



**MINNESOTA STATE**

Board of Trustees

30 East 7th Street  
St. Paul, MN 55101

651-201-1705

# Board of Trustees Meetings April 16-17, 2019



*Minnesota State is an affirmative action, equal opportunity employer and educator.*



Board of Trustees Meeting  
April 16 and 17, 2019  
Minnesota State  
30 East 7th Street  
St. Paul, Minnesota

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Unless noticed otherwise, all meetings are in the McCormick Room on the fourth floor. Committee and board meeting times are tentative. Meetings may begin up to 45 minutes earlier than the times listed if a 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.

**Tuesday, April 16, 2019**

12:30 pm Facilities Committee, Jerry Janezich, Chair

- 1. Minutes of November 13, 2018**
- 2. Contract Exceeding \$1 Million: Winona State University, Laird Norton Renovations, Football Stadium Upgrades**

1:00 pm Finance Committee, Roger Moe, Chair

- 1. Minutes of March 20, 2019**
- 2. Contracts Exceeding \$1 Million:**
  - a. College Source uAchieve Planner**
  - b. Lease Agreement: Minnesota West Community and Technical College, Pipestone Campus to Southwest West Central (SWWC) Service**
  - c. Lease Agreement: Amendment to Metropolitan State University Lease at 1450 Energy Park, St. Paul**
  - d. Safety and Security Services at Metropolitan State University**
  - e. Computer Lease Agreement for Minneapolis College**
- 3. Contracts Exceeding \$1 Million: Winona State University, Laird Norton Renovations, Football Stadium Upgrades**

2:00 pm Ad Hoc Outreach and Advocacy Committee, Dawn Erlandson, Chair

- 1. Minutes of November 13, 2018**
- 2. Committee Name Change and Charter**
3. Engagement with Government Partners: Minneapolis College and Hennepin County
4. Engagement with Non Profits: Minnesota State Community and Technical College and United Way of Cass and Clay Counties

- 3:00 pm Joint Meeting of the Audit and Human Resources Committees,  
Michael Vekich and Jay Cowles, Co-chairs
- HR-TSM Update
- 4:00 pm Closed Session, Joint Meeting of the Audit and Finance Committees,  
Michael Vekich and Roger Moe, Co-chairs  
*Pursuant to Minn. Stat. § 13D.05 (2018) Data Classified as Not Public*
- Information Security Consultation
- 5:00 pm Meeting Ends
- 5:30 pm Dinner (Social event, not a meeting)

**Wednesday, April 17, 2019**

- 8:00 am Joint Meeting of the Academic and Student Affairs and Finance Committees,  
Alex Cirillo and Roger Moe, Co-chairs
- Bell Engineering Program Discussion
- 9:00 am Human Resources Committee, Jay Cowles, Chair
- 1. Minutes of March 20, 2019**
  - 2. Emeriti Recognition**
  - 3. Appointment of President of Alexandria Technical and Community College**
- 9:30 am Board of Trustees Meeting
- 11:00 am Meeting Ends
- 11:30 am Board of Trustees Awards for Excellence in Teaching and in University Service  
Luncheon and Program  
DoubleTree by Hilton  
411 Minnesota St.  
St. Paul, Minnesota
- 2:00 pm Program Ends

**Bolded items indicate action is required**



**Committee Roster**  
2018-2019

**Executive**

Michael Vekich, Chair  
Jay Cowles, Vice Chair  
Roger Moe, Treasurer  
Alex Cirillo  
Dawn Erlandson  
Louise Sundin  
Cheryl Tefer

**Academic and Student Affairs**

Alex Cirillo, Chair  
Cheryl Tefer, Vice Chair  
Ashlyn Anderson  
Dawn Erlandson  
Jerry Janezich  
Rudy Rodriguez  
Louise Sundin

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*President Liaisons:*

*Hara Charlier  
Connie Gores*

**Audit**

Michael Vekich, Chair  
April Nishimura, Vice Chair  
Bob Hoffman  
Jerry Janezich  
George Soule

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*President Liaisons:*

*Richard Davenport  
Pat Johns*

**Diversity, Equity, and Inclusion**

Rudy Rodriguez, Chair  
Louise Sundin, Vice Chair  
AbdulRahmane Abdul-Aziz  
Ashlyn Anderson  
Jay Cowles  
April Nishimura  
George Soule

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*President Liaisons:*

*Anne Blackhurst  
Sharon Pierce*

**Facilities**

Jerry Janezich, Chair  
George Soule, Vice Chair  
Roger Moe  
Louise Sundin  
Samson Williams

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*President Liaisons:*

*Faith Hensrud  
Barbara McDonald*

**Finance**

Roger Moe, Chair  
Bob Hoffman, Vice Chair  
AbdulRahmane Abdul-Aziz  
Ashlyn Anderson  
Jerry Janezich  
April Nishimura  
Samson Williams

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*President Liaisons:*

*Richard Davenport  
Joe Mulford*

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**Human Resources**

Jay Cowles, Chair  
Cheryl Tefer, Vice Chair  
Alex Cirillo  
Dawn Erlandson  
Bob Hoffman  
Roger Moe  
Samson Williams

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*President Liaisons:*

*Ginny Arthur  
Adenuga Atewologun*

**Nominating Committee**

*Members will be named later*

**Ad Hoc Committee on Outreach and Advocacy**

Dawn Erlandson, Chair  
Louise Sundin, Vice Chair  
AbdulRahmane Abdul-Aziz  
George Soule  
Rudy Rodriguez

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*President Liaisons:*

*Rassoul Dastmozd  
Scott Olson*

**Chancellor Review**

Michael Vekich, Chair  
Jay Cowles, Vice Chair  
Dawn Erlandson  
Bob Hoffman



**Approved FY2019 and FY2020 Board Meeting Dates**

The FY2019 and FY2020 meeting dates are listed below. The calendar is subject to change. Changes to the calendar will be publicly noticed.

**FY2019 Meeting Calendar**

<b>Meeting</b>	<b>Date</b>	<b>If agendas require less time, these dates will be cancelled.</b>
Board Meeting/Joint Meeting with Leadership Council	July 25-26, 2018	July, 26, 2018
Added: Special Meeting - Executive Committee	August 21, 2018	
Added: Special Meeting – Board Meeting	August 31, 2018	
Orientation and Board Retreat	September 18-19, 2018	
Cancelled: Executive Committee	October 3, 2018	
Committee / Board Meetings	October 16-17, 2018	October 16, 2018
Cancelled: Executive Committee	November 7, 2018	
Committee / Board Meetings	November 13-14, 2018	November 13, 2018
Added: Special Meeting – Chancellor Performance Review Committee (Closed Session)	November 19, 2018	
Cancelled: Executive Committee	January 2, 2019	
Rescheduled: Executive Committee	January 9, 2019	
Committee / Board Meetings Joint Meeting with Leadership Council	January 29-30, 2019	January 29, 2019

<b>Meeting</b>	<b>Date</b>	<b>If agendas require less time, these dates will be cancelled.</b>
Cancelled: Committee/Board Meetings due to weather	January 30, 2019	
Rescheduled: Executive Committee	<del>March 6, 2019</del> <b><u>March 5, 2019</u></b>	
Committee / Board Meetings	March 19-20, 2019	March 19, 2019
Cancelled: Executive Committee	April 3, 2019	
Committee / Board Meetings/ Awards for Excellence in Teaching	April 16-17, 2019	
Executive Committee	May 1, 2019	
Committee / Board Meetings	May 21-22, 2019	May 21, 2019
Executive Committee	June 5, 2019	
Committee / Annual Board Meetings	June 18-19, 2019	June 18, 2019

### **FY2020 Meeting Calendar**

<b>Meeting</b>	<b>Date</b>	<b>If agendas require less time, these dates will be cancelled.</b>
Board Meeting/Joint Meeting with Leadership Council	July 23-24, 2019	
Orientation and Board Retreat	September 17-18, 2019	
Executive Committee	October 2, 2019	
Committee / Board Meetings	October 15-16, 2019	October 15, 2019
Executive Committee	November 6, 2019	
Committee / Board Meetings	November 19-20, 2019	November 19, 2019
Executive Committee	January 8, 2020	
Committee / Board Meetings Joint Meeting with Leadership Council	January 28-29, 2020	

Meeting	Date	If agendas require less time, these dates will be cancelled.
Executive Committee	March 4, 2020	
Committee / Board Meetings	March 17-18, 2020	March 17, 2020
Executive Committee	April 1, 2020	
Committee / Board Meetings Awards for Excellence in Teaching	April 21-22, 2020	
Executive Committee	May 6, 2020	
Committee / Board Meetings	May 19-20, 2020	May 19, 2020
Executive Committee	June 3, 2020	
Committee / Annual Board Meetings	June 16-17, 2020	June 16, 2020





MINNESOTA STATE

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## Facilities Committee

April 16, 2019

12:30 PM

McCormick Room

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Note: Committee/board meeting times are tentative. Committee/board meetings 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.

1. **Minutes from November 13, 2018 (pp. 1-4)**
2. **Contract Exceeding \$1 Million: Winona State University, Laird Norton Renovations, Football Stadium Upgrades (pp. 5-11)**

### Committee Members:

Jerry Janezich, Chair

George Soule, Vice Chair

Roger Moe

Louise Sundin

Samson Williams

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### President Liaisons:

Faith Hensrud

Barbara McDonald



**Bolded** items indicate action is required.

**Minnesota State  
Board of Trustees  
Facilities Committee Meeting Minutes  
November 13, 2018  
McCormick Room  
30 7<sup>th</sup> Street East  
St. Paul, MN**

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**Facilities Committee members present:** *Jerry Janezich, Chair; George Soule, Vice Chair; Trustees Roger Moe, Samson Williams, Chancellor Devinder Malhotra*

**Facilities Committee members absent:** *Trustee Louise Sundin*

**Other board members present:** *Trustees Jay Cowles, April Nishimura, Cheryl Tefer, and Board Chair Michael Vekich.*

**Cabinet members present:** *Vice Chancellor Laura King*

**Others present:** *Leadership Council Liaisons: President Barbara McDonald, North Hennepin Community College, Associate Vice Chancellor for Facilities Brian Yolitz, System Director for Capital Development Greg Ewig, Vice President for Finance and Facilities, Stephen Kent North Hennepin Community College and Jennifer Jordan, City of Brooklyn Park*

Committee Chair Janezich called the meeting of the Facilities Committee to order at 9:03 a.m. and indicated there was a quorum present.

**Approval of the Facilities Committee Meeting Minutes**

*Committee Chair Janezich went over the key action and topics from the last meeting and then called for a motion to approve the Facilities Committee Meeting Minutes. A motion to approve was made by Trustee Moe and seconded by Trustee Soule. The minutes were approved as written.*

Committee Chair Janezich announced there were forms available to fill out for comments.

**Facilities Update: Brian Yolitz**

Yolitz went over updates before turning to the formal agenda. A memo reflecting the committee's work from the last meeting was distributed. The 2019 bonding request that included the \$150M HEAPR request has gone to the governor and legislative leaders and dialogue has started.

1. Earlier this month, President Jeff Boyd and the Rochester Community and Technical College hosted community leaders and celebrated the ground breaking of their \$23 million Memorial and Plaza Hall replacement and renovation project. (Market & Johnson)

The project is targeted for completion in the summer of 2020. Will have great impact on students.

2. Normandale Community College selected McGough Construction as their Construction Manager at Risk for their Classroom and College Services Center project funded in the 2018 bonding bill. McGough was competitively selected (4 total) based on the firm's qualifications, team personnel, and approach to the project.
3. To ensure that Minnesota State owned properties are in compliance with fire and life safety requirements each institution participates in a loss control program called COPE visits or inspections.

COPE is an acronym for Construction Occupancy Protection Exposure. It is a coordinated walk through visit with the system office, campus facility personnel, and the State Risk Management Division. Six visits have been completed, with 2 more to do, and the goal is to complete 10 by end of the calendar year.

Intuitions receive a report with COPE recommendations. Most recommendations are in regards to sprinklers and codes. These recommendations are built into their Comprehensive Master plans. Findings and recommendations are shared across the system to aid in compliance action at all of our colleges and universities.

4. College, university and system office staff completed their joint technical reviews of each of the more than 20 candidate capital projects for the 2020 legislative session. (22 / 2020 - \$200M / Total - \$440M). One more predesign to review.

As a reminder, in early January 2019, representatives from our colleges and universities will score all candidate projects against Board Guidelines approved last March. This scoring will inform the Chancellor's recommendation to the Committee for consideration and approval in May and June next year.

#### **1. Surplus Property, North Hennepin Community College**

Committee Chair Janezich asked President Barb McDonald and Committee liaison, Vice President for Finance and Facilities Stephen Kent, and Jennifer Jordan, who represents the city of Brooklyn Park, to join Brian Yolitz at the presenter table to provide details for this recommendation.

##### **Orientation**

Yolitz presented an aerial view of the subject property highlighted in red . The property is located across 85<sup>th</sup> Avenue to the north-northeast adjacent to a town house complex, mainly a residential area. The main campus area including all facilities and parking is to the south of 85<sup>th</sup> Avenue. Property to the west or left of the subject property owned by the college is currently in the capital plans for future development.

## **Key Details**

Appraisal value: at least \$2.35 million

Zoning: Public Institution (but abutting R4A (townhouse residential))

Statute calls for proceeds from the sale to be used for capital investment projects in their physical plant.

## **Request**

To declare property at North Hennepin Community College as surplus and offer it for sale.

Committee Chair Janezich asked for questions and comments from North Hennepin Community College and the City of Brooklyn Park representatives. President McDonald stated the plan for the 6 acres property is to work with the city of Brooklyn Park to provide affordable housing and daycare for students. Jennifer Jordan (city of Brooklyn Park) commented some of the property will be used for the Blue line, which will run through downtown Minneapolis and west of the campus. NHCC has partnered well with the City of Brooklyn Park in area planning and with four workshops to prepare the community for future development and the consensus is to provide affordable multi-family housing, and street level commercial. Zoning is in place.

Committee Chair Janezich asked where the train will run. He liked the idea of the Blue line because kids need to be able to get to campus without vehicles. Yolitz showed where the Blue line will run and said it will be of great boost to the college and the community.

Trustee Williams asked about parking. Stephen Kent said parking space is available now and in the future and not an issue. His additional comments included that it is the right thing to do for students and employees, and is good to partner with the city and their needs. Important for students to be close to campus and have affordable housing. Yolitz pointed out the parking orientation. President McDonald said a study previously conducted anticipates that Blue line ridership will be at 50% by students and employees and that will decrease the amount of parking needed.

Trustee Soule asked the status of blue line and who will build the housing project. Jennifer Jordan anticipated light rail construction to begin in 2020, with completion in 2024. They are confident the project will move forward. All the funding in place? Jordan: Yes, waiting on the federal share agreement.

Trustee Soule asked again who will build the housing project. President McDonald responded that there are a number of steps involved moving forward. They are working with EDA, city, and the property needs rezoning to residential. They have held conversations with affordable housing developers and looking to find the right development partner

Trustee Tefer asked for clarification regarding campus involvement in the development of the property and whether it was a sale. Yolitz responded the process calls for the board to approve

property as surplus. Then it is offered for sale to local governments first. If the city buys it the receipts will be used for capital development. Sale would occur at or above appraised value.

Trustee Cowles asked if due to unforeseen circumstances the property is not developed as anticipated, would it change your recommendation to surplus decision. President McDonald responded if there is a refusal from a local government to purchase we have control over whom we sell it to. Yolitz commented that if they don't find a satisfactory purchaser, they don't have to proceed with the sale.

Trustee Williams asked if we are in line with city affordable housing because we want to be in accordance with that. Jennifer Jordan said a housing gaps analysis conducted in the spring showed Brooklyn Park is lacking overall in affordable and multi-family housing. Affordable housing is consistent with the city's mission.

**Recommended motion:**

Trustee Moe made the motion that the Board of Trustees designates the approximately 6.2 acres of land north of 85th Avenue N and east of College Parkway at the North Hennepin Community College as surplus and authorizes the chancellor or the chancellor's designee to offer the property for sale and execute the documents necessary to finalize the transaction.

*Trustee Soule seconded. The motion carried.*

The meeting adjourned at 9:25 AM. Respectfully submitted: Kathy Kirchoff, Recorder

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Facilities Committee

**Date:** April 16, 2019

**Title: Contracts exceeding \$1 Million: Winona State University, Laird Norton Renovations, Football Stadium Upgrades**

**Purpose (check one):**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Proposed<br>New Policy or<br>Amendment to<br>Existing Policy | <input checked="" 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:**

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than \$1,000,000, must be approved in advance by the Board of Trustees. The actions requested in this report concern contracts with campus specific impact.

**Scheduled Presenter:** Brian Yolitz, Associate Vice Chancellor for Facilities

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**BOARD ACTION**

**CONTRACTS EXCEEDING \$1 MILLION: WINONA STATE UNIVERSITY, LAIRD NORTON  
RENOVATION, FOOTBALL STADIUM UPGRADES**

**WINONA STATE UNIVERSITY, LAIRD NORTON RENOVATION**

**REQUEST**

Winona State University is seeking Board authority to enter into a construction contract in excess of \$1 million, which requires Board approval, to begin updating the Laird Norton Building. The university intends to fund this undertaking using donated and campus funds and execute the renovations through a multi-phase, multi-year approach. Pending Board approval, the university would proceed to contract for the initial phase of work, which would deliver health, life and safety upgrades to the first floor. The university will update the Board periodically on the progress it makes on fundraising for the project prior to commencing each phase.

