



**BOARD OF TRUSTEES
MEETING AGENDA
WEDNESDAY, SEPTEMBER 15, 2010
1:00 PM**

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

Chair's Report: *Scott Thiss, Chair*

- a. Minutes of Board of Trustees Study Session of July 20, 2010** (pp. 1-4)
- b. Minutes of Board of Trustees Study Session of July 21, 2010** (pp. 5-9)
- c. Minutes of Board of Trustees Meeting of July 21, 2010** (pp. 10-15)
- d. Revised FY11 Meeting Calendar** (p. 16)
- e. FY10 Board Operating Budget Year-End Report** (pp. 17-20)
- f. October 19-20, 2010 Board Retreat**

MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD OF TRUSTEES STUDY SESSION MINUTES JULY 20, 2010 WELLS FARGO PLACE ST. PAUL, MN

Trustees Present: Chair Scott Thiss, Duane Benson, Cheryl Dickson, Jacob Englund, Christopher Frederick, Clarence Hightower, Phil Krinkie, Dan McElroy, Alfredo Oliveira, David Paskach, Thomas Renier, Christine Rice, Louise Sundin and James Van Houten

Trustees Absent: Michael Vekich

1. Call to Order

Chair Scott Thiss convened the study session at 8:00 a.m. and reported that a quorum was present.

2. Chancellor Search Process

Chair Thiss introduced Trustee Emeritus David Olson, the immediate past Chair of the Board of Trustees, and the Chair of the Chancellor Search Advisory Committee. Trustee Emeritus Olson reviewed the timeline for the search culminating in Board action on a new chancellor in either January or February 2011. The committee will meet about three times. The RFP for a search consultant was issued in May, and several firms were selected for interviews. A firm will be selected soon. Chair Thiss added that it was important to note that the committee is an advisory committee.

Trustee Emeritus Olson reported that all of the people he contacted to serve on the committee were honored and ready to go to work. The committee members represent the faculty unions, statewide student organizations, Board of Trustees, college and university presidents, the legislature, business and the community:

Don Larsson, President, Inter Faculty Organization
Greg Mulcahy, President, Minnesota State College Faculty
Shahzad Ahmad, President, Minnesota State University Association of Administrative
and Service Faculty
Travis Johnson, President, Minnesota State College Student Association
Andrew Spaeth, State Chair, Minnesota State University Student Association
Clarence Hightower, Vice Chair, Board of Trustees
Christine Rice, Board of Trustees
Kevin Kopischke, President, Alexandria Technical and Community College
Edna Mora Szymanski, President, Minnesota State University Moorhead
Carlos Mariani, State Representative
Claire Robling, State Senator

Sharon Sayles Belton, Vice President, Community Relations and Government Affairs,
Thomson Reuters

Yvonne Cheung Ho, President and CEO, Metropolitan Economic Development
Association

Mark Chronister, Board of Trustees Chair, St. Catherine University

Paula Pahl, Senior Vice President of Communications, Public Affairs and Corporate
Responsibility, Best Buy

Trustee Emeritus Olson commented that there are only two trustees on the committee in consideration of the Open Meeting Law as three trustees would be too many. At the first meeting of the committee, they will discuss the characteristics that the Board is looking for in a chancellor. The committee also will discuss its advisory role resulting in forwarding two or three top candidates to the Board of Trustees.

Trustee Renier commented that the committee is very impressive. He observed that while it may not be a factor, the membership has few non-metro people. Trustee Emeritus Olson commented that the two presidents are from greater Minnesota and that they will have a strong influence. Trustee Benson commented that the two legislators also will be helpful.

Vice Chancellor Lori Lamb, Vice Chancellor, Human Resources, reviewed the desired leadership characteristics. The Board had a conversation facilitated by Dr. Kent Eklund at its June meeting. The discussion focused on a number of identified and desired characteristics in the areas of leadership, management, background and experience. The discussion was followed by a survey to which five or six members responded. The information will be given to the search consultant. The identified key elements for a candidate's viability follow: integrity; demonstrated student success; the wherewithal to articulate a vision, drive change in a complex system, make decisions, listen, innovate, take appropriate risks, and adapt to Minnesota and the various cultures around the state. Among the management styles would be the ability to undertake the Board's commitment to accountability for results, to work with a governing board, to lead a strong team and senior staff, and to be effective with groups. Also, ideas included management of human resources and guidance of a complex, geographically dispersed operating environment. A commitment to public service and public education and working with success in workforce and economic development also were listed.

