



**BOARD OF TRUSTEES  
MEETING AGENDA  
WEDNESDAY, OCTOBER 22, 2014  
2:30 PM  
MINNESOTA STATE COLLEGES AND UNIVERSITIES  
30 7TH STREET EAST  
SAINT PAUL, MN**

---

All meetings are in the McCormick Room on the fourth floor unless otherwise noticed. Committee/board meeting times are tentative and may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot. In addition to the board or committee members attending in person, some members may participate by telephone.

Chair's Report, Thomas Renier

**A. Approval of Minutes**

- (1) Board of Trustees Study Session on First Impressions and Priorities on June 17, 2014 (to be distributed)**
- (2) Board of Trustees Study Session on Positioning Assessment and Brand Strategy Update on June 17, 2014 (to be distributed)**
- (3) Board of Trustees Study Session on Charting the Course for Diversity on June 18, 2014 (to be distributed)**
- (4) Board of Trustees Study Session on Update on Implementation of Charting the Future for a Prosperous Minnesota of June 18, 2014 (pp. 1-8)**
- (5) Annual Board of Trustees Meeting on June 18, 2014 (pp. 9-18)**
- (6) Special Board of Trustees Meeting on July 23, 2014 (p. 19)**
- (7) Special Board of Trustees Meeting on September 16, 2014 (p. 20)**
- (8) Notes of Board of Trustees Retreat on September 16-17, 2014 (to be distributed)**

**B. Proposed Amendments to Board Policies (First Readings) (pp. 21-38)**

- (1) Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration (pp. 28-33)**
- (2) Policy 1A.3 System Administration, Chancellor (pp. 34-36)**
- (3) Policy 5.14 Procurement and Contracts (pp. 37-38)**

**MINNESOTA STATE COLLEGES AND UNIVERSITIES**  
**BOARD OF TRUSTEES STUDY SESSION**  
**JUNE 18, 2014**  
**MCCORMICK ROOM**  
**30 7TH STREET EAST**  
**ST. PAUL, MN**

**Present:** Chair Clarence Hightower and Trustees Margaret Anderson Kelliher, Duane Benson, Alexander Cirillo, Cheryl Dickson, Dawn Erlandson, Philip Krinkie, Alfredo Oliveira, David Paskach, Maria Peluso, Thomas Renier, Elise Ristau, and Chancellor Steven Rosenstone

**Absent:** Trustees Ann Anaya, Louise Sundin, and Michael Vekich

---

**Update on Implementation of Charting the Future for a Prosperous Minnesota**

**Convene**

Chair Clarence Hightower convened the study session at 12:30 pm, and invited Chancellor Steven Rosenstone to introduce the update on the implementation of *Charting the Future for a Prosperous Minnesota*.

**Background and Introduction**

Chancellor Rosenstone commented that at the January Board of Trustees meeting he shared a plan for implementing the recommendations in *Charting the Future for a Prosperous Minnesota*. The board had approved the report in November 2013. The implementation plan has been refined and improved because of trustees' suggestions at the January meeting. The board also indicated that it wanted engagement and oversight of the implementation to occur during board study sessions so that the full board could monitor progress and offer counsel. Chancellor Rosenstone reported that following the January board meeting, implementation began and it is very much on track.

During the study session, trustees will hear about the eight implementation teams that will turn the *Charting the Future* recommendations into actions. These are campus-led efforts with 86 percent of the participants coming from our colleges and universities. Members from every bargaining unit and student association plus additional subject matter specialists serve on each team. Each team has a detailed charter, a suggested workplan, timeline, background reading, and an initial strategy map. A steering committee is responsible for monitoring progress, ensuring coordination across the teams, and sustaining momentum. The first meeting of the steering committee was last week. There is also an organizational capacity team to assist the implementation teams and steering committee.

Chancellor Rosenstone reflected on why we are doing this. He recalled that at the September 2011 Board retreat, he and the board first discussed the idea of a new strategic framework for which MnSCU would make three commitments to the people of Minnesota.

- Ensure access to an extraordinary education for all Minnesotans
- Be the partner of choice to meet Minnesota's workforce and community needs
- Deliver to students, employers, communities and taxpayers the highest value/most affordable higher education

These three commitments grew out of listening sessions that Chancellor Rosenstone attended at 29 colleges and universities where he met with more than 1,000 faculty, students, and staff as well as local community members, businesses, and labor groups.

The board took up the strategic framework at its January 2012 meeting and unanimously adopted these three commitments. Presidents initiated projects on their campuses and the Leadership Council discussed implementation strategies at their meetings. By the summer of 2012, it became evident that there were some challenges that were threatening our ability to deliver on this framework. Chancellor Rosenstone prepared nine short papers on the challenges that were the focus of the board's 2012 retreat. The papers covered topics such as

- longterm population trends in the state;
- the growing need to serve students who come from communities that have been traditionally underrepresented in higher education;
- changes in technology that affect how students learn;
- the changing nature of work and what it means to prepare people for work and jobs in careers;
- increased competition that did not exist when the system was founded in 1995; and
- funding shifts which continue to threaten quality, access, and affordability.

It became evident at the board retreat that we needed to develop strategies to address these challenges, which threaten our ability to deliver on the commitments in the Strategic Framework.

The next step was to create three strategic workgroups to engage students, faculty, staff, and trustees in thinking about the:

- Education of the Future
- Workforce of the Future
- System of the Future

The groups met and issued a draft report in June 2013. Over the next four months, extensive consultation occurred with each of the five bargaining units and the two student associations. The Leadership Council and the Board of Trustees spent much of their time at their September retreats on the draft report, giving feedback on how things might be changed or improved. There were 108 listening sessions around the state involving 5,400 students, faculty, and staff who had valuable suggestions for improving the draft. The strategic workgroups reconvened in October 2013 and made substantial revisions to the draft, drawing upon the substantial input and suggestions received throughout the summer and early fall. The final report, *Charting the Future for a Prosperous Minnesota*, was reviewed by the board in November 2013. The board unanimously adopted the report and its six recommendations to increase access, affordability, excellence, and service by forging deeper collaborations among our colleges and universities to maximize our collective strengths, resources, and talents of our faculty and staff. These six recommendations are the steps we must take to meet the challenges that stand in the way of our ability to deliver on the commitments to Minnesota in the Strategic Framework.

Chancellor Rosenstone continued that the second point of reflection is that *Charting the Future* is already having an impact. Many more people than could be accommodated wanted to serve on the implementation teams. To keep the teams agile, they needed to be kept at a size that could be

convened and get the work done. Those who wanted to be part of this endeavor will have many more opportunities to engage in the effort over the months ahead. The other point is that *Charting the Future* ideas are beginning to bubble up all over the system. Seven hundred unique visitors have visited *Charting the Future*'s website since April and 60 very thoughtful suggestions have been submitted to MyIdeas@so.mnscu.edu and been passed on to the implementation teams.

Chancellor Rosenstone commented that over the past month he has met individually with each president and he has learned that every campus has new initiatives to form deeper collaborations with other colleges and universities to maximize the collective strengths of our faculty and staff. New ideas are popping up about advising, information technology, curriculum development, customized training, sharing in the use of facilities, and many other areas. The to-do list for the Campus Service Cooperative grows almost daily. At the Steering Committee meeting last week, another idea surfaced from Earl Potter, president of St. Cloud State University. He is creating a *Charting the Future* implementation team on his campus involving all stakeholders so they can start receiving the ideas coming from the work of the implementation teams. There is a high degree of engagement, sense of ownership, and an understanding that it is not the system office but students, faculty, and staff from our colleges and universities that will chart our future.

### **Update on Implementation**

Chancellor Rosenstone reintroduced Jaime Simonsen, system director, who is helping to lead the implementation effort. Ms. Simonsen managed the 55 employer listening sessions held across the state in the spring and summer of 2012. She also worked with the Itasca Group to launch 20 pilot studies that are in the field right now and coming out of the field at the end of the month – studies designed to better align our academic centers with workforce needs. Before joining the system office, Ms. Simonsen worked at North Hennepin Community College in a variety of roles including enhancing services to meet the needs of adult learners.

Ms. Simonsen's presentation focused on the progress that has been made on *Charting the Future* and what the next few months would entail. She was joined by Sue Collins, president of the Northeast Higher Education District, who is convening one of the implementation teams. Ms. Simonsen referred to a PowerPoint presentation throughout her comments. The presentation can be viewed at: <http://www.mnscu.edu/board/materials/2014/june18/bot-study-charting-presentation.pdf>.

Ms. Simonsen reported that of the eight implementation teams, four teams launched in the spring have already met once and some have met twice. They are:

- Student Success
- Diversity
- Comprehensive Workplace Solutions
- System Incentives and Rewards

In the fall, the remaining four teams will be launched.

- Academic Planning and Collaboration
- Competency Certification and Credit for Prior Learning
- Educational Technology
- Information Technology Systems

The implementation teams are supported by the Steering Committee made up of convenors, bargaining units and student association appointments, and vice chancellors. The Steering Committee will meet quarterly to provide support and ensure coordination across the implementation teams. The Steering Committee met for the first time last week. The Organizational Capability team is made up of 23 talented individuals whose primary role is to provide direct support to the implementation teams. The majority of the individuals come from our colleges and universities and the members have either volunteered, been nominated, or were appointed by their presidents or bargaining associations. Between presidents, deans, chief academic officers, chief diversity officers, registrars, faculty, and students, we have representatives from every college and university. In fact, 86 percent of the members of the implementation teams are from our colleges and universities. Ms. Simonsen thanked the members of the implementation teams, Steering Committee, and Organizational Capability team who were in the audience and she invited them to stand and be recognized.

