# MINNESOTA STATE COLLEGES AND UNIVERSITIES
# BOARD OF TRUSTEES

## Agenda Item Summary Sheet

**Committee:**   Finance and Facilities         **Date of Meeting:** November 16, 2011

**Agenda Item:**  Board Committee Goals

☐ Proposed
Policy Change

☐ Approvals
Required by
Policy

☐ Other
Approvals

☐ Monitoring

☒ Information

**Cite policy requirement, or explain why item is on the Board agenda:**
Each committee of the Board of Trustees is asked to articulate one or two achievement goals for FY2012.  The committee will periodically review progress on its goals.

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

**Outline of Key Points/Policy Issues:**
The Finance division has an extensive 2012 workplan for division and system wide work. Several of its activities are high priorities in alignment with the system's strategic plan and the chancellor's 2012 action plan. System-wide coordinated administrative solutions and long term financial planning are identified as high priority activities with strong policy implications and would benefit from strong Board participation. These two activities are recommended to the committee for consideration as FY2012 goals.

**Background Information:**
The goal of the campus service cooperative is to substantially reduce administrative overhead costs.  Long term financial planning build a modeling engine for system level operating budget modeling from 2013-2022.

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| **INFORMATION ITEM** |
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| **Board Committee Goals** |

## BACKGROUND

Each committee of the Board of Trustees is asked to articulate one or two achievement goals for FY2012. The committee will periodically review progress on its goals. The Finance division has an extensive 2012 workplan for division and system wide work. Several of its activities are high priorities in alignment with the system's strategic plan and the chancellor's 2012 action plan. System-wide coordinated administrative solutions and long term financial planning are identified as high priority activities with strong policy implications and would benefit from strong Board participation. These two activities are recommended to the committee for consideration as FY2012 goals.

### Goal # 1 – System-Wide Coordinated Administrative Solutions

**Description:** The Board and the chancellor have strongly endorsed the preliminary work of the Campus Service Cooperative and other administrative collaboration efforts. The goal of the Campus Service Cooperative is to substantially reduce administrative overhead costs. Work in 2012 will concentrate on the administrative opportunities for collaborative execution including the areas of human resources, finance, financial aid, purchasing, payroll, institutional research and information technology.

**Outcome:** The 2012 workplan will establish an implementation plan, benchmarks, and milestones to be met.

**Targeted Completion:** 2012 accomplishments contemplate establishment of the overall governance structure, adoption of the core activities by a substantial portion of the colleges and universities, articulation of best practices and information technology improvements and determination of the 2013 implementation plan.

### Goal # 2 - Long Term Financial Planning

**Description:** The Board has adopted "Fiscal Sustainability" as one of its overall 2012 goals in support of the system's Strategic Plan. This project will build a modeling engine for system level operating budget modeling from 2013-2022.

**Outcome:** An Excel-based forecast and modeling tool to analyze how changes in operating budget revenue and expense items impact MnSCU's financial viability over a ten-year time horizon. The financial framework will analyze the relationship and interaction between key budget drivers, such as financial aid, enrollment, tuition and operating costs. The model will also incorporate capital investment impact analytics to model capital reinvestment scenarios. The initial modeling will be based on analysis of system level data, with additional complexity and nuance built-in over time. The system level model will serve as a foundation for use by individual colleges and universities.

**Targeted Completion:** Version 1.0 targeted for completion in January 2012. Field testing and board feedback will lead to version 2.0 in the late spring of 2012. The timetable is related to the timing of the development of the 2014 biennial budget request due to the executive branch in the late fall of 2012.

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