



evergreen

Ad Hoc Report

THE EVERGREEN STATE COLLEGE

August 27, 2024

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Introduction

Background

In Fall 2023, The Evergreen State College (Evergreen) submitted a *Special Report with Visit* to address the recommendation from the Northwest Commission on Colleges and Universities (NWCCU) the college “develop a realistic multi-year enrollment management plan to ensure short term financial health and long-term financial stability and sustainability (2020 Standard 2.E.2).” This recommendation originated with the 2018 Year Seven Self-Study visit and continued following the 2021 Mid-Cycle Report, in which the college outlined strategies for enrollment growth and financial stability.

Our 2023 Special Report was accepted. The Commission found that Evergreen was “substantially in compliance but in need of improvement” with respect to enrollment planning and financial health. NWCCU issued the following recommendation:

Recommendation 1: Fall 2023 Special Report - Continue monitoring and improving its strategic enrollment plan to ensure short term financial health and long-term financial stability and sustainability. (2020 Standard(s) 2.E.2).

NWCCU asked Evergreen to submit an ad hoc report in Fall 2024 to provide an update on our progress with this recommendation.

Progress

Evergreen has made significant progress on Recommendation 1. Many of the initiatives that we put into place to address enrollment at the time of our mid-cycle accreditation report have now been implemented and are concomitant with demonstrable increases in enrollment and revenue. As we noted in our special report, we stabilized our total enrollment in Fall 2022 on the back of a 17% increase in new student enrollments. Since then, our overall enrollment has grown each quarter, with six consecutive quarters of increased enrollments, and growth expected to continue for Fall 2024. Our enrollment headcount grew from 2,116 to 2,332 between Fall 2022 and Fall 2023. It is projected to grow by 120 students to 2,452 in Fall 2024, a 22% increase in two years.

Our initial operating budget deficit of \$7.3 million dollars (15%) in Fiscal Year 2022 (FY) was reduced to \$1.2 million dollars (2%) in FY 2024. Moreover, we closed FY 2024 with a surplus of \$251,491 through salary savings. We reduced the deficit through enrollment growth and increased state appropriations, while avoiding significant cuts to our operations in the last two years. Our reserve position has also improved through a combination of budget reduction measures, salary savings and leveraging opportunities to secure additional funding.

This report is divided into the three primary areas where we have taken action to achieve these outcomes: 1) enrollment and recruitment; 2) curricular initiatives; and 3) financial stability and sustainability.

Enrollment

Update and Forecast

Evergreen has seen a notable turnaround in new student enrollment since our 2021 Mid-Cycle Report, signaling that our enrollment initiatives are beginning to have an impact. In Fall 2022, the number of

new students starting at Evergreen increased 17% compared to Fall 2021, and the total number of students enrolled matched the previous year's head count of 2,116. Since then, we have experienced growth for six consecutive quarters—Fall 2022, through Spring 2024, and expect to continue that trend into the 2024-25 academic year. Our enrollment head count grew from 2,116 in Fall 2022 to 2,332 in Fall 2023. We expect new student enrollment to be similar in Fall 2024 as it was Fall 2023, with FAFSA issues likely having had some impact on our goal to increase new student enrollment even more. Nevertheless, with an increased population of continuing students, total enrollment is projected to grow by another 120 students to 2,452 in Fall 2024, a 22% increase in two years.

