



**BOARD OF TRUSTEES
EXECUTIVE COMMITTEE MEETING
WEDNESDAY, NOVEMBER 2, 2011
8:00 AM**

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
30 7TH STREET EAST
ROOM 3310, 3RD FLOOR
SAINT PAUL, MN**

In addition to committee members attending in person, additional committee or board members may participate by telephone. Members of the public may attend in person.

Executive Committee Agenda

Scott Thiss, Chair

- (1) **Minutes of October 5, 2011**
- (2) FY2012 First Quarter Board Operating Budget Report
- (3) FY2012 Budget Discussion
- (4) Draft Schedule/Agendas for Meetings on November 15-16, 2011
- (5) Recognition of Students in Career/Technical Student Organizations
- (6) Leadership Council Comments

Executive Committee

Scott Thiss, Chair
Clarence Hightower, Vice Chair
Duane Benson, Treasurer
Cheryl Dickson
Dan McElroy
Christine Rice
Louise Sundin

BOLD denotes action item

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
EXECUTIVE COMMITTEE
MEETING MINUTES
October 5, 2011**

Executive Committee Members Present: Scott Thiss, Chair, Duane Benson, Cheryl Dickson, Christine Rice and Louise Sundin

Executive Committee Members Absent: Clarence Hightower and Dan McElroy

Other Members Present: Jacob Englund and James Van Houten

Also Present: Chancellor Steven Rosenstone

The Minnesota State Colleges and Universities Board of Trustees Executive Committee met at 30 7th St., E., 3rd Floor, Room 3310, St. Paul, on Wednesday, October 5, 2011. Chair Scott Thiss convened the meeting at 8:00 AM and announced that a quorum was present. Trustee Christine Rice and President Edna Szymanski, Minnesota State University Moorhead, participated by conference call.

(1) Minutes of June 8, 2011

The Executive Committee meeting minutes of June 8, 2011, were accepted as written.

(2) FY2011 Year-end Board Operating Budget Report

Trustee Duane Benson, Treasurer, reviewed the FY2011 Year-end Board Operating Budget report. The budget was audited by the Office of Internal Auditing and they found adequate documentation and compliance with finance-related legal provisions. The operating budget for the period July 1, 2010 through June 30, 2011 was \$213,722. During the fiscal year, the board spent \$174,606, or 82 percent of its budget. The balance at year-end was \$39,116, of which \$17,520 was carried forward to FY2012 for obligations that occurred in the fourth quarter for a special event in July. The payments were processed after the close of the FY2011 books.

(3) FY2012 Board Operating Budget

Chair Scott Thiss reported that Chancellor Steven Rosenstone has asked all divisions within the system office to prepare budget reduction proposals of five and ten percent. He proposed working with Trustee Benson and Board Secretary Inge Chapin to develop scenarios that will be discussed at the Executive Committee meeting on November 2.

Citing several factors, including the work of the Audit Committee, Trustee James Van Houten expressed concern with any reductions to the Office of Internal Auditing's budget. Chancellor Steven Rosenstone acknowledged Trustee Van Houten's concerns and replied that no reductions will be made without deep conversations.

Trustee Louise Sundin inquired about the status of renaming the Office of the Chancellor. Chair Thiss commented that he has had discussions on the name change with Chancellor Rosenstone who will reveal a new name in the near future.

(4) Draft Schedule/Agendas for Meetings on October 18, 2011

The draft schedule/agendas for the meetings on October 18, 2011 were reviewed.

(5) Installation of Chancellor Steven Rosenstone, October 19, 2011

As a member of the planning committee, Trustee Cheryl Dickson reported on Chancellor Rosenstone's installation ceremony. The focus will be on the chancellor's message. Students from many campuses will participate, and the speakers include Governor Mark Dayton. The chancellor will be presented with a medallion. Chair Thiss added that the medallion was designed and made by Todd Hawkinson, an instructor in the Jewelry Design and Manufacturing program at Minnesota State College – Southeast Technical, and his students. Chair Thiss thanked Trustee Dickson for her work on the committee, and expressed gratitude on behalf of the board to Maria McLemore, executive director, and Lynda Milne, system director, for their service as co-chairs of the planning committee.

(6) Board and Committee Meeting Frequency

A grid of a proposed schedule of committee meetings was distributed. Chair Thiss explained that it was drafted by the cabinet in an effort to try to make the meeting times more efficient. Chancellor Rosenstone commented that the cabinet built a work plan for the committee meetings based on oversight, governance and policy issues. As the committee chairs consult with staff on agenda items, the result may be different looking and fewer meetings than in the past. Some committees, such as Diversity and Multiculturalism and Technology, may need to meet only a few times each year, while others, such as Academic and Student Affairs and Finance and Facilities, likely need to meet more often.

Trustee Dickson expressed concern with fewer meetings in light of the Legislative Auditor's recommendation that the board exercise greater oversight of the system office. She added that an abbreviated schedule will work this year because the current trustees are experienced, but more time will be needed when new trustees are appointed next year. Trustee Sundin inquired about the system's presence at the Legislature. Trustee Dickson responded that there is no intent to reduce trustee involvement. They will still be informed of hearings and other meetings with legislators as they arise. The information will be communicated in various ways. Trustee Van Houten inquired about board orientations and suggested having a committee lead them.

