

**Minnesota State Colleges and Universities
Board of Trustees Meeting Minutes
October 22, 2014**

Present: Chair Thomas Renier, Trustees Ann Anaya, Margaret Anderson Kelliher, Kelly Charpentier-Berg, Alexander Cirillo, John Cowles, Dawn Erlandson, Robert Hoffman, Philip Krinkie, Maleah Otterson, Elise Ristau, Louise Sundin, Michael Vekich, and Chancellor Steven Rosenstone

Absent: Trustees Duane Benson and Erma Vizenor

1. Call to Order

Chair Thomas Renier called the meeting to order at 2:37 PM and announced that a quorum was present. Trustee Dawn Erlandson participated by phone.

2. Chair's Report: *Thomas Renier*

A. Approval of Minutes

Chair Renier stated that items 2, 3, and 8 of the following minutes are postponed to the November meeting.

- (1) **Board of Trustees Study Session on First Impressions and Priorities on June 17, 2014 (Handout)**
- (2) **Board of Trustees Study Session on Positioning Assessment and Brand Strategy Update on June 17, 2014 (Postponed)**
- (3) **Board of Trustees Study Session on Charting the Course for Diversity on June 18, 2014 (Postponed)**
- (4) **Board of Trustees Study Session on Update on Implementation of Charting the Future for a Prosperous Minnesota on June 18, 2014**
- (5) **Annual Board of Trustees Meeting on June 18, 2014**
- (6) **Special Board of Trustees Meeting on July 23, 2014**
- (7) **Special Board of Trustees Meeting on September 16, 2014**
- (8) **Notes of Board of Trustees Retreat on September 16-17, 2014 (Postponed)**

Trustee Anderson Kelliher moved approval of the remaining minutes, items 1,4,5,6, and 7. The minutes were seconded and approved as written.

B. Proposed Amendments to Board Policies (First Readings)

- (1) Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration

Chair Renier stated that board policies and system procedures are reviewed on a five-year rotating cycle. They may also be reviewed as the need arises. As the board works to strengthen its governance of the system, some board policies within Chapter 1, System Organization and Administration, were recently reviewed. In addition, one policy in Chapter 5, Administration, was reviewed.

Amendments to strengthen board oversight and clarify structures are recommended in these policies. The materials in the board book summarize the proposed changes; the full policies are in the materials as well. The proposed amendments in Policy 1A.1 include:

- Part 2, subparts A & B: Updated language in the board's vision and mission statements to reflect the board's adoption of the strategic framework.
- Part 6, subpart E: Addresses distribution of system procedures. The proposed change clarifies that the system procedures will be made available electronically in the same manner as board policies.
- Part 6, subpart I: Language requiring that the board be given notice when a policy or procedure has been published.
- Part 6, subpart I: A change that eliminates the need to print paper copies of policy and procedures.

(2) Policy 1A.3 System Administration, Chancellor

Trustee Alex Cirillo stated that the proposed amendments are mostly in Part 3, the section on evaluation of the chancellor.

The proposed revisions to Board Policy 1A.3 require that all chancellor contracts, changes in contracts, and changes in remuneration be approved by the full Board of Trustees. This clears up all ambiguity that caused some misunderstanding last year.

The proposed changes in this policy codify the process that we are already using this year. The proposed revisions are consistent with the provisions in the chancellor's current contract.

Trustee Cirillo noted that Chair Renier appointed a committee to work with the chancellor on setting his goals and evaluating his performance. He asked Trustee Cirillo as chair of the Human Resources Committee to chair the Chancellor Performance Review Committee.

The committee will work with the chancellor on setting goals and will meet with the chancellor periodically to review his performance. The committee will provide a written evaluation to the chancellor – written evaluations are a valuable HR practice that we do for most employees in our system, but have not consistently been provided to the chancellor. The proposed revisions are very specific that the full board will have the opportunity to meet with the chancellor privately to discuss his performance.

(3) Policy 5.14 Procurement and Contracts

Trustee Michael Vekich stated that Chancellor Rosenstone asked him and Trustee Dawn Erlandson to work with Vice Chancellor Laura King and Presidents Phil Davis and Richard Hanson (Leadership Council Finance Liaisons) to consider the following:

1. Review current board policy and practice concerning contract approval levels
2. Review the current reporting and monitoring methods
3. Provide available national best practice insights concerning board governance standards and practices
4. Recommend any changes to policy or reporting practices in order to assure the board has appropriate oversight and due diligence.