Responding to questions, Vice Chancellor Lamb explained that experience in working with bargaining units is embedded in the issue of dealing with public higher education. It would also be covered in the bullet under management characteristics on managing human and financial resources. There was concern that the characteristics did not say anything about demonstrated commitment to postsecondary education. Chair Thiss commented that to do so would limit the scope of the pool. Following a discussion, there was support for including a demonstrated commitment to public service and public education which could include serving on boards and nonprofit entities.

Vice Chancellor Lamb reported that the desired leadership characteristics will be given to the search firm as a starting point for preparing a position profile. Chair Thiss announced that the Board will ratify the membership of the Chancellor Search Advisory Committee and the desired leadership characteristics at its meeting tomorrow, July 21, 2010. He thanked Trustee Emeritus Olson for giving his time to lead the Chancellor Search Advisory Committee.

(3) Accountable for Results

Chair Thiss commented that he has reviewed the time spent by the Board in this higher education journey. Based on per diems, Trustees spend about ten percent of their time on Minnesota State Colleges and Universities system related business. The average is 15 percent which is high but it includes commencements. Chair Thiss indicated that a lot of time is not even counted with regard to reading and preparing for meetings. Chair Thiss commented that the Board has three primary goals for the coming year: selecting a chancellor, connecting with campuses; and engaging in the legislative process. He has asked each committee chair to work with the staff and leadership co-chair to select ideas and measure results. Types of output or measurement could be a report, number, or even a picture with a measurable result. Committees also may add items of their own choosing.

Chair Thiss reviewed the connecting with campus goal and draft document. He explained that the Trustees could provide a brief written report at the conclusion of the campus visit to document their visit. The goal is that there would be no expense to the campus, but the campus may provide a small token. Chair Thiss proposed a three-hour visit, including one hour with president, one hour for a tour and one hour for a meeting with students, faculty, donors, etc. The expectation is that both the presidents and the Trustees have a better understanding of issues as they are brought forward. Chancellor McCormick announced that the presidents are enthusiastic about the visits. He continued that it is important for the Board to focus on its governing role as policy makers. Trustees responded enthusiastically to the campus visits concept. Chair Thiss said that he has asked Trustee Dickson, Chair of the Advancement Committee to fine tune the initiative, including how to measure its progress and results.

With respect to engaging in the legislative process, Chair Thiss reviewed the actions drafted by Dr. Mary Davenport, Director of Government Relations. They include talking points for communicating key system initiatives, hosting gubernatorial discussions, meeting the new governor and having Trustees attend legislative hearings and meetings of interest to the system. The candidate forums provide the opportunity to seek their views on higher education. Trustees will accompany the Chancellor to meet with newly elected legislators and be more visible at legislative meetings and hearings. Staff will coordinate the meetings and attendance at legislative hearings. The Trustees responded favorably to the proposal saying they welcomed the opportunity for more interaction with the legislature. Chair Thiss said that Trustee Dickson and the Advancement Committee also will fine-tune this initiative and develop a final plan with measurable outcomes for review at the September meeting.

Chair Thiss announced that Trustee Benson has agreed to chair an ad hoc committee to plan the October retreat. If anyone is interested in serving on the committee, contact Trustee Benson. He noted that he intends to expand the Vice Chair's role in supporting the Chair, noting that Trustee Emeritus Ruth Grendahl did a lot to support the Chair during her tenure. Chair Thiss has asked Vice Chair Hightower to lead the response to the Office of the Legislative Auditor's report on the Office of the Chancellor. Chair Thiss also informed the Board that he will invite special guests to lead the Board in the Pledge of Allegiance at the start of the meetings. Guests will include, service members, first responders, firefighters, nurses, police officers and others who may have a relationship to the system.

4. Adjournment

The study session adjourned at 9:10 a.m.

Ingeborg K. Chapin
Secretary to the Board

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES STUDY SESSION
JULY 21, 2010**

Board Members Present: *Chair Scott Thiss; Trustees Duane Benson, Cheryl Dickson, Jacob Englund, Christopher Frederick, Clarence Hightower, Philip Krinkie, Dan McElroy, Alfredo Oliveira, David Paskach, Tom Renier, Christine Rice, Louise Sundin and James Van Houten.*

Board Members Absent: *Michael Vekich*

The Minnesota State Colleges and Universities Board of Trustees held a study session on July 21, 2010, at Wells Fargo Place, 4th Floor, Board Room, 30 East 7th Street in St. Paul. Chair Thiss called the meeting to order at 10:18 am.