Ms. Simonsen continued that each team will be asked to address the following question:

*How will we implement the recommendations of Charting the Future in ways that will enable us to work together to strengthen all colleges and universities, improve student success, access and affordability, and advance the prosperity of communities across the state?*

The six recommendations in *Charting the Future* serve as the guiding principles for each team. Each team will have a starter list of strategies pulled directly from the report, but teams may add and amend them as necessary. Each team is responsible for designing and recommending a set of initiatives to ensure the success of each strategy. The implementation teams have been charged with a list of responsibilities such as consulting with college and university stakeholders early to co-develop strategies and initiatives. Teams will identify cross-cutting issues that may require consultation or alignment with another team. For example, both the Student Success and Diversity teams have identified areas that intersect and they have already discussed how they can stay connected and work together. To support the teams we have developed a crosswalk that identifies potential inter-independencies between teams as a place to start. In addition, both convenors and the Organizational Capability team will discuss potential cross-cutting issues on a monthly basis. The Steering Committee will discuss and focus on this area on a quarterly basis.

Teams also have decision making authority. Teams are empowered to make decisions on the design of the strategies and initiatives as well as the prioritization and sequencing. They can also propose policy changes and work actively and in cooperation with the teams that drive that work forward. The implementation teams will also follow a set of guiding principles as they develop strategies and initiatives. They are a part of each team's charter, in addition to the norms, and how they work together.

Ms. Simonsen noted that there is tremendous confidence in the progress we are making and the approach we are taking. Spring teams will spend the majority of the summer focusing on and understanding what good work already exists at our colleges and universities and what new possibilities we might imagine. An important point to share is that no decisions will be made over the summer as a response to a concern of our students, faculty, and staff. All of this will lead up to an intense period of feedback in the fall semester. This will be a critically important time to test

possible initiatives from the spring teams with students, faculty, and staff, with the goal of identifying initiatives in the late fall. Teams launching later in the fall will follow a similar pattern of conversation with their intense period of feedback beginning in the spring semester. Prior to the fall team meetings, we have committed to both student associations to take a step back in partnership with them and assess how the teams are working. In addition, we want to make sure that both spring and fall teams are in synch with each other and are being intentional with planned conversations once a semester. This effort is part of a broader Bill and Melinda Gates Foundation network of higher education institutions across the country that are undergoing a similar change process. This is a network we hope we can learn from and share with throughout our journey.

Stakeholder engagement will be a cornerstone of the implementation teams' efforts. The main concept to highlight is that there will be two-way communication. Teams will generate ideas with input from various stakeholders and consult with stakeholders in the refinement and prioritization of those ideas. Some of the mechanisms for stakeholder engagement include focus groups, surveys, and the Steering Committee. Beginning in the fall semester, the first wave of teams will have an opportunity to share and collect feedback and ideas on their best thinking from the summer. We are committing to hold a session at each college and university, totaling 40 campuses to allow our community to provide feedback on strategies and initiatives from the teams. In the past few weeks, we have begun to receive feedback on this plan from presidents, chief academic officers, chief student affairs officers, and key communicators. The feedback so far has been positive. This is one opportunity to hear from students but not the only way so we look forward to working with the student associations to develop additional mechanisms to gather their input. Ms. Simonsen noted that a guiding principle of this work is that it is campus led.

She turned to President Collins for her comments. President Collins is the convener of the Comprehensive Workplace Solutions implementation team. She is excited to lead this effort as the Northeast Higher Education District went down a path a year ago to reorganize its continuing education and customized training (CECT) division. She reported that her team is excited to work on what CECT can look like throughout the system. As a convener, one of her roles is to provide organizational structure to the team's work. We have already discussed and revised the guiding principles a bit, as well as the charter and definitions associated with CECT. We are also working closely with subject matter experts who can describe to us the current state of CECT so we know the springboard for our work. Another role is to provide research and data. We also want to implement a set of learning sessions so we can talk about what innovation in this arena is really like and who the drivers of innovation in the nation are. Another important role is to make sure that all voices on the team are engaged and heard and we worked hard on this at our first meeting. President Collins also shared that she serves as the team's barometer of understanding and comfort level in terms of its progress and encourages tangible strategies and initiatives to help drive positive change in this arena. There is powerful enthusiasm around change and we are not afraid to talk about difficult issues. There is a real interest in moving towards collaborative approaches and solutions.

Ms. Simonsen invited campus leaders to share their insights.

Pakou Yang, interim vice president of academic affairs, Century College, is a member of the Student Success implementation team and is one of the subject matter experts. The team has met twice so far, has had good discussions, and finalized its charter. The next meeting will be about definitions and measures of student success, as well as the literature and best practice models of

student success. She is most excited about two things concerning being on the team: first, the team agreed that student success is at the core of all of the work our institutions are doing and our work is very important; second, the teams are very diverse which brings different perspectives to the work we are doing. The biggest opportunity for this team is that we have an opportunity to increase the success of all students across the system.

Rick Straka, vice president of finance and administration, Minnesota State University, Mankato, is a member of the System Incentives and Rewards implementation team. He said that he is excited to view the present systems and future opportunities from multiple viewpoints. The team's discussions have been very open and consensus-based. He is also excited for the opportunity to review and perhaps reset both the financial and non-financial incentives and rewards that we have in our system today, and to look forward and identify how we may incentivize and reward collaboration that enhances our system's Strategic Framework and institutional missions and focuses on student success. He added that he is looking forward to hearing what is working nationally that fits our Strategic Framework and our systems, and what leads to helping students achieve their dreams.

Mary Sam, director, Diversity, Equity, and Tribal Relations, Central Lakes College, is a member of the Diversity implementation team. She thanked the board for the opportunity to use her skills as an administrator and collaborator on the team. She noted that the team's motto is "Imagine an educational system where no barriers exist for our students and employees and communities." The team needs to create strategies to support systemic change where diversity work becomes practice and where every employee in the system says we are doing this because it is the right thing to do and not because we have to do it. The team is going to draft and create strategies that align with K-12, business, and industry because these connections have to be at the table to inform our work to impact the achievement gap. We will create strategies that complement and support the MnSCU Diversity and Equity Plan, the American Indian Strategic Plan, and the Affirmative Action Plan. The team wants to create strategies that donors and foundations will want to invest in; and training for every employee, administrator, and president on what cultural competency and anti-racism mean. We want to create strategies that engage all students. Creating and expecting a system that creates equity, access, and success for all of our students, whether they are first-generation; low-income; students of color; American Indian; those who are disabled; women; the LGBT community; the elderly; all protected classes. Imagine a MnSCU system without barriers.

Kevin Parker, student representative of the Minnesota State College Student Association and a student at Anoka-Ramsey Community College, is on the Comprehensive Workplace Solutions implementation team. Mr. Parker is excited to represent students. He expressed his appreciation of the system's history of shared governance and student consultation, and the board's appointment of Dr. Kent Hanson as president of Anoka-Ramsey Community College and Anoka Technical College. The work on the mission statement is exciting and his favorite part is to provide students, businesses, and trade organizations access to information on our shared portfolio of workplace training solutions by developing a user-friendly, single point of entry, web-based mobile application. The more accessible information is for all those involved, the greater our success in addressing our student needs, employer needs, and our swiftness of response.

Matthew Hatle, student representation of Minnesota State University Student Association and a member of the Comprehensive Workplace Solutions implementation team, is a student at Metropolitan State University. He is excited by the welcoming atmosphere and tone created by

President Collins and the inclusion of student involvement. The focus is on students, and everyone on the team wants to help place students in their chosen careers. The committee is listening and bringing in outside sources, including hearing from students in the liberal arts, trades, businesses, and everything that the system offers. Mr. Hatle also said that he is excited for his alternate, Mary Bennett, to be involved, since she has experience in both the two-year college and four-year university. He looks forward to the team's work over the next several months.

Shahzad Ahmad, director, Multicultural Student Services, St. Cloud State University, represents the Minnesota State University Association of Administrative and Service Faculty on the Diversity implementation team. As past president of MSUAASF, his colleagues selected him and he is honored to serve on this team. He noted that the themes expressed by today's speakers are their excitement, common hope, and enthusiasm to do the important work that *Charting the Future* represents. For him, it is an opportunity to imagine the future for our system, students, future employees and everyone who is going to help move the economy of this state. The reality is that we have to imagine that the future generation will not be dealing with the issues we are dealing with because board rooms will be on one continent and manufacturing is on a different continent and vice versa. That will be the norm and we have to prepare students to move beyond just defining what diversity to being part of that environment where they understand and where they have the skills, passion, and compassion to be part of that environment. It is his hope to engage not just ourselves but also our constituents as well as students, faculty, and staff all over the system to discuss what diversity means for them and for the future. If we can accomplish this then we will make a lot of progress.

