

MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD OF TRUSTEES MEETING MINUTES

MARCH 17, 2010

WELLS FARGO PLACE

ST. PAUL, MN

Trustees Present: Chair David Olson, Duane Benson, Cheryl Dickson, Jacob Englund, Christopher Frederick, Ruth Grendahl, Clarence Hightower, Dan McElroy, David Paskach, Thomas Renier, Christine Rice, Louise Sundin, Scott Thiss, Terri Thomas and James Van Houten

Trustees Absent:

1. Call to Order

Chair David Olson called the meeting to order at 1:30 p.m. and reported that a quorum was present.

2. Chair's Report

a. Minutes of Board of Trustees Study Session of January 20, 2010

The minutes of the Board of Trustees study session were approved as written.

b. Minutes of Board of Trustees Meeting of January 20, 2010

The minutes of the Board of Trustees meeting were approved as written.

c. Report and Recommendations of the Ad Hoc Committee on System Planning

Ad Hoc Committee Chair Dan McElroy reported on the recommendations of the Ad Hoc Committee on System Planning. The committee conducted four public Listening Sessions and met several times in January and February to develop an updated Strategic Plan for the system. He announced that the Board would meet in April for a Study Session on the Ad Hoc Committee's recommendations.

3. Consent Agenda

a. Resolution Regarding Tobacco Use on College and University Campuses

b. Normandale Community College Mission Statement Approval

c. St. Cloud State University National Hockey Center Development Plan

Trustee Christine Rice moved approval of the Consent Agenda. Trustee Louise Sundin seconded and the motion carried unanimously.

4. Board Policy Decisions

(1) Select Principal External Audit Firm

Trustee Scott Thiss moved that the Board of Trustees approves the appointment of LarsonAllen to serve as principal external auditor for the Minnesota State Colleges and Universities. The principal auditor is responsible for providing audit services of the following: Systemwide financial statements; Revenue Fund financial statements and Federal Financial Assistance.

The term of this appointment begins upon execution of contracts and shall continue to fulfill external auditing needs for the three fiscal years from June 30, 2010, through 2012. The Board of Trustees authorizes the Executive Director of Internal Auditing and the Vice Chancellor/Chief Financial Officer to negotiate contracts with LarsonAllen consistent with the terms contained in its proposal dated February 23, 2010. Chair Olson called the question and the motion carried unanimously.

(2) Proposed Amendments to Board Policies:

Policy 5.14 Procurement and Contracts;

Policy 5.22 Acceptable Use of Computers and Information Technology Resources;

Policy 7.4 Financial Reporting;

Policy 7.7 Gifts and Grants Acceptance

(Second Reading)

Trustee Thomas Renier moved that the Board of Trustees approves amending Policy 5.14 Procurement and Contracts; Policy 5.22 Acceptable Use of Computers and Information Technology Resources; Policy 7.4 Financial Reporting; and Policy 7.7 Gifts and Grants Acceptance as shown in Attachments A-D. Chair Olson called the question and the motion carried unanimously.

(3) Proposed Amendments to Board Policy 2.6, Intercollegiate Athletics

(Second Reading)

Trustee Dan McElroy moved that the Board of Trustees approves the proposed amendment to Policy 2.6 Intercollegiate Athletics. Chair Olson called the question and the motion carried unanimously.

(4) Proposed Amendments to Board Policy 3.30, College Program Advisory Committees

(Second Reading)

Trustee Dan McElroy moved that the Board of Trustees approves the proposed amendment to Policy 3.30, College Advisory Program Committees. Chair Olson called the question and the motion carried unanimously.

5. Board Standing Committee Reports

a. Audit Committee, Scott Thiss, Chair

(1) Review Results of Annual Student Financial Aid Audit

Committee Chair Thiss reported that the committee heard a report on the Annual Student Financial Aid Audit. The results of the report were incorporated into the State of Minnesota's Single Audit Report. Committee Chair Thiss remarked that the report presented insignificant findings.

(2) Preliminary Review of Policy 1D.1 Office of Internal Auditing

Committee Chair Thiss reported that the committee reviewed Policy 1D.1 Office of Internal Auditing. Policies are required to be reviewed once every five years. The policy will be revised to cite recent changes.