1. High Quality Learning Accountability Measure

Presenters:

Peter T. Ewell, Vice President, National Center for Higher Education Management Systems

Scott Olson, Interim Vice Chancellor for Academic and Student Affairs

Leslie Mercer, Associate Vice Chancellor for Research and Planning

Craig Schoenecker, System Director for Research

The Board of Trustees held a study session to review alternative approaches to reporting on student learning and to determine an appropriate method for adding a measure of high quality learning to the Accountability Dashboard.

Dr. Schoenecker started the session with an overview of the system's Accountability Dashboard. He said it was developed as a simple, quick way for Board members, system stakeholders, legislators and the general public to get a sense of institutional performance in various areas. It is a way to promote both external accountability and internal continuous improvement, he said.

The dashboard was launched with six fully-developed measures in June 2008. These measures were enrollment, tuition, fees, licensure exam pass rates, related employment of graduates and a facilities condition index.

Since the launch, a seventh measure on student engagement has been added. A planned but undeveloped "partnership measure" is being replaced with a measure indicating transfer credit acceptance. In addition, an "innovation measure" was determined to be unquantifiable and instead the dashboard will display descriptions of innovative practices at system institutions.

A recently-developed composite financial index measurement will be added to the dashboard soon.

High quality learning is the final measure on the dashboard yet to be defined. Assessing learning outcomes is an emerging practice in higher education, but still relatively new. Public systems in other states are taking a variety of approaches to reporting on learning outcomes.

Dr. Schoenecker said the dashboard site gets about 200-300 hits a week. The “drill down” informational areas, such as the one that offers detailed enrollment information, are the most popular.

Associate Vice Chancellor Mercer said the dashboard not only offers information on accountability, but can foster campus improvement. For example, one institution had low licensure exam pass rates. After drilling down in this area on the dashboard, campus leaders determined that modifications were needed in certain curriculum areas to bolster the rates.

Interim Vice Chancellor Olson said it was his experience that a low measurement will spur campus conversations on ways to improve in that area.

Trustee Van Houten suggested that adding a tool to the dashboard which would categorize visitors may be helpful in better determining who is using the site.

Dr. Ewell gave a presentation on the various approaches that could be adopted to examine and measure high quality learning. Accountability-based learning outcome measures are added onto instruction to “check up” on the system and ensure learning is on-track. Scholarship and continuous improvement learning outcome assessments are built into the system to ensure standards are met and to improve teaching methods and curriculum.

Both approaches are important, but they can be in conflict with each other at times, Dr. Ewell said.

Trustee Benson asked if the higher education consumer really cares about high quality measures. Often decisions on where to attend college are based on factors not related to the institution’s learning outcomes, he said.

Dr. Ewell said he believes consumers care about quality, but they often don’t know what questions to ask. The pressure to showcase high quality learning outcomes more likely comes from business people or policy leaders, rather than consumers.

Successful outcome measurements should:

- Help board and stakeholders judge progress and pursue continuous improvement;
- Be easy to understand and evaluate;
- Avoid negative incentives;
- Recognize and account for student population differences across institutions;

- Be able to accommodate the dashboard format;
- Be able to be implemented quickly and in a cost-effective manner.

Dr. Ewell offered an overview of the advantages and disadvantages related to several short-term measurement alternatives:

Publish the results of accreditation reviews

- This would require no additional work, however, accreditation reports are often infrequent and the quality of information may not be comparable across institutions. The format is not suitable for the dashboard.

Trustee Van Houten said although all the system's institutions are accredited, there is no requirement that the syllabus follow the course outline. It is difficult to foster high quality learning in the classroom if the syllabus is not reviewed by the administration, he said.

Dr. Ewell said in most institutions nationwide, faculty members are given the latitude to choose course objectives. He said this latitude is desirable to promote the richness and variety in teaching that various professors can provide, but there should be comparable learner outcomes at the end.

Narrative Reports on Local Assessment Results

- This approach would allow existing institutional assessment procedures to operate undisturbed. However, most results are not comparable across institutions and the reports are hard for general audiences to understand. The report format is not suitable for the dashboard and it would be a burden for institutions to provide information.