Kim Lynch, dean, Science, Engineering, Math, and Computer Networking for the two campuses of Anoka-Ramsey Community College, has also had multiple roles in the system including instructor of English, dean of innovative teaching and learning, chief information officer, parent of an enrolled student, and as a student herself. She is honored to be a support team member for President Collins and the Comprehensive Workplace Solutions implementation team. She is excited about this opportunity because she sees an urgent need for action. She has realistic hopes that this effort will succeed. The need is clear, as Chancellor Rosenstone has frequently articulated. For example, we not only need to partner with state employers but also with one another in the system. *Charting the Future* is comprehensive and inclusive across all institutions and stakeholders and it is structurally transparent. Eight teams are working independently and interactively, recognizing that meaningful change efforts are interconnected. Progress is communicated deeply and broadly at every step along the way because of an intentional engagement plan and an energetic engagement team. It is extremely well organized. When urgent need is partnered with realistic hope, she wants to be personally involved as much as possible, and she heard that from others present today.

Chancellor Rosenstone thanked all of the presenters. He said the words that come to mind are excitement, vitality, openness, passion, and possibilities. For him the biggest change over the past four months as we begin to chart the future is a great willingness to step back, let the teams do their work, and put great trust in our colleagues – students, faculty, staff, subject matter experts, and others around the system – to figure out where we need to go together.



**Board Discussion**

Chair Hightower invited trustees to make comments or ask questions. Trustee David Paskach commented that he has been on the board for twelve years and that this is one of the best introductions to an initiative that he has seen since he has been a trustee. He has always wished that the change that the system needs to make would be done in an intentional and organized way, and he is extremely encouraged by this change effort – which almost makes him want to reapply for another term on the board. He hopes that the teams will feel as empowered six months from now as they feel and expressed today.

Trustee Cheryl Dickson thanked Ms. Simonsen and the presenters for their work. Trustee Alfredo Oliveira wished the students well and urged them to continue to voice their opinions. Trustee Alex Cirillo urged the team members to remember that they were not there as individuals but as part of a network, and he urged them to bring their network to the teams because that network will be important when we get to the execution phase. Trustee Duane Benson also thanked everyone for their comments and he encouraged them to make sure that the process was well-documented, because the information could be valuable for future change efforts.

Chancellor Rosenstone thanked Jaime Simonsen for her leadership and the 144 people across the state for serving on the implementation teams. He added that he looked forward to working with board leadership for a deeper understanding of ways the board might want to engage and provide counsel. He also invited the board to share with him their reflections on this study session.

**Adjournment**

Chair Hightower adjourned the study session at 1:25 p.m.

Ingeborg Chapin  
Secretary to the Board

**Minnesota State Colleges and Universities  
Annual Board of Trustees Meeting Minutes  
June 18, 2014**

Present: Chair Clarence Hightower, Trustees Ann Anaya, Margaret Anderson Kelliher, Alexander Cirillo, Cheryl Dickson, Dawn Erlandson, Duane Benson, Philip Krinkie, Alfredo Oliveira, David Paskach, Maria Peluso, Thomas Renier, Elise Ristau, Louise Sundin, Michael Vekich and Chancellor Steven Rosenstone

---

**1. Call to Order**

Chair Clarence Hightower called the meeting to order at 1:35 PM and announced that a quorum was present. Trustees Ann Anaya and Michael Vekich participated by phone.

**2. Chair's Report: *Clarence Hightower***

**(1) Minutes of the Board of Trustees Meeting, May 21, 2014**

The minutes were approved as written.

**(2) Report of Closed Session Meeting of the Board of Trustees on the Chancellor's Annual Performance Evaluation on June 17, 2014**

Chair Hightower thanked the members of the Performance Review Committee: Vice Chair Thomas Renier and Trustees Ann Anaya and Alex Cirillo.

Chair Hightower noted that the board reviews the chancellor's performance annually in a closed session. The committee met with Chancellor Rosenstone on June 10 to discuss his performance. On June 17 the committee provided its assessment to the full board in a closed session and then the board met with Chancellor Rosenstone to discuss the results. The evaluation was positive. This has been a highly successful year for Minnesota State Colleges and Universities under Chancellor Rosenstone's leadership.

Chair Hightower called upon Vice Chair Renier and Trustee Cirillo for a summary of the evaluation.

**Vice Chair Renier**

Vice Chair Renier made the following remarks.

Executive leadership is a difficult calling. Leading change is especially challenging. There is a cacophony of voices providing advice, and many, many different stakeholders to involve. One thing that the chancellor has excelled at is keeping his eye on his "true north," always asking the question: "Is this what is right for students?"

In the years ahead, it is imperative that our colleges and universities work together more effectively to overcome the significant challenges facing all of higher education so that we may continue to meet the needs of our students and communities across Minnesota. This has indeed been another highly successful year for our students, for our faculty and staff, and for the communities we serve.

As Chancellor Rosenstone has said before – and it is no less true today than it was three years ago – the people of Minnesota are counting on us.

I believe we will look back on the previous twelve months and we will come to recognize that this was the beginning of something very significant. Simply put, this was the year when a collaborative effort led by Chancellor Rosenstone identified a pathway to help us chart the future and strengthen our ability to make good on our core commitments to the people of Minnesota.

We are extraordinarily enthusiastic about the new and powerful ways in which our colleges and universities have begun to work together under Chancellor Rosenstone’s leadership. We are confident that the priorities laid out in *Charting the Future* for the coming year are the right ones.

- If we want to give all Minnesotans a shot at higher education – and we do,
- if we want to be a great partner in our communities – and we do,
- and if we want to be the highest value, most affordable higher education option – and we most certainly do,
- then these are the right priorities.

*Charting the Future* gives all of our colleges and universities their best shot at being the colleges and universities we want them to be. The board is pleased that Chancellor Rosenstone has agreed to continue to lead our system of 31 colleges and universities, and we are confident that under his leadership they will continue to be the state’s highest value, most affordable higher education option.

In 2012 we encouraged Chancellor Rosenstone to “keep his foot on the gas.” Last year I asked him to “keep the stick at full throttle.” This year, as we all embark on a journey of significant change together, our guidance to Chancellor Rosenstone is this: “stay the course and keep your eye on our true north.”

### **Trustee Cirillo**

Trustee Cirillo made the following remarks.

We set out an unusually aggressive agenda of eighteen separate goals, and Chancellor Rosenstone was successful in meeting almost all of them. During the past year, Chancellor Rosenstone:

- Completed the process that led to the *Charting the Future* recommendations and began the initial implementation of those recommendations.
- Led the process that saw MnSCU selected by the Bill & Melinda Gates Foundation as one of twelve higher education systems nationally to join its State Postsecondary Education Systems Partnership. Part of what impressed the Foundation about MnSCU was the change process outlined in *Charting the Future*.

- Secured \$17 million in supplemental base funding from the Minnesota Legislature as well as \$159.8 million in bonding for capital projects.
- Brought in a two-year, \$4 million gift from the Otto Bremer Foundation to fund scholarships at 20 MnSCU colleges located in communities with a Bremer Bank – the largest single gift to our colleges in MnSCU history.
- Successfully executed the statewide scholarship campaign with the goal of raising \$20 million over two years. As of March 31, 2014, just 38% of the way through the campaign, \$12.5 million (or 63%) of the campaign goal has been raised.
- Implemented an enterprise risk management protocol that created a system-level ERM team that regularly assesses risks and management strategies.

The board has reviewed the chancellor's performance against these aggressive goals and has concluded that Chancellor Rosenstone's performance has been excellent.

The chancellor is in the final year of his first three-year contract, which contains the potential for him to receive up to a \$50,000 performance award. The board is recommending that the chancellor receive 82 percent of his performance incentive pay to reflect the progress he has made and to acknowledge that there is more work to be done. He continues to be a visionary leader who cares passionately for our students and works tirelessly to provide a better future for students, their families, and their communities. On behalf of the entire board, I want to thank him for all he has done this year.

*Trustee Alex Cirillo moved that the Board of Trustees, having conducted its annual assessment of the chancellor's performance, approve and authorize a performance incentive payment of \$41,000; and that, in addition, should the chancellor become eligible for a merit increase as provided by the MnSCU FY13-FY15 Personnel Plan for Administrators, the board authorize the board chair to determine the amount of any such merit increase. Such an increase shall not occur prior to all FY13-FY15 faculty bargaining unit contracts being settled and approved by the Legislature.*

*Trustee Benson moved to amend the motion as follows:*

*That the Board of Trustees, having conducted its annual assessment of the chancellor's performance, approve and authorize a performance incentive payment of \$41,000; and that, in addition, should the chancellor become eligible for a merit increase as provided by the MnSCU FY13-FY15 Personnel Plan for Administrators, the board authorize the board chair to propose to the board the amount of any such merit increase. Such an increase shall not occur prior to all FY13-FY15 faculty bargaining unit contracts being settled and approved by the Legislature.*

*Trustee Sundin seconded and the amended motion carried unanimously.*

**(3) Proposed FY2015-FY2016 Meeting Calendar (Second Reading)**

Chair Hightower reviewed the FY2015-FY2016 meeting calendar.

*Chair Hightower moved that the Board of Trustees approve the FY2015 and 2016 meeting calendar. The motion was seconded and approved.*

(4) Special Recognitions

Chair Hightower stated that his term, along with those of Trustees Cheryl Dickson, Alfredo Oliveira, David Paskach, Maria Peluso, and Louise Sundin, will end on June 30. Trustees will continue to serve until Governor Dayton appoints their replacements.

Chair Hightower recognized the college and university presidents who are either retiring or have accepted new opportunities: Presidents Phil Davis, Sue Hammersmith, Jim Johnson, Kevin Kopischke, Joe Opatz, Richard Shrubbs, Edna Szymanski, and Interim President Gail O'Kane.

