



**BOARD OF TRUSTEES
EXECUTIVE COMMITTEE MEETING
WEDNESDAY, MAY 2, 2012
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 March 7, 2012**
- (2) FY2012 Third Quarter Board Operating Budget Report
- (3) **Proposed FY2013 Board Operating Budget**
- (4) Discussion FY2013 Meeting Calendar
- (5) Draft Schedule/Agendas for Meetings on May 15-16, 2012
 - Study Session Follow-up
- (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
March 7, 2012**

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

Executive Committee Members Absent: None

Other Members Present: Brett Anderson, Phil Krinkie, Alfredo Oliveira and James Van Houten

Also Present: Chancellor Steven Rosenstone and President Edna Szymanski

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, March 7, 2012. Chair Scott Thiss convened the meeting at 8:00 AM and announced that a quorum was present. Trustees Alfredo Oliveira and Christine Rice participated by conference call.

(1) Minutes of November 2, 2011, Meeting

The Executive Committee meeting minutes of November 2, 2011, were approved by the Board of Trustees on January 18, 2012.

(2) FY2012 Second Quarter Board Operating Budget Report

Trustee Duane Benson, Treasurer, reviewed the FY2012 Second Quarter Board Operating Budget report. During the second quarter (October 1 to December 31, 2011), the board spent \$32,100. Cash expenditures in FY2012 through December 31, 2011, were \$69,408, or 30 percent of budget. For comparison purposes, during the same period in FY11 the board had spent 31 percent of its budget of \$213,722. Encumbered funds are \$121,333 with an available balance of \$39,279.

Trustee Benson provided an update on the budget through February. The Executive Committee had discussed participating in proposed budget reductions in the system office. They considered reductions of ten and five percent to the board's operating budget at their meeting in November and agreed to participate with a five percent reduction. The board's operating budget was reduced by \$10,625 (five percent) in January. The third quarter board operating budget report will show that the contingency fund, a line item in the board's operating budget, was reduced by \$10,625. As of March 1, actual expenses are \$91,600, encumbered funds are \$102,000 and the available balance is \$25,857. Trustee Benson announced that the board will consider its FY13 operating budget in May.

Vice Chair Clarence Hightower asked about the contingency fund as a portion of it was designated for trustees to attend national higher education conferences. Chair Thiss replied that Trustee Phil Krinkie had recently attended the Association of Community Colleges National Legislature Summit in Washington, D.C. Trustee Cheryl Dickson noted the importance of trustees not only attending but also participating by giving presentations at national higher education conferences. She proposed that the chancellor may want to offer suggestions on best practices or initiatives that the system has developed and that might be of interest to other higher education governing boards.

(3) Draft Schedule and Agendas for Meetings on March 21, 2012

The draft schedule and agendas for the meetings on March 21, 2012, were reviewed. Chair Thiss noted that the planned agenda items could be covered in a single day.

(4) Chancellor Review Process

An outline of the process for the chancellor's evaluation was distributed. Chair Thiss reviewed it and explained that the process will conclude with a closed session of the board and the chancellor to discuss the evaluation on June 6. A summary of the results will be announced at the Board of Trustees meeting on June 20.

Chair Thiss proposed that Vice Chair Hightower and Trustee Benson would be enlisted to survey a few presidents for qualitative feedback on the chancellor's performance. Trustee James Van Houten thought that asking the presidents for feedback would be awkward. The committee discussed retaining an outside third party to conduct the assessment. The chancellor commented that he thought it useful to ask others outside of the system for their assessment.

(5) Connecting with Former Trustees

Chair Thiss announced that he had been considering ways to help former trustees stay connected with the system. He proposed hosting a luncheon where they would meet the chancellor and hear about the system. The trustees were supportive of the luncheon.

(6) Development of 2013 System Work Plans and Committee Goals

Chair Thiss commented that there will be six new trustees effective July 1 -- two two-year members (students) and four six-year members -- which represents a fairly significant turnover. For the transition with the new members, he thought that it would be helpful to start work on the FY2013 goals. Chair Thiss added that the chancellor discussed this with the cabinet and they will start working on the goals. Trustee Dan McElroy proposed that the suggested limit of two goals for each committee be a guide for the number of FY13 goals.

(7) Task Force/Study Session Regarding Board Committee Structure

Also in advance of the arrival of six new trustees, Chair Thiss explained that he thought it would be good for the board to look at its committee structure. He has asked Trustee Michael Vekich to lead a task force to review the structure. The board will hear the report of the task force at a study session at a future meeting.

Trustee Benson inquired about a board conducting a self-evaluation and Chair Thiss responded that the board did an evaluation last year.

(8) Other

Trustee Philip Krinkie attended the Association of Community College Trustees National Legislative Summit in Washington, D.C. President Obama had just announced the Community College-to-Career Fund Proposal, which would direct more resources to job training programs at community colleges. One priority in the proposal is to institute "pay for performance" in job training. In conjunction with the summit, Trustee Krinkie also met with members of Minnesota's Congressional delegation. Trustee Krinkie will report on the conference in greater detail at the April meeting of the Board of Trustees.

(9) Leadership Council Comments

President Edna Szymanski reported that the Strategic Framework has everyone engaged. The campuses have scheduled faculty conversations on delivering an extraordinary education. In addition, presidents and staff are gearing up for regional workforce meetings to learn about employer needs.