Figure 1: Total Fall Headcount: 2016-2024

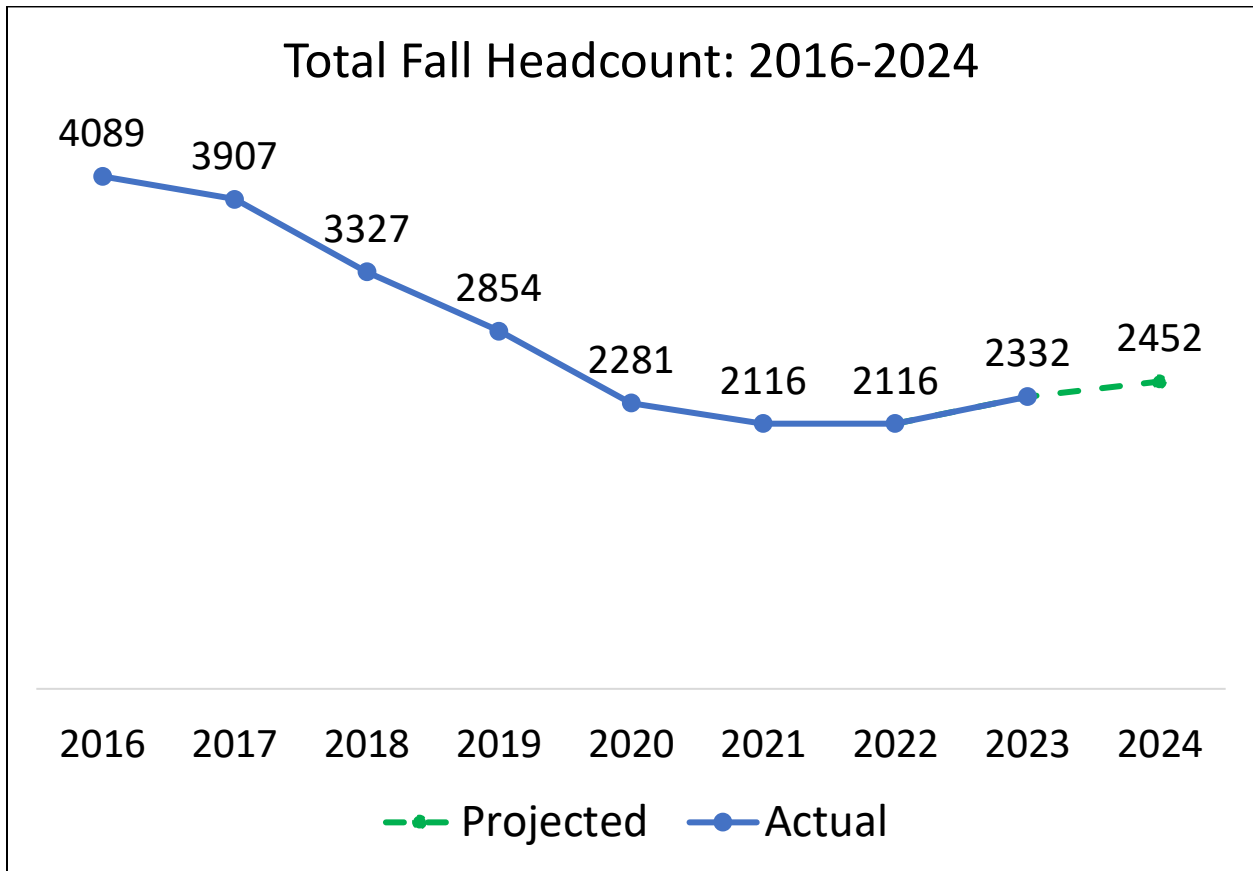
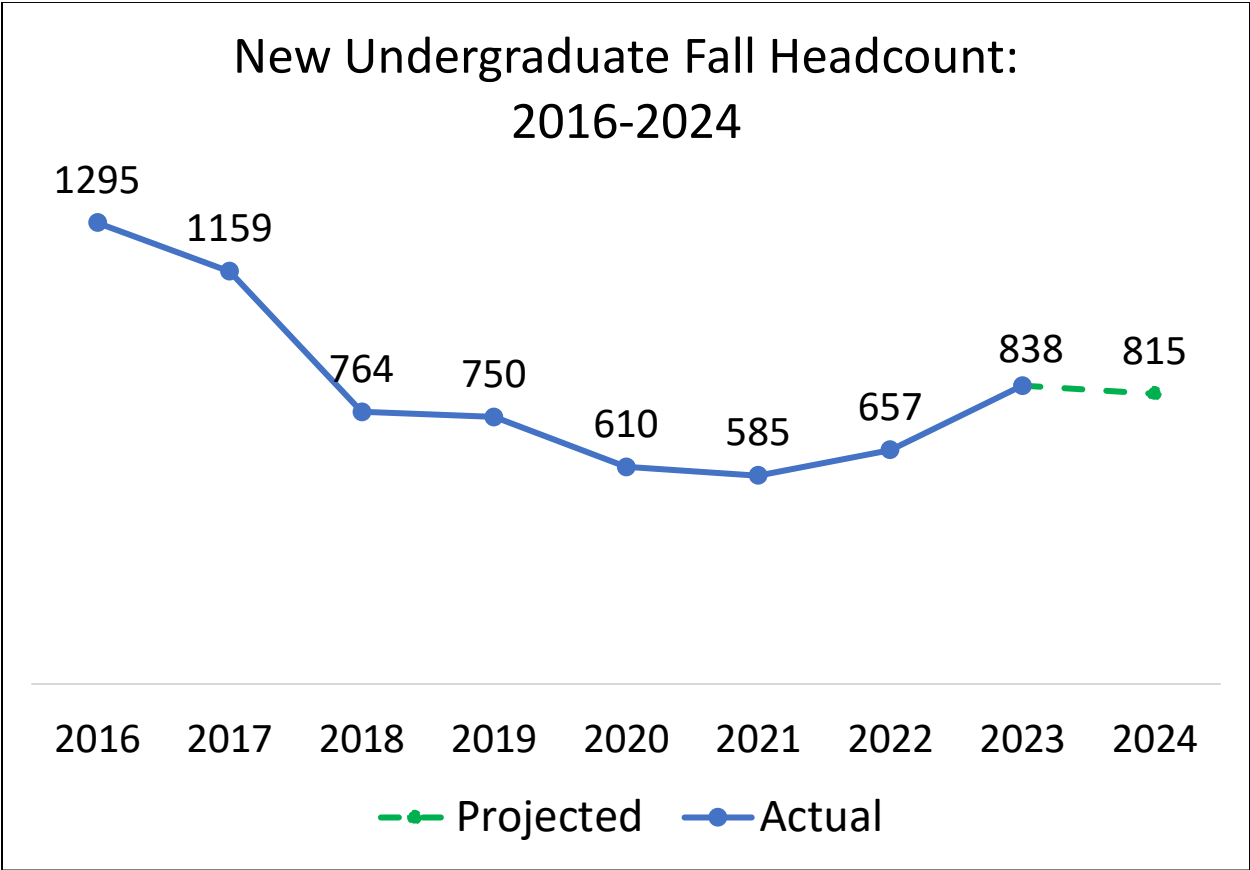