(5) Other

Chair Hightower made the following statement:

Last June the board authorized me as the board chair to negotiate a new contract with the chancellor, similar to the process we have used historically. That contract was completed last October, consistent with the Personnel Plan for Administrators and state law. While I am confident we have followed past precedent, there have been questions raised recently about the current process and a perceived lack of transparency. As an institution grounded in public trust, I want to make sure that we don't just rely on precedent and instead look at ways we can improve. To that end, I have consulted with Vice Chair Renier and will be creating a work group as provided for under Board Policy 1A.2, System Administration, to consider best practices and make recommendations to the full board on the process that should be used in approving future chancellor contracts. I am sorry that this has been such a distraction for the board and the public because it has gotten in the way of the great story we have to tell about the important work the system is doing.

**Chancellor's Report:** *Steven Rosenstone*

Chancellor Rosenstone thanked the board for their strong support and confidence over the past three years. He reflected on his first board meeting as chancellor, when he and the trustees discussed their shared commitment to providing an opportunity for all Minnesotans to create a better future for themselves, their families, and their communities. Chancellor Rosenstone remarked that he is honored to serve as chancellor of this great system of colleges and universities and to work on behalf of students and communities across the state. He is honored that the board has asked him to serve a second term.

Chancellor Rosenstone thanked Trustees Dickson, Oliveira, Paskach, Peluso, and Sundin for their service. He especially thanked Chair Hightower for his twelve years of service as a trustee, vice chair, and chair of the board.

Chancellor Rosenstone also thanked the bargaining and student association leaders. He congratulated Jim Grabowska on his election as the IFO's new president and he thanked Leadership Council executive committee members: presidents Earl Potter, Ron Anderson, Larry Lundblad, and Edna Szymanski.

Chancellor Rosenstone stated that last year he was able to visit 24 of the 54 campuses to continue to learn about the work of the faculty and staff and their devotion to their students and community partners. He plans to continue those visits of listening and learning.

### **Recognition of Departing Presidents**

Chancellor Rosenstone concluded his remarks by recognizing and thanking each one of the following presidents who are completing their terms of service.

#### **President Sue Hammersmith**

Sue Hammersmith, president of Metropolitan State University since 2008. Metro State has seen unprecedented growth under President Hammersmith's leadership: enrollment has grown nearly 25%; enrollment of students of color has increased 35%; and President Hammersmith has championed the educational needs of the underserved, including adults, first generation students, and communities of color. Metro State has embarked on critical capital projects that will shape the personality of the university, extend its capabilities, and increase its capacity to serve students in critical fields for years to come.

#### **President Jim Johnson**

Jim Johnson, president for 19 of his 33 years of service at Minnesota State College – Southeast Technical. As president, Jim Johnson has grown the college; deepened Southeast Tech's partnerships with business, industry, the public schools and Winona State University; led regional economic development through his extensive work with the 7 Rivers Alliance; and he has been a tireless volunteer on community boards from Winona to Red Wing.

#### **President Kevin Kopischke**

Kevin Kopischke, president of Alexandria Technical and Community College for 10 years. President Kopischke's leadership has been critical to Alex Tech's success. Over the past decade, Alex Tech has led a mission expansion to include the associate of arts degree; received recognition as one of the best two-year colleges in the nation; earned a well-deserved reputation for its outstanding record of collaboration with business and industry, educational partners and the community; and served on the executive committee of the Leadership Council.

#### **President Joe Opatz**

Joe Opatz, president of Normandale Community College since 2007. President Opatz has cultivated and grown the college's strong tradition of transfer to state universities and other baccalaureate programs; led the college through a dramatic 14% growth in enrollment; and supported changes that have made a tremendous difference in access to advising and tutoring, the success rate for underrepresented students, enrollments by students of color, and many other areas including a transformation of the college's physical plant.

President Richard Shrubbs

Richard Shrubbs, president of Minnesota West Community and Technical College for six years. Minnesota West has accomplished a great deal under President Shrubbs's leadership, achieving one of the highest graduation rates in the state and being named one of the top 50 community colleges in the nation. President Shrubbs has had a great impact on the college.

President Edna Szymanski

Edna Szymanski, president of Minnesota State University Moorhead since 2008. President Szymanski helped engage the university in new collaborative partnerships; worked with the faculty to improve the quality of the education the university provides; and served on the executive committee of the Leadership Council. She leaves Minnesota State University Moorhead on solid footing as it completes its 125th year and welcomes the arrival of its 11th president.

President Phillip Davis

Phillip Davis is not retiring, but rather stepping down to take on a new leadership role as associate vice chancellor and managing director of the Campus Service Cooperative. President Davis has served as president of Minneapolis Community and Technical College for 18 years and he is one of our most senior campus leaders with nearly 30 years of experience. President Davis increased access to college for underrepresented students by establishing programs like the *Power of YOU* and *Jump Start to College*. Under his leadership, MCTC has recruited and retained the most diverse faculty and staff of any college or university in the system, and MCTC has also grown into the system's second most diverse student body. Over the course of his presidency, President Davis shepherded capital improvements that created state-of-the-art instructional and support facilities for students. Civic and business leaders across Minneapolis widely recognize President Davis's leadership within the community and have viewed him and MCTC as partners that advance the city's economic prosperity.

Interim President Gail O'Kane

Gail O'Kane will soon return to Minneapolis Community and Technical College after a year as interim president of Rochester Community and Technical College to begin her new role vice president of academic affairs at MCTC.

**4. Consent Agenda**

**(1) Anoka-Ramsey Community College, Cambridge, Surplus Real Property**

**(2) Approval of Annual Audit Plan for Fiscal Year 2015**

*Trustee Margaret Anderson Kelliher moved approval of the Consent Agenda. The motion was seconded and carried.*

**5. Board Policy Decisions**

**(1) FY2015 Operating Budget (Second Reading)**

*Committee Chair Dawn Erlandson moved the following with an amendment to paragraph f. The Board of Trustees:*

- a. Adopt the annual total operating budget for fiscal year 2015 in [Table 3](#). Pursuant to Board Policy 5.9, the Board of Trustees will be periodically provided with systemwide budget updates for all funding sources on an exception reporting basis.*
- b. Approve the proposed tuition structure recommendations for fiscal year 2015 as detailed in [Attachments 1A through 1E](#).*
- c. All tuition increases are effective Summer Term or Fall Term 2014 at the discretion of the president. The chancellor or his designee is authorized to approve tuition structures for new courses or programs proposed after this date, as well as any required technical adjustments, and is requested to incorporate any approvals at the time fiscal year 2016 tuition recommendations are presented to the Board of Trustees.*
- d. The Board of Trustees continues the policy of market-driven tuition for closed enrollment courses, customized training, non-credit instruction, continuing education, and contract postsecondary enrollment option programs.*
- e. Approve the revenue fund and related fiscal year 2015 fees for room and board, student union, wellness and recreation facilities, and parking ramps/surface lots as detailed in [Attachments 2A through 2D](#), including any housing fees that the campuses may charge for occupancy outside the academic year. Approve the fiscal year 2015 fees structure for room and board for colleges who either own or manage student housing as detailed in [Attachment 2E](#). The chancellor or his designee is authorized to approve fee structures for any new revenue fund programs as well as any technical adjustments, and is requested to incorporate any approvals at the time fiscal year 2016 recommendations are presented to the Board of Trustees.*
- f. Approve Student Life/Activity (\$117.36 per term) and Health Services (\$70.20 per term) fees for St. Cloud State University.*

*Chair Hightower called the question and the motion carried.*

**6. Board Standing Committee Reports**

**a. Human Resources Committee**

*Thomas Renier, Chair*

**(1) Appointment of Interim President of Minneapolis Community and Technical College**

*Vice Chair Renier moved that the Board of Trustees, upon the recommendation of Chancellor Steven Rosenstone, appoint Avelino Mills-Novoa as interim president of Minneapolis Community and Technical College effective August 11, 2014, subject to the completion of an employment agreement; and that the board authorize the chancellor, in consultation with the chair of the board and*



*the chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the MnSCU Personnel Plan for Administrators.*

*Chair Hightower called the question and the motion carried.*

**(2) Approval of Minnesota State University Association of Administrative and Service Faculty Bargaining Contract**

*Vice Chair Renier moved that the Board of Trustees approve the terms of the 2013-2015 labor agreement between Minnesota State Colleges and Universities and the Minnesota State University Association of Administrative and Service Faculty (MSUAASF) and authorize Chancellor Steven Rosenstone to sign the agreement on behalf of the Board of Trustees.*

*Chair Hightower called the question and the motion carried.*

**b. Academic and Student Affairs Committee**

*Margaret Anderson Kelliher, Chair*

**(1) Student Success Measures and Strategies**

Committee Chair Anderson Kelliher reported that the committee heard a presentation on student success measures and strategies. The focus of the presentation was on system progress related to student success measures.

**(2) Other**

Committee Chair Anderson Kelliher highlighted St. Cloud State University's (SCSU) Recovery Community, a program that won the 2014 award for innovation in student affairs programming. The Recovery Community was developed within the university's student life and development department under the leadership of Dr. Wanda Overland.

Trustee Anderson Kelliher recognized key contributors Jennifer Sell Matzke, assistant dean of students and current coordinator for the Recovery Community; Thaddeus Rybka, graduate assistant for the Recovery Community; John Eggers, director of counseling and psychological services; and Daniel Pedersen, director of residential life.

