

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

Agenda Item Summary Sheet

Name: Finance and Facilities Committee

Date: January 28, 2015

Title: Proposed Amendments to Policy 7.3 Financial Administration – Second Reading

Purpose (check one):

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

Brief Description:

Board Policy 1A.1, Part 6, Minnesota State Colleges and Universities Organization and Administration, requires periodic review of all board policies. Staff reviewed Policy 7.3 this fall and proposed some revisions. The revisions were reviewed by the Office of General Counsel and cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations and campus leadership groups. All comments received from the consultation were taken into consideration.

Scheduled Presenter(s):

Laura M. King, Vice Chancellor - CFO

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

Second Reading

BOARD ACTION

**Proposed Amendments to Board Policy 7.3 Financial Administration
(Second Reading)**

BACKGROUND

Board Policy 7.3, Financial Administration, was adopted by the Board of Trustees and became effective June 10, 2000. The policy was last reviewed on August 6, 2009 and no changes were made. Board Policy 1A.1, Part 6, Minnesota State Colleges and Universities Organization and Administration, requires periodic review of all board policies. Staff reviewed Policy 7.3 this fall. The first reading of amendments to Policy 7.3 to the board took place on November 18, 2014.

PROPOSED AMENDMENTS

The proposed amendments to Policy 7.3 are reflected in the track-change copy of the policy on the following page.

REVIEW PROCESS

The proposed board policy revision was circulated in accordance with procedures to all presidents, employee representative groups, student associations and campus leadership groups. The policy review was discussed with the Leadership Council. All comments received during the review process have been examined and responses sent.

The Finance and Facilities Committee recommends the Board of Trustees adopt the following motion:

RECOMMENDED COMMITTEE ACTION:

The Board of Trustees approves the changes to Board Policy 7.3 Financial Administration

RECOMMENDED BOARD MOTION:

The Board of Trustees approves the changes to Board Policy 7.3 Financial Administration

Date Presented to the Board of Trustees: January 28, 2015



Minnesota State Colleges and Universities Board Policies Chapter 7 General Finance Provisions

7.3 -Financial Administration

[Click here for a PDF copy of this policy](#)

Part 1. Policy Statement

It is the policy of the Board of Trustees to provide sound financial administration to safeguard the resources of the State of Minnesota, the system, the colleges and universities and the constituencies they serve and preserve long term financial viability of the colleges, universities and system as a whole. Effective financial administration will facilitate planning, forecasting, monitoring and improving managerial performance and evaluating the financial effects of management decisions.

Part 2. Responsibilities

The board is responsible for overall systemwide financial management assurance. The chancellor, in consultation with the board, is responsible for overall systemwide financial management. The president is responsible for assuring financial administration for a college or university in conformance with board policies and system procedures.

System procedures will provide for the assurance that:

- financial records are complete and safeguarded;
- financial information is accurate, reliable and useful for management reporting; and
- financial management methods support short term and longer term system and college and university strategic objectives.

The system's ~~Annual Budget~~ Accounting Guidelines will be based on the standards and guidelines of the Governmental Accounting Standards Board (GASB), the National Association of College and University Business Officers (NACUBO), Minnesota Statutes and board policy.

Records will be subject to internal, legislative and external audits as required by Minnesota Statutes, board policies, and as needed by universities and colleges in pursuit of their mission and goals.

The board delegates authority to the chancellor to develop guidelines for institutional scholarship and grant programs administered by the colleges and universities.

41 **Part 3. Accountability/Reporting**

42 The board will be periodically updated on the administration and financial management of the
43 system on an exception-based reporting basis and advised of any recommended policy changes.
44

45 **Related Documents:**

- 46 • Governmental Accounting Standards Board (GASB)
- 47 • National Association of College and University Business Officers (NACUBO)

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49 **Policy History:**

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51 *Date of Implementation: 06/21/00*

52 *Date of Adoption: 06/21/00*

53 *Date & Subject of Revisions:*

54 *08/06/09 - policy was reviewed by Laura King's office. No amendments were made.*

55 *06/18/03 – changes “MnSCU” to “system”, updates State Office of Technology’s website*
56 *address*

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