(3) Follow-up to OLA Evaluation of the System Office

Committee Chair Thiss reported that the committee heard an update on the OLA Evaluation of the System Office. Chair Olson requested that the audit committee be involved in the area of Students First and also to work with the other committees on the issues related to board oversight.

b. Advancement Committee, Christine Rice, Chair

- (1) **Advancement Update**
Committee Chair Christine Rice reported that the committee heard updates from Associate Vice Chancellor Linda Kohl and Executive Director Maria McLemore, on the Public Affairs division and the System and Foundation Relations division.
- (2) **State and Federal Legislative Update**
Committee Chair Rice reported that the committee heard an update on the 2010 Legislative session from Government Relations Director Mary Davenport.
- (3) **Report on College-, University- and System-Related Foundations**
Committee Chair Rice reported that the committee heard a report on the College, University- and System-Related Foundation. The report provided information relative to the support provided, returns and other information.
- (4) **Follow-up to OLA Evaluation of the System Office**
Committee Chair Rice reported that the committee heard an update and discussed plans to address the OLA recommendations.

c. Finance, Facilities and Technology Committee, Thomas Renier, Chair

- (1) **Finance, Facilities and Technology Update**
Committee Chair Thomas Renier reported that the committee heard an update from Vice Chancellor Laura King on the activities of the Finance, Facilities and Technology divisions.
- (2) **FY 2010 Capital Project Update**
Committee Chair Renier reported that the committee heard an update on the FY 2010 Capital Projects. The Governor vetoed many projects approved by the legislature which resulted in a record low bonding bill.
- (3) **Proposed Amendments to Board Policies:**
Policy 5.13 Information Technology Administration;
Policy 6.4 Facilities Planning (First Reading)
Committee Chair Renier reported that the committee heard a first reading on the Proposed Amendments to Board Policies: Policy 5.13 Information Technology Administration and Policy 6.4 Facilities Planning. The proposed policies will be presented for a second reading and approval at the April meeting.
- (4) **Minnesota State Colleges and Universities System and State Economic Outlook for FY 2011-2013**
Committee Chair Renier reported that the committee heard a report on the system and state economic outlook for FY 2011-2013. The committee discussed the budget outlook for fiscal year 2011 as well as the 2012-2013 biennium. Further information will be provided at the April meeting.

- (5) College and University Financial Health Indicator/Measurement Project
Committee Chair Renier reported that the committee heard a report on the College and University Financial Health Indicator/Measurement Project. The Finance division has maintained a reporting process since 2004 which generates a report to campus leadership drawing attention to areas of operational concern.
- (6) Follow-up to OLA Evaluation of the System Office
Committee Chair Renier reported that the committee heard an update and discussed plans to address the OLA recommendations.

d. Academic and Student Affairs Committee, Dan McElroy, Chair

- (1) Academic and Student Affairs Update
Committee Chair McElroy reported that the committee heard an update from Senior Vice Chancellor Linda Baer on the activities of the Academic and Student Affairs division.
- (2) Proposed Amendment to Board Policy 3.24, System and Institutional Missions (First Reading)
Committee Chair McElroy reported that the committee heard a first reading on the Proposed Amendment to Board Policy 3.24, System and Institutional Missions. This will be presented for a second reading and approval at the April meeting.
- (3) Proposed New Board Policy 3.38, Career Information (First Reading)
Committee Chair McElroy reported that the committee heard a first reading on the Proposed New Board Policy 3.38, Career Information, System and Institutional Missions. This will be presented for a second reading and approval at the April meeting.
- (4) Proposed Amendment to Board Policy 3.29 College and University Transcripts (First Reading)
Committee Chair McElroy reported that the committee heard a first reading on the Proposed Amendment to Board Policy 3.29 College and University Transcripts. This will be presented for a second reading and approval at the April meeting.
- (5) Follow-up to OLA Evaluation of the System Office
Committee Chair McElroy reported that the committee heard an update and discussed plans to address the OLA recommendations.
- (6) Centers of Excellence Update
Committee Chair McElroy reported that the committee heard an update on the Centers of Excellence. The update provided information on the the four centers' activities, educational programming and industry involvement.

The four centers are Health Force Minnesota, Winona State University; Advance IT Minnesota, Metropolitan State University; 360° Manufacturing and Applied Engineering Center of Excellence, Bemidji State University; and Minnesota Center for Engineering and Manufacturing Excellence, Minnesota State University, Mankato.

- (7) **Campus Profile: North Hennepin Community College**
Committee Chair McElroy reported that the committee heard a campus profile on North Hennepin College from President Ann Wynia and staff. The profile highlighted institutional points of interest unique to the college. Committee Chair McElroy thanked President Wynia and her staff for an excellent report about the college. He also thanked President Wynia for her devoted service and wished her well as she retires from the presidency of North Hennepin Community College.

e. Human Resources Committee, Ruth Grendahl, Chair

- (1) **Human Resources Update**
Committee Chair Ruth Grendahl reported that the committee heard an update from Vice Chancellor Lori Lamb on the Human Resources division.

Labor Relations Summit Executive Summary

Committee Chair Grendahl also reported that the committee heard an executive summary of the Labor Relations Summit. Vice Chancellor Lori Lamb and President Earl Potter of St. Cloud State University convened leaders from across the system to explore the future needs of students and the implications of future workforce learning.