The intention of SCSU's Recovery Community is to create a safe and welcoming on-campus environment where students in recovery from drugs and alcohol can receive support while working to obtain a degree. The Recovery Community was approved as an official program at SCSU during the spring semester of 2012. They are proud to be the first residential recovery community offered at a public university in the upper Midwest. To date, there are only about 80 collegiate recovery programs across the nation, and only a fraction of those are residential recovery programs. Students in the Recovery Community are required to take a minimum of twelve credits each semester. They meet weekly with a counselor from the counseling center on campus.

Trustee Anderson Kelliher thanked Ms. Matzke and Mr. Rybka for their outstanding work in providing students with the resources they need to overcome addiction, earn their degrees, and help serve and support others in their communities.

**c. Finance and Facilities Committee**

*Michael Vekich, Chair*

Committee Vice Chair Dawn Erlandson reported on the Finance and Facilities Committee meeting.

**d. Audit Committee**

*Ann Anaya, Chair*

(1) Internal Audit Update

Committee Chair Ann Anaya reported that the committee heard an update on Internal Audit.

(2) Review of Results from the Capital Construction Audit Pilot

Committee Chair Anaya reported that the committee heard a report on the review results from the capital construction audit pilot.

**8. Trustee Reports**

Trustee Cheryl Dickson reported that she participated in the Executive Leadership Development program graduation.

**9. Joint Council of Student Associations**

a. Minnesota State University Student Association

Kari Cooper, state chair, addressed the Board of Trustees.

b. Minnesota State College Student Association

Kelly Charpentier-Berg, president, addressed the Board of Trustees.

**10. Minnesota State Colleges and Universities' Bargaining Units**

a. Inter Faculty Organization

Nancy Black, president, and Jim Grabowska, president-elect, addressed the Board of Trustees.

b. Administrative and Service Faculty

Richard Wheeler, state grievance officer and past president, addressed the Board of Trustees.

c. Minnesota State College Faculty

Kevin Lindstrom, president, addressed the Board of Trustees.

d. Minnesota Association of Professional Employees

Tabitha Ries-Miller, research analyst, and Jen Foley, statewide meet and confer vice president, addressed the Board of Trustees.

**11. Other Business**

- Election of Officers

**Chair**

Chair Hightower announced that Trustee Thomas Renier was a candidate for the position of Chair. He called for other nominations and there were none.

*Chair Hightower moved the nomination of Trustee Renier for the position of Chair. The motion carried unanimously.*

**Vice Chair**

Chair Hightower called for nominations for the position of Vice Chair. Trustee Elise Ristau nominated Trustee Margaret Anderson Kelliher. Chair Hightower called for other nominations and there were none.

*Chair Hightower moved the nomination of Trustee Anderson Kelliher for the position of Vice Chair. The motion carried unanimously.*

**12. Adjournment**

Chair Hightower adjourned the meeting at 3:20 PM.

---

Ingeborg K. Chapin, Secretary to the Board

**Minnesota State Colleges and Universities  
Board of Trustees Special Meeting Minutes  
July 23, 2014**

Present: Chair Thomas Renier, Trustees Ann Anaya, Margaret Anderson Kelliher, Alexander Cirillo, Cheryl Dickson, Dawn Erlandson, Alfredo Oliveira, David Paskach, Maria Peluso, Louise Sundin and Chancellor Steven Rosenstone

Absent: Duane Benson, Clarence Hightower, Philip Krinkie, Elise Ristau and Michael Vekich

---

**1. Call to Order**

Chair Thomas Renier called the meeting to order at 10:36 AM and announced that a quorum was present. Trustees Anaya, Cirillo, Dickson, Erlandson, Oliveira, Paskach and Peluso participated by phone.

Chair Renier announced that a roll call vote would be taken on the following action items in accordance with the Open Meeting Law for meetings by telephone, and to simplify the vote recording process.

**2. Board Standing Committee Report**

**a. Human Resources Committee**

*Thomas Renier, Chair*

**(1) Approval of Minnesota State College Faculty Bargaining Contract**

*Chair Renier moved that the Board of Trustees approve the terms of the 2013-2015 labor agreement between Minnesota State Colleges and Universities and the Minnesota State College Faculty (MSCF) and authorize Chancellor Steven Rosenstone to sign the agreement on behalf of the Board of Trustees.*

*The motion was seconded and approved unanimously on a roll call vote with ten in favor: Chair Renier and Trustees Anderson Kelliher, Anaya, Cirillo, Dickson, Erlandson, Oliveira, Paskach, Peluso and Sundin. Five Trustees absent: Benson, Hightower, Krinkie, Ristau and Vekich.*

**(2) Approval of MnSCU Personnel Plan for Administrators**

*Chair Renier moved that the Board of Trustees approve the Minnesota State Colleges and Universities Personnel Plan for Administrators for 2013-2015, and authorize the chancellor and his designees to take all measures they deem appropriate to secure the legislative approval to implement the Plan.*

*The motion was seconded and approved unanimously on a roll call vote with ten in favor: Chair Renier and Trustees Anderson Kelliher, Anaya, Cirillo, Dickson, Erlandson, Oliveira, Paskach, Peluso and Sundin. Five Trustees absent: Benson, Hightower, Krinkie, Ristau and Vekich.*

**3. Adjournment**

Chair Renier adjourned the meeting at 11:05 AM.

---

Patty McCann, Executive Assistant to the Board

**Minnesota State Colleges and Universities  
Board of Trustees Committee of the Whole Meeting Minutes  
September 16, 2014**

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

---

**1. Call to Order**

Chair Thomas Renier called the meeting to order at 5:32 PM and announced that a quorum was present.

Chair Renier announced that the sole purpose of the meeting was to consider the approval of the Inter Faculty Organization Bargaining Agreement. Board approval of the negotiated terms in the contract is required prior to presenting it for approval to the Subcommittee on Employee Relations.

Minnesota State Colleges and Universities and the Inter Faculty Organization (IFO) reached a tentative agreement on July 29, 2014, on their 2013-15 labor contract. It was ratified by a vote of the IFO membership on September 12, 2014.

**2. Approval of the Inter Faculty Organization Bargaining Contract**

*Chair Renier moved that the Board of Trustees approve the terms of the 2013-2015 labor agreement between Minnesota State Colleges and Universities and the Inter Faculty Organization (IFO) and authorize Chancellor Steven Rosenstone to sign the agreement on behalf of the Board of Trustees. The motion was seconded and carried unanimously.*

**3. Adjournment**

Chair Renier adjourned the meeting at 5:34 PM.

---

Patty McCann, Executive Assistant to the Board

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

**Agenda Item Summary Sheet**

**Name:** Board of Trustees

**Date:** October 22, 2014

**Title:** Proposed Amendments to Board Policies

**Purpose (check one):**

- |  |   |   |
|--|---|---|
| <input checked="" type="checkbox"/> Proposed<br>New Policy or<br>Amendment to<br>Existing Policy | <input type="checkbox"/> Approvals<br>Required by<br>Policy | <input type="checkbox"/> Other<br>Approvals |
| <input type="checkbox"/> Monitoring /<br>Compliance  | <input type="checkbox"/> Information                        |   |

**Brief Description:**

The proposed amendments to:

- Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration
- Board Policy 1A.3 System Administration, Chancellor
- Board Policy 5.14 Procurement and Contracts

**Scheduled Presenter(s):**

Thomas Renier, Chair

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

<b>INFORMATION ITEM</b>
<b>PROPOSED AMENDMENT TO BOARD POLICIES</b>

**BACKGROUND**

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 reviewed. In addition, one policy in Chapter 5, Administration, was reviewed.

- Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration (First Reading)
- Board Policy 1A.3 System Administration, Chancellor (First Reading)
- Board Policy 5.14 Procurement and Contracts (First Reading)

Amendments to strengthen board oversight and clarify structures are recommended in these policies. This report summarizes the proposed changes; full copies of the policies are attached for the board's consideration (first reading).

**Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration**

Proposed revisions include:

- Updated language in the board's vision and mission statements to reflect the board's adoption of the strategic framework.
- Clarification that the system procedures will be made available electronically to the college, universities, and general public in the same manner as board policies.
- Language requiring that the board be given notice when a policy or procedure has been published.
- A change that eliminates the need to print paper copies of policy and procedures.



**Board Policy 1A.3 System Administration, Chancellor**

Proposed revisions to Board Policy 1A.3 require that all chancellor contracts, changes in contracts and changes in remunerations be approved by the Board of Trustees. Other revisions include the establishment of a Chancellor Performance Review committee that shall consult with other members of the board and may seek advice and input by engaging a professional, trained and experienced in executive performance evaluation. This proposed change replaces an ad hoc committee that tasked the executive director of internal auditing to gather data for the evaluation. The proposed revision brings the policy in line with the same language in the chancellor's employment contract.

Proposed amendments specifically include:

- The chancellor shall be evaluated by the board annually based on goals and objectives approved by the Chancellor Performance Review Committee.
- The chair of the board shall annually appoint a Chancellor Performance Review Committee comprised of four members of the board including the board chair and the board vice chair.
- The Chancellor Performance Review Committee shall:
  1. Meet with the chancellor annually in October to establish mutually agreeable goals and objectives, methods for requesting information from other individuals, and timeline for the evaluation process;
  2. Review the chancellor's self-appraisal and meet with the chancellor at least annually to discuss the chancellor's performance, identify opportunities for improvement, and priorities for the subsequent year;
  3. Provide the chancellor a written evaluation of the chancellor's performance;
  4. Upon completion of the review, meet with the board and the chancellor to report on the results of the chancellor's performance evaluation;
  5. Recommend to the board action on merit salary increase or other terms of employment, as appropriate.
- The Chancellor Performance Review Committee shall consult with other members of the board and may seek advice and input by engaging a professional, trained and experienced in executive performance evaluation.
- All meetings of the Chancellor Performance Review Committee are non-public, personnel meetings; however, the Chancellor Performance Review Committee will issue a public report summarizing the annual evaluation.