**BACKGROUND**

The Board of Trustees accepted the donation of the Laird Norton Building to Winona State University in March 2015. Reflecting the historical and cultural significance of the building in the region, the Board agreed to a historical covenant that the property would be used primarily for university and educational purposes, which may include public use and community events as long as these activities do not adversely impact the historic designation of the facility. The Laird Norton building was listed on the National Register of Historic Places in July 2014.

The University outlined its anticipated plan during the Board’s March 2015 meeting regarding the preparation of the building for university occupancy. Shortly after accepting the building, the university engaged an architecture firm to commence design. The university committed to using both university resources and donations exclusively to pursue the rehabilitation of the Laird Norton building and prepare it for university use.

**FULL PROJECT**

The full project renovates the entire 30,000 square foot building and adds 3,000 square feet to the existing structure specifically to address accessibility issues. The university will be replacing the roof and windows, creating a new accessible entrance with elevator, constructing code compliant exit stairs and installing new HVAC, electrical, fire suppression, and plumbing systems – including new accessible restrooms throughout. On the lower level, the university plans to renovate space for art studios and create maker and incubator spaces for classes and community engagement. On the first level, the university will create art galleries, collection storage, and

lecture space around the grand reception hall. On the second level, the project will create graphic design and digital art studios, fab lab space, seminar room, faculty offices, and lounge space. The full project funding will be a combination of university resources and foundation/capital campaigns. The total anticipated cost of the project is expected to be approximately \$12 million.

### **SCHEDULE AND APPROVAL TO PROCEED WITH INITIAL PHASE**

The university has raised \$1.13 million so far for this project. With what they've raised, the university seeks to enter into a construction contract to accomplish basic health, life and safety upgrades to the first floor in anticipation of more substantial improvements to the space. The expected cost of the contract will not exceed \$1.2 million.

This initial or so-called "Threshold Phase" occurring before Phase 1 will address demolition of non-historic elements to make way for updates on the first level to address life, safety and accessibility issues and allow for gatherings of up to 100 people in support of various campus and community events. This Threshold Phase work will include code compliant restrooms, an accessible entrance, and life-safety system upgrades such as installation of new fire protection systems. The rooms to the east and west of the central stair space on this level will be minimally renovated (paint, carpet, and lighting) within the context of the original historic plan in advance of future development. Additional work may include upgrading the entrance to the building.

Winona State estimates the total project with all phases will cost \$12 million total. After the Threshold phase, the university has organized the subsequent phases around floors and segments of the building.

Phase 1 – Lower and upper levels

Phase 2 – Main level and addition

Phase 3 – Exterior (Compliance with National Historic Register)

The university will be using the construction manager at risk delivery method. Given the unique opportunity and approach to funding improvements of this building, the university will keep the Board apprised of its progress in advance of the phases.

### **STADIUM UPDATES**

#### **REQUEST**

Winona State University is seeking Board authority to enter into a construction contract to begin updating its on campus stadium (Maxwell Field). The university intends to fund this undertaking using donated funds for multiple phase renovation and updates. Pending Board approval, the university would proceed to contract for the initial phase of work involving installation of a new digital scoreboard, athletic equipment storage, and terraced seating in the south end of the stadium. The university will update the Board periodically on the progress it makes on fundraising for the project prior to commencing each phase.



## **BACKGROUND**

Winona State University updated their Comprehensive Facilities Plan in 2017, which paid particular attention to its athletic facilities. Plans included proposed upgrades to the university's on-campus stadium that would seek to expand the seating and game amenities. The university is undertaking a capital campaign to support these upgrades and is seeking approval to enter into a construction contract in excess of \$1 million to commence work on Phase 1 improvements this summer.

## **FULL PROJECT**

Overall, the university contemplates a multi-phase, multi-year approach to stadium enhancements that can be further packaged for fundraising. The university has already raised approximately \$900,000 toward its \$5 million overall goal for stadium improvements, and seeks Board approval to begin work on Phase 1 and 2 that includes installing a scoreboard on the southerly end of the stadium and build a south storage seating and terrace enhancement.

**Phase 1 and 2:** The construction budget totals \$1.25 million and involves the south end zone with an updated scoreboard and varying seating style with terrace seating to add capacity. The field side storage gives the Athletics department needed space to maintain the quality of the equipment and opportunity to remove equipment from the field and sidelines during the various programmed events. The general snapshots of what is contemplated in this phase is represented in Attachment A. The university intends to use foundation funds to accomplish this initial phase. An overview of the overall planned phases is contained in Attachment B which is incorporated by reference.

The Facilities Committee recommends the Board of Trustees adopt the following motions:

## **RECOMMENDED COMMITTEE ACTION**

- A. The Board of Trustees authorizes the chancellor or the chancellor's designee to enter into contracts not to exceed \$1.2 million for purposes of preparing the Laird Norton Center for the Arts and Design for university use, including updating building accessibility. The total cost of the initial construction contract is expected not to exceed \$1.2 million. The university will return to the Board for approval in advance of subsequent phases of work.
- B. The Board of Trustees authorizes the Chancellor or the chancellor's designee to enter into a construction contract not to exceed \$1.25 million for purposes of constructing Phase 1 and 2 of the Stadium upgrades. Final award is contingent on fundraising the amount necessary to complete the improvements. The university will return to the Board for approval in advance of subsequent phases of work.

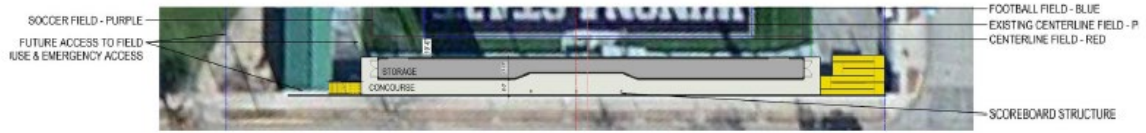
**RECOMMENDED BOARD OF TRUSTEES ACTION**

- A. The Board of Trustees authorizes the chancellor or the chancellor’s designee to enter into contracts not to exceed \$1.2 million for purposes of preparing the Laird Norton Center for the Arts and Design for university use, including updating building accessibility. The total cost of the initial construction contract is expected not to exceed \$1.2 million. The university will return to the Board for approval in advance of subsequent phases of work.
  
- B. The Board of Trustees authorizes the Chancellor or the chancellor’s designee to enter into a construction contract not to exceed \$1.25 million for purposes of constructing Phase 1 and 2 of the Stadium upgrades. Final award is contingent on fundraising the amount necessary to complete the improvements. The university will return to the Board for approval in advance of subsequent phases of work.

*Date of Adoption:* 04/17/2019

*Date of Implementation:* 04/17/2019

WINONA STATE UNIVERSITY STADIUM, PHASE 1  
*Excerpt from Stadium Predesign report, dated February 15, 2019*



**South End Zone Field Level - Phase 01**



**South End Zone Stadium Level - Phase 01**



*View from northwest*

Winona State University Stadium  
Excerpt from Stadium Predesign report, dated February 15, 2019

**Phasing**

**Phase 01A - South End Zone Scoreboard**

**Phase 01B - South End Zone Storage Seating and Terrace**  
Construction of South Storage and Seating Terrace

**Phase 02 - East Grandstands**  
Construction of the East Grandstand and Support buildings and modification of the existing East Press Box

**Phase 03A - Baseball Relocation & 300M Fieldhouse**

**Phase 03B - North Grandstands**  
Construction of the North Grandstands and connections to the East and West sides

**Phase 03C - West Grandstands**  
Construction of the West Grandstand and Support facilities and connections to the East and West sides

*Approval requested for these phases (1A, 1B and 2)*

*Future phases. University to submit to the Board for approval in the future.*





# MINNESOTA STATE

**Finance Committee  
April 16, 2019  
1:00 pm  
McCormick Room  
30 7<sup>th</sup> Street East  
St. Paul MN**

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Note: Committee/board meeting times are tentative. Committee/board meetings 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.

Finance Committee, Roger Moe, Chair

- 1. Minutes of March 20, 2019 (pp. 1-8)**
- 2. Contracts Exceeding \$1 Million: (pp. 9-15)**
  - a. College Source uAchieve Planner
  - b. Lease Agreement: Minnesota West Community and Technical College, Pipestone Campus to Southwest West Central (SWWC) Service
  - c. Lease Agreement: Amendment to Metropolitan State University Lease at 1450 Energy Park, St. Paul
  - d. Safety and Security Services at Metropolitan State University
  - e. Computer Lease Agreement for Minneapolis College
- 3. Contracts Exceeding \$1 Million: Winona State University, Laird Norton Renovations, Football Stadium Upgrades (p. 16)**

Committee Members:

Roger Moe, Chair  
Robert Hoffman, Vice Chair  
AbdulRahmane Abdul-Aziz  
Ashlyn Anderson  
Jerry Janezich  
April Nishimura  
Samson Williams

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President Liaisons:

Richard Davenport  
Joe Mulford

**Bolded** items indicate action is required.



**Minnesota State Board of Trustees  
Finance Committee Meeting Minutes  
March 20, 2019  
McCormick Room  
30 7th Street East  
St. Paul, MN**

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**Finance Committee members present:** Roger Moe, Chair; Bob Hoffman, Vice Chair; Trustees: Ashlyn Anderson, Jerry Janezich, April Nishimura, and Chancellor Devinder Malhotra.

**Present by Telephone:** AbdulRahmane Abdul-Aziz

**Finance Committee members absent:** Samson Williams

**Other board members present:** Trustees Dawn Erlandson, George Soule, and Cheryl Tefer, Board Chair Michael Vekich, and Board Vice Chair Jay Cowles.

**Cabinet Members Present:** Vice Chancellor Laura King

Committee Chair Moe called the meeting to order at 9:03AM

**1. Approval of the Finance Committee Meeting Minutes**

*Committee Chair Moe called for a motion to approve the Finance Committee Meeting Minutes from November 13, 2018. The minutes were approved as written.*

Vice Chancellor King offered the following updates:

- Jan board meeting items have been approved by the executive committee and are on the consent agenda.
- Campus flood planning, water management and community efforts are underway. We have been compiling any water damage reports so far. There have been incidents but nothing to report at the system level.
- Campus budget planning and student consultation underway. We have not heard any concerns from students about the campus process. Process deadlines hit mid-April. We will hold off on final campus budgets until after the legislative session adjourns.
- Fiscal 2020 budgets will be completed in May and campus budgets in June.
- Contract items are the focus of the April agenda. We anticipate large May and June agendas in both finance and facilities committees as we move forward with the FY2020 campus budgets, FY2020 capital program recommendations and NextGen phase II.

The chair asked Vice Chancellor King to provide an overview of the Contract agenda item.

**2. Contracts Exceeding \$1 Million:**

**a. Increase in Contract Value And Term for Oracle Services**

Extend the contract with Oracle for cloud services, software, and support services for a

system wide database that is used by all colleges and universities and the system office.

**b. Microsoft Purchase Contract**

Enter into a new system-wide Microsoft Enrollment for Education Solutions agreement (EES), ending June 30, 2024, with a Microsoft large account software reseller that is available through the State of Minnesota master vendor program

**c. Uniface Contract Renewal**

Renew the Uniface licensing agreement which provides all Minnesota State campuses and the system office with access to this deployment platform used with enterprise mission-critical applications, like the Integrated Student Record System (ISRS).

**d. Project Management Services Master Contracts**

Award up to three master contracts to vendors to provide Project Management Resources for NextGen initiatives and other projects needed by the system office.

Trustee Soule stated that these 4 contract items account for over \$32 million dollars. He asked the vice chancellor what to look for when spending large sums, to ensure that the oversight responsibility has been fulfilled. Vice Chancellor King noted several key items to be aware of including confirming that there was a competitive bidding process, it has been properly scoped with clear deliverables, it is financed within college/university budgets, and it is within statutory authority from an acquisitions standpoint. The Microsoft contract is paid for by the campuses and the cost is spread out over the whole organization. The Oracle and Project Management contract costs are in the NextGen project budget and have been since the start. The Uniface contract renewal is core infrastructure for ITS operation and is in their budget every year. So the \$32 million total over various terms is actually in the context of different enterprise budgets over 7 years.

Vice Chancellor Padilla was invited to provide more context on the Oracle term and cost.

Vice Chancellor Padilla stated that for Oracle and Uniface, these are underlying services for ISRS. In order to keep ISRS running for the required length of the NextGen project, we are currently in the process of refreshing the components for this service. There was a realization that another year needed to be added to the contract. Uniface is one of the languages that ISRS is written in and is a sole source. We are highly dependent on this as we go forward.

Vice Chancellor King added that on an annual basis, the Uniface contract is \$1.5 million and the IT operating budget is \$38 million so the contract represents approximately one half of one percent of the IT annual operating budget.

Trustee Hoffman asked if the project management services contract is a lead-up to NextGen. Vice Chancellor Padilla stated that the contracts are to ensure that our current project manager can continue as well as additional project managers that will be needed going forward with NextGen. Trustee Hoffman asked if all four of the contract requests before the committee are

part of the \$150 million NextGen budget. Vice Chancellor King said that item a. is funded in the NextGen budget, item c. is funded in the operating budget of the department, item d. is both in the operating budget and the NextGen budget as some project managers will be needed on non-NextGen related work. Item b. is a cost of doing business as an annual expense.

Trustee Hoffman suggested that using the current numbers, the NextGen initiative will exceed \$150 million. Vice Chancellor Laura King said that she had no basis on which to respond to that. Trustee Hoffman added further that some of the contracts seemed to be outside the \$150 million budget. Vice Chancellor King clarified that these items are inside the current NextGen budget which is this year's portion of an estimated \$150 million project.

Trustee Nishimura asked if the \$2.5 million extension included both Oracle and Uniface. Vice Chancellor King responded that the \$2.5 million under item a. is just the Oracle license. Under item c. there is an additional 3 years at \$2.4 million. Trustee Nishimura then asked if it was true that licenses generally get cheaper as time goes on. Vice Chancellor Padilla responded that no, there is a maintenance escalator on software products that goes from roughly 2-10%. There is an expectation that the operating costs for licenses do go up every year.

Trustee Janezich asked if this was an increase to the campuses that they were unfamiliar with. Vice Chancellor Padilla responded that no, this was not.

*Committee Chair Moe called to adopt the following recommended motion:*

- a. The Board of Trustees authorizes the chancellor or his designee to execute a contract with Oracle on behalf of system wide cloud services for a term of up to seven (7) years ending in June 2025, for a total amount not to exceed \$9,500,000. The Board directs the chancellor or his designee to execute all necessary documents.
- b. The Board of Trustees authorizes the chancellor or his designee to extend an agreement with a State of Minnesota contract holder Microsoft large account software reseller for a term, including renewals, not to exceed five (5) years ending June 30, 2024 and amount not to exceed \$13,800,000. The Board directs the chancellor or his designee to execute all necessary documents.
- c. The Board of Trustees authorizes the chancellor or his designee to execute a contract with Uniface on behalf of system wide licensing for a term of up to six (6) years ending in June 2025, for a total amount not to exceed \$2,400,000. The Board directs the chancellor or his designee to execute all necessary documents.
- d. The Board of Trustees authorizes the chancellor or his designee to execute a master contract with the selected vendors for project management resources for a term of up to seven (7) years, for a total amount not to exceed \$6,500,000 collectively between all master contract holders. The Board directs the chancellor or his designee to execute all



necessary documents.

*Trustee Janezich made the motion. Trustee Anderson seconded.*

Trustee Hoffman added that there was a high level of concern with the amount of spending even though we are committed to the project. Vice Chancellor Padilla made it clear that even if the NextGen project were not happening, the Oracle purchase would still be necessary as it keeping the current system alive.

*The motion was adopted.*

### **3. College and University Financial Performance Update**

Vice Chancellor King and Financial Planning & Analysis System Director Steve Ernest presented the FY2017 and FY2018 financial statements and also provided an update on the FY2018 college and university financial health indicators. This presentation was for informational purposes.

- This data excludes some GASB impacts. We have adjusted the numbers to eliminate the distortion around pension liability reporting.
- General summary – \$10.3 million operating gain representing less than 1% of FY2018 operating revenue. 17 colleges/universities reported a FY2018 operating loss, down slightly from FY2017 number of 22 campuses reporting losses. Losses ranged from -4.3% of operating income to -.3%.
- Campuses have held reserve level funding constant or report slight improvements
- Budget reductions are happening throughout the state and these include staff reductions, program closures, course reductions and other actions.
- We advised campuses to manage state appropriation by increasing fund balances at a higher rate in the first year of the biennium. Campuses were advised to save money in FY2018 so that they would have it available in FY2019. This is evident in the FY2018 financial results as cash falling to the bottom line. Campuses added \$61 million to cash at the end of the year and in FY2019 we see it being spent.
- Enrollment continues to decline but moderate tuition increases contributed to better performance in the financial statements.
- Instruction and Academic support expenses have held at 63-64% of budget over the last three years.
- We are seeing a decline in tuition and other state revenue as a percentage of total revenue.
- Enrollment strategies are underway across the system including marketing, recruitment student intervention and persistence strategies. The decline in enrollment may have started to bottom out.
- Key Metrics – FY2018 enrollment decline from FY2017 is at 2.1% following a 2.6% decline in FY2016-17. Enrollment levels have decreased at a declining rate over the last

four years.

- The enrollment trend is expected to continue with a predicted decline of 1.8% based on latest projections. About a month away from having final numbers.
- Overall conclusions – Continue to see strong financial management at the campuses under strong headwinds; overall strong financial results, excluding the GASB impacts; breakeven operations with maintained budget reserves.