New Alumni Survey

- Alumni testimony is valuable and particularly credible to higher education stakeholders and the format is suitable for the dashboard. However, there are few standard surveys available which provide benchmark comparisons and this approach would involve significant expense.

National Assessment Awards

- This approach is based on credible third-party judgment of performance and the format is suitable for the dashboard. However, only a few awards are given each year and the awards focus on the assessment process, not actual learning results.

Graduate Admissions Exams

- The data in this approach is already collected and benchmarked to national standards. The format is suitable for the dashboard. Disadvantages include the fact that few system seniors take these tests and those who do are probably not typical.

NILOA Survey

- The National Institute for Learning Outcomes and Assessment (NILOA) survey has data already available and is easily augmented. National benchmarks are available and the format is suitable for the dashboard. However, institutions could possibly inflate their results and the data focuses on assessment processes and not actual learning results.

Interim Vice Chancellor Olson said even if it has some weaknesses, using the NILOA survey results would be the quickest way to get a high quality measure on the dashboard.

Trustee Paskach said using the NILOA survey would be a good start. However, he said he continues to have concerns that there are classrooms in the system where the learning is not adequate and promotion of high quality learning needs to be a crucial goal for the Board.

Trustee Van Houten echoed Trustee Paskach's concerns about classroom learning outcomes. While it is not perfect, he agreed that use of the NILOA survey would be a good start.

The dashboard was developed under the premise that it would be a work in progress and that it would change and improve over time, Chancellor McCormick said.

Trustee Sundin said use of the NILOA survey is fine for now, but she would like to see the Board move quickly in the adoption of a more thorough approach to display high quality learning measurements on the dashboard.

Most of the system's institutions have completed the NILOA survey and their information would be readily available for use on the dashboard, Associate Vice Chancellor Mercer said. The Board would need to determine if the survey should be re-administered to the five or six institutions that have not completed it, or if the dial for the high quality learning measure would remain blank for those institutions. The survey will not be re-administered nationally anytime soon, she said.

During these tight financial times, the Board also must consider if filling in this measurement is worth the time, effort and cost, Chancellor McCormick said.

Dr. Ewell offered information on long-term measurement alternatives for the dashboard:

VSA and VFA

- Use of the results of surveys done by the Voluntary System of Accountability (VSA) for four-year universities and Voluntary Framework of Accountability (VFA) for two-year institutions would be useful. System institutions already are participating in these surveys and the measurements

would be suitable for a dashboard. However, the VFA is not yet in place and may not be for another three years. All system universities are in VSA, but they are not all using the same tests. Another disadvantage is that testing is based on a small number of students.

New Leadership Alliance Certification

- Alliance judgment and testing measures are suitable for a dashboard. However, the certification is not yet in place and only recognizes high-end performance. The certification focuses on assessment processes and not actual learning results.

Carl Perkins Technical Skill Attainment

- This would be a direct measure of learning outcomes. This testing measure is suitable for the dashboard. However, it probably won't be available until at least 2013 and it is only suitable for technical fields.

Standardized Tests of General Skills

- There is a range of tests for general skills and the results would be suitable for the dashboard. However, this method would be expensive to implement and student motivation to take the tests may be low.

Trustee Frederick said high quality learning is an important goal and it is imperative that the Board move forward with adding some kind of measurement to the dashboard.

Trustee Sundin said there are national industry standards for technical education programs and perhaps measurements utilizing those standards could be captured and used.

She added she would like to see a report detailing if system institutions are taking advantage of existing accreditation opportunities. Interim Vice Chancellor Olson said information on program accreditation can be brought back to the committee.

Board Chair Thiss said the high quality learning accountability measure topic should go back to the Academic and Student Affairs Committee. The committee then could develop a recommendation pertaining to this dashboard measurement.

The meeting adjourned at 12:08 pm
Respectfully submitted,
Margie Takash, Recorder

MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD OF TRUSTEES MEETING MINUTES

JULY 21, 2010

WELLS FARGO PLACE

ST. PAUL, MN

Trustees Present: Chair Scott Thiss, Duane Benson, Cheryl Dickson, Jacob Englund, Christopher Frederick, Clarence Hightower, Philip Krinkie, Dan McElroy, Alfredo Oliveira, David Paskach, Thomas Renier, Christine Rice, Louise Sundin and James Van Houten

Trustees Absent: Michael Vekich

1. Call to Order

Chair Scott Thiss called the meeting to order at 1:05 p.m. and reported that a quorum was present.