### **Board Policy 5.14 Procurement and Contracts**

In August, 2014, the chancellor appointed a group to examine Board Policy 5.14, Procurement and Contracts. The group included Presidents Phil Davis and Richard Hanson (Leadership Council Finance Liaisons) and Vice Chancellor King. Trustees Vekich and Erlandson consulted with the group.

The chancellor asked the group to consider the following questions:

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.

The current assurance framework in board policy and system procedure is as follows:

- Board approval required
  - College and university and system office all funds operating and general obligation and revenue fund capital budgets
  - Selection of the system pension plan administrator and investment advisor
  - Capital program and delegation to chancellor authority to implement approved programs
  - All professional/technical/procurement and interagency contracts over \$3,000,000, excluding construction program related contracts
  - Real estate transactions valued greater than \$1,000,000 or one percent of the college or university annual operating budget
  - All sales of real property valued at or greater than \$250,000
  - All bond sales and approval of underlying projects
- The delegation architecture between the board and the chancellor
  - Chancellor/designee required
    - All contracts above \$100,000
    - All real estate transactions not requiring board approval
  - Presidents approve below \$100,000 unless otherwise delegated

A review of board policies and practices for eight other higher education systems showed that delegation structures vary widely and are highly dependent upon the legal and operational relationship with a state government. There is variability both between the board and the chancellor and between the chancellor and presidents.

The group concluded that:

1. Current \$3,000,000 board approval level for professional technical and other service contracts and procurements is higher than typically found;
2. Additional periodic board reporting would improve oversight and awareness

The group also recommended that no changes be made to the construction contract program.

Based on its review, the group proposes the following amendments in the policy:

- Decrease threshold for board approval of all contracts and procurements from \$3,000,000 to \$1,000,000. Note that this would not apply to contracts associated with projects otherwise approved by the board in the capital program per Board Policy 6.5.
- Leave in place the \$3,000,000 threshold for interagency agreements with other governmental units like MMB, DEED, University of Minnesota, etc.
- Add a biannual reporting requirement for all contracts subject to this policy and over \$1,000,000. This report would likewise exclude the construction related contracts since those are reported in the biannual capital Improvement report.

The effect of this change will be an increase in the number of Finance and Facilities Committee agenda items. Had it been in place the past few years, there would have been 7-11 additional items.

**RECOMMENDED BOARD MOTION:**

The Board of Trustees approves the amendments to

Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration;

Board Policy 1A.3 System Administration, Chancellor; and

Board Policy 5.14 Procurement and Contracts.

*Date presented to Board of Trustees: October 22, 2014*

BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES

<b>BOARD POLICY – PROPOSED AMENDMENT</b>
Chapter 1. System Organization and Administration
Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration

1 1A.1 Minnesota State Colleges and Universities Organization and Administration

2  
3 **Part 1. Name of Organization.** The name of the organization is the Board of Trustees of the  
4 Minnesota State Colleges and Universities, ~~hereinafter referred to as “the Board.”~~;

5  
6 **Part 2. Vision and Mission Statements.** The following ~~Vision-vision~~ and ~~Mission-mission~~  
7 statements have been adopted by the Board of Trustees.

8  
9 **Subpart A. Vision Statement.** ~~The Minnesota State Colleges and Universities will enable the~~  
10 ~~people of Minnesota to succeed by providing the most accessible, highest value education in~~  
11 ~~the nation. It is the core value of the Minnesota State Colleges and Universities to provide an~~  
12 ~~opportunity for all Minnesotans to create a better future for themselves, for their families, and~~  
13 ~~for their communities.~~

14  
15 **Subpart B. Mission Statement.** The ~~core commitments of~~ Minnesota State Colleges and  
16 Universities ~~system of distinct and collaborative institutions offers higher education that meets~~  
17 ~~the personal and career goals of a wide range of individual learners, enhances the quality of life~~  
18 ~~for all Minnesotans and sustains vibrant economies throughout the state. are to ensure access to~~  
19 ~~an extraordinary education for all Minnesotans, be the partner of choice to meet Minnesota’s~~  
20 ~~workforce and community needs, and deliver to students, employers, communities and~~  
21 ~~taxpayers the highest value/most affordable higher education option.~~

22  
23 **Subpart C: College and Universities related missions.** Each state college and university has a  
24 distinct mission that is consistent with and supportive of the overall mission of Minnesota State  
25 Colleges and Universities.

26  
27 Minnesota State Colleges and Universities provides high quality programs comprising:

- 28
- 29 1. Technical education programs delivered principally by technical colleges, which
- 30 prepare students for skilled occupations that do not require a baccalaureate degree;
- 31
- 32 2. Pre-baccalaureate programs, delivered principally by community colleges, which offer
- 33 lower division instruction in academic programs, occupational programs in which all
- 34 credits earned will be accepted for transfer to a baccalaureate degree in the same field of
- 35 study, and remedial studies;

- 36  
37 3. Baccalaureate programs delivered by state universities, which offer undergraduate  
38 instruction and degrees; and  
39  
40 4. Graduate programs, delivered by state universities, including instruction through the  
41 master’s degree, specialist certificates and degrees, and applied doctoral degrees.  
42

43 **Part 3. Definitions.** The following definitions have the meanings indicated for all Board  
44 policies unless the text clearly indicates otherwise.  
45

46 **Subpart A. Board.** “Board” means the Board of Trustees of the Minnesota State Colleges and  
47 Universities.  
48

49 **Subpart B. Consolidated colleges.** “Consolidated colleges” means community and technical  
50 colleges that under Board direction have formally reorganized into single comprehensive  
51 institutions.  
52

53 **Subpart C. Executive officers.** “Executive officers” means those persons appointed by the  
54 Board to manage Minnesota State Colleges and Universities or one of its institutions, and  
55 includes the chancellor, vice chancellors, and the presidents.  
56

57 **Subpart D. Board policy.** “Board policy” means a policy statement enacted by the Board to  
58 provide the governing authority and structure for Minnesota State Colleges and Universities  
59 and its constituents, in accordance with the system’s mission and philosophy. Board policies  
60 are to be concise statements of the Board on matters of governance it deems important to the  
61 system and its operation, consistent with governing law.  
62

63 **Subpart E. Campus policy or procedure.** “Campus policy or procedure” is a policy or  
64 procedure approved by the president to govern the operation of the college or university,  
65 consistent with Board policy and system procedure.  
66

67 **Subpart F. Policy change.** “Policy change” means adoption of a new Board policy, or  
68 amendment or repeal of an existing Board policy.  
69

70 **Subpart G. Procedure change.** “Procedure change” means adoption of a new system  
71 procedure, or amendment or repeal of an existing system procedure.  
72

73 **Subpart H. Statutes.** “Statute(s)” means the Minnesota Statutes.  
74

75 **Subpart I. State.** “State” means the State of Minnesota.  
76

77 **Subpart J. System.** “System” means Minnesota State Colleges and Universities, including the  
78 Board of Trustees, and its colleges, universities and system office.

79 **Subpart K. System guidelines.** “System guidelines” means guidelines approved by the  
80 chancellor, chancellor’s designee responsible for the area, or executive director of internal

81 auditing, giving explicit direction, instructions or guidance on internal forms, processes and  
82 other administrative or managerial matters, consistent with Board policy and system procedure.  
83

84 **Subpart L. System office.** “System office” means the central administrative and staff office  
85 under the direction and supervision of the chancellor.  
86

87 **Subpart M. System procedure.** “System procedure” means a procedure approved by the  
88 chancellor to implement Board policies. System procedures specify the manner in which  
89 policies, law, or managerial functions shall be implemented by the colleges, universities and  
90 system office.  
91

92 **Subpart N. Technical Change.** “Technical change” means a change that does not alter the  
93 meaning of a Board policy or system procedure, including correction of errors in spelling, case,  
94 or syntax, or format changes.  
95

96 **Part 4. Legal Basis.** The legal basis for the Board of Trustees and the Minnesota State Colleges  
97 and Universities is established under Minn~~esota~~ Stat~~utes~~ Ch. ~~136F~~.  
98

99 **Part 5. Rules of Procedures.** *Robert's Rules of Order*, in its most recent revised edition, shall  
100 be the rules of procedure for all meetings to the extent that they are not inconsistent with law,  
101 these operating policies, or any special rule of the Board.  
102

#### 103 **Part 6. Board Policies and System Procedures.**

104  
105 **Subpart A. General authority to enact policies.** The Board is authorized by Minn~~esota~~  
106 Stat~~utes~~ ~~section~~ §136F.06, Subdivisions 1 and 2 to adopt suitable policies for the institutions it  
107 governs. These policies are broad general directions developed by the Board to govern the  
108 colleges, ~~and~~ universities, ~~and~~ system office. These policies are not subject to the  
109 administrative requirements of state agencies including public hearing examiners and contested  
110 case procedures required by Minn~~esota~~ Stat~~utes~~ ~~eCh~~apter 14.  
111

112 **Subpart B. Proposed changes to policies or procedures.** The chancellor may convene  
113 working groups or seek consultation from any party to develop a proposed policy or procedure  
114 change.  
115

116 Before the adoption of any change in Board policy or system procedure, other than a technical  
117 change, the proposed change must be:  
118

- 119 1. Submitted to the chancellor’s cabinet and presidents for review and comment.
- 120 2. Published for comment through electronic posting or transmission to interested parties.
- 121 3. Discussed with bargaining groups in meet and confer when required under a collective  
122 bargaining agreement.

