



**BOARD OF TRUSTEES
EXECUTIVE COMMITTEE MEETING AGENDA
WEDNESDAY, MAY 19, 2010
3:30 PM**

**WELLS FARGO PLACE
30 7TH STREET EAST
SAINT PAUL, MN**

Please note: Committee/Board meeting times are tentative. Committee/Board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

Executive Committee Agenda

David Olson, Chair

- (1) Minutes of April 21, 2010 (pp. 1-2)**
- (2) FY 2011 Board of Trustees Operating Budget (First Reading) (pp. 3-4)**
- (3) Follow-up to OLA Evaluation of the System Office**
- (4) Discuss June 15-16, 2010 Meetings**
- (5) Leadership Council Comments**

Executive Committee

David Olson, Chair

Ruth Grendahl, Vice Chair

Scott Thiss, Treasurer

David Paskach, Immediate Past Chair

Duane Benson

Tom Renier

Christine Rice

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
EXECUTIVE COMMITTEE
MEETING MINUTES
April 21, 2010**

Executive Committee Members Present: David Olson, Chair, Duane Benson, Ruth Grendahl, Thomas Renier, Christine Rice and Scott Thiss

Executive Committee Members Absent: David Paskach

Other Members Present: Cheryl Dickson, Jacob Englund, Christopher Frederick, Louise Sundin, and James Van Houten

The Minnesota State Colleges and Universities Board of Trustees Executive Committee met at Wells Fargo Place, 30 7th St., E., 4th Floor, Board Room, Saint Paul, on Wednesday, April 21, 2010, at 3:10 PM.

Chair David Olson convened the meeting and announced that a quorum was present.

(1) Minutes of March 17, 2010

The minutes of the Executive Committee meeting on March 17, 2010, were accepted as written.

(2) FY 2010 Third Quarter Board Operating Budget

Trustee Scott Thiss reviewed the Board of Trustees Operating Budget report for the third quarter ending March 31, 2010. The budget is \$212,500. At the end of the quarter, \$111,628 had been spent, \$67,461 had been encumbered, leaving an available balance of \$33,411.

(3) Discuss FY 2011 Board Operating Budget

Trustee Thiss began a discussion on the Board's FY 2011 Operating Budget. Trustee Duane Benson suggested that the Board consider a hard freeze on travel. He added that travel outside of the state of Minnesota is hard to justify given the state's budget challenges. Vice Chancellor Laura King explained that Chancellor James McCormick delivered a strong message about travel and that travel in the Office of the Chancellor had dropped by 50 percent. Chair Olson and Trustee Benson clarified that the travel freeze would be for the Trustees. Trustee Van Houten spoke about the value of having Trustees attend national higher education conferences. Vice Chair Ruth Grendahl asked staff to ascertain if the governor has issued a hard freeze on travel. Trustee Thiss concluded the discussion, and added that he will recommend a budget for discussion at the May meeting of the committee.

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

John Asmussen, Executive Director, Office of Internal Auditing, reviewed a reporting template for the Office of the Chancellor divisions to report on multi-year financial and personnel data. The template also collects narrative explanations of the distribution between duties performed by the division and similar duties performed by the colleges and universities, redistribution of costs or personnel, performance metrics and major accomplishments and major divisions and committee work plans for the coming year.

Executive Director Asmussen explained that the first reports would be in June, and they will review FY 2010, and look ahead to FY 2011. He recommended that the reports be given annually in June so that the committees can review last year's performance. Vice Chair Grendahl inquired about the consulting contracts for searches for presidents and vice chancellors. Vice Chancellor King explained that the budgets for the executive searches are from systemwide set asides. Chair Olson commented that this agenda item will be continued in May.

(5) System Office Review

Chancellor McCormick provided a brief summary on the review of the system office that was conducted by the Structural Review Advisory Team. The team members were Senior Vice Chancellor Linda Baer, Vice Chancellors Lori Lamb and Laura King, Interim Vice Chancellor Carolyn Parnell, and Presidents Doug Allen, Kevin Kopischke, Larry Lundblad, Earl Potter, Donovan Schwichtenberg and Edna Szymanski. The Chancellor is reviewing their recommendations that address structural policy goals, services framework and parameters to ensure systemic strength.

