



**BOARD OF TRUSTEES MEETING AGENDA
WEDNESDAY, JANUARY 28, 2015, 1:45 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

- **Minutes of the Board of Trustees Meeting on November 19, 2014
(pp. 1-10)**

**Minnesota State Colleges and Universities
Board of Trustees Meeting Minutes
November 19, 2014**

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

Absent: Trustees Philip Krinkie, Michael Vekich, and Erma Vizenor

1. Call to Order

Chair Renier called the meeting to order at 1:07 PM and announced that a quorum was present.

2. Chair's Report

A. Approval of Minutes

- (1) **Board of Trustees Study Session on Positioning Assessment and Brand Strategy Update on June 17, 2014**
- (2) **Board of Trustees Study Session on Charting the Course for Diversity on June 18, 2014**
- (3) **Notes of Board of Trustees Retreat on September 16-17, 2014**
- (4) **Board of Trustees Study Session on System Finances of October 21, 2014**
- (5) **Board of Trustees Meeting on October 22, 2014**

The above-referenced minutes were approved as written.

B. Other

Chair Renier made the following statement:

Minnesota's future economic and social wellbeing is dependent upon the ability of the Minnesota State Colleges and Universities to prepare our students to be successful in a rapidly changing world. Two years ago, MnSCU, Minnesota's largest higher education provider, began a planning process, *Charting the Future*, aimed at improving the outcomes for its students and its value for the people of Minnesota. As we, and many others, have repeatedly said, this is imperative and it would be irresponsible of us, as a governing board, not to move forward.

The Board of Trustees supports implementation of *Charting the Future* because our students deserve the highest quality and most affordable education. Working in partnership with students, faculty, staff, and community stakeholders, the board commits to work actively to build trust and cooperation to move *Charting the Future* forward.

In this spirit, we affirm our support of Chancellor Steven Rosenstone and welcome the Inter Faculty Organization and the Minnesota State College

Faculty leadership to participate in mediation with MnSCU to solve our differences through the services of the State. We have reviewed the many expressions of support and of criticism and look forward to addressing those frustrations through a mediated collaboration.

As board chair, I am going to work with all concerned parties to facilitate collaborative problem solving to improve the *Charting the Future* process. The goal is participating in third-party mediation with involved parties, including the student associations, the Inter Faculty Organization, the Minnesota State College Faculty Union, other bargaining units, and Chancellor Rosenstone. The trustees of the Minnesota State Colleges and Universities reaffirm our commitment to *Charting the Future*.

Chair Renier called on Chancellor Rosenstone.

3. Chancellor's Report: Steven Rosenstone

Chancellor Rosenstone made the following statement:

I came to this job with a commitment to strengthen our colleges and universities and strengthen them in ways that would better serve our students and communities across Minnesota. Soon after, I shared with the trustees – with great candor – the reality we face.

- We cannot pretend that the challenges facing higher education will go away;
- We cannot ignore how our students and the needs of our students have changed – and, quite frankly, that we are falling short in meeting their needs;
- We cannot dismiss the power of new technologies to improve how students can learn and how we can work together;
- We cannot delude ourselves into thinking that financial models built 15 years ago are still working today; and
- We cannot be afraid to think in new ways – ways that will enable us to better meet our responsibilities to our students, to communities across the state, and to the people of Minnesota.

Doing nothing in the face of these challenges is not an option. Business as usual is not an option. The good news is that we are not embracing business as usual. Although, given the events of the last month, business as usual would be far more comfortable.

The bad news is that change is uncomfortable. It sometimes gets messy, and it can certainly be scary. I think we all understand that. Change on this scale is even harder. And in the context of higher education, change seldom goes smoothly.

Some have suggested that we can stop and reboot, go back to where we were a year or two ago, and start over. I don't think we have the luxury of putting off solutions for a couple more years. The risks to our colleges and universities, to our students, faculty and staff, and to the communities and partners we serve across the state are plainly abundant and the risks are absolutely huge.

I have said publicly, many times – once, in fact, in an email to several thousand students, faculty, and staff – that I could have handled some things better. With hindsight, there are certainly things I would have done differently. But this process has produced two years of excellent work – work by students, faculty, and staff working together.

So we are moving forward in the same spirit of inclusion that has characterized *Charting the Future* from the very beginning. The intention has always been to engage and empower people to lead. At every step, students, faculty, staff, and our campuses have been doing the charting. Everyone has had a seat at the table.

Although two of our six unions have chosen to leave the table for now, their seats have not been filled. It is my sincere hope that we will be able to come together through mediation and find a way for them to rejoin the implementation teams. I welcome the help of the board chair in jumpstarting that mediation.

