience the day to day. The trustees are taking their responsibility to ensure that the college is fiscally healthy for the long term to heart.

6. Board of Trustees

Vice Chair Zappone stated that the legislative session begins January 12 and ends March 12. The revenue forecast is dismal, so we will have to see what happens. Please contact your representatives. RTC will schedule a legislative visit. It's best to have an ongoing conversation with legislators.

Vice Chair Zappone gave an overview of ACT Fall Conference highlights, which included a keynote about equity. Equity is something we believe in as a board and community.

7. Meetings

- A. Special Board Meeting – December 8, 2025
- B. Regular Board Meeting – December 17, 2025

The Board is scheduled for its annual retreat in a special session on December 8, 2025. The next regular Board meeting is scheduled for 3:00 P.M. on December 17, 2025.

8. Adjournment

There being no further business, Vice Chair Zappone moved to adjourn the Board of Trustees meeting 4:02 P.M. Trustee Entenman seconded, and the motion carried.