Figure 2: New Undergraduate Fall Headcount: 2016-2024



Enrollment Initiatives

Since our last Special Report in Fall 2023, we have several important area updates, as well as several new to report.

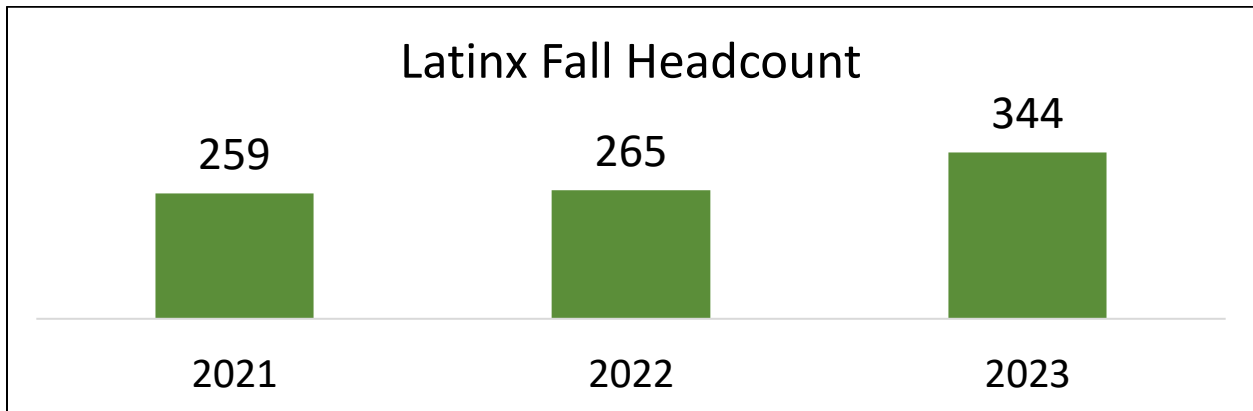
Faculty Recruitment Plan

Evergreen is rounding out completion of our third recruitment cycle with the Faculty Recruitment Initiative. We have focused the faculty efforts on connecting with students during the yield phase of the process after they have been admitted and during early summer. Last fall, the admit pool increased by 22% year-over-year, and the yield from the pool of candidates increased by 4.5% year-over-year. These two enrollment funnel measurement gains in the same year are quite unusual and we can point to the Faculty Recruitment Initiative playing a key role.