123 Any Board policy change proposed by the system’s executive officers must be approved by the  
124 Chancellor or Chancellor’s designee prior to submission to the Board for consideration.  
125

126 **Subpart C. Policy adoption.** Each proposed Board policy change shall be assigned to a  
127 committee by the ~~Chair~~chair, or to the Board meeting as a committee of the whole. The  
128 committee shall take the matter under consideration and make such recommendations to the  
129 Board as it deems appropriate. Except for technical changes, final Board action shall not occur  
130 earlier than the calendar month following the first committee reading. Technical changes may  
131 be approved by the Board on its consent agenda and may be approved in the same month as  
132 committee consideration of the proposed technical changes.  
133

134 **Subpart D. Suspension.** Any provision of these policies may be suspended in connection  
135 with the consideration of a matter before the Board by an affirmative vote of two-thirds of the  
136 Board.  
137

138 **Subpart E. System procedures.** The chancellor is authorized to approve system procedures  
139 when necessary to provide additional administrative instructions to Board policy or to other  
140 administrative actions. These procedures shall be made available electronically distributed to  
141 the colleges, universities and the general public in the same manner as Board policies.  
142

143 **Subpart F. System guidelines.** The chancellor, vice chancellors, and executive director of  
144 internal audit are authorized to issue system guidelines consistent with Board policy and system  
145 procedure.  
146

147 **Subpart G. Campus policies and procedures.** Campus policies and procedures may be  
148 adopted by the president of a college or university consistent with Board policy and system  
149 procedure.  
150

151 **Subpart H. Periodic review.** The chancellor shall establish procedures to ensure that each  
152 Board policy and system procedure is reviewed at least once every five years. The policy or  
153 procedure shall be reviewed to determine whether it is needed, that it is current and complete,  
154 not duplicative of other policies, does not contain unnecessary reporting requirements or  
155 approval processes, and is consistent with style and format requirements. The chancellor shall  
156 periodically report to the ~~Board~~board on the review of policies and may make  
157 recommendations for amendment or repeal if appropriate.  
158

159 **Subpart I. Form and effect.**  
160

161 **Publication.** Board policies and system procedures shall be maintained by the chancellor in  
162 hard copy format and on the system website, ~~and shall be made available to the public~~  
163 ~~upon request. Copies of policy and procedure changes shall be provided to each trustee in~~  
164 ~~the Board materials for the next regularly scheduled Board meeting.~~ Changes in Board  
165 policies and system procedures shall be entered on the system website as soon as  
166 practicable, but not later than five business days following ~~Board~~board adoption of  
167 policy changes or chancellor approval of procedures. The board shall be notified when  
168 the policy or procedure has been published.

169 **2.Format.** Board policies and system procedures must be written in accordance with style  
170 and format standards established by the chancellor, and must include historical notations



171 on changes made.  
172 **3. Effect.** In the event of a conflict between Board policy and any system procedure,  
173 campus policy or procedure, or system guideline, Board policy shall govern.  
174 In the event of a conflict between system procedure and any campus policy or procedure,  
175 system procedure shall govern.  
176 **4. Severability.** Unless otherwise provided, the provisions of all Board policies and  
177 system procedures shall be severable.  
178

179 **Part 7. Legislative or Administrative Proposals.**

180 Interaction with the legislature and other state or federal agencies.  
181

182 **1. System legislative or administrative positions or proposals.** The Board must have  
183 approved system proposals brought before Federal and state legislatures or executive  
184 branches on behalf of the Board, the system or its institutions. Once Board approval has  
185 been granted, all institutions are expected to actively support Board approved requests and  
186 to respect the priority of the Board. The Board shall have a method for timely response to  
187 proposals or positions not originated by the Board, but which may affect the operation of the  
188 system.  
189

190 **2. Administrative or legislative appearances on Minnesota State Colleges and**  
191 **Universities concerns.** Employees asked to provide expert testimony before Federal and  
192 state legislatures or executive branches on legislative issues shall make every effort to  
193 quickly accommodate requests, and shall notify the system Government Relations Office of  
194 requests so that the **Board-board** will be aware of appearances and so the Office may provide  
195 logistical support, background assessments and other assistance as needed. Employees  
196 covered by the **MnSCU Personnel Plan for Minnesota State Colleges and Universities**  
197 Administrators, who are responsible for providing expert testimony on legislative or State  
198 agency issues, and take positions contrary to the **Boardboard**, must disclose at the outset that  
199 their testimony is contrary to the **Board's-board's** position.  
200

201 *Date of Implementation: 08/12/92*

202 *Date of Adoption: 08/12/92*

203 *Date and Subject of Revision:*

204 *11/16/11– Effective 1/1/12, the Board of Trustees amends all board policies to change the*  
205 *term “Office of the Chancellor” to “system office,” and to make necessary related*  
206 *grammatical changes.*

207 *06/21/06 –Part 2, Subpart A and B were amended to include the revised vision and mission*  
208 *statements which were approved in January as part of the 2006-2010 system strategic*  
209 *plan, Designing the Future. Part 6, Subpart C was amended to support the Board of*  
210 *Trustees recently approved meeting schedule.*

211 *3/22/06 – Amended Part 2, Subpart B to support the system’s new authority to offer applied*  
212 *doctoral degrees. Amended Part 6, Subpart H to adjust the review period for polices*  
213 *from three to five years.*

214 *5/21/03 – Amended Part 3 – Subpart C to include vice chancellors, Subpart D – in*  
215 *accordance with mission and philosophy, Added Subparts E and F, New Subpart I to*

216 *include Board of Trustees and system, Added Subpart J and M. Amended Part 6 – Added*  
217 *new Subpart B, New Subpart C added note on technical changes, Added Subpart F, G, H,*  
218 *and I. Amended Part 7 – Changed title from Code of Conduct and Ethics, Deleted*  
219 *Subpart A Code of Conduct and Subpart B Ethics, Changed Subpart C to Subpart A.*  
220 *01/17/01 - Amended Part 2 - updates the Mission and Vision Statements to match what the*  
221 *Board approved by action item on May 17, 2000.*  
222 *12/16/98 - Amended the entire policy (some of the deleted information below was moved to*  
223 *other polices). Changed the name from Governing Board Operating Procedures; Added*  
224 *Part 2, Vision and Mission Statements; Added Definitions Subpart B-I to Part 3; Deleted*  
225 *Membership information; Added Part 4 Legal Base, Deleted Powers and Duties*  
226 *information; Added Part 5, Rules and Procedures; Deleted Officers of the Board; Added*  
227 *Part 6, Board Policies and System Procedures; Deleted Standing Committees of the*  
228 *Board; Added Part 7, Code of Conduct and Ethics; Deleted Meetings of the Board;*  
229 *Deleted Parts 8-10.*  
230 *9/18/98 - Amended Parts 5 and 6, reducing the number of standing committees from 7 to 5*  
231 *and to reduce the number of joint meetings of standing committees.*  
232 *6/18/97 - Amended Part 5, Subp C appoints members as ex-officio members to all*  
233 *committees*  
234 *4/23/97 - Amended Part 6, Subp F & G requiring consultation with the board chair to*  
235 *schedule meetings*  
236 *5/15/96 - General Revision and Per Diem Expense Amendment*  
237 *11/15/95 - Amended Part 5 title, and Subparts F, G, H, I, J and added Subpart K (Audit*  
238 *Committee) and Subpart L (Board Operations Committee)*  
239 *6/20/95 - Added Subpart B to Part 7 (Delegation of Authority)*  
240 *5/16/95 - Amended Part 5, Subparts B, C; Part 6, Subparts B, D*  
241 *4/24/95 - Restructured policy manual changed from articles to parts*  
242 *1/18/95 - Amended Article IV, Section E*  
243 *11/15/94 - Added Article V, Section L*  
244 *10/18/94 - Amended Article IV, Sections C, D, E*  
245 *9/20/94 - Amended Articles II and III*  
246 *6/21/94 - Amended Article V, Section A (Board policy superseded by Minnesota Open*  
247 *Meeting Law)*  
248 *1/18/94 - Amended Article IV, Sections G, H, I, J*  
249 *11/16/93 - Added Article IV, Sections H, I, J*  
250 *10/19/93 - Added Article IV, Section G*  
251 *10/19/93 - Amended Article IV, Section F*  
252 *7/20/93 - Added Article IV, Section F*

**BOARD OF TRUSTEES**

**MINNESOTA STATE COLLEGES AND UNIVERSITIES**

<b>BOARD POLICY – PROPOSED AMENDMENT</b>
Chapter 1. System Organization and Administration
Policy 1A.3 System Administration, Chancellor

1 **1A.3 System Administration, Chancellor**

2 **Part 1. Appointment of Chancellor.**

3 **Subpart A. Appointment, Compensation and Expenses.** The Board shall appoint the  
4 chancellor, set the conditions of employment, establish levels of compensation, and provide for  
5 an expense allowance for the chancellor. Consistent with the MnSCU Personnel Plan for  
6 Administrators (Section 1.03, subd. 1).

