

Minnesota State Colleges and Universities
Board of Trustees Meeting Minutes
St. Paul, MN
Wednesday, June 20, 2018

Present: Chair Michael Vekich, Vice Chair Dawn Erlandson, Treasurer Jay Cowles, and Trustees Basil Ajuo, Alex Cirillo, Amanda Fredlund, Bob Hoffman, Jerry Janezich, Roger Moe, Rudy Rodriguez, George Soule, Louise Sundin, Cheryl Tefer, and Chancellor Devinder Malhotra

Absent: Trustees AbdulRahmane Abdul-Aziz and Ann Anaya

Call to Order

Chair Michael Vekich called the meeting to order at 1:38pm.

Chair's Report, Michael Vekich

Chair Vekich directed the trustees to look at the materials in front of them and pointed out the 2016-2017 Audit Report from Students United, and an amendment to the Students United Fee Increase. If there are no objections, the amendment will be included in the Consent Agenda. No objections were made.

Chair Vekich called on President Scott Olson, Winona State University. President Olson presented a shovel to the board to represent the groundbreaking of the Education Village at Winona State University. He thanked the board for their support of the project, and thanked Chair Vekich for attending the groundbreaking ceremony.

Chair Vekich recognized trustees for their service as their terms are ending:

Chair Vekich thanked Trustee Basil Ajuo for his service as a community college student trustee since 2016. He thanked Trustee Ajuo for his eagerness to speak at commencements every semester.

Chair Vekich thanked Trustee Amanda Fredlund for her service as a technical college student trustee since 2016. He acknowledged her accomplishments of serving as President of Phi Theta Kappa and vice president of the student senate, all while earning her associates degree in early childhood education. Chair Vekich recognized her dedication to Minnesota State and to technical education.

Chair Vekich thanked Trustee Ann Anaya for her service since 2012. Trustee Anaya was the Assistant United States Attorney when she joined the board, and in the years that followed, she served in the audit division in the department of justice in Washington, D.C. At 3M, Trustee Anaya has performed in a number of roles, including Senior Counsel, and now, Assistant Chief Diversity Officer working with global leaders. Trustee Anaya was named Minnesota Lawyer of the year in 2016. He wished her well in her endeavors.

Chair Vekich thanked Trustee Alex Cirillo for his service since 2012. He thanked him for his strategic thinking to see Minnesota State through some difficult times.

Chair Vekich thanked Vice Chair Dawn Erlandson for her service since 2012. He thanked her for her work on the board of the Association of Community College Trustees (ACCT) since 2015.

Chair Vekich thanked Trustee George Soule for his service. He was appointed to fill a vacancy in February 2017. In his short time, he has brought a judiciary sense to the board.

Chancellor's Report, Devinder Malhotra

As I approach the end of my first year, both as interim chancellor and chancellor, I have reflected a great deal on the work we have done this year and the challenges that lie ahead. At the Board Retreat last September, I shared with you my initial thoughts on our continued focus on three broad priorities that have been our organizing principles this year: student success; diversity, equity, and inclusion; and programmatic and financial sustainability. I said that these principles would help the central office and our colleges and universities develop a shared understanding about what needs to be done, and find ways that we can move our institutions and our system as a whole onto a sustainable path.

Since then, we have indeed brought a renewed focus to our work through our organizing principles. They have been central to the conversations, and often difficult but candid dialogue I have had this year with many internal stakeholders, including Leadership Council, bargaining units, student associations, and divisional conferences with staff from across our colleges and universities and, most importantly, here in the central office. I look forward to continuing these conversations next year. The three organizing principles will continue to be cornerstones for all of us – particularly as we evaluate our priorities and our work.

This year, Leadership Council's work has focused on student success, particularly honing in on the information and data we use to measure that success and inform our practice. Our intention has been to complete a new metrics framework that will provide our colleges and universities with the information they need to advance student success on their campuses. That framework will also be part of our institutional and presidential evaluation process next year. The board will hear more about this work at next month's study session.

Also, several enterprise-wide initiatives we talked about yesterday and today were at various stages of maturation last August when I joined the team. Our focus has been, over the year, to support and accelerate the progress on these initiatives, and that has taken various shapes and forms. Oftentimes, conversations will be need to be brought to a logical conclusion, sometimes a mid-term assessment and reset was needed, and many conversations have revolved around change management.

But if you ask me what this year's most time-consuming work has been, I would have to say that it is the number of executive searches that have been completed. With a total of eight permanent and interim presidents, this is the heaviest executive search schedule in the history of Minnesota State – or, for that matter, MnSCU. I am deeply grateful to all those who supported or participated in the search process.