Latinx Youth Summit

In November 2022, Evergreen hosted the Latinx Youth Summit. The event hosted over 400 students on campus from five Washington counties for a daylong event. The summit included 35 workshops, special speakers and tours of the Evergreen campus. In a post event survey, nearly 100% of the participants indicated they hoped to attend college and many included Evergreen as a top choice. In Fall 2023, Evergreen realized significant new student enrollment growth of Latinx students, pushing the overall fall headcount for Latinx students up 33% compared to Fall 2021. Many individuals and tactics helped produce these results. However, the well-executed Latinx Youth Summit was a major contributor. We are continuing to play an important leadership role in subsequent summits at other host colleges.

Figure 3: Latinx Fall Headcount, 2021-2023



Athletics

During the Special Report visit last fall, we shared that Evergreen had decided to invest in an expansion of our NAIA athletic teams. We added men’s and women’s wrestling, men’s and women’s cross country and provided some additional administrative support for our student athletes. The numbers grew from 138 in Fall 2022 to 168 in Fall 2023, with a student athlete goal for Fall 2024 of 214 athletes. We are on track to achieve this fall target. In addition, this past year, the new athletic programs resulted in seven national appearances (one for women's cross country, four for women's wrestling, one for women's track and field and one for men's track and field), resulting in three All-American Honors (one for women's cross country, one for women's wrestling and one for women's track and field).

Housing Expansion

During the pandemic, the college temporarily closed four on-campus dormitories due to enrollment declines and needed repairs. For Fall 2023, Evergreen renovated Dormitory A, adding 165 beds on campus. With increases in new student enrollment in each of the past six quarters, the college is also renovating a second dormitory, adding Dormitory B to our inventory for Fall 2024. Housing reservations for the fall are currently up over 9% compared to last year.

Scholarship Revision for New Students (New)

In order to improve our ability to compete for students interested in Evergreen who live out-of-state, we made a significant decision to move all merit scholarships from the current two-year award to a four-year scholarship based on required academic standing. Evergreen has been operating at a disadvantage, as most of our competitors offer four-year awards. This change goes into effect in the Fall 2024.

Customer Relationship Management System – SLATE (New)

In August 2023, the college made a strategic decision to implement the Slate Customer Relationship Manager (CRM) system for all admission enrollment functions for both undergraduate and graduate programs. This decision aligns Evergreen with the Washington Guaranteed Admissions programs and provides greater access to all high schools in Washington state. Slate advances our use of technology to improve tracking and recruitment communication to all prospective students. Our target is to have this new system go live in July 2025.

Shelton Promise (New)

In January 2024, Evergreen was granted legislative support to launch a new program, the Shelton Promise. Modeled after other promise programs across the state, Shelton Promise is intended to increase access to higher education for Shelton high school students who had a 31% college participation rate in 2022 when compared to the statewide average of 52%.¹ Specifically, Evergreen will provide wrap-around services from enrollment through graduation, including academic and career advising, course registrations, housing, student employment, internship opportunities and more. The promise for students graduating from the Shelton School District is that they will be able to attend Evergreen tuition-free.

Financial Aid

Evergreen has recognized that helping students navigate the financial aid process and receive aid in a timely manner is key to getting and keeping students enrolled and supported in their education.

FAFSA

A significant enrollment challenge surfaced this past year with the troubled roll-out of the new simplified FAFSA. Like many colleges and universities across the country, Evergreen faced a dramatic decline in the number of FAFSA applications received when we reviewed our first allocation in early May 2024. As of May 1, Evergreen had received 1,000 fewer FAFSA applications than it had the previous year, a 22% decline. However, through collegewide efforts, we were able to attenuate that decline to 5% (or

¹ Source: ERDC High School Graduate Outcomes. Retrieved at: <https://erdc.wa.gov/data-dashboards/high-school-graduate-outcomes>

41 students) by August 1, 2024. Even so, we still believe the new FAFSA roll-out has had a negative impact on our new first year student enrollment.

Returning Greeners Initiative

We have continued to strengthen our efforts to re-recruit our former Evergreen students who did not complete their degree. Over the past two recruitment cycles, we have seen a 48% increase in the number of new former students – Returning Greeners – re-enrolling at Evergreen. Through a gift from The Evergreen State College Foundation, we have been able to provide each new Returning Greener with a one-time \$1,000 scholarship to help encourage successful progress and ultimate degree completion.