Trustee Hoffman asked if there were facts that justify the assertion that enrollment decline is bottoming out. Vice Chancellor King stated that her observation was only that the rate of decline is slowing. Four years ago the rate of decline was 3.8%, this year we are expecting a 1.8% decline. There is no guarantee of any particular enrollment level.

### **Financial Health Indicators**

The Financial Health Indicators are built from financial statements. All results have been shared with campuses. FY2018 financial statements give us the data needed to calculate the Composite Financial Index (CFI).

- We saw improvements in the index from FY2017. Overall, FY2018 CFI was 2.4% compared to 2.0 percent for FY2017.
- The CFI is a valuable tool to track financial performance across the schools from year to year in a measure normalized for the difference in the size of schools.
- CFI has two measures weighted towards balance sheet performance and two measures weighted towards annual operating performance. Calculations seen on today's slide do not include GASB entries in order to show results more reliably. The measure will continue to be reported in both forms—with and without GASB.
- In FY2018, 89% of colleges and universities reported a CFI above 1.5 – which suggests a stable financial state, up from 73%.

Trustee Janezich asked about what this information tells us about our academic offerings. Vice Chancellor King responded that there was nothing in this measure that illuminates what is going on programmatically at any of the colleges and universities.

Trustee Janezich inquired further about the effects of resources on offerings. He stated that we could be economically strong but still not offer the courses that students need. If we do not have resources to invest in needed classes, we don't have students, resulting in a different problem. When we define how we are by our finances it doesn't say how we are doing academically in offerings to students.

Vice Chancellor King added that this measure gets stronger as the academic program gets stronger because appeal, engagement and enrollment improves. If the program alignment isn't right, enrollment declines and then this measure declines. There is nothing in the measure however that evaluates the academic program. That is handled through the presidents and the chancellor.

Trustee Janezich asked Chancellor Malhotra how that evaluation works. Chancellor Malhotra answered that as campuses find budgetary stresses that lead to programmatic implications, there are discussions which occur, particularly at evaluation time. There is a conversation about what is happening to the offerings themselves. There are constantly adjustments being made. Programs are not always eliminated just because of budget cuts. If the program has declined in demand it may be cut. As resource levels shrink, it reduces our ability to offer programming that is robust.

### **Procedural Indicators**

- There are four indicators. In 2015/2016, the financial health procedure underwent a comprehensive review. We first reported on the new measures at the November 2016 board meeting.
- The revised measures focus on the following design objectives:
  - Identify “leading” indicators that provide advanced warning of potential financial problems
  - Establish a balance of accrual-based and cash-based measures
  - Select enrollment and facilities measures that impact financial health
- Generally, the indicators show disciplined campus leadership leading to fewer indicators being triggered in FY2018.
- 19 colleges and universities triggered at least one indicator in FY2018--- compared to 28 in FY2017. Enrollment and enrollment forecasting continues to challenge some colleges and universities.
- 13 colleges triggered the enrollment-based indicator (A1) in FY17, nine in FY2018 (8% decline). No universities triggered this indicator.
- The second indicator (A2) shows underperformance on enrollment forecasts. In FY2018, ten colleges and three universities triggered, which is similar to FY2017 (eleven colleges and two universities). Colleges and universities that triggered this indicator were required to submit revised FY2019 operating budgets to reflect enrollment changes.
- Year-to-date enrollment is lower than budgeted enrollment at 1.8% year over year enrollment decline.
- FY2019 operating budget was based on a predicted 1% enrollment decline. Most recent projections show universities at 2.1% and colleges at 1.2%. Both are underperforming their enrollment forecast.

### **Cash-based Indicators**

- Indicator B1 focuses on whether cash balances are above or below 20% general fund balance. Two colleges and one university have triggered this indicator. This is an improvement from FY17, where we had 3 colleges and 3 universities reporting less than 20% balance.
- Indicator B2 tells us who is spending their cash balance and if we should be alerted. If a

college or university is spending more than 10% of their cash balance over three years, this is triggered. One university triggered this in FY2018, down from one college and three universities in FY2017.

- At end of FY2018, there were three colleges and universities reporting fund balances less than 20% of revenue, 8 reported fund balances between 20-30%, and the remaining 26 reported fund balances over 30%.
- We had a slight improvement of coll/univ that triggered CFI. Three colleges and two universities, one less than FY2017.
- There are currently nine enrollment plans, 13 revised operating budgets, and nine who submitted new or updated financial plans.

Trustee Hoffman asked if there are system-wide initiatives to support enrollment increases. Vice Chancellor King requested that Senior Vice Chancellor Ron Anderson address this question.

Senior Vice Chancellor Anderson responded that there are a number of different initiatives designed to impact enrollment. The most direct work is on strategic enrollment management and campuses identifying what types of changes they want to be looking at from a recruitment and retention standpoint. Those efforts are at the college/university level but are supported by ASA staff at the system office. We are also working with internal audit on a consulting project looking at enrollment projection processes on campus and will be coming forward with recommendations for best practices that will be shared with the colleges and universities.

Many initiatives that have been undertaken at the system level will impact enrollment and retention. Developmental education redesign is currently underway, increasing access and success for students. Transfer pathways and guided learning pathways are also ways of helping students stay on track. How we offer classes, having the right classes at the right time, is also part of the continued momentum for students. Predictive analytics is another aspect of the work around looking at where we lose students and what are the particular barriers that prevent them from continuing and how do we alert the right folks to reach out to students.

Trustee Hoffman asked if we support an overall marketing plan or program that assists in the push for enrollment increase. Senior Vice Chancellor Anderson stated that at the system level, we do marketing around Minnesota State and all our colleges and universities. There is a combination of broad-based marketing strategies along with local strategies at the colleges and universities.

Committee Chair Moe added that there was a compelling presentation in a previous Reimagining Minnesota State forum that focused on the issue of enrollment and retention. The takeaway from that presentation was that good data was needed in order to be able to impact this issue effectively.

Trustee Abdul-Aziz asked if there are systems in place to address the issues when a college is struggling with declining enrollment. Vice Chancellor King responded that yes, this is part of

what the system office does. Financial health indicators are there to give us alerts so that we can reach out and bring resources in to help if needed.

Trustee Abdul-Aziz asked for a confirmation that there are no universities over the 8% decline in enrollment threshold. Vice Chancellor King responded that that is correct. There was no university that reported a decline in enrollment that was more than 8% over the last two years.

Trustee Tefer asked Senior Vice Chancellor Anderson to discuss how the information on the importance of student retention gets filtered through the system down to the faculty level.

Senior Vice Chancellor Anderson responded that many of our campuses have been very engaged in discussions about retention across the entire campus. Retention and student success is everyone's job. It is important to have this information down to the course/classroom level, to get specific details on how to improve. At the system level, and with the Leadership Council there have been discussions around finding strategies for improving student retention and success that are evidence based, that we can draw from nationally, and that we all want to adopt. Work will continue this spring on investigating the concept of guided learning pathways and how we look at our curriculum alignment and our student support toward those pathways towards graduation.

Committee Chair Moe adjourned the meeting at 10:01am

Respectfully submitted: Don Haney, Recorder, with assistance from Corrie Fischer.

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Finance Committee

**Date:** April 16, 2019

**Title: Contracts exceeding \$1 Million:**

- a. CollegeSource uAchieve Planner
- b. Lease Agreement: Minnesota West Community and Technical College, Pipestone campus to Southwest West Central (SWWC) Service Cooperative
- c. Lease agreement; Amendment to Metropolitan State University Lease at 1450 Energy Park Drive, St. Paul
- d. Safety & Security Services at Metropolitan State University
- e. Computer Lease Agreement for Minneapolis College

**Purpose (check one):**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Proposed<br>New Policy or<br>Amendment to<br>Existing Policy | <input checked="" 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:**

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than \$1,000,000, must be approved in advance by the Board of Trustees.

**Scheduled Presenters:**

Laura M. King, Vice Chancellor – CFO  
Greg Ewig, Senior System Director, Capital Development

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**BOARD ACTION**

**CONTRACTS EXCEEDING \$1 MILLION:**

- a. **COLLEGESOURCE UACHIEVE PLANNER**
- b. **LEASE AGREEMENT: MINNESOTA WEST COMMUNITY AND TECHNICAL COLLEGE, PIPESTONE CAMPUS TO SOUTHWEST WEST CENTRAL (SWWC) SERVICE COOPERATIVE**
- c. **LEASE AGREEMENT; AMENDMENT TO METROPOLITAN STATE UNIVERSITY LEASE AT 1450 ENERGY PARK DRIVE, ST. PAUL**
- d. **SAFETY & SECURITY SERVICES AT METROPOLITAN STATE UNIVERSITY**
- e. **COMPUTER LEASE AGREEMENT FOR MINNEAPOLIS COLLEGE**

**BACKGROUND**

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than \$1,000,000, must be approved in advance by the Board of Trustees.

**a. CollegeSource uAchieve Planner**

Since 1999, Minnesota State and all of its colleges and universities have utilized CollegeSource products to provide degree audit, transfer credit evaluations, and transfer agreement information for use by students and those who advise students. Currently these products include the following:

*uAchieve Main*

uAchieve (formerly DARS) is an online degree audit system that allows students and advisors to track progress toward degree completion while highlighting the remaining courses and requirements needed to graduate.

*TES (Transfer Evaluation System)*

TES allows users to locate course descriptions; route and track the evaluation process; store, manage, group, and publicize the resulting equivalencies; and utilizes algorithms to generate lists of likely equivalencies between institutions.

*Transferology*

Transferology assists advisors, students, and parents in making educated decisions when transferring credit. Minnesota State student's coursework is automatically populated in transferology allowing them to see how credits transfer to other participating institutions.

To better meet the needs of Minnesota State students, as well as provide advisors and administrators with tools that allow for better monitoring of student progress and that facilitate more accurate course planning, Minnesota State is proposing to acquire and implement CollegeSources' uAchieve Planner. uAchieve Planner leverages the existing degree audit data (i.e., uAchieve Main) and utilized to create interactive roadmaps of courses that define a clear path to graduation. Students will use these roadmaps to build their own personal plans, helping them stay on track to meet their educational goals. The creation of term-by-term plans in turn provides the school with aggregate data needed for demand analysis and classroom scheduling.

While other higher education ERP system support graduation planning, they utilize data from their own degree audit system. To have issued an RFP for a graduation planning system, would have required seeking a replacement to the existing systemwide degree audit and transfer evaluation system. With the requirements for the NexGen ERP including degree audit, transfer evaluation, and graduation planning it is likely that the ERP chosen through the NexGen process will provide these functionalities.

The proposed action item is for Board approval of a contract for an initial five-year two-month term and an additional up to three-year extension for a total possible term from May 1, 2019 – July 31, 2028. The total value of the potential eight-year agreement is \$1,970,000.

**b. Lease Agreement: Minnesota West Community and Technical College, Pipestone campus to Southwest West Central (SWWC) Service Cooperative**

The Pipestone campus is comprised of 111,000 sq. ft. of facility space. Southwest/West Central Service Cooperative (SWWC), operating as Blue Mound Learning Center, has leased space at the MnWest – Pipestone campus since 2012. SWWC, through its learning centers such as Blue Mound, provides alternative schooling for K through 12 students in rural locations throughout the region. In addition to providing alternative schooling, the relationship between SWWC and Minnesota West provides a regional collaboration serving students a pathway to not only Minnesota West, but any of the Minnesota State colleges and universities. Also, SWWC provides promotion of online Minnesota State programs to their students, allows Minnesota West to participate on their advisory committee, and partners with Minnesota West on several grants in the career academy area. SWWC's current lease is for 8,312 SF located on the westerly side of campus and expires June 30, 2019. Current fiscal year 2019 rent is \$76,513.

To meet expanding needs, and improve the access and security to their leased space, SWWC approached Minnesota West with a proposal to enter into a new lease upon expiration of the existing term. Specifically, SWWC has requested an additional 5,499 square feet, which would increase the total lease area to 13,811 sq. ft. The additional space includes outfitting additional classrooms, construction of bathrooms which would service their new space, along with new ingress/egress doors to provide direct space access. SWWC will pay the entire cost of the improvements – estimated at close to \$1,000,000. All improvements will meet Minnesota State design standards and will become the property of Minnesota State upon lease expiration or early



termination. The campus has reviewed the planned improvements, and is comfortable with the design and functional re-use in the event of lease expiration or termination.

The proposed lease is for an initial five (5) year lease period, with a tenant option to extend for one (1) additional 5-year term. The new lease would commence July 1, 2019 and end June 30, 2024. The total rent for the initial term is \$635,432. If exercised, the five year option term would commence July 1, 2024 and expire June 30, 2029. The total rent for this option term would be \$656,020. The total rent during the term of this lease is \$1,291,452.

The college intends to use the SWWC rent to assist new programming on the Pipestone campus of Minnesota West including plumbing and aquaculture that supports regional collaboration with industry partners. Additionally, funds will be used to supplement yearly operating budgets, such as for repairs and maintenance to the existing building.

**c. Lease agreement; Amendment to Metropolitan State University Lease at 1450 Energy Park Drive, St. Paul**

Metropolitan State University has leased space at 1450 Energy Park Drive since 1995. In 2013, the Board approved the current Lease extension, which included a Term of five (5) years, and a university option for one additional five-year term. In July of 2018, Metropolitan State exercised its option for the additional five-year term, and is under lease through July 31, 2023. The university currently leases 54,024 square feet and is paying \$19.50 per square foot gross rent amounting to approximately \$1 million per year.

The university is re-positioning its lease portfolio in the Energy Park Drive locations. The long term strategy is to eventually divest the university of the Energy Park leased locations, moving those programs to either the main campus in St. Paul or to Minneapolis College at their Management Education Center. The latter is part of a joint 2020 capital budget request that is under consideration.

Metropolitan State is proposing to vacate a portion of its lease at 1380 Energy Park Drive at the end of the current lease term (December 31, 2019) and bring it into 1450 Energy Park. The university will be reducing its footprint at the 1380 building by approximately 8,000 square feet out of the current 15,909 square feet leased. During this transition, the university will be adding 4,344 square feet to the 1450 Energy Park Drive property, bringing the lease size to 58,368 square feet. Other than the additional square footage, the lease terms will remain intact. The effect of these lease moves is a net reduction of 3,600 square feet total. In anticipation of occupancy of this new square footage, the university expects to take the space “as is” and will set up cubes for faculty offices. The Landlord will, however, provide carpet tile and fresh paint. Taken together, the partial divestiture at 1380 Energy Park and build out at 1450 Energy Park will create a modest rent savings during the remaining lease term, currently estimated to be about \$300,000.

Pending Board approval, the effective date of the lease amendment which increases square footage at 1450 Energy Park Drive will be May 1, 2019. Rent for the additional square footage, also beginning May 1, 2019, will be at the current rate for the space, \$19.50/SF, and will follow

the rent schedule (which contemplated annual escalators). The amended lease term cost (8/1/2018-7/31/2023) at 1450 Energy Park will increase from \$5.4 million to \$5.77 million.

**d. Safety & Security Services at Metropolitan State University**

Metropolitan State University uses a contracted vendor to provide safety and security services for the main campus in Saint Paul and the alternate location at 1450 Energy Park Drive. These services include security patrols and security presence, responding to incidents and security calls, issuing incident reports, providing security escorts, ensuring the safety of students, faculty, and staff, and maintaining the security of physical structures. The current contract expires on June 30, 2019.

Metropolitan State University issued a Request for Proposals in the fall of 2018. Four proposals were received. After a rigorous proposal scoring process a vendor was selected.

**e. Computer Lease Agreement for Minneapolis College**

Minneapolis Community and Technical College is seeking to establish and maintain a five-year replacement cycle for student and employee computers. A lack of consistent and ongoing funding sources has led to computers used past their technologically relevant lifespans.

To arrest this trend and create a long-term, strategic replacement plan, Minneapolis College will enter into a master lease program to allow equipment to be purchased with life longer than one year and pay for it over the useful life of the equipment. The program's fixed payments will support long-term budgetary planning and analysis.

Minneapolis College is pursuing a lease agreement for approximately 1,000 laptops and 1,800 desktops at a cost of approximately \$3 million over 5 years. These devices will serve approximately 10,000 students and 600 faculty/staff.

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

**RECOMMENDED COMMITTEE ACTION:**

- a. The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a contract for CollegeSource's uAchieve Planner for five years with the option to renew for up to three additional years. The total not to exceed cost for this agreement is \$1,970,000. The board directs the chancellor or designee to execute all necessary documents.
- b. The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a lease with the Southwest/West Central Service Cooperative (SWWC) at the Minnesota West Community and Technical College campus in Pipestone for an initial lease term of

five (5) years starting July 1, 2019 with one (1) option to extend the term another five (5) years starting July 1, 2024. The extension shall be expressly conditioned upon mutual agreement of the parties prior to the extension start date. The Board delegates to the chancellor or designee authority to execute all necessary documents to accomplish this lease agreement.

- c. The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a lease with the landlord of 1450 Energy Park Drive, St. Paul, Minnesota for an additional 4,344 square feet under the same terms and conditions as the lease agreement otherwise in effect. The Board delegates to the chancellor or designee authority to execute all necessary documents to accomplish this lease amendment.
- d. The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a contract with the selected vendor for a five-year term beginning July 1, 2019 and ending June 30, 2024. The total contract amount is not to exceed \$4 million. The board directs the chancellor or designee to execute all necessary documents.
- e. The Board of Trustees authorize the Chancellor or the chancellor's designee to execute a master lease agreement for 5 years with the total not to exceed \$3 million. The Board directs the Chancellor or designee to execute all necessary documents.