Trustee Vekich stated that the group discussed the current assurances framework of the policies and procedures. They reviewed the delegation architecture between the board and the chancellor. They also reviewed the systemwide contract activity over the last fiscal year. Ten contracts were between \$1M and \$2M, and five were between \$2M and \$3M. Ten of the twenty-one contracts reviewed were approved by the board.

They also reviewed board practices and policies of eight other higher education systems and concluded that nationally, board control was very varied. Also, what was delegated to the chancellor or president was just as widespread. Trustee Vekich stated that MnSCU is well ahead in national practices as it relates to governance.

The group's general conclusions were that the current \$3M board approval for professional, technical, and other services contracts was higher than typically found. In addition, the construction contract program is working well. Finally, the additional periodic reporting will improve with the board's oversight. He continued that the group arrived at three recommendations:

1. Decrease the threshold of approval of certain defined contracts from \$3M to \$1M
2. Leave in place the \$3M threshold for inter-agency agreements
3. Add a biennial reporting requirement for all contracts over \$1M

Chair Renier stated that the proposed amendments to the policies will be presented for a second reading and approval on November 19, 2014.

3. Chancellor's Report: *Steven Rosenstone*

Chancellor Rosenstone outlined three topics he would address: our future, our funding, and our faculty.

Chancellor Rosenstone quoted Chair Renier from the board's retreat in September: "The future's going to happen whether we chart it or not." Chancellor Rosenstone remarked that he believes it is important that we chart our future rather than have the future chart us. He continued that we have spent the past two years getting the ideas and the strategy right. And "we" doesn't just mean the board and the chancellor. It means the board and the chancellor and the 5,400 students, faculty, and staff who have contributed their best thinking every step of the way since 2012.

Now we are at a very exciting juncture in our work on *Charting the Future*. At the board's retreat, they heard about the 39 gallery walks being held at all of our colleges and universities this month and next as part of our commitment to engage deeply with students, faculty, and staff from across the state. Gallery walks are an opportunity for the four spring implementation teams to share their initial ideas and test them with their colleagues. And they are an opportunity for all voices and all ideas to be heard. This level of engagement is unprecedented in the nearly 20-year history of MnSCU.

Chancellor Rosenstone stressed that the gallery walks are sharing initial ideas, not final ideas. Implementation teams expect their ideas to inspire constructive criticism. The feedback each team receives will ultimately make their ideas stronger. Initial reports from the first two gallery walks – one at Pine Technical and Community College last week; the other at Saint Paul College just yesterday – confirmed the strong interest on the campuses. Both were very well attended by students, faculty, and staff. The ideas presented got people talking, sometimes sparking lengthy conversations and raising excellent questions, including something a staff member at Saint Paul College asked: “We have to do this work. How are we going to get it done?” The gallery walks inspired loads of additional ideas from visitors and they represent a springboard for the next phase, when the implementation begins. And they are going to be a wealth of information for the teams that began their work this fall. At the next board meeting, a gallery walk will be here for the board to see. He encouraged students, faculty, and staff who have questions to attend a gallery walk.

Chancellor Rosenstone turned to the second topic, our funding, including some exciting grants and our upcoming biennial legislative request.

Chancellor Rosenstone congratulated the Trade Adjustment Assistance Community College and Career Training (TAACCCT) grant recipients. Garnered for the second year in a row, this grant will help us serve more than 3,000 students and scores of communities throughout Minnesota to ensure that we are preparing graduates for careers in this important sector, enabling them not only to secure high paying jobs, but also enabling firms in communities across Minnesota to grow. As Vice President Biden said when he announced this year's grant recipients: “This is transformative. It's good for workers, it's good for business, and it's good for the economy.”

Scholarship Campaign Update

A year ago July 1, we kicked off a two-year, \$20 million Access to excellence scholarship campaign. At the end of the first of the two years of the campaign, we have already raised \$17.4 million in new scholarships – fully 87% of our campaign goal. The chancellor thanked all who have made powerful investments to ensure that our colleges and universities remain a place of hope and opportunity. With an entire year of the campaign still ahead of us, the final total should far exceed any expectations when the campaign was launched last year.