Holistic Advising

Evergreen recognizes that improving enrollment goes beyond attracting more new student applications. Excellent support services and advising that help students navigate their paths can improve learning and engagement, lead to better experiences for both new and continuing students and bring about better retention.

Evergreen's Title III Project, *Holistic Advising: Coordinated Services and Technologies with Community- and Career-Connected High-Impact Practices*, continues to focus on increasing success among students historically underserved by higher education. By building new approaches and knitting together academic and support components, the project builds Evergreen's capacity to help students thrive.

In the 2023-24 academic year, the Title III Project continued to expand the college's advising resources by adding an assistant director. This position has focused on leading the collaborative launch of an integrated advising feature of our Customer Relationship Management system. Due to vendor conflicts, the advising component had to be delayed. It is now scheduled to go live in the 2024-25 academic year. Nevertheless, the Title III Project has brought together over 20% of our student-facing staff and faculty during the past two summer institutes hosted in collaboration with the Washington Center for Undergraduate Education. These institutes have been geared toward components of successful holistic advising curriculum. They also serve as coalition-building and professional development opportunities to continue to build the culture of advising at Evergreen.

New Student Advising

The New Student Advising Initiative has continued into its second year with a focus on improved admitted student yield rates and first year student experience and retention. The associate director of new student advising, a new permanent position as of March 2024, leads this work and has built strong partnerships across the college that ensure that new students are well-supported in their transition to Evergreen. A cross-campus cohort of staff and faculty continue to provide one-on-one advising appointments and group advising sessions to new students. In Summer 2024, this program added an additional full-time new student advisor, building capacity to provide high-quality programming that extends into the academic year and targeted toward new student arrivals. As of August 1, 2024, 72% of our first-year students entering Fall 2024 have had appointments with our new student advising team and our aim is that every first-year student will have done so by the state of fall quarter.

Curricular Initiatives

As outlined in our Fall 2021 Mid-Cycle Report, Evergreen began developing a set of curricular initiatives to address enrollment and financial stability. These initiatives include Professional and Continuing Education, Paths, Greener Foundations, Early Childhood Education and Curriculum Planning for Enrollment Growth. These initiatives are incorporated in Evergreen's strategic enrollment plan "[New Directions for Evergreen](#)". At the time of the NWCCU mid-cycle accreditation visit, we were in the early stages of implementing these initiatives. Below, we discuss and update their status.

Professional and Continuing Education (PaCE)

The PaCE initiative was approved by the Board of Trustees in 2022. PaCE is designed to improve enrollment, address regional market needs and enhance our reputation by offering academic and professional certificates and new degree completion curriculum. PaCE's curated curriculum will help students build enduring skills for their future endeavors.

We are following a project charter that sets a plan to grow by 500 FTE over a five-year period between 2022 and 2027. We are well on track with this plan. There were approximately 105 student annual average FTE enrolled in PaCE courses in the 2022-23 academic year and enrollment grew to 229 annual average FTE in 2023-24. We have added certificates and degree completion curriculum for the 2024-25 academic year to support expanded enrollment by an additional 100 FTE. As a fiscal unit, revenue from tuition for enrollment in PaCE classes is expected to cover all PaCE related expenses in 2024-25. PaCE will generate enough surplus revenue to pay back start-up costs by 2025-26 and help contribute as much as \$1 million to college reserves annually starting 2026-27.

Of the students enrolled in PaCE offerings, 80% were from one or more of the target demographics - either adult learners, students who are schedule constrained to studying in the evenings or weekends or online, or student who are unable to study with a full load. Over 50% of students enrolled in PaCE classes each quarter are completing their entire course of study through PaCE. The rest are taking PaCE offerings in addition to studying in other parts of the curriculum.

Early Childhood Education (ECE)

ECE was a new curricular initiative that we began offering at Evergreen Tacoma in Spring 2022. ECE provides a pathway for early childhood educators to complete their Bachelor of Arts degree. It offers a dual language (Spanish/English) curriculum that prepares students for entry into a variety of different early childhood education certification programs after they complete their degree. Qualifying students can receive funding from the Department of Child, Youth and Families to cover their tuition. Enrollment in ECE at Evergreen Tacoma grew to 44 FTE in Fall 2022 and reached 94 FTE in Fall 2023. Our plan is to grow the ECE program to have a stable annual enrollment above 120 FTE.