(7) Leadership Council Comments

President Edna Szymanski, Minnesota State University Moorhead reported that the Leadership Council appreciated the opportunity to have lunch and interact with the trustees on board meeting days.

(8) Other

Chair Thiss announced that the board meeting will be at Dakota County Technical College on January 18, 2012. Trustee Benson suggested that the trustees may want to consider succession planning and offer suggestions on trustee appointments to the governor. Chancellor Rosenstone provided updates on the searches for vice chancellors for academic and student affairs and advancement. He thanked Dr. Larry Litecky for serving as interim vice chancellor for academic and student affairs. Lori Lamb, vice chancellor for human resources, gave a brief update on the search for a president of Winona State University.

(8) Adjournment

Chair Thiss adjourned the meeting at 8:55 AM.

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

INFORMATION ITEM

First Quarter 2012 Board Operating Budget Report

BACKGROUND

The Board of Trustees approved Operating Budget for FY 2012 is \$212,500. Carry-forward funds of \$17,520 from FY2011 were approved in August 2011, and they increased the budget to \$230,020. The carry forward funds were for a special event on July 19, 2011. The expenses were obligated in FY2011, and paid after the event had occurred.

The first quarter report for the period ending September 30, 2011, is presented as information on Attachment A. At the end of the first quarter, \$37,301, or 16 percent of the budget, had been disbursed. Encumbered funds for the same period are \$133,245, with an available balance of \$59,474.

For comparison purposes, the Board of Trustees Operating Budget in FY 2011 also was \$212,500, with a carry-forward of \$1,222. As shown on Attachment B, for the period ending September 30, 2010, \$31,026, or 15 percent of the budget had been disbursed. Encumbered funds were \$103,129, with an available balance of \$79,567.

Date Presented to the Executive Committee: November 3, 2010

**Minnesota State Colleges and Universities Board of Trustees
Approved FY 2012 Operating Budget**

	Approved FY 2012 Budget	First Quarter 9/30/11 Cash	First Quarter 9/30/11 Encumbered	First Quarter 9/30/11 Balance	Percent Used
Expenses:					
Per Diem	\$32,000	\$3,300	\$28,700	\$0	10%
Meeting Expense (1)	\$64,000	\$4,501	\$60,628	-\$1,129	7%
Travel in-state (2)	\$45,000	\$2,430	\$28,333	\$14,237	5%
Development/National Conferences (3)	\$0	\$805	\$1,575	-\$2,380	
Consultants	\$10,000	\$1,000	\$9,000	\$0	10%
Miscellaneous (4)	\$30,800	\$7,842	\$4,345	\$18,613	25%
Contingency Fund	\$23,700	\$0	\$0	\$23,700	0
Chair Expense	\$7,000	\$734	\$664	\$5,602	10%
Sub -Total (5):	\$212,500	\$20,612	\$133,245		10%
Carry-Forward FY11 (6)	\$17,520	\$16,689		\$831	
<u>Total:</u>	<u>\$230,020</u>	<u>\$37,301</u>		<u>\$59,474</u>	<u>16%</u>

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 will be reviewed by the Executive Committee.
The Board designated \$15,000 of the Contingency Fund for national conferences.
- (4) Other expenses include copier, memberships in national trustees' organizations, supplies and equipment.
- (5) Approved by the Executive Committee on May 4, 2011, and the Board of Trustees on June 16, 2011.
- (6) Expenses obligated in FY2011 for a special event on July 19, 2011. The amount was carried forward for payment in FY2012. Expenses were paid in first quarter.

**Minnesota State Colleges and Universities Board of Trustees
Approved FY 2011 Operating Budget**

	Approved FY 2011 Budget	First Quarter 9/30/10 Cash	First Quarter 9/30/10 Encumbered	First Quarter 9/30/10 Balance	Percent Used
Expenses:					
Per Diem	\$30,000	\$6,105	\$23,895	\$0	20%
Meeting Expense (1)	\$64,000	\$10,678	\$45,523	\$7,799	17%
Travel in-state (2)	\$45,000	\$5,132	\$12,847	\$27,021	11%
Development/National Conferences (3)	\$0	\$0	\$0	\$0	
Consultants	\$10,000	\$0	\$0	\$10,000	0%
Miscellaneous (4)	\$32,800	\$9,111	\$5,114	\$18,575	28%
Contingency Fund	\$23,700	\$0	\$15,000	\$8,700	0
Chair Expense	\$7,000	\$0	\$750	\$6,250	0%
Sub -Total:	\$212,500				
Carry-Forward FY10 (5)	\$1,222				
Total:	<u>\$213,722</u>	<u>\$31,026</u>	<u>\$103,129</u>	<u>\$79,567</u>	<u>15%</u>

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 will be reviewed by the Executive Committee. The Board designated \$15,000 for national conferences to the Contingency Fund.
- (4) Other expenses includes copier, insurance, long distance, memberships in national trustees' organizations, supplies and equipment.
- (5) Expense occurred in FY2010, but payment unable to be processed until after FY2010 books closed (late invoice). Carry-forward approved on September 28, 2010.

The Board of Trustees approved the FY 2010 Operating Budget on June 16, 2010.