

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

Agenda Item Summary Sheet

Committee: Finance and Facilities

Date of Meeting: September 14, 2010

Agenda Item: Online Student Support Center Intra-Agency Agreement

- Proposed Policy Action Approval Required by Policy Other Approvals Monitoring
- Information

Cite policy requirement, or explain why item is on the Board agenda:

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than \$3,000,000 must be approved in advance by the Board of Trustees.

The proposed action item is for Board approval to amend the intra-agency agreement with Minnesota State Community and Technical College (acting as fiscal agent for Distance Minnesota), estimated to total a cumulative \$3,378,081 through the end of June 2011.

Scheduled Presenter(s): Manuel López, Associate Vice Chancellor

Outline of Key Points/Policy Issues:

The Online Student Support Center is the core enterprise used in support of all Minnesota State Colleges and Universities online credit courses. Extension of the Intra-Agency Agreement with Minnesota State Community and Technical College is endorsed by the Minnesota Online Council, an advisory committee comprised of representative faculty, students, and administration.

Background Information:

Minnesota State Colleges and Universities entered into a five year intra-agency agreement with Minnesota State Community and Technical College beginning in 2006. The agreement included an option to renew for five additional one year terms. The proposed action item seeks Board approval to exercise the renewal option for a single additional one year term until June 30, 2011 because it exceeds the \$3,000,000 threshold.

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

BOARD ACTION

Online Student Support Center Intra-Agency Agreement

BACKGROUND

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than \$3,000,000 must be approved in advance by the Board of Trustees.¹

The proposed action item is for Board approval to amend the Intra-Agency Agreement between the Office of the Chancellor and Minnesota State Community and Technical College as fiscal agent for Distance Minnesota. The amended intra-agency agreement with Minnesota State Community and Technical College, estimated to total \$635,000 in fiscal year 2011 will have the cumulative effect of taking the value of the contract beyond the \$3,000,000 threshold for approval through internal processes.

The agreement covers the costs of staffing for student and learner support, marketing and student relationship management, data and technical support, and administration; equipment maintenance and updates; license maintenance and updates, marketing costs, and memberships (in relevant distance education organizations). The programs and services are developed by the partner colleges of Distance Minnesota, a regional collaborative of system colleges which offers online learning experiences and related support services. Member colleges include Alexandria Technical College, Minnesota State Community and Technical College, Northland Community and Technical College and Northwest Technical College.

Minnesota State Colleges and Universities entered into an intra-agency agreement with Minnesota State Community and Technical College beginning in fiscal year 2006 for a total not to exceed \$2,155,948. The original agreement has been amended (PO #31988) to renew fiscal management and oversight of the Online Student Support Center. The current amendment (PO # 40399) seeks to extend the agreement for an additional one year term. The proposed action item seeks Board approval to exercise the renewal option for an additional one year term until June 30, 2011.

¹ Policy 5.14 identifies contracts to include inter-agency and intra-agency agreements, joint powers agreements that do not create a joint powers board, Minnesota Department of Administration master contracts, Office of Enterprise Technology master contracts or Minnesota State Colleges and Universities master contracts with values greater than \$3,000,000.

Renewal of the agreement is endorsed by the Minnesota Online Council, an advisory committee comprised of faculty, students, and administration. Users are satisfied with the work of the Online Student Support Center.

In anticipation of the agreement's expiration in June 2011, the staff of Minnesota Online and the Minnesota Online Council will begin a review and evaluation process of the Online Student Support Center.

The annual contract with Minnesota State Community and Technical College is estimated to be \$635,000.

RECOMMENDED COMMITTEE ACTION

The Finance and Facilities Policy Committee recommends that the Board of Trustees approve extending the current intra-agency agreement until June 30, 2011 between Minnesota State Colleges and Universities and Minnesota State Community and Technical College acting as fiscal agent for Distance Minnesota for estimated total expenditures not to exceed \$3,200,000. The Board directs the Chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD OF TRUSTEES ACTION

The Board of Trustees approve extending the current intra-agency agreement until June 30, 2011 between Minnesota State Colleges and Universities and Minnesota State Community and Technical College acting as fiscal agent for Distance Minnesota for estimated total expenditures not to exceed \$3,200,000. The Board directs the Chancellor or his designee to execute all necessary documents.

Date Presented to the Board: September 15, 2010