Curriculum Planning for Enrollment Growth (C-PEG)

In consideration of improved enrollment numbers in the 2022-23 and 2023-24 academic years and continued projected growth, the provost charged a workgroup to develop recommendations for areas of the curriculum we should prioritize for expansion. These curricular areas will directly support the new enrollments and provide a vehicle to accelerate growth in high-demand areas. The C-PEG workgroup completed its report in Fall 2023, recommending eight academic areas with the most potential for enrollment growth for the first phase of curriculum expansion. The C-PEG report informed a hiring

priorities process for regular (tenure-track) faculty positions in our main full-time coordinated studies curriculum. The hiring priorities process is also a key component of Evergreen's larger strategic planning process. Considering projected levels of enrollment for the 2025-26 academic year, the provost has authorized nine regular faculty hires in the 2024-25 academic year.

New Graduate Programs

The next phase of our multi-year plan to ensure sustained enrollment growth and financial stability focuses on new graduate programs. The provost charged a workgroup in Spring 2024 to solicit letters of intent for new graduate programs and to recommend a shortlist for further consideration and development. Three workgroups have been charged and funded in Summer 2024 to work on full proposals. In Fall 2024, a college committee will review those proposals for financial feasibility and potential for enrollment growth. The committee will also recommend any proposals that show potential for further development and implementation to the provost. The earliest we would expect to launch a new graduate program is Fall Quarter 2026.

Financial Stability & Sustainability

Evergreen’s financial position has dramatically improved since the mid-cycle accreditation visit in Fall 2021, when we were facing a \$7.3 million initial operating budget deficit. The success of the enrollment and curricular initiatives noted above, along with necessary budget cuts in FY 2022 and FY 2023, helped reduce our FY 2024 budgeted operating deficit to about \$1.2 million. In addition, year-end deficits ended up being smaller than initial projections in each of the last 3 fiscal years. This can be explained by reduced expenditures due to salary savings and increased revenues due to enrollments exceeding projections each year. These factors have reduced our reliance on reserves to cover operating budget deficits and have allowed us to maintain our reserves at high levels. The initial operating budget deficit in FY 2025 is expected to be \$3.6 million. The increase from FY 2024 is the result of moving operating costs associated with the new PaCE program onto the operating budget as the reserves used for start-up costs to support the initial phase of PaCE have been exhausted. The summary of our operating budget and reserves is in Table 2, with a detailed narrative following.

Table 2: Operating Budget and Reserves

Description	FY 2022	FY 2023	FY 2024	FY 2025 (est.)
Total Operating Budget	\$49,433,356	\$53,155,271	\$59,895,269	\$63,188,778
Initial Operating (Deficit) or Surplus	(\$7,328,899)	(\$3,755,351)	(\$1,200,000)	(\$3,575,913)
Year-end (Deficit) or Surplus	(\$2,501,119)	(\$175,600)	\$251,491	(\$2,500,000)
Year End Operating Carry Forward Reserves ²	\$11,911,591	\$10,647,591	\$8,400,411	\$5,900,411

Enrollment Impact on Revenues

As a public, state-supported institution, most of our funding comes from state appropriations. The percentage of our operating budget funded by state appropriations increased from 64% in FY 2020 to 85% in FY 2024. The increase was partly a consequence of reduced tuition revenue due to declining enrollment during FY 2020 through FY 2022, but the state also increased appropriations to support compensation increases and to provide direct financial support for new programs.

Expected enrollment increases reported above will increase total revenues and reduce the proportion from state funding. These enrollment increases will also help us to reduce our initial operating budget deficit. However, if enrollments increase at the rate we are budgeting for - 120 FTE per year - it will still take several years to close our initial operating deficit. Given our economical state-mandated tuition levels for resident students, the increase in revenue due to increased enrollments is significantly offset by the increased expense of additional faculty lines needed to teach them. However, due to a pattern of

² In addition to the year-end operating reserves, the college also has Summer School Reserves, which are approximately \$3 million at the close of FY24.

annual salary savings, we expect the year-end budget deficit to remain close to zero, as it has been in the last two years.