Bremer Scholarship Update

Last May, Chancellor Rosenstone announced the Otto Bremer Foundation's pledge of \$4 million over a two-year period, to support the Finish Line Scholarship Program at colleges in Bremer Bank communities.

Last week the Otto Bremer Foundation announced the ten colleges to which it will award \$1.9 million – for the first year of the program. Upon successful implementation in Year one, funding will be available for a second year. The Otto Bremer Foundation grants will expand scholarship support and student services to improve on-time completion of certificate and degree programs. The P\program targets students who face financial, academic, and other struggles as they strive to realize their educational goals, with particular attention to students of color, American Indian students, low-income students, and those whose parents did not attend college.

Chancellor Rosenstone thanked the ten colleges below that won these grants and said that he joined the board in expressing our gratitude to the Otto Bremer Foundation for their generous support of our students.

- Alexandria Technical and Community College
- Anoka-Ramsey Community College
- Anoka Technical College
- Hennepin Technical College
- Minnesota State Community and Technical College
- Minnesota West Community and Technical College
- Normandale Community College
- North Hennepin Community College
- Ridgewater College, and
- Riverland Community College

Legislative Request Update

Chancellor Rosenstone noted that the request that the board is considering is focused on four things that we absolutely must protect: affordability and the access it ensures; the talented faculty and staff who work directly with our students; the programs Minnesota needs to serve our students and communities across Minnesota – programs that are vital to the economic growth of our state; and the statutory authority of the board to make the tough decisions. The chancellor said that one thing is very clear: when our state colleges and universities are strong, people, families, and communities across Minnesota thrive.

Chancellor Rosenstone turned to his third topic: the faculty. He promised that at a future meeting, he would share with the board the extraordinary work of our frontline workers. Today he would focus on the faculty.

The chancellor visited 16 campuses over the past six weeks, including Minnesota State University Moorhead; St. Cloud State University; St. Cloud Community and Technical College; Bemidji State University; Metropolitan State University; Hennepin Tech in Brooklyn Park and Eden Prairie; North Hennepin Community College; Northland Community and Technical College in East Grand Forks, Northland, and Thief River Falls; Itasca Community College; Mesabi Range College in Evelyth and Virginia; Vermilion College; Rainy River Community College; and Hibbing Community College. During these visits, Chancellor Rosenstone met with remarkable faculty in a wide range of programs. Highlights include:

MSU Moorhead

- Erin Gillett and Keri DeSutter from the Elementary Inclusive Education Program in the College of Education and Human Services are preparing graduates to be effective teachers in our increasingly diverse K-6 classrooms, particularly in greater Minnesota.
- Rinita Dalan, TJ Hansen, and Kirk Stueve from Economics, Anthropology and Earth Science have built a remarkable Interdisciplinary Geospatial Information Systems Center that prepares students for leading edge public and private sector careers in everything from agriculture, to business, to urban planning.
- Ryan Jackson and Kyja Kristjansson-Nelson from the School of Media, Arts, and Design are preparing students not only to be wonderful artists, but also to understand how to navigate the industries they will enter.

Bemidji State University

- Misty Condiff and Christy Cook from the Nursing Program gave the chancellor an insider's view of the remarkable nursing education they are providing our students, including the new nursing simulation labs that are shared by nursing faculty and students from the university and Northwest Technical College.
- Chemistry professor Ken Traxler gave the chancellor a tour of the department's nine world class chemistry labs with the health and safety features that enable a range of learning experiences for our students – experiences that had heretofore not been possible.
- Steve Sundahl from Technology, Art & Design introduced the chancellor to the digital and exhibit design program – one of three in the nation – a program that recruits and places students globally and draws upon the expertise of an international advisory board.

Metropolitan State University

- Sarah Dimick Gray, who teaches organic chemistry, spoke with great passion about the 19 classrooms and laboratories being built that will provide access in science and allied health in the metro area to underserved students, including students of color, adult students, and working students.

Chancellor Rosenstone described the passion with which the faculty on all of his visits spoke about, or demonstrated their commitment to, students and student success. For example, at Rainy River Community college, one faculty member said, “We never give up on our students.” And at Hennepin Technical College, 71% of the college's faculty and staff have donated money to the HTC Foundation – a powerful statement about their commitment to the college being a place of hope and opportunity for all students.