**RECOMMENDED BOARD OF TRUSTEES ACTION:**

- a. The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a contract for CollegeSource's uAchieve Planner for five years with the option to renew for up to three additional years. The total not to exceed cost for this agreement is \$1,970,000. The board directs the chancellor or designee to execute all necessary documents.
- b. The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a lease with the Southwest/West Central Service Cooperative (SWWC) at the Minnesota West Community and Technical College campus in Pipestone for an initial lease term of five (5) years starting July 1, 2019 with one (1) option to extend the term another five (5) years starting July 1, 2024. The extension shall be expressly conditioned upon mutual agreement of the parties prior to the extension start date. The Board delegates to the chancellor or designee authority to execute all necessary documents to accomplish this lease agreement.
- c. The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a lease with the landlord of 1450 Energy Park Drive, St. Paul, Minnesota for an additional 4,344 square feet under the same terms and conditions as the lease agreement otherwise

in effect. The Board delegates to the chancellor or designee authority to execute all necessary documents to accomplish this lease amendment.

- d. The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a contract with the selected vendor for a five-year term beginning July 1, 2019 and ending June 30, 2024. The total contract amount is not to exceed \$4 million. The board directs the chancellor or designee to execute all necessary documents.
- e. The Board of Trustees authorize the Chancellor or the chancellor's designee to execute a master lease agreement for 5 years with the total not to exceed \$3 million. The Board directs the Chancellor or designee to execute all necessary documents.

*Date of Adoption:* 04/17/2019

*Date of Implementation:* 04/17/2019

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Finance Committee

**Date:** April 16, 2019

**Title: Contracts exceeding \$1 Million: Winona State University, Laird Norton Renovation, Football Stadium Upgrades**

**Purpose (check one):**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Proposed<br>New Policy or<br>Amendment to<br>Existing Policy | <input checked="" 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:**

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than \$1,000,000, must be approved in advance by the Board of Trustees. The actions requested in this report concern contracts with campus specific impact.

See the Facilities committee board report, pages 5-11 for the full description and materials.

**Recommended Motion**

This item has been previously reviewed by the Facilities Committee. The Finance Committee recommends the Board of Trustees adopt the following motion:

- a. The Board of Trustees authorizes the chancellor or the chancellor's designee to enter into contracts not to exceed \$1.2 million for purposes of preparing the Laird Norton Center for the Arts and Design for university use, including updating building accessibility. The total cost of the initial construction contract is expected not to exceed \$1.2 million. The university will return to the Board for approval in advance of subsequent phases of work.
- b. The Board of Trustees authorizes the Chancellor or the chancellor's designee to enter into a construction contract not to exceed \$1.25 million for purposes of constructing Phase 1 and 2 of the Stadium upgrades. Final award is contingent on fundraising the amount necessary to complete the improvements. The university will return to the Board for approval in advance of subsequent phases of work.

**Scheduled Presenter:** Laura M. King, Vice Chancellor and Chief Financial Officer



MINNESOTA STATE

**AD HOC COMMITTEE ON OUTREACH AND ADVOCACY  
APRIL 16, 2019  
2:00 PM**

McCormick Room  
30 7<sup>th</sup> Street East  
Saint Paul, MN

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Note: Committee/board meeting times are tentative. Committee/board meetings 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.

- 1. Minutes of Nov. 13, 2018 (pp. 1-3)**
- 2. Committee Name Change and Charter (pp. 4-5)**
3. Engagement with Government Partners: Minneapolis College and Hennepin County (pp. 6-7)
4. Engagement with Non Profits: Minnesota State Community and Technical College and United Way of Cass and Clay Counties (pp. 8-9)

Committee Members:

Dawn Erlandson, Chair  
Louise Sundin, Vice Chair  
AbdulRahmane Abdul-Aziz  
George Soule  
Rudy Rodriguez

*President Liaisons:*

*Rassoul Dastmozd  
Scott Olson*



**Bolded** items indicate action is required.

**MINNESOTA STATE BOARD OF TRUSTEES  
AD HOC COMMITTEE ON OUTREACH AND ADVOCACY  
NOVEMBER 13, 2018**

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***Ad Hoc Committee on Outreach and Advocacy Members Present:*** Chair Dawn Erlandson, Trustees Louise Sundin and George Soule. Trustee AbdulRahmane Abdul-Aziz participated via phone.

***Committee members not present:*** Trustee Rudy Rodriguez

***Other Board Members Present:*** Board of Trustees Chair Michael Vekich; Trustees Ashlyn Anderson, Alex Cirillo, Jay Cowles, Jerry Janezich, Roger Moe, April Nishimura, Cheryl Tefer, and Samson Williams.

***Leadership Council Members Present:*** Chancellor Devinder Malhotra, Chief Marketing and Communications Officer Noelle Hawton, President Scott Olson.

The Minnesota State Colleges and Universities Ad Hoc Committee on Outreach and Advocacy held a meeting on November 13, 2018 in the 4<sup>th</sup> Floor McCormick Room, 30 7<sup>th</sup> Street East, St. Paul. Chair Dawn Erlandson called the meeting to order at 1:03 pm.

**1. Minutes of October 16, 2018**

*Trustee Sundin moved and Trustee Abdul-Aziz seconded that the minutes from the Oct. 16, 2018 meeting be approved as written. Motion carried.*

**2. Review the Minnesota State Economic Contribution Analysis**

**Presenters:**

Nichole Philips, principal partner, Parker Philips  
Hara Charlier, President, Central Lakes College  
Kenn Dols, Key Communicator, Central Lakes College  
Noelle Hawton, Chief Marketing and Communications Officer

The Board of Trustees was presented with an update and next steps about the Minnesota State Economic Contribution Analysis.

The study was conducted by Parker Philips, a nationally recognized consulting firm specializing in economic impact analysis. Nichole Parker, a principal partner at the firm, told board members that this type of analysis is an objective way to measure the significance of an organization in the state and regional economy.

The goal of the study was to provide a full and credible assessment of the total economic employment and state and local tax impact of Minnesota State. Primary financial data used in this study was obtained from colleges and universities and included operating budget, payroll, and benefits for employees for fiscal year 2017 and a 10-year average of capital spending.

Secondary data was used to estimate spending by visitors and students (full-time and part-time) exclusive of tuition and fees.

Among the overall findings:

- The \$8.0 billion total economic contribution of Minnesota State in FY2017 included \$4.1 billion direct and \$3.9 billion indirect and induced spending, and was the result of operational spending, capital spending (10-year average), payroll and benefits paid to employees, student spending, and visitor spending.
- The operations of Minnesota State support or sustain a total of 67,717 jobs – one out of every 55 jobs in the state. It is the 11<sup>th</sup> largest employer in the state.
- Through its local spending and the jobs it supports or sustains, Minnesota State generates \$458.5 million in state and local taxes.
- The employees of Minnesota State contribute an estimated \$116.2 million annually in charitable giving and volunteerism.
- Minnesota State supports or sustains \$1 out of every \$42 in Minnesota's economy.
- For every \$1 in state appropriation, Minnesota State generates nearly \$12 in economic activity.

In addition to the significant impact of campus operations, the report also found that the income being added into the economy as a result of graduates obtaining post-secondary education is significant. In FY2017, the colleges and universities of Minnesota State offered more than 3,800 academic programs and conferred nearly 40,000 degrees and certificates. The total number of alumni living and working in the state is more than 450,000.

Chief Marketing and Communications Officer Noelle Hawton said the statewide macro report, including design and data gathering, cost \$45,000. Each college and university could request a customized report for \$4,500. It is anticipated that presidents, chief financial officers and other campus administrators will have opportunities to disseminate the economic impact data via presentations to local industry groups, community and civic organizations and chambers of commerce, she said. Data also can be featured in local news stories, editorials and commentaries.

Kenn Dols, a key communicator for Central Lakes College, said the economic report data will be valuable. They will work to ensure that their 265 campus faculty and staff, as well as the students, know and understand the statistics since they will be integral in promoting the economic value of their college, he said. They also will



work to spread the economic message in social media posts, newspaper columns and a monthly CLC video series.

Agreeing it's a powerful tool, Central Lakes College President Hara Charlier said she's excited to have the CLC study come forward since it allows them to paint a broad picture on how vital her college is to the region, as well as the state. While they can continue to emphasize how the college affects the lives of their students, the economic analysis will allow them to show the overall impact of CLC in a positive, meaningful way. It will be especially useful when making the case with legislators pertaining to needed state resources for colleges and universities, she said.

The data in the reports is invaluable and offers a great story, Trustee Roger Moe said.

Trustee Alex Cirillo agreed. He said there should be a sense of urgency in using the data to tell the story of Minnesota State and added it will be important to keep the data fresh.

Trustee Dawn Erlandson noted Minnesota State's return on investment, estimated to be \$12 in economic activity generated for every \$1 in state appropriation, is impressive. Since this figure doesn't include a full estimation of alumni contributions to the state, as well as the economic benefit employers received through Minnesota State's customized training services, the return on investment is probably higher than is being reported, she added.

The meeting adjourned at 1:38 pm  
Margie Takash, Recorder

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Ad Hoc Committee on Outreach and Advocacy      **Date:** April 16, 2019

**Title:** Committee Name Change and Charter

**Purpose (check one):**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Proposed<br>New Policy or<br>Amendment to<br>Existing Policy | <input checked="" 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 Ad Hoc Committee on Outreach and Advocacy was charged, at its outset, to refine its charter. That work has been done, and a draft will be presented to the committee for its review and approval.

**Scheduled Presenter(s):**

Noelle Hawton, Chief Marketing and Communications Officer

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD ACTION</b>
<b>Committee Name Change and Charter</b>

**BACKGROUND**

The Ad Hoc Committee on Outreach and Advocacy was charged, at its outset, to refine its charter. That work has been done, and a draft will be presented to the committee for its review and approval.

**RECOMMENDED COMMITTEE ACTION**

Upon the recommendation of the Chancellor and the Ad Hoc Committee on Outreach and Advocacy Committee recommends that the Board of Trustees approve the changes to the committee's charter and name.

**RECOMMENDED MOTION**

The Board of Trustees approves the changes to the charter and the name change, which will now be Outreach and Engagement Committee.

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Ad Hoc Committee on Outreach and Advocacy      **Date:** April 16, 2019

**Title:** Engagement with Government Partners: Minneapolis College and Hennepin County

**Purpose (check one):**

- |   |   |   |
|---|---|---|
| <input 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 checked="" type="checkbox"/> Information             |   |

**Brief Description:**

The colleges and universities of Minnesota State all engage in numerous partnerships with external organizations. During this presentation representatives from Minneapolis Community and Technical College and Hennepin County will discuss their partnership and how it benefits students.

**Scheduled Presenter(s):**

Noelle Hawton, Chief Marketing and Communications Officer  
Gail O’Kane, Minneapolis College Vice President of Academic Affairs  
Traci Krause, Minneapolis College Associate Dean for Nursing and Allied Health  
Melissa McKay, Hennepin Healthcare Director of Medical-Surgical Services  
Saed Yusuf, Minneapolis College alumni and employee of Hennepin Healthcare

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**INFORMATION ITEM**

**Engagement with Government Partners: Minneapolis College and Hennepin County**

**BACKGROUND**

The colleges and universities of Minnesota State all engage in numerous partnerships with external organizations. During this presentation representatives from Minneapolis Community and Technical College and Hennepin County will discuss their partnership and how it benefits students.

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Ad Hoc Committee on Outreach and Advocacy      **Date:** April 16, 2019

**Title:** Engagement with Non Profits: Minnesota State Community and Technical College and United Way of Cass and Clay Counties

**Purpose (check one):**

- |   |   |   |
|---|---|---|
| <input 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 checked="" type="checkbox"/> Information             |   |

**Brief Description:**

The colleges and universities of Minnesota State all engage in numerous partnerships with external organizations. During this presentation representatives from Minnesota State Community and Technical College, as well as its partner, United Way of Cass and Clay Counties, will discuss how their partnership benefits students.

**Scheduled Presenter(s):**

Noelle Hawton, Chief Marketing and Communications Officer  
Carrie Brimhall, Minnesota State Community and Technical College President  
Amy Hochgraber, Minnesota State Community and Technical College Workforce Development Solutions  
Amy Feland, Lakes and Prairie  
Thomas Hill, United Way of Cass and Clay Counties

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**INFORMATION ITEM**

**Engagement with Non Profits: Minnesota State Community and Technical  
College and United Way of Cass and Clay Counties**

**BACKGROUND**

The colleges and universities of Minnesota State all have numerous partnerships with external organizations. During this presentation representatives from Minnesota State Community and Technical College, as well as its partner, United Way of Cass and Clay Counties, will discuss how their partnership benefits students.



MINNESOTA STATE

Joint Human Resources / Audit Committees  
April 16, 2019  
3:00 p.m.  
McCormick Room

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Note: Committee/board meeting times are tentative. Committee/board meetings 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.

1. HR-TSM Update (pages 1-2)

Human Resources Committee Members:

Jay Cowles, Chair  
Cheryl Tefer, Vice Chair  
Alex Cirillo  
Dawn Erlandson  
Bob Hoffman  
Roger Moe  
Samson Williams

Audit Committee Members:

Michael Vekich, Chair  
April Nishimura, Vice Chair  
Bob Hoffman  
George Soule  
Jerry Janezich

**Bolded** items indicate action is required.





**MINNESOTA STATE COLLEGES AND UNIVERSITIES  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Joint Human Resources / Audit Committees

**Date:** April 16, 2019

**Title:** HR-TSM Update

**Purpose (check one):**

Proposed  
New Policy or  
Amendment to  
Existing Policy

Approvals  
Required by  
Policy

Other  
Approvals

Monitoring /  
Compliance

Information

**Brief Description:**

The Human Resources Transactional Service Model (HR-TSM) is a campus-driven, system-wide effort to migrate HR transactions and payroll services to a shared service environment to improve quality, reduce risk, drive efficiency, and allow campus HR teams to better focus on the needs of their institutions.

Internal Auditing has been engaged in an advisory capacity and issued an initial report in May 2018. The report contained observations and related recommendations to assist Minnesota State with the HR-TSM implementation. Since issuing the report, Internal Auditing has continued to provide advice on the project.

This joint session will provide the Board with a project.

**Scheduled Presenter(s):**

Eric Davis, Vice Chancellor for Human Resources  
Eric Wion, Executive Director of Internal Auditing  
Christine Smith, Director with Baker Tilly

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

<b>BOARD INFORMATION</b>
HR-TSM Update

**BACKGROUND**

The Human Resources Transactional Service Model (HR-TSM) is a campus-driven, system-wide effort to migrate HR transactions and payroll services to a shared service environment to improve quality, reduce risk, drive efficiency, and allow campus HR team to better focus on the needs of their institutions.

- From the enterprise perspective, the project strives to create consistent practices across the system, mitigate the risk that comes from disparate practices, and provide business continuity in the event of an emergency.
  
- From the campus perspective, the project increases the ability to work more efficiently, and increases capacity for transformational HR work to occur such as strategic workforce planning, talent acquisition, employee engagement, and training and development.

Phase 2 of the project is currently in progress and nearing completion.

*Date Presented to the Board of Trustees: April 16, 2019*



MINNESOTA STATE

Closed Session: Joint Audit and Finance Committees  
April 16, 2019  
4:00 p.m.  
Minnesota State  
30 7th Street East  
St. Paul, Minnesota

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Note: Committee/board meeting times are tentative. Committee/board meetings 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.

Committee Audit Chair Michael Vekich and Finance Chair Roger Moe call the meeting to order.

Pursuant to Minnesota Statutes § 13D.05, subd.3(d), the Board of Trustees will meet in Closed Session to receive a systemwide information technology security briefing.

1. Call to Order (Co-Chairs Michael Vekich and Roger Moe)
2. **Motion to close the meeting**
3. Information Security Consultation (pages 1-2)
4. **Motion to end the closed session and return to open session**
5. Adjournment

Audit Committee Members:

Michael Vekich, Chair  
April Nishimura, Vice Chair  
Bob Hoffman  
Jerry Janezich  
George Soule

Finance and Facilities Committee Members:

Roger Moe, Chair  
Bob Hoffman, Vice Chair  
AbdulRahmane Abdul - Aziz  
Ashlyn Anderson  
Jerry Janezich  
April Nishimura  
Samson Williams

**Bolded** items indicate action is required.



**MINNESOTA STATE COLLEGES AND UNIVERSITIES  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Closed Session: Joint Audit and Finance Committees

**Date:** April 16, 2019

**Title:** Information Security Consultation

**Purpose (check one):**

Proposed  
New Policy or  
Amendment to  
Existing Policy

Approvals  
Required by  
Policy

Other  
Approvals

Monitoring /  
Compliance

Information

**Brief Description:**

In closed session, Internal Auditing will present the results of Phase 2 of its Information Security Consultation advisory project. This phase included developing a customized methodology for assessing an institution's design of information security controls using Minnesota State's Top 5 Information Security Domains as criteria and following its maturity model approach. Phase 2 also included piloting the methodology, recommending improvements to information security controls, and identifying opportunities further enhance the Top 5 Information Security Domains and the assessment methodology.

**Scheduled Presenter(s):**

Eric Wion, Executive Director of Internal Auditing  
Ramon Padilla, Vice Chancellor – Chief Information Officer  
Craig Munson, Chief Information Security Officer  
Mike Cullen, Baker Tilly

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

<b>BOARD INFORMATION</b>
Information Security Consultation

**BACKGROUND**

Internal Auditing has been collaborating with Information Security on a multi-phase project to enhance the maturity of the information security program and the implementation of the Top 5 Information Security Domains. Phase 2 of the advisory project included developing a customized methodology for assessing an institution's design of information security controls using Minnesota State's Top 5 Information Security Domains as criteria and following its maturity model approach. Phase 2 also included piloting the methodology, recommending improvements to information security controls, and identifying opportunities further enhance the Top 5 Information Security Domains and the assessment methodology.