Stabilizing the Budget

As we outlined in our Fall 2023 Special Report, our strategy for stabilizing our budget since first receiving this recommendation combined cuts to reduce spending across the college with initiatives to increase revenue through enrollment increases and fundraising. For FY 2022, we cut expenses substantially by offering faculty buy-outs. Those buy-outs reduced faculty lines by an approximate net of thirteen positions at the end of FY 2022 and net of seven positions at the end of FY 2023, lowering costs by about \$1,400,000 and \$800,000, respectively.

As we began budget planning for FY 2023, with an initial budget deficit of \$3.7 million, we developed plans for further budget reduction to close the gap. However, we began to see an increase in the number of students showing interest in Evergreen, which gave us confidence we would be able to achieve enrollment at a higher level than we were budgeting for. Further, the reserves were built up sufficiently to cover a small deficit, if necessary. Thus, we decided not to implement the planned budget reduction in FY 2023.

Our strategy was successful. Evergreen enrolled about 120 students more in Fall 2022 than we budgeted for, creating an additional \$1.7 million in tuition revenue. In addition, salary savings allowed us to reduce our year-end deficit to just \$175,600.

For FY 2024, we accounted for a new higher base of student enrollment with lower spending and reduced our initial operating deficit of just \$1.2 million (2% of the budget). Moreover, we closed the fiscal year with a small budget surplus for the first time since 2017.

For FY 2025, we plan for an enrollment increase of 120 FTE. Our initial budgeted operating deficit for FY 2025 has increased to \$3.6 million, with the increase attributed to moving PaCE operating costs onto regular operating funds. We expect to continue a pattern of having the year-end budget deficits less than the initial operating deficit in FY 2025 due to normal underspending and salary savings, which typically amount to between 2% and 5% of our budget.

Financial Support and Sustainability

The college's operating reserves are \$10.9 million. We maintain a board-supported operating fund reserve of \$2.5 million and an operating carry forward reserve of \$8.4 million. Evergreen also has a \$5 million board-designated contingency fund and over \$3 million in reserves in the summer school fund, for a total reserve of \$18.9 million. Our institutional reserve policy is to maintain reserves of at least six months of annual tuition revenue, or about \$7.5 million.

Over the years, the college has received strong support from the legislature and evidence for that support has been reinforced over the last several years. We expect this support will continue.

Tables 3 and 4 detail funding the college has received from the legislature since the last accreditation visit:

Table 3: State Appropriations FY 21-25 - Operations

Description	FY2021-22	FY2022-23	FY2023-24	FY2024-25
001-1: State General Fund	\$32,198,000	\$32,051,000	\$32,025,000	\$39,723,000
066-1: TESC Capital Projects	\$40,000	\$40,000	\$40,000	\$40,000
08A-1: Education Legacy Trust	\$2,725,000	\$2,725,000	\$2,725,000	\$2,725,000
24J-1: Workforce Education Investment	\$1,953,000	\$1,953,000	\$2,771,000	\$3,024,000
	\$36,916,000	\$36,769,000	\$40,561,000	\$45,512,000

Table 4: State Appropriations FY21-25 - Capital

Description	FY2021-23	FY2023-25
057-1: State Building Construction Account	\$4,945,000	\$32,199,000
066-1: TESC Capital Projects	\$6,760,000	\$9,012,000
706-8: Coronavirus State Fiscal Recovery Fund	\$4,000,000	\$3,454,000
026C: Climate Commitment Account		\$25,000
	\$15,705,000	\$44,690,000

Fundraising Campaign

We have just completed Evergreen’s first comprehensive fundraising campaign, [Forever Green](#), which began quietly in 2019. We surpassed our \$55+ million goal by \$7.5 million, with a total raised of \$62.5 million in gifts, grants and planned gift commitments to the Foundation and the college. Campaign funds have helped underwrite enrollment initiatives, recruit more student-athletes by expanding athletics, expand public service center impact, pay for energy conservation projects and increase our Foundation-funded financial aid budget by 66% (from \$802,079 in 2019 to \$1,332,438 in 2024). This fundraising success also creates stability for the college’s future with \$25.6 million of the funds raised in the campaign paid by grant makers and donors in future years, including \$12.6 million in commitments for estate gifts.

Summary

Through the success of our new enrollment and curricular initiatives, the support of the legislature, grants and fundraising, diligent budgeting and a strong reserve, our fiscal health is stable. Faculty and staff are working very intently to ensure Evergreen’s continued growth and success.