Students on the campuses were just as passionate about their faculty. At Bemidji State University, one student said: “You can walk into the chemistry department with a question and any faculty member – not only your teacher – any faculty member will help you with your question.” An Itasca Community College student described the commitment of the faculty: “If I need math help, the faculty is there, sometimes until 2:00 in the morning.”

Another said, “If you need help, there will always be someone there for you.” Students at Northland Community and Technical College in Thief River Falls said, “Here you are part of something. We love our teachers. They care. The education is hands on, one-on-one, and we have small classes. Faculty push you to success and they help you succeed.” At Mesabi Range College, a student told of how faculty open their homes each year to over 100 students to connect with them on a personal level and make them feel at home. At Vermillion Community College, students reported on faculty fundraising to help students pay for their textbooks.

Chancellor Rosenstone said that this was small sample of his visits with faculty, which gives the board a flavor for the inspiring work our faculty do every day, as well as a sense of their excellence and their dedication. He thanked all faculty for the extraordinary education they provide our students and for truly caring about teaching and learning and the success of our students.

Chancellor Rosenstone commented that Trustee Anderson Kelliher has often said that in the board room we can sometimes lose touch with the real work of education on our campuses across the state and the faculty and staff who make that magic happen. He urged the new trustees to spend a few days over the next few months learning about the remarkable teaching that goes on every day on every college and university campus.

Chancellor Rosenstone concluded his remarks by thanking the students at our colleges and universities for their involvement in our statewide get out the vote drive. He co-signed letters with MSCSA president Kaylee Schoonmaker in support of the Get Out The Vote efforts on our college campuses. He thanked the presidents, faculty, and staff for all that they are doing to support this student-led initiative. Chancellor Rosenstone congratulated MSCSA president Kaylee Schoonmaker and MSUSA state chair Kari Cooper for all they have done to ensure students will be able to exercise their right to vote on November 4.

4. Consent Agenda

(1) 2015 Capital Bonding Recommendation and Update

(2) Rochester Community and Technical College Workforce Center Lease Exceeding \$3 Million

(3) Minnesota State University, Mankato Contract Approval Exceeding \$3 Million for Beverage Sponsorship

(4) Mesabi Range College Mission Statement

Trustee Michael Vekich moved approval of the Consent Agenda. The motion was seconded and carried.

5. Board Policy Decisions

There were no board policy decisions.

6. Board Standing Committee Reports

a. Human Resources Committee, Alex Cirillo, Chair

(1) Appointment of General Counsel Kris Kaplan interim effective December 1

Committee Chair Cirillo moved that the Board of Trustees, upon the recommendation of Chancellor Rosenstone, appoint Kristine Kaplan as interim general counsel for Minnesota State Colleges and Universities effective December 1, 2014.

Chair Renier called the question and the motion carried.

(2) Emeriti Recognition

Committee Chair Cirillo moved that the Board of Trustees, upon the recommendation of Chancellor Steven Rosenstone, and in recognition that they have served with great distinction, the Board of Trustees hereby confers the honorary title of President Emeritus upon Phillip Davis, Minneapolis Community and Technical College; James Johnson, Minnesota State College - Southeast Technical; Kevin Kopischke, Alexandria Technical and Community College; Joseph Opatz, Normandale Community College; and Edna Mora Szymanski, Minnesota State University Moorhead.

Chair Renier called the question and the motion carried.

(3) Authorization of Leadership Employment Agreements

Committee Chair Cirillo moved that the Board of Trustees authorize the chancellor, in consultation with the chair of the Board of Trustees and chair of the Human Resources Committee, to enter into employment agreements with presidents and vice chancellors during FY2015-FY2016.

Chair Renier called the question and the motion carried.

(4) Executive Search Process and Onboarding

Committee Chair Cirillo reported that the committee heard a report on the executive search process and onboarding from Chancellor Rosenstone and Chief of Staff Nancy Joyer.

b. Audit Committee, Philip Krinkie, Chair

(1) Internal Audit Update

Committee Chair Krinkie reported that the committee heard an Internal Audit update.

(2) Review Annual Internal Auditing Report for FY2014

Committee Chair Krinkie reported that the committee reviewed the annual internal auditing report for FY2014.

(3) Roles and Responsibilities of Audit Committee Members

Committee Chair Krinkie reported that the committee reviewed the roles and responsibilities of the Audit committee members.

c. Finance and Facilities Committee, Michael Vekich, Chair

(1) FY2016-FY2017 Legislative Request (First Reading)

Committee Chair Vekich reported that the committee heard a first reading of the FY2016-FY2017 Legislative Request. This will be presented for a second reading and approval on November 19, 2014.