The arrival of new presidents means there are presidents who are completing their terms of service too, so I would like to conclude my remarks today by thanking them. At this month's Leadership Council, each departing president was recognized by another president with whom he or she has worked closely. I suppose you could call it a bit of a roast. In my remarks, I will only include the portions that are suitable for polite company.

Larry Anderson has served as president of Fond du Lac Tribal and Community College for a decade. He has led the college admirably and, in partnership with the Fond du Lac Band of Lake Superior

Chippewa, the college has made progress on many fronts, particularly on issues related to native education and the support systems that are critical to students who come from native nations. That is one reason why the college earned accreditation last year from the World Indigenous Nations Higher Education Consortium.

Peggy Kennedy has led Minnesota State Community and Technical College since 2012. During those years, she has done much to strengthen a college that had only recently been merged. She has significantly improved M State's financial health; built partnerships that expand student access to college options and offer employers greater access to customized solutions; and secured funding to increase access to baccalaureate degrees in rural communities.

Tim Wynes has served as president of Inver Hills Community College since 2010, and as president of Dakota County Technical College since 2013. Both colleges have made great strides, particularly in the area of shared services to better serve students. President Wynes' leadership has positioned the colleges well to serve Dakota County and the southern metro region.

Mary Davenport has been the interim president of Rochester Community and Technical College since July of 2016. She inherited a challenging situation and has done a brilliant job in getting the college back on track and repositioning it to secure its future. She retires from the system having served our colleges and universities in many ways – as a system director, dean, vice president of academic and student affairs, and interim president.

Lori Kloos became interim president of St. Cloud Technical and Community College last August. With a steady hand, she has navigated the college in positioning it well for the impending transition so it can truly be an asset for the Greater St. Cloud area and indeed the whole Central Minnesota region.

Joe Opatz graciously came out of presidential retirement last July to serve as interim president of Ridgewater College. He set the right tone by creating a collaborative and transparent environment in which shared governance could support the mission of the college. He also provided steady leadership as the college brought the reaffirmation of accreditation process to a successful culmination.

Betty Strehlow, Ridgewater's vice president of academic affairs, has served as acting president since April, and I am grateful to her for her willingness to take on this role.

Ashish Vaidya has been a great leader at a very critical juncture in the history of St. Cloud State University. He helped the university go through a healing process after the sudden loss of President Earl Potter; he has ably prepared the university to deal with its enormous challenges; and he is leaving the institution with strong foundations and strategic positioning.

And so, to all of you – Larry, Peggy, Tim, Mary, Lori, Joe, Betty, and Ashish – thank you for all you have done on behalf of your institutions and the students and communities they serve.

Consent Agenda

- 1. Minutes, Board of Trustees Meeting, May 16, 2018**
- 2. Revised FY2019 and Proposed FY20 Meeting Calendars (Second Reading)**
- 3. Mission Statement: Minnesota State Community and Technical College**
- 4. FY2019 Annual Operating Budget (Second Reading)**
- 5. Students United Fee Increase (Second Reading) (amended)**

6. **Approval of FY19 Audit Plan**
7. **Contracts Exceeding \$1 Million**
 - a. **Constituent Relationship Management Master Contracts**
 - b. **Enterprise IT Agreement with Minnesota IT Services**
 - c. **Amendment to Agreement with Baker Tilly for Internal Audit Services**
 - d. **MSU, Mankato Bookstore Contract**
 - e. **Southwest Minnesota State University and Winona State University Food Service Contract Amendments**
 - f. **St. Cloud State University**
 - i. **Castle Lease (England)**
 - ii. **Chinese University Agreement Extension**

Chair Vekich called for a motion to approve the Consent Agenda. The consent agenda carried unanimously.

Board Policy Decisions (Second Reading)

- **Proposed Amendment to Policy 5.11 Tuition and Fees**

Chair Vekich called for a motion to approve the Proposed Amendment to Policy 5.11 Tuition and Fees. The motion carried unanimously.

Student Associations

LeadMN:

Frankie Becerra, president-elect, addressed the board.

Students United:

Faical Rayani, chair, Lexi Byler, vice chair, Ben Uecker, treasurer, addressed the board.

Minnesota State Colleges and Universities' Bargaining Units

Inter Faculty Organization

Jim Grabowska, president, introduced Brent Jeffers, president-elect .

Board Standing Committee Reports

1. **Human Resources Committee, Dawn Erlandson, Chair**
 - **Human Resources Transactional Services Model (HR-TSM) Project Update**

Committee Chair Erlandson reported that the HR-TSM has shifted to a cross-functional governance structure, and Phase 2 transition plan has been revised to help our colleges, universities, and service centers be more successful.
2. **Audit Committee, Michael Vekich, Chair**
 - **Information Security Consultation, Phase 1 Results**

Committee Chair Vekich reported on the proposed FY2019 Audit Plan which includes two components: the routine activities of the audit division and the assurance and advisory projects. There are nine components to the plan, but to highlight a few: The Shared Services Assessment, the Enrollment Initiatives Review, NextGen Steering Committee, NextGen Project Risk Reviews, Information Security Consultation, and continuing work on HR-TSM reports. Part 2 of the FY2019 Audit Plan will be proposed in October. Chair Vekich also mentioned the amended contract with Baker Tilly.

