

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

**Agenda Item Summary Sheet**

**Committee:** Finance and Facilities

**Date of Meeting:** June 21, 2011

**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 Northwest Technical College acting as fiscal agent for Distance Minnesota, estimated to total a cumulative \$4,000,013 through the end of June 2012.

**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 Northwest 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, 2012 because it exceeds the \$3,000,000 threshold.

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

<b>BOARD ACTION</b>
<b>Online Student Support Center Intra-Agency Agreement</b>

**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.<sup>1</sup>

The proposed action item is for Board approval to amend the Intra-Agency Agreement between the Office of the Chancellor and Northwest Technical College as fiscal agent for Distance Minnesota. The amended intra-agency agreement with Northwest Technical College, estimated to total \$635,000 in FY 2012 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, 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 FY 2006 for a total not to exceed \$2,155,948. The original agreement had been amended to renew fiscal management and oversight of the Online Student Support Center. The proposed action item seeks Board approval to exercise the renewal option for an additional one year term until June 30, 2012.

Extension 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.

<sup>1</sup> 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.

In anticipation of the agreement's expiration in June 2012, 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 Northwest 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, 2012 between Minnesota State Colleges and Universities and Northwest 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, 2012 between Minnesota State Colleges and Universities and Northwest 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: June 22, 2011*