2. Chair's Report

a. Minutes of Board of Trustees Study Session of June 16, 2010

The minutes of the Board of Trustees Study Session of June 16, 2010, were approved as written.

b. Minutes of Board of Trustees Meeting of June 16, 2010

The minutes of the Board of Trustees meeting of June 16, 2010, were approved as written.

c. Chancellor Search Advisory Committee

Vice Chair Clarence Hightower moved that the Board of Trustees ratifies the membership of the Chancellor Search Advisory Committee as proposed by David Olson, Chair of the Chancellor Search Advisory Committee, and authorizes the Board Chair to ratify proposed replacement members if changes are needed in the future. The Board also approves the summary of its desired leadership characteristics for the new chancellor, which may be refined by the search consultant in consultation with the Chancellor Search Advisory Committee. The Chancellor Search Advisory Committee will forward candidates to the Board of Trustees for final selection. Trustee Dan McElroy seconded and the motion carried unanimously.

3. Consent Agenda

a. Minnesota State Community and Technical College, Wadena Campus Reconstruction Contract

Chair Thiss moved approval of the Consent Agenda. The motion carried unanimously.

4. Board Policy Decisions

(1) FY11 System Action Plan

Trustee Christine Rice moved that the Board of Trustees approves the FY 2011 System Action Plan. Trustee James Van Houten seconded.

Trustee Jacob Englund moved an amendment to the motion to include students in Goal 4.2 as follows: "Engage faculty, staff, bargaining units and students in conversations and joint problem solving toward continuous improvement." The amendment to the motion carried unanimously. Chair Thiss called the question on the amended motion. The amended motion carried unanimously.

(2) Proposed Amendment to Board Policy 6.5 Capital Program Planning (Second Reading)

Trustee McElroy moved that the Board of Trustees approves the amendments to Policy 6.5 Capital Program Planning. Trustee Englund seconded and the motion carried unanimously.

5. Board Standing Committee Reports

a. Audit Committee

James Van Houten, Chair

(1) Status Report on Office of the Legislative Auditor Program Evaluation

Committee Chair Van Houten reported that the committee heard an update on the status report on the Office of the Legislative Auditor Program Evaluation. The report contained the actions taken and expected completion dates for each area of concern. Committee Chair Van Houten stated that he has had discussions with the committee chairs to coordinate continued progress and feedback.

(2) Discuss Approach for Auditing Internal Controls

Committee Chair Van Houten reported that the committee had a discussion on the Approach for Auditing Internal Controls. The committee will meet in August and a preliminary report is expected to be presented at the September meeting.

(3) Transition for Executive Director of Internal Auditing

Committee Chair Van Houten reported that the committee heard a report on the Transition for the Executive Director of Internal Auditing. Beth Buse was named Executive Director (effective today) at the June Board meeting following the retirement of John Asmussen on July 20, 2010.

(4) Discussion of Committee Goals

Committee Chair Van Houten reported that the committee reviewed and discussed the goals directed to the committee by Chair Thiss for the fiscal year. The committee will continue discussion at a special meeting in August.

b. Diversity and Multiculturalism Committee

Louise Sundin, Chair

(1) Diversity and Multiculturalism Division Update

Committee Chair Louise Sundin reported that the committee heard an update from Executive Director Whitney Stewart Harris on the activities of the Diversity and Multiculturalism division.

(2) Access, Opportunity and Success Programs

Committee Chair Sundin reported that the committee heard a presentation on the Access, Opportunity and Success Programs. The presentation highlighted a summer bridge program at Minnesota State University Moorhead and support for the Advising Success Center at Bemidji State University. Additional assessment data will be reported at a future meeting.

(3) Diversity and Multiculturalism Committee/Division Work Plan for FY2011

Committee Chair Sundin reported that the committee reviewed and discussed the committee and division goals for FY2011.

(4) Discussion of Committee Goals

Committee Chair Sundin reported that the committee reviewed and discussed the goals directed to the committee by Chair Thiss for the fiscal year.

c. Academic and Student Affairs Committee

Christine Rice, Chair

(1) Academic and Student Affairs Update

Committee Chair Rice reported that the committee heard an update on the activities of the Academic and Student Affairs division. Committee Chair Rice welcomed Dr. Scott Olson to his first meeting as the Interim Vice Chancellor of Academic and Student Affairs.