- (2) **Appointment of President of Inver Hills Community College**
Committee Chair Grendahl moved that the Board of Trustees, upon the recommendation of Chancellor McCormick, appoints Timothy A. Wynes as the President of Inver Hills Community College, effective on July 1, 2010, subject to the completion of an employment agreement. The Board authorizes the Chancellor, in consultation with the Chair of the Board and Chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Personnel Plan for Minnesota State Colleges and Universities Administrators. Trustee McElroy seconded and the motion carried unanimously.

Mr. Wynes thanked the Board for their support and the opportunity to serve the students in Minnesota.

- (3) **Appointment of President of North Hennepin Community College**
Committee Chair Grendahl moved that the Board of Trustees, upon the recommendation of Chancellor McCormick, appoints John J. O'Brien as the President of North Hennepin Community College, effective on July 1, 2010, subject to the completion of an employment agreement. The Board authorizes the Chancellor, in consultation with the Chair of the Board and Chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Personnel Plan for Minnesota State Colleges and Universities Administrators. Trustee Jacob Englund seconded and the motion carried unanimously.

Dr. O'Brien thanked the Board and Chancellor McCormick for their support and confidence. He added that he is honored, excited and looks forward to serving the students at North Hennepin Community College.

- (4) **Human Resources Strategic Plan Feedback**
Committee Chair Grendahl reported that the committee heard a report on the Human Resources Strategic Plan Feedback. The division has undertaken a comprehensive strategic planning process to set goals and priorities to meet the system's needs.
- (5) **Follow-up to OLA Evaluation of the System Office**
Committee Chair Grendahl reported that the committee heard an update and discussed plans to address the OLA recommendations.

f. Diversity and Multiculturalism Committee, Duane Benson, Chair

- (1) **Diversity and Multiculturalism Division Update**
Committee Chair Duane Benson reported that the committee heard an update from Executive Director Whitney Stewart Harris on the activities of the Diversity and Multiculturalism division.
- (2) **Follow-up to OLA Evaluation of the system Office**
Committee Chair Benson reported that the committee heard an update and discussed plans to address the OLA recommendations.

6. Joint Council of Student Associations

- a. **Minnesota State College Student Association (MSCSA)**
Mr. Tyler Smith, President, addressed the Board of Trustees.
- b. **Minnesota State University Student Association (MSUSA)**
Ms. Jennifer Weil, State Chair, addressed the Board of Trustees.

7. Minnesota State Colleges and Universities' Bargaining Units

- a. **American Federation of State, County and Municipal Employees**
Ms. Karen Foreman, President (AFSCME Council 6), addressed the Board of Trustees.
- b. **Inter Faculty Organization (IFO)**
Mr. Rod Henry, President, addressed the Board of Trustees.

8. Trustees' Reports

Trustee Van Houten reported that he attended the Phi Theta Kappa Recognition event that was co-hosted by Presidents Richard Davenport and Ron Thomas of Minnesota State University, Mankato and Dakota County Technical College respectively. He also reported that he would be a guest on KYZR talk radio to discuss higher education in Minnesota.

Trustee Christine Rice reported that she attended the Association of Community College Trustees (ACCT) National Legislative Summit in Washington, D.C. She and Dr. Mary Davenport visited with five congressional offices while at the conference.

Trustee McElroy recognized and thanked Presidents Davenport and Stover of Minnesota State University, Mankato and South Central Technical College, respectively, for their efforts providing educational programs to assist the business communities in their region.

9. Chancellor's Comments

Chancellor McCormick welcomed the Trustees, staff and constituents to the meeting. Chancellor McCormick recognized the new presidents-elect and thanked retiring presidents Cheryl Frank and Ann Wynia for their devoted service to the system and the citizens of Minnesota.

Chancellor McCormick thanked the Trustees who attended the Chair Academy's 19th Annual International Leadership Conference for Post-Secondary Leaders. Trustee Emeritus Jim Luoma was awarded the Paul A. Elsner International Excellence in Leadership Award. The Luoma Leadership Academy was named in honor of Trustee Emeritus Luoma for his efforts to encourage growth and leadership within the system.

Chancellor McCormick reported that careful consideration is being undertaken regarding the recommendations made by the Office of the Legislative Auditor's (OLA) report on the system office. Chancellor McCormick noted that he appreciates the recommendations from the OLA and that he continues to strive to do and be better.

Chancellor McCormick commented that the budget cuts to the bonding bill were significant and disappointing. Chancellor McCormick stated the goals continue to be given careful attention. Chancellor McCormick concluded his remarks stating that plans are in place for flood emergencies.

10. Requests by Individuals to Address the Board

There were no requests to address the Board.

11. Other Business

There was no other business to come before the Board.

12. Adjournment

Chair Olson announced that the Board's next meetings are on April 20-21, 2010. The meeting adjourned at 3:35 p.m.

Ingeborg K. Chapin
Secretary to the Board