*Date Presented to the Board of Trustees: April 16, 2019*



MINNESOTA STATE

**JOINT MEETING OF THE ACADEMIC AND STUDENT AFFAIRS AND FINANCE COMMITTEES**

**APRIL 17, 2019**

**8:00 AM**

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**MCCORMICK ROOM**

**30 7TH STREET EAST**

**SAINT PAUL, MN**

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Please note: Committee/Board meeting times are tentative. Committee/Board meetings 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.

1. Bell Engineering Program Discussion (pp. 1-26)

**ACADEMIC AND STUDENT AFFAIRS COMMITTEE**

Alex Cirillo, Chair

Cheryl Tefer, Vice Chair

Ashlyn Anderson

Dawn Erlandson

Jerry Janezich

Rudy Rodriguez

Louise Sundin

**Finance Committee**

Roger Moe, Chair

Bob Hoffman, Vice Chair

Abdul Rahmane Abdul-Aziz

Ashlyn Anderson

Jerry Janezich

April Nishimura

Samson Williams

**Bolded items indicate action required.**



**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Joint Meeting of the Academic and Student Affairs  
and Finance Committees

**Date:** April 17, 2019

**Title:** Minnesota State University, Mankato Iron Range Engineering Bell Program

**Purpose (check one):**

- |   |   |   |
|---|---|---|
| <input 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 checked="" type="checkbox"/> Information             |   |

**Brief Description:**

In this presentation, representatives from Minnesota State University, Mankato will update the board on their new, co-op-based engineering program called the ***Iron Range Engineering Bell Program***. Built on the foundation of the on-site Iron Range Engineering program that has been offered on the campus of Mesabi Range College since 2010, the Bell Program is based on a new delivery design intended to serve students throughout the United States. This presentation will provide an overview of the program's design, financial model (including its differential tuition dependence), enrollment assumptions, and competitive edge. The presentation will conclude with a discussion of key questions for the board's consideration, prior to the board's review of the FY20 operating budget and differential tuition proposal in May.

**Scheduled Presenter(s):**

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs  
Richard Davenport, President, Minnesota State University Mankato  
Marilyn Wells, Provost and Senior Vice President, Minnesota State University Mankato  
Brian Martensen, Dean, College of Science Engineering and Technology, Minnesota State  
University Mankato  
Rick Straka, Vice President of Finance and Administration, Minnesota State University Mankato

**BOARD OF TRUSTEES  
MINNESOTA STATE**

**INFORMATION ITEM**

**Minnesota State University, Mankato  
Iron Range Engineering, “The Bell Program”**

**INTRODUCTION**

Minnesota State University, Mankato has a strong history of building and launching high quality, engineering education programs to meet Minnesota’s workforce needs. That trajectory has continued into the 21<sup>st</sup> century with nationally and internationally recognized innovations in engineering education. In 2019, Minnesota State University, Mankato seeks to launch a new delivery model for the Iron Range Engineering program, The Bell Program. Centered on student experiences working directly in industry through co-op employment. The Bell Program will target students who are community college graduates who will work in industry for two years – or the junior and senior years of their education – while being supported in their technical and professional development by PhD level professors, practicing engineers as learning facilitators, and peer-to-peer support using digital communication and annual face-to-face meetings. Crafting a student learning experience that is centered on engineering practice from all of its perspectives, this new program will aim to better transition community-college educated students who enter the program to practice-ready engineers with a Bachelor of Science in Engineering (BSE).

Just as human-centered design is changing engineering practice to solutions that involve the human perspective at all steps, this work-based learning experience will involve the student gaining engineering practice perspectives at all steps. The traditional model of engineering education could be labeled as an “indirect” learning experience where learning about the profession is done in the abstract setting of a classroom. In contrast, the new program will deliver a “direct” learning experience where the profession is experienced in place. The learning experience, as designed, opens doors for greater access to engineering education. Aimed at community college graduates, this new delivery model it will serve a more ethnically and gender diverse student body. It will also create opportunities for place-bound individuals to earn the majority of their education near their homes. Further, the financial model, where student earnings during their industry co-op placements, will increase access to higher education without increasing student loan debt.

**PROGRAM BACKGROUND**

In 2010, Minnesota State University, Mankato and the Northeast Higher Education District (NHED) collaborated to launch the Iron Range Engineering program in Virginia, Minnesota. The new program adapted the Aalborg (Denmark) model of project-based learning (PBL) to serve graduates of Minnesota State’s community colleges. This program has received supplemental financial support from the Iron Range Resources and Rehabilitation Board (IRRRB). The



regional motivation for the Iron Range Engineering program was to stem the “brain drain” or loss of talent from northeastern Minnesota to provide a technical workforce for a rural region that was struggling to attract and retain engineers. Since its launch in 2010, the Iron Range Engineering program has enrolled ~25 new juniors each year, and graduated ~22 seniors. Since 2010, 160 students have graduated, with 70% employed in northeastern Minnesota.

Building upon the Iron Range Engineering program’s success, Minnesota State University, Mankato collaborated with Normandale Community College to launch the Twin Cities Engineering program. To date, 40 students have completed. Both, the Iron Range Engineering and Twin Cities Engineering programs are accredited by ABET, demonstrating the highest standards of quality assurance in engineering education.

Since 2010, the Iron Range Engineering and Twin Cities Engineering models have received system, state, national, and international recognition for innovation. The *Minnesota State Board of Trustees* twice recognized Iron Range Engineering for innovation with the *Innovation Award* (2010, 2015). In 2012, the inaugural year for *Finance & Commerce’s Progress Minnesota* award, Iron Range Engineering was selected as an *Organizational Honoree*. Also in 2012, Iron Range Engineering was recognized with the *Joel Labovitz Entrepreneurial Success Award* for educational innovation. Further, Governor Dayton recognized the Iron Range Engineering program’s success during a *State of the State* addresses. Iron Range Engineering also was recently highlighted in *Minnesota Monthly* magazine.

In 2016, ABET established a new award to honor individuals, organizations or teams that are breaking new ground by developing and implementing innovation into their ABET-accredited programs. The Iron Range Engineering and Twin Cities Engineering Programs received the *2017 ABET Innovation Award* in Baltimore. Specifically, the programs were noted, "For educating their students in innovative ABET-accredited programs that feature trans-disciplinary thinking, industry-sponsored project-based learning, experiential learning in context, competency-based assessments and significant exposure to professionalism, design and creativity." ABET Innovation Award honorees have included Worcester Polytechnic Institute (2016) and Dartmouth (2018). Minnesota State University, Mankato won the *Minnesota High Tech Association’s 2018 TekNE Award for STEM Workforce Development* for challenging the status quo of the science and technology industries.

In addition, in 2018, *Massachusetts Institute of Technology (MIT)* published results of a study on the “Global state of the art in engineering education”. One outcome was a “top 10” list of emerging world leaders in engineering education. Iron Range Engineering was ranked as the “fifth” emerging world leader. From the report, “A number of institutions – including Singapore University of Technology and Design, Olin College of Engineering, University College London, the Pontifical Catholic University of Chile and *Iron Range Engineering* – were consistently cited as global ‘emerging leaders’ in engineering education.” On April 29, 2019 Minnesota State University, Mankato and NHED representatives will attend a summit of the top 10 emerging and current world leaders at MIT. Iron Range Engineering is mentioned in the report several times, one highlight:

*The next generation of [leading universities in engineering education] won't be just the places that take the best students – and do whatever they like with them because, let's face it, they were always going to be good – they are also going to be the places that might be lower down in the research rankings, may not have exceptional students, but are really doing something quite special ...with the students they have. Those are the places that people want to find out about, because they are doing the real trick!"* In this context, those interviewed noted their interest in institutions – such as Aalborg University in Denmark, CSU in Australia and Iron Range Engineering in the US – that were understood to be catering to “a more typical type of engineering student.”

The world of engineering education is being re-imagined. In the closing pages of the MIT report, there are indications of what this reimagined world might look like.

“Thought leaders suggested that an increasing number of the world’s leading engineering programs would deliver student-centered learning to large student cohorts through a blend of off-campus personalized online learning and ... hands-on experiential learning. Where “*most of the [engineering] fundamentals will be learned online*” with “*a greater sharing of materials between universities*” to reduce costs. As Phase 1 thought leaders noted: “*this is the future of the field, where you put the student at the center and use the resources to facilitate team projects and authentic experiences, and then put the taught curriculum online*”; “*these new players are going to change the landscape. With an online component and a unique model, they will be a disruptive force that will cause the whole landscape of engineering education to change.*”

At the time that report was being written, the Iron Range Engineering “Bell Program” was already being imagined. It is precisely what the thought leaders were predicting. In fact, on the very last page of the report, the author describes “Iron Range Engineering Version 2.0” and the attributes of what is now being called the Bell program.

During the early planning stages of this initiative, funding was provided by both the Minnesota State system office and the IRRRB. Through the Multi-Campus Collaboration Funding program, \$50,000 was awarded to Minnesota State University, Mankato and the Northeast Higher Education District for “*Iron Range Engineering Expansion*”. An interim report was submitted in November 2018 and the final report is currently being drafted. The funding covered initial recruiting for the first cohort through travel by Bell staff to community colleges and the hosting of an on-site “Bell Experience” for potential students as well as curriculum development.

The IRRRB funded approximately \$300,000 for benchmarking and program development, 2016 – 2018. A feasibility study was conducted finding that a sustainable fiscal model could be enacted and a student body could be attracted. During the development phase, the “Bell Program” model was presented to Minnesota State Board of Trustees’ Chair Vekich and to Chancellor Malhotra on separate visits to NHED.

## MOTIVATION

The motivations for expansion of Iron Range Engineering to a new delivery mode, “The Bell Program” include: (1.) student and learning success of the Iron Range Engineering program, combined with emergence of the Charles Sturt University model of engineering education, (2.) diversity in the profession of engineering, (3.) regional economic impact in Minnesota and respective areas nationally, (4.) opportunity to develop a fiscally sustainable model for both students and society that supports broader access to engineering degree, and (5.) expansion of project-based learning (PBL) with integration of digital learning to produce highly effective engineering graduates.

**Student & Learning Success** – In the first nine years of the Iron Range Engineering program, the model of project-based learning (PBL) for professional development, design, and self-direction have, has been continuously developed and improved, resulting in a 90+% graduation rate of practice-ready engineers. This highly developed model integrates reflection, professional development curriculum, professional development plans, design and project management curriculum, technical development plans, seminar series, and an extensive communication curriculum. The Charles Sturt University Engineering, Australia, expands impact by employing a co-op based approach to the project-based learning. Collectively, these approaches will form the new delivery model for The Bell Program.

**Diversity in the Profession of Engineering** – The profession of engineering predominantly includes white males who come from middle class families. Organizations nationwide have spent several decades and hundreds of millions of dollars to change this demographic with little progress. The access of this model from the financial and pedagogical aspects is considerably different from traditional university models. The development of the future student body at community colleges nationwide has the potential to create models for learning that are much more accessible by and encourage non-traditional engineering students. Graduates of the Iron Range Engineering and Twin Cities Engineering programs, as well as the emerging first cohort for The Bell Program is demonstrating far greater diversity, equity, and inclusion.

**Regional Economic Impact** – The Bell Program will contribute to regional economic development to Minnesota and the home regions of the students. First, The Bell Program will draw cohorts of up to 75 new students each, to the Iron Range, two times per year, for five months each. Each cohort will return for assessments at regular intervals throughout the program. Additionally, families will visit for an additional one week each year. Second, The Bell Program will employ up to 35 new highly educated, technical professionals in the region. They, too, will likely bring families, and need housing and schooling, and positively contribute to the communities and become a new part of the overall tax base. Finally, the direct creation of the engineering program has the opportunity to bring indirect financial impacts as engineering programs typically create technical growth because of professors doing research and creating startups.

**Fiscally Sustainable Model** – The Bell Program students will be employed in industry co-ops for 24 months throughout the program. With student earning between \$22 per hour (Minnesota average) and \$26 per hour (national average), students will gross between \$85,000 and \$100,000

over two years of the program, providing earnings for living expenses and tuition. Students who are able to live a college student existence during this timeframe will be able to graduate with near zero debt for The Bell Program.

Workforce Aligned Engineers – Industries have long expressed dissatisfaction of new graduates' of traditional engineering programs stems for their inability navigate the professional world. Iron Range Engineering dedicates substantial student time to both the application of technical knowledge in realistic settings and the practice of professional skills. The industry co-op experiences in The Bell Program, together with the residential components and digital learning, will prepare even more effective, work-aligned, engineering graduates, highly sought after by industry.

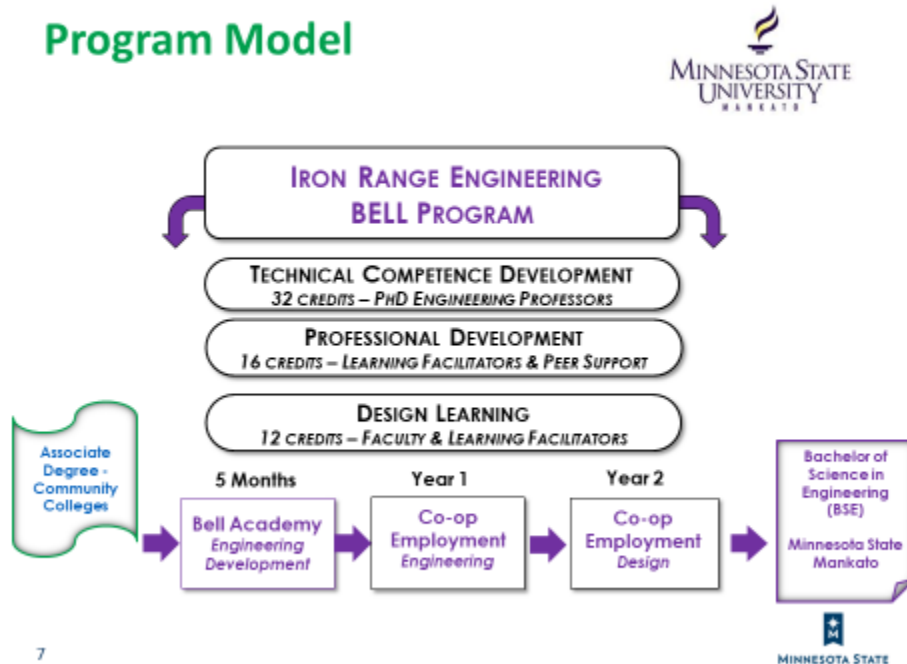
### **A NEW DELIVERY MODEL: THE BELL PROGRAM**

Unique features distinguish this new delivery model, The Bell Program, from the Iron Range Engineering program and from a traditional engineering co-op. Students who are recruited and admitted to The Bell Program will have completed their lower division studies at community colleges and universities from across the United States. They will enter a one semester intensive training experience, The Bell Academy, located in northeastern Minnesota, where they will polish the skills necessary to succeed at high levels, both professionally and technically, as self-directed learners to enter their first co-op semester in their home region. Minimum technical competency achievement will be necessary to move from The Bell Academy to a co-op position. They will be expected to return to northern Minnesota for a one-week exam period following each year of co-op placement.

Throughout The Bell Program – from the Bell Academy (5 months) to the industry co-op experiences (24 months), an inter-professional team will support student learning and success. PhD level engineers will serve as the faculty or professors who will create, facilitate, and support the self-directed learning of technical competencies and give verbal exams to students while the students are in the Bell Academy, on co-op placement, and when they return for exams at the end of each placement.

“Learning facilitators”, typically engineers hired from engineering practice, will coach co-op students in their professional and engineering design development through frequent encouraging feedback on the students' reflection journals and development plans. Feedback will be face-to-face and digital communications. Facilitators will also liaison with industry or supervisors and facilitate peer-to-peer support teams. An on-ground academic team, consisting of the professors, learning facilitators, and support staff will deliver the Bell Academy.

The following graphic depicts the program model:



7

Enrollment targets are for 75 new students every six months. At full capacity, this would result in 375 students, active across The Bell Academy and the co-op placements.

## FINANCIAL MODEL

This new delivery model for co-op based engineering education – personalized, workforce-aligned, and digital – requires person intensive resources.

The level of student contact during the Bell Academy and industry co-ops is high. In a traditional co-op program, students receive little or no faculty interaction or university guidance while on co-op placement. The Bell Program takes a completely different approach. During their industry co-ops, in their home regions, students are taking on-line courses from their PhD faculty for six hours per week, and are working directly with their learning facilitators to document design and professional learning for 5 hours per week.

Further, each individual student has a 20 to 30 minute conversation with their learning facilitator every other week to receive professional guidance and to reflect on the variety of learning experiences they are undertaking. This aspect of The Bell Program is what makes it truly unique among co-op experiences and what aligns it with the re-imagining of engineering education, as described in the MIT report. The high level of student success and expanded access will be the result of this intensive coaching approach.

Therefore, the cost structure includes salaries and wages for the PhD level faculty, learning facilitators, and academic support staff. Non-salary expenses include advertising, marketing, and outreach, learning or conference facilities, vehicles, room and board, student care, curriculum

development, instructional supplies and technology. Total budgeted expenses for the pilot year (FY 2020) are \$1,788,692, and for year 5 (FY 2023), \$7,219,920.