(2) Charter School Report

Committee Chair Rice reported that the Charter School Report was provided to the committee as information.

(3) Annual Sabbatical Report

Committee Chair Rice reported that the committee heard an update on the Annual Sabbatical Report. The annual report presented data for FY2009.

(4) Discussion of Committee Goals

Committee Chair Rice reported that the committee reviewed and discussed the goals directed to the committee by Chair Thiss for the fiscal year.

d. Finance and Facilities Committee

Dan McElroy, Chair

(1) Finance and Facilities Update

Committee Chair McElroy reported that the committee heard an update from Vice Chancellor Laura King on the activities of the Finance and Facilities division.

(2) Discussion with Commissioner Tom Hanson, Minnesota Management and Budget

Committee Chair McElroy reported that the committee had a discussion with Commissioner Tom Hanson, Minnesota Management and Budget. Commissioner Hanson discussed the state's budget and the implications that will affect the system.

(3) Proposed Amendment to Board Policy 5.16 Risk Management and Insurance (First Reading)

Committee Chair McElroy reported that the committee heard a first reading on the Proposed Amendment to Board Policy 5.16 Risk Management and Insurance. A second reading of the policy will be heard at the September meeting.

(4) Discussion of Committee Goals

Committee Chair McElroy reported the committee reviewed and discussed the goals directed to the committee by Chair Thiss for the fiscal year.

e. Advancement Committee

Cheryl Dickson, Chair

(1) Advancement Update

Committee Chair Cheryl Dickson reported that the committee heard updates from Director Mary Davenport, Associate Vice Chancellor Linda Kohl and Executive Director Maria McLemore on the Government Relations division, Public Affairs division and the System and Foundation Relations division, respectively.

(2) System Marketing and Communication Plan

Committee Chair Dickson reported that the committee heard a presentation on the System Marketing and Communication Plan. A summary of the draft 2010-2011 plan was given for feedback and suggestions.

(3) Connecting with Campus Guidelines

Committee Chair Dickson reported that the committee deferred the Connecting with Campus Guidelines to September's meeting.

(4) Discussion of Committee Goals

Committee Chair Dickson reported the committee reviewed and discussed the goals directed to the committee by Chair Thiss for the fiscal year.

f. Human Resources Committee

Clarence Hightower, Chair

(1) Human Resources Update

Committee Vice Chair Thomas Renier reported that the committee heard an update from Vice Chancellor Lori Lamb on the Human Resources division.

(2) Emeriti Recognition

Committee Vice Chair Renier moved that the Board of Trustees, upon the recommendation of Chancellor James H. McCormick, confers emeritus status upon Cheryl L. Frank, Kathleen L. Nelson, Jon E. Quistgaard and Ann L. Wynia, effective upon their retirements. Trustee Rice seconded and motion carried unanimously.

(3) Recognition of Presidential Years of Service

Committee Vice Chair Renier and Chancellor McCormick recognized the following Presidents for their years of presidential service: Larry Litecky, Century College, for 10 years; Donovan Schwichtenberg, Saint Paul College, for 20 years; and Donald Supalla, Rochester Community and Technical College, for 10 years.

(4) Staffing Report

Committee Vice Chair Renier reported that the committee received the Staffing Report as information. The report will be provided to the committee periodically.

(5) Implementation of Human Resources Strategic Plan

Committee Vice Chair Renier reported that the committee heard a presentation on the Human Resources Strategic Plan. Six specific goals were identified for implementation in FY2011.

(6) Discussion of Committee Goals

Committee Vice Chair Renier reported the committee reviewed and discussed the goals directed to the committee by Chair Thiss for the fiscal year.

f. Technology Committee

David Paskach, Chair

(1) Vice Chancellor Overview Process

Committee Chair David Paskach reported that the committee heard an Overview Process from Vice Chancellor Darrel Huish. Vice Chancellor Huish began his role in April of 2010.

(2) Students First Update

Committee Chair Paskach reported that the committee heard an update on Students First. He requested that an update be provided at all future meetings of the Technology Committee.

(3) Brief Primer on Information Technology Services

Committee Chair Paskach reported that the committee heard a presentation on Information Technology Services. Committee Chair Paskach stated that the report was a thorough overview of Information Technology.

(4) Discussion of Committee Goals

Committee Chair Paskach reported the committee reviewed and discussed the goals directed to the committee by Chair Thiss for the fiscal year.