In the meantime, we will continue to seek the counsel, recommendations, and advice of our faculty through e-mail, through online methods, through the Gallery Walks, and through state and campus-level meet and confers.

Campus-led teams have begun to identify the initial implementation strategies needed to address our challenges. Whatever the specifics that emerge from the implementation teams, they will be the teams' best thinking about the steps that will lead to success. This will continue to be their implementation plan, not anyone else's.

We're already learning about ideas from the teams. More than 4,000 students, faculty, staff, and community members have participated in Gallery Walks across the state to consider the initial ideas of four of the eight implementation teams. The teams are proud of their work and they are excited to get feedback from their peers because they know that their good ideas will only get better. It's unfortunate that their hard work has been the focus of negative attention. The process isn't inflexible. We have made dozens of changes along the way. Most recently, five of the teams added student co-conveners and those five students now sit on the steering committee. Sixteen additional students were elected and added to the implementation teams.

The initial ideas address issues close to our students' hearts – things like the smoother transfer of credits, affordability, and success for all of our students – black and white, rich and poor, first generation and Native American. Now more than ever, we absolutely must address our challenges.

I am committed to ensuring the survival of our colleges and universities. I am committed to strengthening them in ways that better serve our students. And I am committed to *Charting the Future* and its potential to help us reap the benefits of being part of a larger team.

I've been asked if I'm taking all of this personally. In all honesty, it's hard not to. It's hard for my family, hard for our presidents and cabinet, and hard for the many, many people across the state who have dedicated themselves to work together in new ways.

I come to work each day because I feel a tremendous responsibility to ensure that all Minnesotans have an opportunity to create a better future for themselves, for their families, and for their communities. It is one of my core values. It's a value I share with this board and with our faculty and staff.

When I took this job, it was the first time in more than 40 years that I woke up and did not go to work on a college or university campus. Rather than put my time and energy into students on one campus, I committed myself to serving students and communities across Minnesota. That is still my fervent commitment.

I'd like to conclude my remarks with a few well-deserved thanks. Thank you to my family, whose profound generosity continues to enable me to do this work. Thank you to the members of the board for your support. You know this work needs to be done and you have my commitment to continue to work with you, our students, and our faculty and staff to get it done.

Thank you to the presidents of our colleges and universities, for your support and always putting our students first. Thank you to the students, faculty, and staff who have worked together for two years and continue to care so passionately about the future of our colleges and universities and our ability to serve Minnesota. Thank you to my cabinet for helping me navigate the choppy waters.

Thank you to the implementation teams, the steering committee, and the organizational capability team – people from campuses across our state – for doing the heavy lifting, every day. And, thank you to the many students, faculty, staff, and Minnesotans from all walks of life who have personally reached out to me to express their support. Every day, I am mindful of the commitment I have made to you and the commitment we have made to our students and the people of Minnesota. I will honor that commitment.

Chair Renier thanked Chancellor Rosenstone for his comments.

4. Consent Agenda

- (1) **2015 Revenue Fund Bond Sale**
- (2) **Metropolitan State University Construction Update**
- (3) **Janitorial Supplies Contract Approval for Contract Exceeding \$3 Million**
- (4) **Approval for Northland Community College Lease at Thief River Falls Airport**
- (5) **Approval for Lake Superior College Lease at Duluth Airport**
- (6) **Review and Approve the Release of the Audited Financial Statements**

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

5. Board Policy Decisions

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

Chair Renier called the question on the following motion:

Minnesota's future depends upon a broad-based, highly-trained, highly-skilled workforce. To support increased educational and economic opportunities for all Minnesotans, the Board of Trustees of the Minnesota State Colleges and Universities is committed to protecting affordability and the access it provides to our academic programs and student success; providing the talented faculty and staff who deliver an extraordinary education to our students and prepare them for work and careers; and protecting the programs on our campuses that are vital to serving our students and communities across Minnesota and vital to the economic growth of our state.

The FY2016-FY2017 legislative request strengthens the state's commitment to access and affordability. The Board of Trustees approves the 2016-2017 biennial budget request in the amount of \$669,143,000 in FY2016 and \$717,143,000 in FY2017 for a total of \$1,386,286,000. The Board strongly urges the state of Minnesota to support the Minnesota State Colleges and Universities biennial budget request. The Board of Trustees has been entrusted in state statute with the authority to govern and operate Minnesota State Colleges and Universities. The Board, after full consultation with MnSCU constituencies, will make final budget decisions, including the matter of tuition, at the conclusion of the legislative session. If the legislative request is fully funded the board intends to hold resident tuition rates at current levels.

The motion carried with one nay.

