

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES**

Agenda Item Summary Sheet

Committee: Finance and Facilities

Date of Meeting: July 20, 2010

Agenda Item: Proposed Amendment to Board Policy 6.5 Capital Program Planning
(Second Reading)

Proposed Policy Change Approvals Required by Policy Other Approvals Monitoring

Information

Cite policy requirement, or explain why item is on the Board agenda: Board Policy 1A.1, Part 6, Subpart H, has established that each board policy and system procedure is to be reviewed at least once every five years.

Scheduled Presenter(s): Laura M. King, Vice Chancellor - Chief Financial Officer

Outline of Key Points/Policy Issues:

Board policies and procedures are reviewed to:

1. assure contemporary and responsible business practices are maintained
2. assure the system's current financial and operating control mechanisms are sustained or strengthened
3. assure continuity of operations
4. clarify conflicting or misunderstood information
5. eliminate redundancy

Background Information: The Finance Division is responsible for reviewing and proposing amendments to most board policies in Chapters 5, 6, and 7.

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

Second Reading

BOARD ACTION

Proposed Amendment to Board Policy 6.5 Capital Program Planning

BACKGROUND

Board Policy 1A.1, Part 6, Subpart H, has established that each board policy and system procedure is to be reviewed at least once every five years. This purpose of this review is to:

1. assure contemporary and responsible business practices are maintained
2. assure the system's current financial and operating control mechanisms are sustained or strengthened
3. assure continuity of operations
4. clarify conflicting or misunderstood information
5. eliminate redundancy

Policy 6.5, Capital Program Planning

The change to Policy 6.5 makes it consistent with existing Board Policy 1A.1 Part 7. Colleges and universities shall not seek funding for any public capital project that has not been approved by the Board as provided in Part 1 of this policy or Board Policy 1A.1 Part 7.

After discussion at the June meeting the policy has been revised to clarify that the Board shall approve privately funded capital projects after coordination between the college or university and the chancellor, and upon recommendation of the chancellor.

RECOMMENDED COMMITTEE ACTION

The Finance, Facilities and Technology Policy Committee recommends the Board of Trustees adopt the following motion:

The Board of Trustees approves amending Policy 6.5 Capital Program Planning as shown in Attachment A.

RECOMMENDED BOARD ACTION

The Board of Trustees approves amending Policy 6.5 Capital Program Planning as shown in Attachment A.

Date Presented to the Board: July 20, 2010

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

BOARD POLICY**6.5**

Chapter 6 Chapter Name Facilities Management

Section 6.5 Policy Name Capital Program Planning

1 6.5 Capital Program Planning

2 **Part 1. Policy Statement.** The Board is committed to long-term stewardship of the
3 state's facilities resources. The Board shall establish criteria for and approve capital
4 program guidelines and a multi-year capital budget, including a prioritized capital
5 project list.

6 The Board shall approve privately funded capital projects after coordination between
7 the college or university and the chancellor, and upon recommendation of the
8 chancellor.

9
10 **Part 2. Responsibilities.** The chancellor shall develop and recommend capital program
11 guidelines and a prioritized, system-wide capital budget including a long-term asset
12 preservation and renewal program. The president of each college and university shall
13 identify capital project requirements for submission to the chancellor consistent with
14 Part 1.

15 Colleges and universities shall not seek public funding for any capital project that has
16 not been approved by the Board as provided in Part 1 of this policy or Board Policy
17 1A.1 Part 7.

18 -
19 The chancellor shall develop design and construction standards and contracting
20 procedures for all facilities projects, and shall direct appropriate planning, design and
21 construction of facilities to ensure long-lived, substantial and sustainable campus
22 facilities.

23 **Part 3. Accountability and Reporting.** The chancellor periodically shall advise the
24 Board of the status of the capital program, including reports on each project execution
25 status, material changes in budget, scope and schedule, and post-occupancy results.

26
27 *Date of Implementation: 06/21/00*

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29 *Date of Adoption: 06/21/00,*

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31 *Date and Subject of Revision: 06/21/06 – Part 2 – changed “low maintenance” to*
32 *“sustainable” campus facilities*

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