6. Joint Council of Student Associations

a. Minnesota State College Student Association (MSCSA)

Mr. Travis Johnson, President, addressed the Board of Trustees.

b. Minnesota State University Student Association (MSUSA)

Mr. Andrew Spaeth, Chair, provided written comments to the Board of Trustees.

7. Minnesota State Colleges and Universities' Bargaining Units

a. American Federation of State, County and Municipal Employees

Ms. Karen Foreman, State Representative, Local 638, addressed the Board of Trustees.

b. Minnesota State College Faculty

Mr. Greg Mulcahy, President, addressed the Board of Trustees.

c. Administrative and Service Faculty

Ms. Barbara Oertel, President, addressed the Board of Trustees.

d. Inter Faculty Organization

Dr. Donald Larsson, President, addressed the Board of Trustees.

8. Trustees' Reports

Trustee McElroy thanked Chancellor McCormick and the presidents for their involvement with the Department of Employment and Economic Development regional meetings which were held at several campuses.

Trustee Englund recognized outgoing Executive Director John Asmussen for his work and mentorship. He also congratulated and welcomed incoming Executive Director Beth Buse.

Trustee Van Houten reported that he was invited to speak at the annual meeting of the American Council of Trustees and Alumni in November.

9. Chancellor's Comments

Chancellor McCormick welcomed the new and current Trustees, the constituents and staff to the meeting. Chancellor also welcomed new staff and presidents.

Chancellor McCormick stated that he continues to meet with Chair Thiss for his consideration of finalizing his goals for the coming year with attention to several areas which include transition expectations; office restructuring; the 2012-2013 budget strategy; system workplan goals; the Students First Initiative; Office of the Legislative Auditor recommendations; mentoring and succession planning; and the presidential search process.

Chancellor McCormick concluded his comments thanking the Board for their work for the system.

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 adjourned the meeting at 2:25 p.m.

Ingeborg K. Chapin
Secretary to the Board

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

BOARD ACTION

REVISED FY 2011 MEETING CALENDAR

BACKGROUND

At their meeting on July 21, 2010, the Executive Committee discussed changing their meeting times which were scheduled at the end of the two-day committee and Board meetings. The Executive Committee decided to convene earlier each month. The dates for the Executive Committee meetings have been added to the FY2011 calendar, and appear in **bold** below.

September 14-15, 2010: Committee and Board Meetings, and Public Hearing on 2012-2013 Biennial Budget

October 6, 2010: Executive Committee

October 19 and 20, 2010: Board Retreat, Minnesota State University Moorhead

November 3, 2010: Executive Committee

November 16 and 17, 2010: Committee and Board Meetings

December 8, 2010: Executive Committee

January 5, 2011: Executive Committee

January 18 and 19, 2011: Committee and Board Meetings

February: Week of February 14 or 21. Public Hearing on 2012-2017 Capital Budget Request

March 2, 2011: Executive Committee

March 15 and 16, 2011: Committee and Board Meetings. If Needed, Second Hearing on 2012-2017 Capital Budget Request

April 6, 2011: Executive Committee

April 19 and 20, 2011: Committee and Board Meetings

May 4, 2011: Executive Committee

May 17 and 18, 2011: Committee and Board Meetings

June 8, 2011: Executive Committee

June 21 and 22, 2011: Committee Meetings and Annual Board Meeting

July TBD, 2011: Executive Committee

July 19 and 20, 2011: Committee and Board Meetings

The calendar is subject to change as public hearings and special meetings are scheduled with the approval of the Board Chair. Changes to the calendar will be publicly noticed.

RECOMMENDED EXECUTIVE COMMITTEE AND BOARD ACTION

The Executive Committee recommends that the Board of Trustees approves the Revised FY 2011 meeting calendar.

Presented to the Executive Committee: August 30, 2010

Date Approved by the Board of Trustees: September 15, 2010

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

INFORMATION ITEM

FY2010 YEAR-END BOARD OPERATING BUDGET REPORT

BACKGROUND

Board Policy 1A.2, Part 5, Subpart A. requires the Executive Committee to periodically review the Board of Trustees Operating Budget and to provide a year-end report to the Board at the conclusion of the fiscal year. The Executive Committee reviewed the FY2010 Year-End Board Operating Budget Report at their meeting on August 30, 2010.