3. Joint Diversity, Equity, and Inclusion and Human Resources Committees, Ann Anaya and Dawn Erlandson, Co-chairs
 - Minnesota State Faculty and Staff Diversity: Current Demographics and Strategies
Committee co-chair Erlandson reported on the “Recruit, Retain, and Grow Our Own Diverse Workforce” presentation. Our faculty and staff are not quite as diverse as our student population, but we are getting closer. One third of Leadership Council represents employees of color and American Indian.

4. Diversity, Equity, and Inclusion Committee, Cheryl Tefer, Vice Chair
 - a. Model Partnership Program Update: Minnesota State University, Mankato and 3M
 - b. Campus Climate Framework Model
Committee Chair Tefer reported on the Model Partnership between Minnesota State University, Mankato and 3M. In the spring of 2018, Minnesota State University, Mankato students partnered with 3M to present a training on the science of inclusion. The second information item, Campus Climate Framework Model, brought about great conversations.

5. Committee of the Whole, Michael Vekich, Chair
 - NextGen Project Update
Committee Chair Vekich reported on the project status of Phase 1 saying it is on time, on budget, and on track. The steering committee presented the communications plan and the change management strategy. The committee thought the communication plan was comprehensive and had a good discussion regarding the change management strategy. The change management plan that is underway can be communicated to the board via email and discussed at a later date, most likely in September. Internal Audit reported that the project risks, at this time, are being managed.

6. Finance and Facilities Committee, Jay Cowles, Chair
 - a. System Office Space Planning
 - b. Procurement Program Update
Committee Chair Cowles reported on the approval of the amendment of the Student United Fee Increase that will be reviewed next spring after further comprehensive review. The board approved the Amendment to Policy 5.11 Tuition and Fees which primarily drew attention to a new category of fees to be administered by the campuses around orientation fees. We had a successful bonding bill and received almost 90% of our project bonding that was requested, and achieved about 35% of our HEAPR. The committee heard an information report on the timeline for the termination of the system office lease at the Wells Fargo Building. There was an alternative given that the system should invest in a new building space on a campus versus constructing a new building that would incur a 35-40 year period of financial recovery, or devise a lease strategy. After a long discussion, the committee members and trustees were unanimously in favor of pursuing a lease option. We received a report on state procurement studies that primarily focused on performance of state agencies and state-related agencies, and their procurement practices using women, people of color, and Native American-owned businesses and vendors.

7. Academic and Student Affairs, Alex Cirillo, Chair
 - a. Proposed Amendment to Policy 3.4 Undergraduate Admissions (First Reading)
 - b. Proposed Amendment to Policy 3.35 Credit for Prior Learning (First Reading)
 - c. Proposed New Policy 3.42 Posthumous Academic Awards (First Reading)

- d. Transfer Pathways Update
 - e. Twin Cities Baccalaureate Implementation Update
- Committee Chair Cirillo reported on several first readings of policies, the Transfer Pathway Update processes, and the Twin Cities Baccalaureate Implementation Update.

Trustee Reports

Trustee Louise Sundin reported on the governor's signing of the Minnesota Public Employee Pension bill.

Trustee Amanda Fredlund thanked the trustees, LeadMN, and Pine Technical Community College for their support during her time on the board.

Other Business

- **Election of Officers**

Chair

Vice Chair Erlandson explained that Michael Vekich has served as chair for three consecutive terms, and that he is a declared candidate to be chair for this upcoming year. According to Board Policy 1A.2, Part 4, Subpart B. No trustee shall hold the same office for more than three consecutive terms. Vice Chair Erlandson continued that the board needs to suspend the rules in order to allow him to run for election. The motion must be approved by a two-thirds vote of the members.

Vice Chair Erlandson made a motion to suspend the rules. It was seconded by Trustee Cowles and carried unanimously.

Vice Chair Erlandson called for a motion to elect Michael Vekich as chair. The motion was made by Trustee Rodriguez, seconded by Trustee Cowles and carried unanimously.

Vice Chair

Vice Chair Erlandson reported that Trustee Jay Cowles has declared his candidacy for vice chair. She made the motion to elect Trustee Cowles. It was seconded by Trustee Cirillo and carried unanimously.

Chair Vekich announced that the next meeting will be with Leadership Council on July 25-26, 2018.

The meeting adjourned at 2:59 pm.