- (2) **Proposed Amendments to Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration (Second Reading)**
- (3) **Proposed Amendments to Policy 1A.3 System Administration, Chancellor (Second Reading)**
- (4) **Proposed Amendments to Policy 5.14 Procurement and Contracts (Second Reading)**

Trustee Margaret Anderson Kelliher moved that the Board of Trustees approve the amendments to Board Policies: 1A.1 Minnesota State Colleges and Universities Organization and Administration; 1A.3 System Administration, Chancellor; and 5.14 Procurement and Contracts.

The motion carried.

(5) Proposed Policy 5.25 Use of Electronic Signatures (Second Reading)

Chair Renier called the question on the following motion that had been approved by the Finance and Facilities committee.

The Board of Trustees approve Board Policy 5.25 Use of Electronic Signatures, effective March 1, 2015.

The motion carried.

6. Board Standing Committee Reports

a. Finance and Facilities Committee, Michael Vekich, Chair

(1) Proposed Amendment to Policy 7.3 Financial Administration (First Reading)

In the absence of Committee Chair Vekich, Committee Vice Chair Cowles reported that the committee heard a first reading on the proposed amendment to Policy 7.3 Financial Administration. This will be presented for a second reading and approval at the January meeting.

(2) Proposed Amendment to Policy 7.5 Financial Institutions and Investments (First Reading)

Committee Vice Chair Cowles reported that the committee heard a first reading on the proposed amendment to Policy 7.5 Financial Institutions and Investments. This will be presented for a second reading and approval at the January meeting.

b. Human Resources Committee, Closed Session, Alex Cirillo, Chair

Pursuant to Minn. Stat. § 13D.03, subd. 1 (2014) (Minnesota Open Meeting Law)

- Discuss Labor Negotiations Strategy with the Inter Faculty Organization and the Minnesota State College Faculty

Committee Chair Cirillo reported that the committee met in a closed session on November 18, 2014, to discuss the strategy for labor negotiations regarding the Inter Faculty Organization and the Minnesota State College Faculty.

c. Audit Committee, Philip Krinkie, Chair

In the absence of Committee Chair Krinkie, Committee Vice Chair Benson reported on the Audit Committee meeting.

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

(1) Student Demographics

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

(2) Meeting the Baccalaureate Needs of the Twin Cities Metro Area
Committee Chair Anderson Kelliher reported that the committee heard a presentation on meeting the baccalaureate needs of the Twin Cities metro area.

(3) Profile: Minneapolis Community and Technical College
Committee Chair Anderson Kelliher welcomed Avelino Mills-Novoa, president of Minneapolis Community and Technical College and David Hough, Hennepin County Administrator.

MCTC has implemented *Attacking the Workforce Gap*, an initiative in Northside Minneapolis to close the employment gap by reducing the North Minneapolis African American unemployment rate currently at 28.9 percent to match the city's Caucasian unemployment rate currently at 6.3 percent.

Committee Chair Anderson Kelliher stated that if 1,952 African Americans in Northside Minneapolis were to become employed, the gap would close for good. MCTC has 1,958 Northside students currently enrolled. MCTC can make a big difference if they are able to help students find a career path.

Committee Chair Anderson Kelliher concluded and thanked President Mills-Novoa and Hennepin County Administrator Hough.

e. Diversity and Equity Committee, Ann Anaya, Chair

(1) Proposed Amendments to Policy 1B.1 Equal Opportunity and Nondiscrimination in Employment and Education (First Reading)

Committee Chair Anaya reported that the committee heard a first reading on the proposed amendments to Policy 1B.1 Equal Opportunity and Nondiscrimination in Employment and Education. This will be presented for a second reading and approval at the January meeting.

(2) Recruitment of Diverse Students

Committee Chair Anaya reported that the committee heard a report on the recruitment of diverse students.

8. Trustee Reports

Trustee Anderson Kelliher attended the 100th anniversary celebration of Minneapolis Community and Technical College.

Trustee Erlandson attended the Association of Community College Trustees Leadership Congress. Trustee Cowles attended the Gallery Walk at Metropolitan State University.

Trustee Charpentier-Berg attended the Gallery Walk exhibit at Anoka Ramsey Community College. Trustee Benson attended the Gallery Walk at Minnesota State College - Southeast Technical in Red Wing. Trustee Hoffman attended the Gallery Walks at Minnesota State University, Mankato, St. Cloud State University, and South Central College.