The Board of Trustees Operating Budget for July 1, 2009, through June 30, 2010, was \$212,500. During FY2010 the Board of Trustees spent \$170,678, or 80 percent of its budget as shown on Attachment A. The balance at year-end was \$41,822, of which \$1,222 was carried forward to FY2011 for an obligation that occurred in FY2010, but the invoice was not received until FY2011.

For comparison purposes, the Board of Trustees Operating Budget for FY2009 was \$236,266. Actual expenses were \$171,431, or 73 percent of the budget with a FY2009 balance of \$64,835 as shown on Attachment B.

Presented to the Board of Trustees: September 15, 2010



Minnesota
STATE COLLEGES
& UNIVERSITIES

OFFICE OF INTERNAL AUDITING

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Members of the Minnesota State Colleges and Universities Board of Trustees

As requested by Board Treasurer Duane Benson, we have audited per diem, expense reimbursements, and other operating expenses paid on behalf of the Minnesota State Colleges and Universities Board of Trustees for the year ended June 30, 2010. We conducted the audit in compliance with the *Institute of Internal Auditors: Standards for Professional Practice of Internal Auditing*.

Audit Objectives and Tests

Our audit objectives included:

- Testing for compliance with state law, rules, and regulations and system policies,
- Reviewing the adequacy of supporting documentation,
- Determining if financial transactions were properly recorded on the accounting system, and
- Analyzing the reasonableness of spending practices.

We examined expenditures charged to the Board of Trustees' fiscal year 2010 budget accounts (Office of the Chancellor cost centers 101010 [Board Operations] and 101011 [Chair Expense Account]) for the year ended June 30, 2010. Attachment A shows total expenditures charged to these cost centers for the year. Our detailed testing included:

- All expense reimbursements paid to or on behalf of former Chair David Olson,
- All per diem and expense reimbursements paid directly to each of the other trustees, and
- All disbursements to outside vendors, such as hotels and airlines.

Conclusions

We found adequate documentation and compliance with finance-related legal provisions for the transactions tested.

Beth Buse, CPA, CIA, CISA, GSEC
Executive Director
Office of Internal Auditing

September 2, 2010

**Minnesota State Colleges and Universities Board of Trustees
Approved FY 2010 Operating Budget**

	Approved FY 2010 Budget	Actual FY 2010 Year-End	Percent Used
Expenses:			
Per Diem	\$30,000	\$23,100	77%
Meeting Expense (1)	\$64,000	\$57,410	90%
Travel in-state (2)	\$45,000	\$33,738	75%
Development/National Conferences (3)	\$15,000	\$14,667	98%
Consultants (4)	\$6,000	\$9,574	160%
Miscellaneous (5)	\$34,800	\$27,622	79%
Contingency Fund	\$10,700	\$0	0%
Chair Expense	\$7,000	\$4,567	65%
Total:	\$212,500	\$170,678	80%
Year-End Balance		\$41,822	
Carry-Forward Funds (6)		\$1,222	

Notes:

- (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) Facilitator and speaker at Board Retreat on October 20-21, 2009.
(5) Miscellaneous includes copier, insurance, long distance, memberships, supplies, equipment and subscriptions.
(6) Obligation incurred in FY2010 and invoice arrived after deadline. Carried forward to FY2011.

The Board of Trustees approved the FY 2010 operating budget on June 18, 2009.

Minnesota State Colleges and Universities Board of Trustees
Approved FY 2009 Operating Budget

	Approved FY 2009 Budget	Actual FY 2009 Year-end	Percent Used
Expenses:			
Per Diem	\$30,000	\$24,035	80%
Meeting Expense (1)	\$80,000	\$50,438	63%
Travel in-state (2)	\$35,000	\$35,287	101%
Development/National Conferences (3)	\$45,000	\$30,073	67%
Consultants	\$10,000	\$5,565	56%
Miscellaneous (4)	\$33,000	\$25,574	77%
 Chair Expense	 \$7,000	 \$459	 7%
 Total Budget:	 \$240,000	 \$171,431	 73%
Unallotment (5):	(\$3,734)		
Revised Budget:	\$236,266		
Year-End Balance:		\$64,835	

Notes:

- (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) Miscellaneous includes copier, insurance, long distance, memberships, supplies, equipment and subscriptions.
(5) Reduction to base operating budget due to Governor's unallotment to system in third quarter.

The Board of Trustees approved the FY 2009 Operating Budget on May 21, 2008.