(6) Discuss May 18-19, 2010 Meetings

Chair Olson and the committee reviewed the agenda items for the May 18-19 meetings. There will be a recommendation for a president of Bemidji State University and Northwest Technical College, second readings on several Board policies, the FY 2011 Operating Budget and the FY 2012-2017 Capital Budget Guidelines.

(6) Leadership Council Comments

Richard Davenport, President, Minnesota State University, Mankato, and co-chair of the Leadership Council, reported that the Leadership Council meeting on April 6 was abbreviated so that the presidents could attend the House Higher Education Committee meeting. Presidents Earl Potter and Ann Wynia testified. The presidents discussed the FY 2011 Operating Budget, focusing on the Master Green Sheet and planning for FY 2012 and 2013 budgets.

Adjournment

The meeting adjourned at 3:40 PM.

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

First Reading

BOARD ACTION

PROPOSED FY 2011 BOARD OF TRUSTEES OPERATING BUDGET

BACKGROUND

1 The Executive Committee discussed the FY 2011 Board of Trustees Operating Budget at their meeting on
 2 April 21, 2010. The Executive Committee will review a proposed FY 2011 Budget on May 19, and make
 3 a recommendation that will be presented to the Board at their meeting in June
 4

Budget	Approved FY 2010	Estimated Year-end	Percent Used	Proposed FY 2011
Expenses:				
Per Diem	\$30,000	\$22,500	75%	\$30,000
Meeting Expense (1)	\$64,000	\$62,000	97%	\$64,000
Travel in-state (2)	\$45,000	\$35,000	78%	\$45,000
Development/National Conferences (3)	\$15,000	\$12,500	83%	\$15,000
Consultants	\$6,000	\$9,600	160%	\$10,000
Miscellaneous (4)	\$34,800	\$29,000	83%	\$32,800
Contingency Fund	\$10,700	\$0	\$0	\$8,700
Chair Expense	\$7,000	\$5,600	80%	\$7,000
Total Budget:	\$212,500	\$176,200	83%	\$212,500

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- (1) Meeting expense includes rent, printing, food, postal/delivery, audio services.
 - (2) Travel in-state includes mileage, meals, lodging, parking, in-state registration fees.
 - (3) Development/national conferences includes registration fees, airfares, lodging, mileage, etc.
 - (4) Other expenses includes copier, insurance, long distance, memberships in national trustees' organizations, supplies and equipment.

6
7 **Recommended Motion**

8 The Executive Committee recommends that the Board of Trustees approves the FY 2011 Board Operating
 9 Budget of \$212,500.

10
11 Date Presented to the Executive Committee: May 19, 2010

Assumptions for FY '11 Board Operating Budget Board of Trustees

1. The Board of Trustees Operating Budget for FY 2010 is \$212,500 - \$205,500 for operating expenses¹ and \$7,000 for the Board Chair expenses².
2. The same amount, \$212,500 is being proposed for FY 2011.
3. The 2011 meeting calendar will be approved in May. It follows last year's meeting dates. Two-day meetings in July, September, November, January, March, April, May and June. Two meetings will be on a system campus: a retreat is scheduled at Minnesota State University Moorhead in October, and the second day of the January meeting will be on a metro area campus. Additional meetings are anticipated to accommodate the Board's search for a new chancellor.
4. Six Trustees' terms are scheduled to end on June 30, 2010, and it is anticipated that the governor will appoint six members effective July 1, 2010.
5. Orientations for the new Trustees will be scheduled after they are appointed.
6. Based on FY 2009 data, the approximate cost for a two-day Board meeting at Wells Fargo Place in Saint Paul is \$8,544. This includes rent for the board room, audiovisual and recording services, printing, lunches/refreshments, per diem, lodging and reimbursable travel expenses.
7. The Board has memberships in two national organizations for trustees in higher education: the Association of Community College Trustees (ACCT) and the Association of Governing Boards of Universities and Colleges (AGB). ACCT's annual dues are \$6,045, and AGB's dues are \$10,500.
8. For development/national conferences, \$15,000 is budgeted for trustees to attend the national conferences sponsored by higher education organizations.

¹ The Board's Operating Budget provides for Trustees' per diems and reimbursable expenses, meeting costs including printing, postage and delivery expenses, equipment rental and other purchased services, memberships in national higher education organizations for trustees and attending national conferences for trustees.

² The Board Chair's budget provides for participation at systemwide scholarship events sponsored by the statewide student associations, recognition events and other system or higher education related activities.