9. Joint Council of Student Associations

a. Minnesota State University Student Association

Kari Cooper, state chair, made the following statement:

At the Minnesota State University Student Association conference last weekend, the delegates from St. Cloud State University and Minnesota State University, Mankato made some very serious conduct allegations against multiple students including MSUSA board members. At the end of the assembly, the delegates from St. Cloud State University and MSU, Mankato made a motion to withdraw from MSUSA which did not pass. However, the St. Cloud and Mankato student delegates left the table. The MSUSA Board of Directors did not meet in light of those serious conduct allegations and we have hired an attorney to assist with a full and thorough investigation. If a determination of misconduct is made appropriate sanctions will be imposed. We hope to resolve these internal issues as quickly as possible.

b. Minnesota State College Student Association

Kayley Schoonmaker, president, addressed the Board of Trustees.

10. Minnesota State Colleges and Universities - Bargaining Units

a. Minnesota State University Association of Administrative and Service Faculty

Adam Klepatar, president, addressed the Board of Trustees.

11. Other Business

Lindsey Gunnerson, president, St. Cloud State University (SCSU) student association and Mariah Haffield, president, Minnesota State University, Mankato (MSU, Mankato) student association, addressed the Board of Trustees.

President Gunnerson stated that recent events at the Minnesota State University Student Association's fall delegates conference has led the student delegations from MSU, Mankato and SCSU to jointly withdraw from the Minnesota State University Student Association (MSUSA) and suspend their participation with the organization until further notice.

President Haffield stated that information was disclosed about a secret group of MSUSA affiliated students who posted derogatory, offensive, and slanderous material on a private social media page; material on that page negatively characterized Chancellor Rosenstone, *Charting the Future*, and other students within MSUSA; the level of unprofessionalism on the social media page was unacceptable and hurtful and contradicts the purpose of MSUSA; the secret group also tried to manipulate and control votes on a controversial issue at the conference.

President Gunnerson stated that in an attempt to create a safe environment, MSU, Mankato and SCSU student delegates put forth a motion to remove members of the secret group from the MSUSA conference. The motion was ruled invalid by the parliamentarian as it relates to the code of conduct policy.

A second motion was made to move into executive session for board members to discuss how to handle the secret group. This motion also failed. A third motion was made by the MSU, Mankato and SCSU student delegates to withdraw from MSUSA. The motion failed 21-20. Presidents Gunnerson and Haffield filed formal code of conduct complaints against MSUSA. The MSU, Mankato and SCSU delegates have suspended their participation with MSUSA until appropriate measures are taken by that organization.

Chair Renier thanked Presidents Gunnerson and Haffield for their remarks.

Presidents Ron Anderson, Century College and Richard Hanson, St. Cloud State University, addressed the Board of Trustees and made the following statement:

Good afternoon Chair Renier, Trustees, and Chancellor Rosenstone. I'm Ron Anderson, president of Century College and chair of the Leadership Council Executive Committee. Along with my colleague President Hanson, vice chair of the Leadership Council Executive Committee, I appreciate this opportunity to express our perspective and that of our presidential colleagues.

More than we know, and probably more than any other time in our history, we find our colleges and universities facing tremendously complex challenges that hold no easy answers. We are being called to be more accessible, to prepare our graduates for success in a global world, and to ensure that higher education remains a wise investment in the future.

As presidents of Minnesota's colleges and universities, we believe that we have the leadership and the tools that will allow us to take proactive steps to meet the changing needs of our students, our stakeholders, and our communities. We rally behind the collaborative effort of *Charting the Future*, which we believe will help us to strengthen those things we do best, help us to identify areas for improvement and redesign, and help us to reconnect with the needs of our students and our other stakeholders.

More specifically, *Charting the Future* work teams (comprised of students, faculty, and staff from across the Minnesota State Colleges and University system) have the potential to identify strategies to increase the success of all learners, to develop collaborative and coordinated academic planning processes, to enhance student competencies and capabilities, to use innovative technologies in the classroom and provide new and more comprehensive models to discover solutions, and to reward collaboration and drive student success across our institutions.

We, the presidents of the MnSCU colleges and universities, are united in our strong support for our leadership, our board and our chancellor and united in our enthusiasm for and pride in the work to-date on *Charting the Future*.

We believe our work must continue because in our quest for continued excellent service to our students, there are difficult questions of sustainability facing our institutions. Together we must imagine a strong and productive future. In creating a responsive and articulate pathway to the future, we will meet our obligations to our students and to the people of Minnesota. We have the leadership, we have the plan. Let's get to work!

Chair Renier thanked Presidents Anderson and Hanson for their comments.

12. Adjournment

Chair Renier invited everyone to attend a reception for retiring General Counsel Gail Olson in Rooms 3304-3306.

The meeting was adjourned at 2:27 PM.

Ingeborg K. Chapin, Secretary to the Board