7 **Subpart B. Interim Appointment.** An individual holding an interim appointment as chancellor  
8 shall not be eligible for appointment to the position in which she/he is serving as an interim  
9 appointee.

10 **Part 2. Chancellor's Duties and Responsibilities.** The chancellor shall be the chief executive  
11 officer of the Minnesota State Colleges and Universities system and shall have full executive  
12 responsibility for higher education leadership and effective management and operation of the  
13 system according to Board policies and state and federal laws. The chancellor's duties and  
14 responsibilities shall include but not be limited to implementing Board policy; providing for  
15 educational leadership; recommending operating and capital budgets; recommending allocation  
16 of resources; planning; oversight of collective bargaining; providing information systems;  
17 management of personnel resources; annual evaluation of the presidents; and establishment of  
18 committees, including a presidents' advisory council.

19 **Part 3. Evaluation.** The chancellor shall be evaluated by the Board annually based on goals and  
20 objectives approved by the Chancellor Performance Review Committee. Board. The Chair shall  
21 appoint an ad hoc assessment committee to prepare evaluation materials for the Board's  
22 evaluation. The executive director of Internal Auditing shall assist the committee in obtaining  
23 data when requested, including conducting and compiling assessment surveys. The chair of the  
24 Board shall annually appoint a Chancellor Performance Review Committee comprised of four  
25 members of the Board including the Board Chair and the Board Vice Chair. The Chancellor  
26 Performance Review Committee shall:

- 27 1. Meet with the chancellor annually in October to codify mutually agreeable goals and
- 28 objectives, method for requesting information from other individuals, and timeline for
- 29 the evaluation process;
- 30 2. Review the chancellor's self-appraisal and meet with the chancellor at least annually to
- 31 discuss his performance, identify opportunities for improvement, and priorities for the
- 32 subsequent year;
- 33 3. Provide the chancellor a written evaluation of ~~his performance~~ the chancellor's

34 performance:

35 4. Upon completion of the review, meet with the Board and the chancellor to report on  
36 the results of the chancellor's performance evaluation;

37 5. Recommend to the Board action on merit salary increase or other terms of  
38 employment, as appropriate.

39  
40 4.—The Chancellor Performance Review Committee shall consult with other members of  
41 the Board and may seek advice and input by engaging a professional, trained and  
42 experienced in executive performance evaluation. All meetings of the Chancellor  
43 Performance Review Committee are non-public, personnel meetings; however, the  
44 Chancellor Performance Review Committee will issue a public report summarizing the  
45 annual evaluation.

46 **Part 4. Delegation.** The chancellor is delegated full authority and responsibility consistent with  
47 the duties of chief executive officer to take actions required for the system to function  
48 appropriately in accordance with board policy, system procedures, guidelines, and applicable  
49 federal and state law, including but not limited to:

- 50 1. Following any board action required by board policy, signing and execution of all legal  
51 and financial documents on behalf of the board, including contracts, agreements,  
52 instruments relating to real and personal property transactions, and other legal papers;  
53 2. Delegating parts of the chancellor's authority to employees under the chancellor's direct  
54 supervision; and  
55 3. Appointment of personnel, development and enforcement of personnel programs,  
56 discipline and termination, and signing collective bargaining agreements following board  
57 approval.

58 This delegation is conditioned upon ongoing compliance with applicable statutes and law, board  
59 policies, system procedures, guidelines, and other applicable state and federal regulations and  
60 policies. The delegation expires upon termination of the chancellor's employment or as otherwise  
61 determined by the board.

62 Date of Adoption: 5/17/94,  
63 Date of Implementation: 5/17/94,

64 Date & Subject of Revisions:

65 01/17/07 - Adds Part 4, Delegation. Automatically delegates to the Chancellor, as chief executive  
66 officer of Minnesota State Colleges and Universities, full authority to take actions required for  
67 the system to function properly.

68 9/17/03 - Amended the policy to reflect the following: 1. The chair of the board appoints the  
69 members of the ad hoc assessment committee; and 2. the executive director of the Office of  
70 Internal Auditing will compile the assessment surveys.

- 71 12/16/98 - Amendment to delete Part 1; Added new Part 1 language; Delete Part 2, Subpart A;  
72 Added new Part 2 language.
- 73 11/18/98 - Amendment made to move actions pertaining to "presidents" into new policy 4.2
- 74

BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES

*First Reading*

<b>BOARD POLICY – PROPOSED AMENDMENT</b>
Chapter 5. Administration
Policy 5.14 <del>Procurements and Contracts</del> <u>Contracts and Procurements</u>

1 | **Policy 5.14 ~~Procurements and Contracts~~ Contracts and Procurements**

2  
3 | **Part 1. Authority.**

4 Pursuant to ~~Minn.esota Stat.utes Ch. § 136F.581~~, the Board of Trustees has authority  
5 | for contracts and purchases ~~and contracts~~ consistent with Minn.esota Stat.utes Ch. § 471.345,  
6 the Uniform Municipal Contracting Law, and other pertinent statutes, as well as the authority to  
7 utilize any contracting options available to the commissioner of administration  
8 under Minn.esota Stat.utes Chapters 16A, 16B and 16C. ~~It is the policy of the Board of Trustees~~  
9 ~~that contracts, including real property leases, shall not exceed five years, including renewals,~~  
10 ~~unless otherwise provided for by law or approved by the chancellor or the chancellor's designee.~~

11 | **Part 2. Responsibilities.**

12 The state colleges, universities, and system office are responsible for procurement of necessary  
13 goods and services and the implementation of contracts that maximize the use of financial  
14 resources.

15 | The system-wide procedures for procurement and contracts shall be consistent  
16 with ~~Minn.esota Stat.utes Ch. § 471.345~~, the Uniform Municipal Contracting Law, as  
17 applicable, and in compliance with other pertinent state and federal laws. The procedures shall  
18 provide detailed instructions for campus and system implementation.

19 Policies and procedures relating to facilities design and construction contracts are addressed in  
20 Board Policy 6.5, Capital Program Planning.

21 | **Part 3. Accountability/Reporting.**

22 Subpart A. Compliance. College and university presidents will be held accountable by the  
23 | chancellor for complying with state and federal laws, Board policy, and system-wide procedures  
24 for all purchases and contracts.

25 ~~Contracts, including amendments, with values greater than \$3,000,000 must be approved in~~  
26 ~~advance by the Board of Trustees. Contracts include inter agency and intra agency agreements,~~  
27 ~~joint powers agreements that do not create a joint powers board, Minnesota Department of~~  
28 ~~Administration master contracts, Office of Enterprise Technology master contracts or Minnesota~~  
29 ~~State Colleges and Universities master contracts with values greater than \$3,000,000.~~

30 | ~~Subpart B. — Five year limit. Contracts, including real property leases, shall not exceed five~~  
31 ~~years, including renewals, unless otherwise provided for by law or approved by the chancellor or~~  
32 ~~the chancellor's designee.~~

33 Subpart ~~CB~~. Contract form approval. Any contract or other legally binding agreement,  
34 including grant agreements, or memorandums of understanding/agreement that create legally  
35 binding obligations and responsibilities, that does not adhere to system approved contract  
36 templates must be approved in advance by the office of general counsel or attorney general's  
37 office.

38 Subpart ~~DC~~. Board approval required.

- 39
- 40 1. Any procurement, lease agreement, or professional/technical/consulting service  
41 contract with a value in excess of \$1,000,000 or contract amendment that would  
42 increase the total value of ~~the a~~ contract to more than \$1,000,000 must be approved in  
43 advance by the Board.
- 44 2. The following contracts and agreements must be approved in advance by the Board if  
45 the total value of the initial contract/agreement and/or subsequent amendments  
46 exceeds \$3,000,000:
  - 47
  - 48 a. Inter-agency agreements;
  - 49 b. Joint powers agreements;
  - 50 c. System master contracts if the total purchases made for goods or services  
51 under the master contract are expected to exceed \$3,000,000; individual  
52 purchase orders made under a system master contract approved by the Board  
53 are not subject to separate Board approval;
  - 54 d. Grant agreements other than federal grants or grants from Minnesota state  
55 agencies.
- 56
- 57 3. Joint powers agreements that create a joint powers board, regardless of the dollar  
58 value, must be approved in advance by the Board.
- 59

60 Subpart ~~BD~~. Five year limit. ~~Contracts, including real property leases, shall not exceed five~~  
61 years, including renewals, unless a longer period is otherwise provided for by law, or approved  
62 by the board for contracts subject to approval under Subpart C, or by the chancellor or the  
63 chancellor's designee.

64

65 Subpart E. Exemptions. The following contracts are not subject to the approval process under  
66 Subpart ~~DC~~:

- 67 1. Construction contracts subject to Policy 6.5, Capital Program Planning, and  
68 applicable system procedures.
- 69 2. Purchase orders made under a master contract of the Minnesota Department of  
70 Administration or MnIT.
- 71 3. Federal grants and grants from Minnesota state agencies.

72 Subpart F. Reports. ~~A~~Semiannual reports on all contracts with values greater than \$1,000,000,  
73 except those listed in Subpart E, 400,000 ~~w~~shall be provided to the Board's finance and  
74 facilities committee and be available on the system's Web site. ~~Other formats are available upon~~  
75 request.