(2) 2015 Revenue Fund Bond Sale (First Reading)

Committee Chair Vekich reported that the committee heard a first reading of the 2015 Revenue Fund Bond Sale. This will be presented for a second reading and approval on November 19, 2014.

(3) Proposed Policy 5.25 Use of Electronic Signatures (First Reading)

Committee Chair Vekich reported that the committee heard a first reading of the Proposed Policy 5.25 Use of Electronic Signatures. This will be presented for a second reading and approval on November 19, 2014.

(4) Campus Service Cooperative Update

Committee Chair Vekich reported that the committee heard an update on the Campus Service Cooperative.

d. Diversity and Equity Committee, Ann Anaya, Chair

(1) Recruitment, Retention, and Professional Development of Diverse Campus and System Leadership

Committee Chair Ann Anaya reported that the committee heard a presentation on the Recruitment, Retention, and Professional Development of Diverse Campus and System Leadership.

e. Academic and Student Affairs Committee, Margaret Anderson Kelliher, Chair

(1) Developmental Education

Committee Chair Margaret Anderson Kelliher reported that the committee heard a presentation on Developmental Education.

(2) TRIO

Committee Chair Anderson Kelliher reported that the committee heard a presentation on TRIO.

(3) Student Spotlight – Saint Paul College

Trustee Anderson Kelliher introduced Saint Paul College students Mr. Anthony Sawyer and Ms. Leena Jamaledin, who were accompanied by Dr. Kelly Murtaugh.

Anthony Sawyer

Trustee Anderson Kelliher stated that Anthony, a former homeless drug addict with few financial resources, is now sober and chair of the Saint Paul College President's Group. Anthony has taken the lead on starting Students in Recovery, a student group to provide anonymous, closed session support meetings for students on the campus who are struggling with drug and alcohol addiction.

Leena Jamaledin

Trustee Anderson Kelliher stated that Leena started her college career two months after arriving in the United States from Palestine. She immediately worked to redefine what "student involvement" meant.

Not only did she serve as a math and writing tutor, she was treasurer of the student senate and the El Futuro Club, as well as the marketing and events coordinator for the Muslim Student Association. With those groups, she helped organize Islam Awareness Week and the Cinco de Mayo festival. At her graduation, she received the President's Scholarship.

Mr. Sawyer and Ms. Jamaledin addressed the board. Trustee Anderson Kelliher thanked Mr. Sawyer and Ms. Jamaledin for sharing their stories and their contributions.

8. Trustee Reports

Trustee Jay Cowles reported that he attended the groundbreaking of Metropolitan State University's Science Center.

Trustee Louise Sundin reported that the late former Trustee Nellie Stone Johnson, civil rights and labor leader who died in 2002, will be honored with a bust displayed in the Minnesota State Capitol. Trustee Robert Hoffman added that Former Trustee Johnson was a key player in higher education.

Trustee Hoffman reported that he attended the South Central College Faribault Campus Expansion. Trustee Kelly Charpentier-Berg reported that she attended the ribbon cutting of North Hennepin Community College's biomedical building, South Central College Faribault Campus Expansion, and the groundbreaking of Metropolitan State University's Science Center. She also attended the MSCSA student leaders meeting with Trustee Maleah Otterson.

9. Joint Council of Student Associations

- a. Minnesota State College Student Association
Kayley Schoonmaker, president, addressed the Board of Trustees.

10. Minnesota State Colleges and Universities' Bargaining Units

- a. Inter Faculty Organization
Jim Grabowska, president, addressed the Board of Trustees.

- b. Minnesota State University Association of Administrative and Service Faculty
Adam Klepetar, president, addressed the Board of Trustees.
 - c. Minnesota Associate of Professional Employees
Jerry Jeffries, regional director, addressed the Board of Trustees.
 - c. American Federation of State, County, and Municipal Employees
June Clark, president, AFSCME Local 4001, addressed the Board of Trustees.
 - d. Middle Management Association
Robyn Cousins and My Lee, business agents, addressed the Board.
- 11. Other Business**
There was no other business.
- 12. Adjournment**
Chair Renier adjourned the meeting at 4:36 PM.

Ingeborg K. Chapin, Secretary to the Board