The revenue structure includes external or grant funding and tuition. To date, external funds have been received from multiple sources to support program exploration, development, and expansion. Specifically, the IRRRB awarded the Northeast Higher Education District (NHED) \$300,000, 2016 – 2018. Activities included a feasibility study, a site visit to Charles Sturt University Engineering, Australia, national benchmarking, community college and recruitment visits, and a Bell Experience to test prospective student interest. In 2018, the first year for Minnesota State’s Collaboration Funding, NHED and Minnesota State University, Mankato received \$50,000 for program expansion. Together, the findings and outcomes of these externally funded studies supported forward movement for The Bell Program.

With data to support the affordability, student success, learning quality, workforce alignment, and community vitality of The Bell Program, and given the cost structure for the program, a differential tuition of \$13,000 per semester is requested. This translates to \$75,000 for the Bachelor of Science in Engineering (BSE) degree. As noted above, student earnings to offset costs will range from \$85,000 to \$100,000.

Additional revenues have been awarded by the IRRRB – \$5,000,000 – to support The Bell Program for the first five years, with a milestone benchmark to be met. With a projected enrollment of 25 students for the pilot cohort (July 2019), tuition revenues for the pilot year (FY 2020) will be \$650,000, with an additional \$1,250,000 from the IRRRB. Enrollment targets increase to 50 students for cohorts two and three (July 2020, January 2021), and to 75 students for cohorts 4 through 7 (July 2021, January 2022, July 2022, January 2023). Attrition is projected at 10%. Also worth noting, there is no expected impact on the Iron Range Engineering and Twin Cities Engineering enrollments since they are different delivery models, different target audiences, and different cost structures. Given these enrollment assumptions, by year 5 (FY 2023), total tuition revenue is projected to be \$9,750,000, and the program to be fiscally sustainable.

The table below show Bell Engineering revenues and expenses at “steady state”:

“Steady State” Operation (in 2019 dollars)					
Student Enrollment Per Cohort	Total Student Enrollment	Revenue per year*	Personnel costs per year	Total Personnel	Non-personnel costs per year
50	250	\$6,500,000	\$3,200,000	30	\$2,800,000
* Assuming \$13,000/semester					

In the event that minimum enrollments are not achieved, the program will sunset in 2023 with the current grant being able to cover all of the incurred personnel and non-personnel costs.

The financial model for the Iron Range Engineering, “The Bell Program” is also supported by market competitive edge. During the national benchmarking phase, findings indicated that the tuition, per year, at traditional co-op programs, was as follows:

University of Cincinnati	\$27,340
Kettering University	\$44,400
Northeastern University	\$50,500

Therefore, both cost and market data, as well as the student earnings to offset costs, support the differential tuition requested for The Bell Program.

As this work moved forward, key next steps include tuition approval, continual network and partnership expansion, student recruitment and enrollment growth for the pilot cohort and cohorts 2 through 7, faculty and staff hiring and onboarding, and launch of the pilot cohort launch.

## CONCLUSION

In conclusion, the Iron Range Engineering, “The Bell Program” is a signature program that will offer signature outcomes to Minnesota State and to Minnesota. Selected examples of the signature outcomes include:

- New students, new markets
- Increase diversity and inclusion in the profession of engineering
- Increase economic impact and community vitality
- Enhance regional economic development
- Expand talent pool of bachelor’s-prepared, practice-ready engineers to meet workforce demand
- Elevate reputation as a world leader in breaking the status quo in engineering education

Additionally, this new delivery mode, “the Bell Program” offers strong linkages to Re-imagining Minnesota State, “An Emerging Vision for the Future of Minnesota State”. For example, one quote from the current report that aligns to this innovative program is *“Our college and universities will continue to be the source of creative ideas and experimentation ...”* The Bell Program also exemplifies the innovation and innovation support themes of Re-imagining Minnesota State; examples include:

### Innovation Themes

- Learner-centered, flexible, personalized
- Intentional, equity-minded, inclusive
- Integrated Learning Models for the Future
- Network of Strategic partners

### Innovation Support Themes

- Entrepreneurial, risk-tolerant, and evidence-based
- Strategic, transformational, and, future-oriented

To assure success, ongoing strategic questions will be important to fostering a culture of innovation, collaboration, and partnership, while sharing responsibility for achievements and success stories.



April 17, 2019  
Board of Trustees

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**Minnesota State University, Mankato**  
**Iron Range Engineering, “The Bell Program”**  
***Expanding Innovation in Engineering Education***

Joint Meeting of the Academic and Student Affairs, and  
Finance Committees



# Engineering Education Programs Launched

**1984**

**Electrical Engineering, BSEE**

**1986**

**Mechanical Engineering, BSME**

**2000**

**Computer Engineering, BSCE**

**2001**

**Civil Engineering, BSCE**



# Engineering Education

## *Program Innovation*

**2010**

**Integrated Engineering, BSE**

***“Iron Range Engineering”***

Partnership with Itasca Community College

Hosted by Mesabi Range College

Virginia, MN

**2013**

***“Twin Cities Engineering”***

Partnership with Normandale Community College

Bloomington, MN



# Engineering Education Program

## *Awards & Recognitions*



**2010, 2015**

Board of Trustees  
Innovation Award



**2012**

Finance & Commerce's  
Organizational Honoree



Minnesota High Tech Association  
STEM Workforce Development



**2018**

Emerging Leader  
In Engineering Education  
Worldwide



**2017**

ABET Innovation Award

# Engineering Education Program

## *“The Bell Program” – A New Delivery Model*

**2019**

### **Iron Range Engineering, “The Bell Program”**

New students, new markets – Nationwide & Minnesota

Modeled after Charles Sturt University Engineering, Australia

Resource intensive – Distinctive experiences

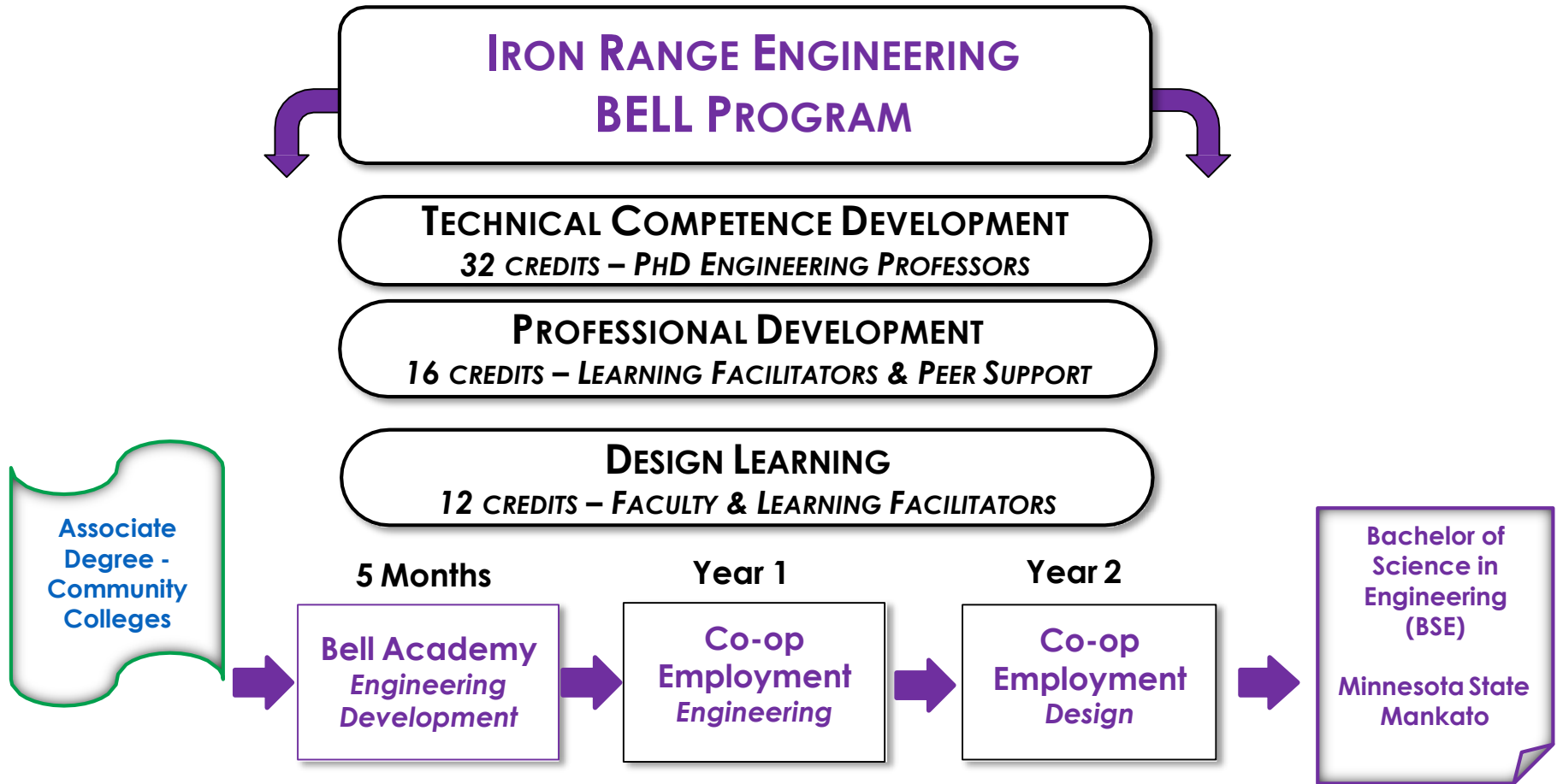


# Iron Range Engineering

## *“The Bell Program” – Signature Learner Experiences*

- Residential, 1<sup>st</sup> semester, intensive engineering-development
- Home region, 2 years, industry co-op experiences, paid
- Competency-based
- Validation of learning
- Person-intensive → PhD engineering professors, practicing engineer learning facilitators, support staff, and peer-to-peer support
- Digital learning and on-site, face-to-face examinations

# Program Model



# Iron Range Engineering

## *“The Bell Program” – Signature Outcomes*

- New students, new markets
- Increase diversity and inclusion in the profession of engineering
- Increase economic impact and community vitality
- Enhance regional economic development
- Expand talent pool of bachelor’s-prepared, practice-ready engineers to meet workforce demand
- Elevate reputation as a world leader in breaking the status quo in engineering education

# Iron Range Engineering Financial Model

## *“The Bell Program” Cost Structure*

### Program Expenses

- Salaries/Wages
  - Faculty, facilitators, support & admin
- Non-Salary
  - Advertising/Marketing/Outreach, Administration, Conference Facilities, Vehicle, Room & Board, Student Care, Curriculum Development, Instructional Supplies & Technology, Website
- Total Expenses
  - Pilot Year (FY 20)           \$1,788,692
  - Year 5 (FY 23)               \$7,219,920



# Iron Range Engineering Financial Model

## *“The Bell Program” – Revenue Structure*

### Grant Funding

- IRRRB – program exploration \$300,000
- Minnesota State – program expansion \$50,000

### Differential Tuition Requested

- Per semester \$13,000
- Total for BSE program \$75,000
- Student earnings to offset costs \$85,000 – \$100,00

### Revenues Projected

- Tuition, Pilot Year (FY 20) \$650,000
- IRRRB Grant, start up (FY 20) \$1,250,000
- 5<sup>th</sup> Year (FY 23) \$9,750,000

# Iron Range Financial Model

## *“The Bell Program” – Enrollment Assumptions*

### **Enrollment Expectations**

### **2019 – 2023**

- Pilot Cohort 25 July 2019
- Cohorts 2 – 3 50 July 2020 ▪ Jan 2021
- Cohorts 4 – 7 75 July 2021 ▪ Jan 2022 ▪ July 2022 ▪ Jan 2023
  
- Program Design Capacity 375 (75 per cohort)
- Projected Attrition 10%

# Iron Range Engineering Financial Model

## *“The Bell Program” – Enrollment Assumptions*

### **Strategies to Hit Target Enrollments**

- National community college faculty workshops & focus groups
- Intensive relationship building & active recruiting nationwide
- “Bell Experience”

### **If Enrollment Targets Not Met**

- Sunset in 2023

### **Expected Impact on Iron Range & Twin Cities Engineering Enrollments**

- Different delivery models, different target audiences, different cost structures → Impact not expected

# Iron Range Engineering Financial Model

## *“The Bell Program” – Marketplace Competitive Edge*

### **National Benchmarking – Tuition per year**

Traditional engineering co-op programs

- University of Cincinnati                      \$27,340
- Kettering University                            \$44,400
- Northeastern University                      \$50,500

### **New delivery model → Competency-based, co-op program**

- “The Bell Program”                            \$26,000
- Student earnings to offset costs            \$85,000 – \$100,00

# Linkage to Reimagining Minnesota State

**“An Emerging Vision for the Future of Minnesota State”**

*“By the end of the next decade Minnesota State will be a leader in the country in the educational and economic outcomes that are critical to the future success of our students and state.”*

*Affordability ♦ Student Success ♦ Learning Quality  
Workforce Alignment ♦ Community Vitality*

# Linkage to Reimagining Minnesota State

## “An Emerging Vision for the Future of Minnesota State”

*“Our college and universities will continue to be the source of creative ideas and experimentation ...”*

### **Innovation Themes**

- Learner-centered, flexible, personalized
- Intentional, equity-minded, inclusive
- Integrated Learning Models for the Future
- Network of Strategic partners

### **Innovation Support Themes**

- Entrepreneurial, risk-tolerant, and evidence-based
- Strategic, transformational, and, future-oriented

# Iron Range Engineering Next Steps

## *“The Bell Program” – Purposeful Progress*

- Tuition approval
- Network and partnership expansion
- Student recruitment and enrollment growth
- Faculty and staff hiring and onboarding
- Pilot cohort launch

# Strategic Questions

1. What questions does the Board have regarding the cost structure of the program and the differential tuition rate that will be requested?
2. Are there particular review and approval parameters that the Board would like to see for evaluating future programs based on similar models?
3. Are there additional policy implications that we should consider as we further this work?





MINNESOTA STATE

**Human Resources Committee**

Wednesday, April 17, 2019

09:00 AM

Minnesota State, McCormick Room

30 East 7th Street

St. Paul, Minnesota

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Note: Committee/board meeting times are tentative. Committee/board meetings 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.

- 1. Minutes of March 20, 2019 (pp. 1-4)**
- 2. Emeriti Recognition (pp. 5-6)**
- 3. Appointment of President of Alexandria Technical and Community College (pp.7-8)**

Committee Members – Human Resources

Jay Cowles, Chair

Cheryl Tefer, Vice Chair

Alex Cirillo

Dawn Erlandson

Bob Hoffman

Roger Moe

Samson Williams



**Bolded** items indicate action is required.

**Minnesota State Board of Trustees  
Human Resources Committee Meeting Minutes  
McCormick Room  
March 20, 2019**

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***Committee members present:*** Jay Cowles, Chair; Cheryl Tefer, Vice Chair

*Trustees:* Alex Cirillo, Bob Hoffman, Roger Moe.

***Committee members absent:*** Dawn Erlandson, Sampson Williams

***Other Leadership Council:*** Devinder Malhotra; Chancellor and Eric Davis, Vice Chancellor for Human Resources.

***President Liaisons:*** Atenuga Atewologun and Ginny Arthur

Committee Chair Jay Cowles called the meeting to order at 11:00 am

**1. Approval of the October 17, 2018 Committee Meeting Minutes:**

Trustee Cirillo called for a motion to approve the October 17, 2018, Human Resources Committee meeting minutes. Trustee Tefer seconded the motion. The minutes were approved.

**2. Approval of the January 29, 2019 Committee Meeting Minutes:**

Trustee Hoffman called for a motion to approve the January 29, 2019, Joint Audit and Human Resources Committee meeting minutes. Trustee Cirillo seconded the motion. The minutes were approved.

**3. Appointment of President of Southwest Minnesota State University**

Chancellor Devinder Malhotra addressed the Board of Trustees thanking Dr. Connie Gores who served as President of Southwest Minnesota State University since 2013. Throughout her tenure at Southwest, Dr. Gores has been deeply committed to partnerships with other Minnesota State institutions. One example is the Blue to Brown Connection Program with Minnesota West Community and Technical College, a student-centered education experience where diversity, collaboration and academic success are fundamental principles and practice. A prominent leader, Dr. Gores leaves SMSU well poised to secure its future.

A national search for the presidency of SMSU with the assistance of Greenwood Asher and Associates, Inc. began in the fall of 2018. Their search yielded a diverse pool of 63 applicants. Ten candidates were chosen to participate in preliminary interviews. Three finalists participated in public interviews at the campus. Reference and background

checks were completed. In addition, Chancellor Malhotra, members of the cabinet and Trustees Hoffman, Nishimura and Rodriguez interviewed with the finalists.

Chancellor Malhotra recommended to the board the appointment of Dr. Kumara Jayasuriya as President of Southwest Minnesota State.

Chancellor Malhotra provided a comprehensive review of Dr. Jayasuriya's education and career highlights, credentials, current duties and character references.

The chancellor noted that during this search the internal community communicated a strong desire to have a university leader who will navigate the significant challenge of declining enrollment and the pressure this is placing on the programmatic and financial sustainability that is critical to the economic impact within the Marshall area and the southwest region. The chancellor stated that Dr. Jayasuriya has the leadership skills, strategic vision and strong personal traits that allow him to identify the challenging tasks ahead. Dr. Jayasuriya is prepared to work in a collaborative, authentic and transparent manner, positioning the university within the Marshall area as an asset that is critical to the economic, social and cultural vitality of the region and guide SMSU into the future.