Chancellor Rosenstone remarked that the Leadership Council functions differently than it has in the past. The presidents are doing a lot of work offline and have been very involved in thinking carefully and planning on how to deliver on these ideas and get this work done. Another way that the Leadership Council is different is that there is remarkable teamwork. The Council's Executive Committee has been extraordinary and helpful as a sounding board. The chancellor shared that a Leadership Council retreat is planned for the week after Labor Day. The retreat will provide council members the opportunity to step back and reflect on our progress this far.

(10) Adjournment

Chair Thiss adjourned the meeting at 9:00 AM.

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

INFORMATION ITEM

Third 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, increasing the total operating 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.

At the Executive Committee meeting on November 2, 2011, the committee discussed Chancellor Rosenstone's request of all of the divisions within the system office to look at reducing their budgets between five and ten percent. Following a discussion, the committee agreed to participate with a five percent reduction of \$10,625. The transaction occurred in January 2012.

The third quarter report for the period ending March 31, 2012, is presented as information on Attachment A. At the end of the third quarter, \$95,552, or 44 percent of the budget, had been disbursed. Encumbered funds for the same period are \$100,220, with an available balance of \$23,623.

For comparison purposes, the Board of Trustees Operating Budget for the same period in FY 2011 also was \$212,500, with a carry-forward of \$1,222. As shown on Attachment B, \$118,331, or 55 percent of the budget had been disbursed. Encumbered funds were \$49,310, with an available balance of \$46,071.

Date Presented to the Executive Committee: May 2, 2012

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

Approved FY 2012 Budget	First Quarter 9/30/11		Second Quarter 12/31/11		Third Quarter 3/31/12		Year-to-date 3/31/12		Third Quarter 3/31/12		Percent Used
	Cash		Cash		Cash		Encumbered	Balance			
Expenses:											
Per Diem	\$32,000	\$3,300	\$7,150	\$3,025	\$13,475	\$18,525	\$0	\$0	\$0	42%	
Meeting Expense (1)	\$64,000	\$4,501	\$11,462	\$3,318	\$19,281	\$47,358	\$2,639	-\$2,639	-\$2,639	30%	
Travel in-state (2)	\$45,000	\$2,430	\$7,141	\$3,069	\$12,640	\$23,623	\$8,737	\$8,737	\$8,737	28%	
Development/National Conferences (3)	\$0	\$805	\$1,259	\$1,242	\$3,306	\$991	\$991	-\$4,297	-\$4,297	53%	
Consultants	\$10,000	\$1,000	\$2,207	\$2,090	\$5,297	\$6,410	\$6,410	-\$1,707	-\$1,707	76%	
Miscellaneous (4)	\$30,800	\$7,842	\$2,638	\$12,931	\$23,411	\$2,238	\$2,238	\$5,151	\$5,151	0%	
Contingency Fund	\$23,700	\$0	\$0	\$0	\$0	\$0	\$0	\$23,700	\$23,700	21%	
Chair Expense	\$7,000	\$734	\$243	\$476	\$1,453	\$1,075	\$1,075	\$4,472	\$4,472	37%	
Sub-Total (5):	\$212,500	\$20,612	\$32,100	\$26,151	\$78,863	\$100,220	\$100,220	\$23,623	\$23,623	44%	
Carry-Forward FY11 (6)	\$17,520	\$16,689			\$16,689						
Sub-Total:	\$230,020	\$37,301			\$95,552	\$100,220	\$100,220	\$23,623	\$23,623	44%	
Budget Reduction 5% (7)	\$10,625										
Total 3/31/11	\$219,395										

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 the Contingency Fund for national conferences.
- (4) Other expenses includes 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.
- (7) Reduction of 5% from Contingency Fund. Per board agreement (November 2011) and in support of reductions in system office. \$10,625 deducted in January 2012.

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

Approved FY 2011 Budget	First Quarter	Second Quarter	Third Quarter	Year-to-date	Year-to-date	Third Quarter	Percent
	9/30/10 Cash	12/31/10 Cash	3/31/11 Cash	3/31/11 Cash	3/31/11 Encumbered	3/31/11 Balance	Used
Expenses:							
Per Diem	\$30,000	\$6,105	\$7,205	\$22,165	\$7,835	\$0	74%
Meeting Expense (1)	\$64,000	\$10,678	\$10,649	\$34,881	\$30,639	-\$1,520	55%
Travel in-state (2)	\$45,000	\$5,132	\$11,791	\$26,826	\$4,942	\$13,232	60%
Development/National Conferences (3)	\$0	\$0	\$1,385	\$5,560	\$0	-\$5,560	
Consultants	\$10,000	\$0	\$0	\$3,534	\$3,306	\$3,160	35%
Miscellaneous (4)	\$32,800	\$9,111	\$2,675	\$24,281	\$1,755	\$6,764	74%
Contingency Fund	\$23,700	\$0	\$0	\$0	\$0	\$23,700	0%
Chair Expense	\$7,000	\$0	\$509	\$1,064	\$833	\$5,103	15%
Sub-Total:	\$212,500	\$31,026	\$34,214	\$118,311	\$49,310		56%
Carry-Forward FY10 (5)	\$1,222						
Total:	\$213,722			\$118,311	\$49,310	\$46,071	55%
Parking Validations (6)	\$30						
Budget Total 3/31/11	\$213,692						

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.
- (6) Parking validations are processed by Office Services and deducted from budget.

The Board of Trustees approved the FY 2011 operating budget on June 16, 2010.