Chair Cowles asked for discussion of the recommendation from committee members. Trustee Rodriguez thanked the Chancellor and all involved in the inclusive and through process and strongly supported the recommendation. Chair Cowles commented that he and Vice Chancellor for Human Resources Eric Davis consulted and carefully discussed the feedback provided by the chancellor and concurred there is a very strong encouragement for this recommendation. Vice Chancellor Davis commented he was very impressed with quality of the applicants, the size and the diversity of the pool and is confident that we have selected a president that has all of the credentials to be very successful in this community.

Chair Cowles read the recommendation.

The HR Committee recommends the Board of Trustees adopt the following motion:

*The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Kumara Jayasuriya as president of Southwest Minnesota State University effective July 1, 2019, subject to the completion of an employment agreement. The board authorizes the chancellor, in consultation with the chair of the board and chair of the human resources committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.*

Trustee Cirillo motioned. Trustee Nishimura seconded the motion. No one opposed. The motion was carried unanimously.

#### 4. Appointment of President of Lake Superior College

Chancellor Devinder Malhotra addressed the Board of Trustees thanking President Pat Johns for his exemplary leadership not only as president of Lake Superior College but also previously as president at Anoka Ramsey Community College. He stated that Dr. Johns is leaving LSC as an institution that is firing on all cylinders. The college has strong programmatic and financial fundamentals, is strategically positioned well in the community and is a major catalyst in the region's social and economic prosperity.

A national search for the presidency of Lake Superior College with the assistance of the executive search firm Pauly Group began in the fall of 2018. Their search yielded a diverse pool of 56 applicants. Nine candidates were chosen by the search advisory committee to participate in preliminary interviews. Three finalists participated in public interviews at the campus. Reference and background checks were completed. Chancellor Malhotra, members of the cabinet and Trustees Erlandson, Moe and Soule interviewed with the finalists.

Chancellor Malhotra recommended to the board the appointment of Dr. Patricia Rogers as President of Lake Superior College.

Chancellor Malhotra provided a comprehensive review of Dr. Roger's education and career highlights, credentials, current duties and character references. In summary, Dr. Rogers is a collaborative and accomplished leader with valuable knowledge and depth of experience of the Minnesota State system. She is passionate about higher education and student outcomes and is well prepared for the college presidency.

Lake Superior College is performing well and is moving in the right direction. The next challenge for the LSC president is to build on its solid foundation, deepen and enhance the work and accelerate the impact LSC has on the community and broader region. The Chancellor is confident Dr. Patricia Rogers is a leader who will guide LSC through her authentic, open and collaborative leadership style. She will develop a shared vision and shared responsibility to execute the vision and lead the college to even greater heights.

Chair Cowles asked for discussion of the recommendation from committee members. Seeing none, hearing none, Chair Cowles read the recommendation.

The HR Committee recommends the Board of Trustees adopt the following motion:

*The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Patricia Rogers as President of Lake Superior College effective July 1, 2019, subject to the completion of an employment agreement. The board*

*authorizes the chancellor, in consultation with the chair of the board and chair of the human resources committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.*

Trustee Moe motioned. Trustee Tefer seconded the motion. No one opposed. The motion was carried unanimously.

The meeting adjourned at 11:30 am  
Name of Recorder: Tamara Mansun

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Human Resources Committee

**Date:** April 17, 2019

**Title:** Emeriti Recognition

**Purpose (check one):**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Proposed<br>New Policy or<br>Amendment to<br>Existing Policy | <input checked="" 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:**

Pursuant to Board Policy 4.8, Emeritus Status, Chancellor Malhotra will present his three recommendations to confer presidential emeritus status upon the following presidents, who have served as presidents in good standing.

**Scheduled Presenter:**

Devinder Malhotra, Chancellor

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD ACTION</b>
EMERITI RECOGNITION

1 **BACKGROUND**

2 Pursuant to Board Policy 4.8, Emeritus Status, Chancellor Malhotra will present his three  
3 recommendations to confer presidential emeritus status upon the following presidents, who  
4 have served as presidents in good standing.

5  
6 Joyce Helens: Served as president of St. Cloud Technical and Community College from 2006 to  
7 2017 (retired). Also served as interim president of Rochester Community and Technical College  
8 from January to June, 2016.

9  
10 Larry Anderson: served as president of Fond du Lac Tribal and Community College from 2009 to  
11 2018 (retired) and as interim president from 2008 to 2009.

12  
13 Peggy Kennedy: served as president of Minnesota State Community and Technical College from  
14 2012 to 2018 (retired) and as interim president from 2011 to 2012.

15  
16 **RECOMMENDED COMMITTEE MOTION**

17 The Human Resources Committee recommends the Board of Trustees adopt the following  
18 motion:

19  
20 **RECOMMENDED BOARD MOTION**

21 Upon the recommendation of Chancellor Malhotra, in recognition that the following individuals  
22 have served as presidents with great distinction, the Board of Trustees hereby confers the  
23 honorary title of President Emeritus upon Joyce Helens, St. Cloud Technical and Community  
24 College; Larry Anderson, Fond du Lac Tribal and Community College; and Peggy Kennedy,  
25 Minnesota State Community and Technical College.

26  
27 *Date Presented to the Board of Trustees:* 04/17/19  
28 *Date of Implementation:* 04/17/19

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Human Resources Committee

**Date:** April 17, 2019

**Title:** Appointment of President of Alexandria Technical and Community College

**Purpose (check one):**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Proposed<br>New Policy or<br>Amendment to<br>Existing Policy | <input checked="" 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:**

It is anticipated that Chancellor Malhotra will recommend an individual to appoint \_\_\_\_\_ as President of Alexandria Technical and Community College.

**Scheduled Presenter:** Devinder Malhotra, Chancellor  
Eric Davis, Vice Chancellor for Human Resources



**MINNESOTA STATE  
BOARD OF TRUSTEES**

**ACTION SHEET**

**APPOINTMENT OF PRESIDENT OF ALEXANDRIA TECHNICAL AND COMMUNITY COLLEGE**

**BACKGROUND**

It is anticipated that Chancellor Malhotra will recommend an individual to appoint as President of Alexandria Technical and Community College.

**RECOMMENDED COMMITTEE MOTION**

The Human Resources Committee recommends that the Board of Trustees adopt the following motion.

**RECOMMENDED BOARD MOTION**

The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints \_\_\_\_\_ as President of Alexandria Technical and Community College effective July 1, 2019, subject to the completion of an employment agreement. The board authorizes the chancellor, in consultation with the chair of the board and chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.

*Date of Adoption: April 17, 2019*

*Date of Implementation: July 1, 2019*



## **Board of Trustees Meeting**

Minnesota State  
McCormick Room  
Wednesday, April 17, 2019  
9:30 AM

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*In addition to the board members attending in person, some members may participate by telephone.*

Call to Order, Michael Vekich, Chair

Chair's Report, Michael Vekich

- 1. Report of the Chancellor Performance Review Committee**
2. Update on Reimagining Minnesota State

Chancellor's Report, Devinder Malhotra

Consent Agenda

- 1. Minutes of Committee of the Whole, March 19, 2019**
- 2. Minutes of the Board of Trustees, March 20, 2019**
- 3. Contract Exceeding \$1 Million: Winona State University, Laird Norton Renovations, Football Stadium Upgrades**
- 4. Contracts Exceeding \$1 Million**
  - a. College Source uAchieve Planner**
  - b. Lease Agreement: Minnesota West Community and Technical College, Pipestone Campus to Southwest West Central (SWWC) Service**
  - c. Lease Agreement: Amendment to Metropolitan State University Lease at 1450 Energy Park, St. Paul**
  - d. Safety and Security Services at Metropolitan State University**
  - e. Computer Lease Agreement for Minneapolis College**
- 5. Committee Name Change and Charter**

Board Standing Committee Reports

Human Resources Committee, Jay Cowles, Chair

- 1. Emeriti Recognition**
- 2. Appointment of President of Alexandria Technical and Community College**

Facilities Committee, Jerry Janezich, Chair

- Report of the Committee Meeting



Finance Committee, Roger Moe, Chair

- Report of the Committee Meeting

Ad Hoc Outreach and Advocacy Committee, Dawn Erlandson, Chair

1. Engagement with Government Partners: Minneapolis College and Hennepin County
2. Engagement with Non Profits: Minnesota State Community and Technical College and United Way of Cass and Clay Counties

Joint Meeting: Audit and Human Resources Committees, Michael Vekich and Jay Cowles, Co-chairs

- HR-TSM Update

Joint Meeting: Academic and Student Affairs and Finance committees, Alex Cirillo and Roger Moe, Co-chairs

- Bell Engineering Program Discussion

Student Associations

1. Lead MN
2. Students United

Minnesota State Colleges and Universities Bargaining Units

1. American Federation of State, County, and Municipal Employees
2. Inter Faculty Organization
3. Middle Management Association
4. Minnesota Association of Professional Employees
5. Minnesota State College Faculty
6. Minnesota State University Association of Administrative and Service Faculty

Trustee Reports

Other Business

Adjournment

**Bolded items indicate action is required**



## **Board of Trustees Meeting**

Minnesota State

McCormick Room

Wednesday, April 17, 2019

9:30 AM

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*In addition to the board members attending in person, some members may participate by telephone.*

### Consent Agenda

- 1. Minutes of Committee of the Whole, March 19, 2019 (pp, 1-4)**
- 2. Minutes of the Board of Trustees, March 20, 2019 (pp. 5-11)**
- 3. Contract Exceeding \$1 Million: Winona State University, Laird Norton Renovations, Football Stadium Upgrades (p. 9 of the Facilities Committee meeting materials and p. 16 of the Finance Committee meeting materials)**
- 4. Contracts Exceeding \$1 Million (pp. 9-15 of the Finance Committee meeting materials)**
  - a. College Source uAchieve Planner**
  - b. Lease Agreement: Minnesota West Community and Technical College, Pipestone Campus to Southwest West Central (SWWC) Service**
  - c. Lease Agreement: Amendment to Metropolitan State University Lease at 1450 Energy Park, St. Paul**
  - d. Safety and Security Services at Metropolitan State University**
  - e. Computer Lease Agreement for Minneapolis College**
- 5. Committee Name Change and Charter (pp. 4-5 of the Ad Hoc Outreach and Advocacy Committee meeting materials)**



**MINNESOTA STATE  
BOARD OF TRUSTEES  
COMMITTEE OF THE WHOLE  
MARCH 19, 2019  
9:30 a.m.  
McCormick Room**

---

***Committee Members Present:*** Chair Michael Vekich and Trustees Ashlyn Anderson, Alex Cirillo, Jay Cowles, Bob Hoffman, Jerry Janezich, Roger Moe, April Nishimura, Rudy Rodriguez, George Soule, Louise Sundin, and Cheryl Tefer

***Present by Telephone:*** Trustee AbdulRahmane Abdul-Aziz

***Absent:*** Dawn Erlandson, Samson Williams

***Cabinet Members Present:*** Chancellor Devinder Malhotra, Vice Chancellors Ramon Padilla, and Interim Executive Director of Internal Auditing Eric Wion

***Guest:*** Michael Cullen

The Minnesota State Board of Trustees Committee of the Whole held its meeting on March 19, 2019, in the McCormick Room, 30 East 7th Street in St. Paul, MN.

Chair Michael Vekich called the meeting to order at 3:15 p.m.

The January 29, 2019 minutes approved as written.

Chair Vekich called the committee of the whole to order and introduced, Vice Chancellor Ramon Padilla, Interim Executive Director of Internal Auditing Eric Wion and Mike Cullen from Baker Tilly to present the third NextGen project risk review.

Interim Director Wion and Mr. Cullen reported that the current risks are managed, and the overall project risk is low. This work was approved by the Board Audit Committee part of the annual audit plan. The objective is to provide assurance advice and insight into the board and to the NextGen Steering Committee by identifying risks, providing recommendations. As well as assessing how well the project risks are being managed in the following areas: project governance and management, organizational change management, stakeholder involvement, and project execution.

Mr. Cullen reported that the overall conclusion of the third NextGen project risk review is that the project risks are managed. This work is currently in phase one, activities in this phase include the finalizing the request for proposal (RFP) document, and the supporting RFP review and scoring processes. Currently, the overall risk of not achieving success, not meeting the revised timeline, and not staying within budget for phase 1 is low.

The team has done a great job of addressing the items that not only internal audit has identified in prior checkpoints but also continued to look at project risks holistically to the entire NextGen project. In checkpoint three there is only one project recommendation item that is partially resolved in the project execution area. The other three recommendations have been resolved.

The project team has done a great job of looking at other large project implementations and addressing the potential lessons learned and incorporating the lessons that could be relevant to managing risk for the NextGen project. All relevant current state processes were successfully incorporated into future state documentation, which is the bases of the RFP that will be released. The NextGen team has proactively looked for potential policy items that will need to be resolved for implementation.

There are no new recommendations. Seven prior recommendations have been resolved; one recommendation is partially resolved. The recommendation to identify the internal control activities is partially resolved. These controls are critical in making sure that transactions are properly processed. The team has identified control activities, such as approvals, reviews, decision points, however, these controls are not yet explicitly identified in the documentation. The specific controls will be identified and confirmed during implementation phases, as the controls will be dependent on system functionality.

Next steps will be to continue to work with the NextGen committee to implement the recommended improvements, continue to serve as an ex-officio member of Steering Committee, and execute the fourth project review activities which will be presented to the Board of Trustees in June.

Chair Vekich asked Mr. Cullen how the NextGen project compare to other large projects. Mr. Cullen responded that in his experience with other large projects in higher education like this, many organizations do not take into consideration the issues like those presented today during the initial planning phase. They have jumped in selected a solution and started down a road without planning it out. Minnesota State has done the opposite, they have planned this project out and are addressing the recommendations in a timely manner. That said there is still a lot of work to be done, and this will continue to be a challenge considering the scope of this project. Overall this project is very well planned. This team does a very good job of bringing items to the forefront and addressing them ahead of time.

Vice Chancellor Padilla stated that at the last board meeting a board member asked how many friends of NextGen there are, there are 250. The NextGen ERP SharePoint site is a place where interested Minnesota State parties may access project documents, announcements, and updates. This is a reasonable number of friends at this point and over time the number will grow. Change management and communication are all about pacing.

The status of the project has not changed since the last update, it is on track (green). The next update will take place in June, at that time the board will be asked to make a major decision on

the RFP. Currently, the RFP is in the hands of Barry Dunn, a third-party vendor, who has expertise in design and implementation of Enterprise Resource Planning (ERPs) in Higher education for additional feedback. In a few weeks, the review will be complete, then the comments and changes will be incorporated into the RFP.

In December of 2018, CapusWorks delivered the readiness assessment. This document provides a benchmark of system readiness for change. It also creates a realistic understanding of how the change will affect the organization, which will assist in guiding the change plan and future activities ensuring that Minnesota State is well positioned for moving forward with NextGen and the change it entails.

Vice Chancellor Padilla presented the survey response rate. There were 1,800 respondents this equals 11.2% from all institutions. When conducting surveys an internal rate of 30% and an external rate of 10%-15% is the goal. With a hybrid system, the goal is 25-30%. A goal of 15-20% is reasonable for a system like Minnesota State. All Minnesota State institutions participated in the survey, with more university respondents than the colleges.

Vice Chancellor Padilla presented the strengths and opportunities revealed in the survey. The exact language of the questions and responses, as well as the ratings, are in the appendix. The next steps are to increase communication to include other modalities of social media.

Looking at the change management strategy objectives and planned deliverables, many of the items are marked complete. Several of the deliverables will be marked on-going for the duration of the project. The overall change strategy will be revised as Minnesota State moves into the second phase of this project.

Trustee Cowles inquired stated that the response rate indicates that a majority of participants (75%) did identify or agrees with the statements; however, 25% did not identify or agree with the statements. Is there more assessment to be done to learn about the misalignment of those that did not agree with the statements?

Vice Chancellor Padilla stated there is a combination of thing the opportunities and challenges presented informative. Part of this is that Minnesota State is so early in the process that some respondents do not feel qualified to answer these questions, and others do not feel ready for change or empowered, or informed. These things will be considered, as the change management plan is built. The goal is to make sure that people know what is happening, to help people feel empowered, and to continue the growth of the trust in the community.

Trustee Cowles stated that this is an opportunity to develop and refine dialog with all parties so that there is complete consensus on the changes needed to move forward.

Vice Chancellor Padilla responded that there is an art and a science to change management. This project will span multiple years and touch a large number of constituents at different times. This is a challenge to this project if communication takes place too early and too often the messages become spam and are ignored. If the messages are too late or not detailed

enough constituents feel blindsided. The challenge is to strike the right balance with users' whose interests wax and wane based on the current project activities. The users will be ready for information at different times. Therefore, the staff in finance and human resources are likely paying more attention than the constituents whose areas are further along in the project.

Trustee Abdul-Aziz looking at the strengths and opportunities section it seems like a lot of what was learned in the communication area. Is the NextGen project being communicated effectively or are there other things that need to be done to improve communication?

Vice Chancellor Padilla responded that efforts have been made to communicate effectively. Work on communication will continue and evolve. Some constituents will pay attention now and others will later and additional modalities of communication will be used as the project progresses.

Trustee Nishimura inquired when the next survey takes place. Vice Chancellor Padilla stated that the next survey will be conducted in the fall, around the time that the product will be selected.

The meeting adjourned at 4:15 p.m.

Respectfully submitted

Christine Benner, Recorder



## **Minnesota State Colleges and Universities**

Board of Trustees

St. Paul, MN

March 20, 2019

Present: Chair Michael Vekich, Vice Chair Jay Cowles, Treasurer Roger Moe, and Trustees AbdulRahmane Abdul-Aziz, Ashlyn Anderson, Alex Cirillo, Jerry Janezich, April Nishimura, Rudy Rodriguez, George Soule, Louise Sundin, Cheryl Tefer, and Chancellor Devinder Malhotra

Absent: Trustees Dawn Erlandson, Bob Hoffman, and Samson Williams

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### **Call to Order**

Chair Vekich called the meeting to order at 12:40 pm and announced that a quorum was present. Trustees AbdulRahmane Abdul-Aziz participated by phone.

### **Chair's Report, Michael Vekich**

Chair Vekich introduced Diana Rangel as the new executive assistant in the board office.

### **Update on Reimagining Minnesota State**

Chair Vekich announced that the final forum on Reimagining Minnesota State is at Metropolitan State University on April 4, 2019. The theme is innovative models and the speakers are Dr. Bridget Burns, executive director with the University Innovation Alliance and Dr. Louis Soares, chief learning and innovation officer, American Council on Education.

### **Chancellor Performance Review Committee**

The members of the Chancellor Performance Review Committee are Chair Michael Vekich, Vice Chair Jay Cowles, and Trustees Dawn Erlandson and Bob Hoffman. The committee met with Chancellor Devinder Malhotra on March 19, 2019 and reviewed the goals, timelines, and milestones. They are being met. The committee will meet again in April.

### **Chancellor's Report, Devinder Malhotra**

Chair Vekich, Vice Chair Cowles, and members of the board- before I begin, Trustee Tefer, on behalf of the leadership, faculty, and staff from across the system, please accept our condolences on the passing of your husband Dr. John Tefer. Please know that you and your family will continue to be in our thoughts and prayers.

Since we last gathered one of our past board members, Duane Benson, passed away. Along with Trustee Moe, I was honored to represent Minnesota State in celebrating his life and many achievements. As you could imagine there were a few stories shared that brought laughter and memories. A few close family members and friends reflected on how Trustee Benson would be at his farm and just stop and look over the horizon and say: "isn't this beautiful". That message has stuck with me, and I think it is important to remember in both work and life – that the simplest of gestures can exhibit our core values and commitments.

**Legislative**

In a few short weeks we will again be in graduation season and this year alone Minnesota State will be graduating close to 40,000 students who through their work will not only fuel Minnesota's economy but will be the future leaders of Minnesota and will have a profound impact on the social and economic vibrancy in the communities they will live and work in.

Our legislative efforts are critical to support our students and our colleges and universities. I am thankful to Trustee Vekich along with several of our trustees and presidents and campus leaders who have joined me in making our case to policymakers. Our legislative request embodies the value proposition of our colleges and universities, and also demonstrates the potential impact on the economic prosperity of the State of Minnesota. Indeed Minnesota State continues to be the imperative for the State of Minnesota. With 60% of the total undergraduate enrollment of the state and more than half of all the postsecondary credentials, we provide Minnesota the talent it needs for its sustained prosperity.

On the federal front along with Trustees Erlandson and Cowles, Kim Lynch our system director for educational innovations attended the ACCT conference in February and met with our congressional delegation. In our conversations with members, we shared the work that we are currently engaged in to reduce the cost of textbooks. We will continue to pursue funding for that work as dollars becomes available at the federal level.

The Government Relations team, along with the work at the state level, are connecting with congressional offices and closely monitoring not only the President's proposed budget and impact on higher education but also the implications of the higher education reauthorization act being discussed as well as several executive orders.

**Campus Infrastructure**

To switch gears to our campuses, we have had quite an eventful winter. Let me first say thank you to all of the staff on campuses who now begin to switch their attention from keeping the parking lots and sidewalks clear of snow and ice to working with their campus leaders on potential spring flood impacts. This work is no easy task to keep the 28 million square feet of total facility space warm, safe, and dry. It is with their hard work and prudent investments by the state in our infrastructure that our buildings weathered another winter. So on behalf of our students, faculty, and staff, I want to thank all of the facilities staff across our system.

In addition, Associate Vice Chancellor Brian Yolitz and his team will be working with campus leaders to serve as community resources if the need arises in the event of an emergency. I know that many of our student groups and teams have been very helpful in volunteering in their communities in the past and yet is another way that our campuses are connected to the communities they serve.

### **Executive Searches**

I am pleased to have brought forward recommendations for Lake Superior College and Southwest Minnesota State University presidents. I believe these leaders will continue the tradition of being campus leaders but also community leaders to help shape their respective communities. I look forward to bringing forward to the board my recommendation for the president at Alexandria Technical and Community College next month.

As I shared in my communication last week to the board, presidents, and bargaining unit and student association leadership, we have made the decision to allow for more time for the Vice Chancellor for Finance and Facilities search and to bring forward my recommendation to the board in May. My thanks to President Pat Johns, who is chairing the search, and the Search Advisory Committee who I had the opportunity to meet with the other week.

### **Reimagining and the Work Ahead**

As the Chair mentioned, the Reimagining Emerging Themes report has been shared. This report is an initial attempt to respond to the three discussion questions that were posed as we launched this process. I encourage everyone in this room and those on our campuses to review the report and to share your honest feedback. Because I know no one has ever been shy before in giving me feedback.

Let me be crystal clear – regardless of the steps that we take together as a system in the next phase of Reimagining – our mission and core values do not change: we are a network of educators committed to student success. Each and every one of us – as Sr. Vice Chancellor said earlier this morning – we all have a role: faculty, staff, administrators - to play in the teaching and learning of our students.

As all of you know, for us to be successful we must continue to press forward on

- Personalized career long opportunities,
- Ensure equitable educational outcomes for all Minnesotans, and
- Continue to develop learning models for our students that are experiential, adaptable and transferable.

We will also continue through the work to demonstrate our core commitment to provide exceptional education to ALL Minnesotans in an accessible and affordable manner. And continue to be the partner of choice with our businesses and communities.

I know that the future sometimes looks daunting, especially in the face of our new budget realities. But I find strength in the fact that that our core mission never will change – that what brings us all to together to do this work is our collective drive and commitment to see our students succeed.

Our campuses do great and amazing work each and every day, often which goes unnoticed. The challenge I take on, as your chancellor, is to find opportunities to scale that work – to expand the opportunities for our faculty and staff to find new and creative ways to educate our students, and to tell our story. And most importantly of all – to do this work together.

### **Consent Agenda**

- 1. Minutes of November 14, 2018**
- 2. Minutes of Executive Committee on March 5, 2019**
- 3. Approval of Mission Statement: Northland Community and Technical College**
- 4. Contracts Exceeding \$1 Million**
  - a. Minneapolis Community and Technical College Student Affairs Renovation**
  - b. Oracle (formerly RightNow) CRM**
- 5. Contract Exceeding \$1 Million and Revenue Fund Bond Allocation: MSU, Mankato Sports Bubble Construction**
- 6. Surplus Property, Alexandria Technical and Community College**
- 7. Contracts Exceeding \$1 Million:**
  - a. Increase in Contract Value and Term for Oracle Services**
  - b. Microsoft Purchases Contract**
  - c. Uniface Contract Renewal**
  - d. Project Management Services Master Contracts**

*Following a motion by Vice Chair Cowles and a second by Trustee Roger Moe, the Consent Agenda was adopted.*

### **Board Standing Committee Reports**

#### **Human Resources Committee, Jay Cowles, Chair**

#### **1. Appointment of President of Southwest Minnesota State University**

Committee Chair Cowles recognized and thanked Dr. Connie Gores who has been president of Southwest Minnesota State University since 2013.

Committee Chair Cowles read the following motion:

*The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Kumara Jayasuriya as president of Southwest Minnesota State University effective July 1, 2019, subject to the completion of an employment agreement. The board authorized 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 Minnesota State Colleges and Universities Personnel Plan for Administrators.*

*The motion carried unanimously.*

Dr. Jayasuriya commented that he is deeply honored and humbled to be the next president of Southwest Minnesota State University. He thanked the Board of Trustees and Chancellor Malhotra for their confidence in him.

## **2. Appointment of President of Lake Superior College**

Committee Chair Cowles recognized and thanked President Pat Johns who has been president of Lake Superior College since 2010.

Committee Chair Cowles read the following motion:

*The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Patricia Rogers as president of Lake Superior College effective July 1, 2019, subject to the completion of an employment agreement. The board authorized 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 Minnesota State Colleges and Universities Personnel Plan for Administrators.*

*The motion carried unanimously.*

Dr. Rogers commented that she is humbled, honored, and deeply grateful to the Board of Trustees and Chancellor Malhotra for the opportunity.

### **Academic and Student Affairs Committee, Alex Cirillo, Chair**

Committee Chair Cirillo reported that the committee reviewed first readings of several policies.

#### **1. Proposed Amendments to Policies:**

- a. 2.2 State Residency
- b. 3.18 Honorary Degrees
- c. 3.31 Graduate Follow-up System
- d. 3.40 Recognition of Veteran Status

During the committee meeting, Senior Vice Chancellor Ron Anderson recommended that the committee approve Policy 2.2 State Residency. The policy was reviewed by staff at the request of the United States Department of Veteran Affairs because of recent amendments to federal laws that provide educational benefits to military members, veterans, and eligible family members. Committee Chair Cirillo reported that the Academic and Student Affairs Committee suspended the rules, approved the proposed amendment, and recommended approval by the Board of Trustees.

### **Proposed Amendment to Policy 2.2 State Residency**

Chair Vekich called for a motion to suspend the two-reading rule.

*A motion was made by Trustee Jerry Janezich, seconded by Trustee Alex Cirillo and carried unanimously. The following motion carried unanimously:*

Chair Vekich declared that the two-thirds threshold has been met. The following motion was unanimously approved.

*The Board of Trustees approve the proposed amendment to Policy 2.2 State Residency in the first reading. Pursuant to Board Policy 1A.1, Part 6, Subpart D, the Board of Trustees suspend the rule in Board Policy 1A.1, Part 6, Subpart C that requires the second reading “not occur earlier than the calendar month following the first committee reading” by an affirmative vote of two-thirds of the board. The Board of Trustees approve the proposed amendment to Policy 2.2 State Residency.*

## 2. Guided Learning Pathways: Career Technical Education and Comprehensive Workforce Solutions

Committee Chair Cirillo reported that the committee had a presentation and discussion on workforce development programming in areas of career technical education and continuing education and customized training. Presidents Rassoul Dastmozd, Saint Paul College, Ginny Arthur, Metropolitan State University, and Craig Johnson, Ridgewater College provided an overview of the guided learning pathways at the campus and regional levels.

### **Audit Committee, Michael Vekich Chair**

Chair Vekich explained that there are two appointments that come directly to the board. One is the chancellor and the other is the direct hire of the executive director of internal audit.

#### **1. Appointment of an Executive Director of the Office of Internal Auditing**

The following motion carried unanimously:

*The Board of Trustees, upon the recommendation of the Audit Committee, appoints Mr. Eric Wion as executive director of the Office of Internal Auditing effective, March 20, 2019. The terms and conditions of the appointment shall be governed by the Minnesota State Colleges and Universities Personnel Plan for Administrators.*

#### 2. Internal Audit Update

Executive Director Eric Wion and Chris Jeffrey, partner, Baker Tilly, provided an update on the status of the 11 projects that were approved as part of the FY2019 Internal Audit Plan.

#### 3. e-Procurement Controls Audit Results

Executive Director Eric Wion, Chris Jeffrey, and Mallory Thomas, senior manager, Baker Tilly, reviewed the results of the audit. The audit concluded that Minnesota State designed effective internal controls over Marketplace processes and activities.

### **Finance Committee, Roger Moe, Chair**

#### • College and University Financial Performance Update

Committee Chair Roger Moe reported that Laura King, vice chancellor – chief financial officer, and Steve Ernest, system director, financial planning and analysis, presented the FY2018 and FY2017 financial statements and gave an update on the FY2018 college and university financial health indicators. Committee Chair Moe commented that despite financial headwinds the overall financial performance of the system has improved.

**Diversity, Equity, and Inclusion Committee, Rudy Rodriguez, Chair**

Committee Chair Rodriguez thanked Dr. Clyde Picket, chief diversity officer, and Dr. Josefina Landrieu, assistant chief diversity officer for the reports on:

1. Strategic Equity Update
2. Equity by Design Update

Chair Rodriguez commented that the Office of Equity and Inclusion has made strong progress to define equity and on creating an action plan toolkit to help drive that change within the system. The committee also discussed the need to be focused and intentional in our actions, the need to find a way to embed equity and inclusion in our organization and in our policies and actions on a day-to-day basis, the need to measure and report our progress and create a scorecard to hold ourselves accountable, and the need to affirm our commitment to equity. There will be further discussions and a training session for the Board of Trustees.

**Student Associations**

**Lead MN**

Frankie Beccera, president, addressed the Board of Trustees.

**Students United**

Kayla Shelly, state chair, and Elijah Norris Holliday, vice chair, addressed the Board of Trustees.

**Minnesota State Colleges and Universities Bargaining Units**

**Inter Faculty Organization**

Brent Jeffers, president, addressed the Board of Trustees.

**Other Business**

Trustees have received the directory of spring commencements. Chair Vekich encouraged the trustees to make their selections as soon as possible.

Trustee Louise Sundin announced that the Nellie Stone Johnson Scholarship Event is on March 21, 2019.

**Adjournment**

Chair Vekich announced that the Executive Committee meeting on April 3 is cancelled. The next meeting of the Board of Trustees is on April 16 and 17.

The meeting adjourned at 1:55 pm

## Minnesota State Acronyms

AACC	American Association of Community Colleges
AASCU	American Association of State Colleges and Universities
ACCT	Association of Community College Trustees
ACE	American Council on Education
AFSCME	American Federation of State/County/Municipal Employees
AGB	Association of Governing Boards of Universities and Colleges
API	Application Programming Interface
AQIP	Academic Quality Improvement Program
ASA	Academic and Student Affairs
BPAC	Business Practices Alignment Committee
CAG	Cross-functional Advisory Group
CAS	Course Applicability System
CASE	Council for the Advancement and Support of Education
CCSSE	Community College Survey of Student Engagement
CFI	Composite Financial Index
CIP	Classification of Instructional Programs
COE	Centers of Excellence <ul style="list-style-type: none"><li>• Advance IT Minnesota</li><li>• 360° Manufacturing and Applied Engineering Center of Excellence</li><li>• HealthForce Minnesota</li><li>• Minnesota Center for Engineering and Manufacturing Excellence (MNCEME)</li><li>• Center for Agriculture - Southern Minnesota</li><li>• Minnesota Agriculture Center for Excellence – North – AgCentric</li><li>• Minnesota Energy Center</li><li>• Minnesota Transportation Center</li></ul>



CRM	Constituent Relationship Management
CSC	Campus Service Cooperative
CST	Collaborative Sourcing Team
CTF	Charting the Future
CTL	Center for Teaching and Learning
CUPA	College and University Personnel Association
DARS	Degree Audit Reporting System
DEED	Department of Employment and Economic Development
DOA	Department of Administration
DOER	Department of Employee Relations (merged with MN Management and Budget)
EEOC	Equal Employment Opportunity Commission
EIC	Enterprise Investment Committee
ERP	Enterprise Resource Planning
FERPA	Family and Educational Rights and Privacy Act
FIN	Finance
FTE	Full Time Equivalent
FUG	Financial User Group
FY	Fiscal Year (July 1 – June 30)
FYE	Full Year Equivalent
HEAC	Higher Education Advisory Council
HEAPR	Higher Education Asset Preservation
HLC	Higher Learning Commission
HR	Human Resources
HR-TSM	Human Resources Transactional Service Model

IAM	Identity and Access Management
IDM	Identity Management (Old term)
IFO	Inter Faculty Organization
iPASS	Integrated Planning and Advising for Student Success
IPEDS	Integrated Postsecondary Education Data System
ISEEK	CareerWise Education
ISRS	Integrated Statewide Records System
IT	Information Technology
ITS	Information Technology Services
LTFS	Long-term Financial Sustainability
MAPE	Minnesota Association of Professional Employees
MDOE	Minnesota Department of Education
MDVA	Minnesota Department of Veterans Affairs
MHEC	Midwestern Higher Education Compact
MMA	Middle Management Association
MMB	Minnesota Management and Budget
MnCCECT	Minnesota Council for Continuing Education and Customized Training
MMEP	Minnesota Minority Education Partnership
MNA	Minnesota Nurses Association
MOU	Memorandum of Understanding
MSCF	Minnesota State College Faculty
MSCSA	Minnesota State College Student Association
MSUAASF	Minnesota State University Association of Administrative and Service Faculty
MSUSA	Students United (previously known as MSUSA or Minnesota State University Student Association)

NASH	National Association of System Heads
NCAA	National Collegiate Athletic Association
NCHEMS	National Center for Higher Education Management Systems
NSSE	National Survey of Student Engagement
OCR	Office for Civil Rights
OET	Office of Enterprise Technology
OHE	Minnesota Office of Higher Education
OLA	Office of the Legislative Auditor
PEAQ	Program to Evaluate and Advance Quality
PM	Project Manager
PSEO	Post-Secondary Enrollment Options
RFP	Request for Proposal
SAG	Services Advisory Group
SCUPPS	State College and University Personnel/Payroll System
SEMA4	Statewide Employee Management System
SER	Subcommittee on Employee Relations
SHEEO	State Higher Education Executive Officers
SME	Subject Matter Experts
USDOE	United States Department of Education
USDOL	United State Department of Labor