



Minnesota
STATE COLLEGES
& UNIVERSITIES

OFFICE OF THE CHANCELLOR

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June 16, 2010

MEMORANDUM

TO: Board of Trustees

FROM: Jim McCormick

RE: System Office Performance Reports

The attached compilation of performance reports for the Office of the Chancellor divisions and smaller areas is intended to respond to the recommendation by the Office of the Legislative Auditor that “the Board of Trustees should exercise stronger oversight of the system office.”

As you may recall, Chair Olson assigned each of the OLA’s recommendations to the appropriate board committee for discussion and possible action. Those conversations have occurred over the past four months. Each committee also considered the performance report for the division or divisions most relevant to the committee. This compilation includes those reports, as well as performance reports for the Board Office, the Office of General Counsel, and the Chancellor’s Office, which were not reviewed by the board committees.

In the spirit of continuous improvement, I invite your feedback about the content and format of these reports. We used a standard template that was reviewed by the Executive Committee of the Board. As you requested, we have tried to keep the reports fairly brief.

The Technical Appendix in the back of the reports provides more detail on the financial and personnel data that were used. One caution to highlight is that the 2011 data are preliminary and based on the current situation. In this time of uncertainty, we can expect changes as the year progresses.

Thank you for the work you do on behalf of the system.

Attachment

Division Performance Reports

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Office of the Chancellor Performance Report Academic and Student Affairs Division

I. Multi-year Financial and Personnel Data

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$8,848,058	\$9,090,444	\$8,850,189	\$9,210,044
Consulting Contracts	3,064,581	3,579,831	3,601,149	3,600,000
Other Administrative Costs	12,610,807	10,440,599	8,238,639	5,396,403
Total Administrative Costs	\$24,523,446	\$23,110,874	\$20,689,978	\$18,206,446
Less: External Funding (1)	12,533,160	12,048,736	9,739,386	9,826,918
General Fund Financed Costs	\$11,990,286	\$11,062,138	\$10,950,591	\$8,379,529
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$7,439,703	\$6,390,481	\$6,570,355	\$5,027,717
Systemwide Services	4,550,583	4,671,657	4,380,237	3,351,811
Division Employee FTE	97.87	93.42	91.40	

(1) Includes grants (Perkins, other federal, state and private sources) and partnerships funded at least in part by other agencies/entities; enterprise activities

II. Explain the structural distribution between the functional duties performed by the division and similar activities performed by the colleges and universities.

Academic and Student Affairs Functions	College and University Functions
Leadership and Operations	
Presidential evaluation: Senior vice chancellor works, in consultation with chancellor and vice chancellor for human resources, to assess presidents in the implementation of the academic and student affairs mission through policy compliance, supporting and implementing strategic system initiatives.	N/A
Policy leadership: Senior vice chancellor leads in providing research, developing and sustaining national leadership networks, and consults and serves as the primary architect for the current and future system academic and student affairs policy direction; these recommendations inform the Board of Trustees/chancellor strategic plans and actions plans.	Campus presidents generally advocate for their campuses. Often, the presidents can and will volunteer to support system positions.

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<p>Policy development: The senior vice chancellor’s unit identifies and approves all academic and student affairs policies using Policy Development Process and approving taskforce/committee membership and charges; gaining/advocating with statewide union leadership.</p>	<p>Campus presidents/campus leadership are included and consulted in the development of policy/procedures as part of the overall process – advocate/recommend specific policy revisions; the senior vice chancellor makes final recommendations to Board of Trustees/chancellor for policy/procedure respectively.</p>
<p>Liaison to national organizations: Senior vice chancellor serves as the systemwide leader in shaping/developing and articulating the academic and student affairs vision and mission for the Minnesota State Colleges and Universities system at state, federal and international levels as circumstances require/permit.</p>	<p>N/A</p>
<p>Liaison to federal/state Legislature: Senior vice chancellor’s unit supports the system’s Government Relations division in advocating and supporting the annual and biennial budget work plan activities, developing/revising proposed legislation, deploying ASA staff to support legislative proposals and updating legislators and legislative staff on key academic and student affairs legislation/policies/procedures.</p>	<p>Campuses are often called upon to assist in advocating for the system’s academic and student affairs legislative agenda.</p>
<p>System and division operations: Senior vice chancellor serves as key resource in working with organization leadership in assessing/deciding on key operations issues including systemwide budget strategies, staffing, etc. Senior vice chancellor’s unit provides ongoing oversight on ASA division operations functions (budgets, staffing/personnel, travel, etc.)</p>	<p>Campuses may assist in providing additional information relating to system operations including budget process; they do not make final decisions.</p>
<p>Leadership/professional development opportunities: The senior vice chancellor’s unit is responsible for providing leadership/networking opportunities for college/university academic and student affairs leadership to include convening to network and discuss key policies, procedures, strategic initiatives including providing opportunities to share “best/good” practices.</p>	<p>Campus leaders may inform ASA leadership activities/meetings through planning processes.</p>
<p>System constituent services: The senior vice chancellor’s division provides constituent services in support of Chancellor’s Office/Board of Trustees, etc., which primarily relate to seeking</p>	<p>Campus leaders conduct similar services but at the campus level; campus activities may inform system level resolutions/response but cannot replace system responsibilities.</p>

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and resolving issues raised by faculty, students, business/industry, legislators/legislative staff and members of the general public.	
Learning Technology & Programmatic Innovation	
Libraries & MnSCU/PALS: Oversee the administration of one electronic library management system serving all 32 institutions, state libraries and other academic libraries. Administer legislatively required textbook pilots.	Provide library services to patrons.
Credentialing: Develop and revise the system's minimum hiring qualifications for college faculty as specified in Board of Trustees Policy 3.32, staff the Joint Committee on Credential Fields as required by the MSCF labor contract, and function in collaboration with Human Resources and Labor Relations in resolving issues related to credentialing of two-year college faculty.	
MnOnline: Develop policies and procedures for effective system of online courses, coordinate and market the online courses, programs and services in the system.	Create and teach online courses.
International education: Represent system with various international groups; periodically gather information about international programs on campuses.	Provide international and global experiences for students and faculty.
Intellectual property: Develop policies and provide training throughout the system on intellectual property.	Administer intellectual property policy.
Regional Accreditation: Serve as liaison to Higher Learning Commission for Office of Chancellor.	Meet HLC criteria and standards, conduct self studies and prepare for visits.
Graduate education: Develop policies, convene graduate deans and encourage development of joint applied doctorates.	Develop and teach graduate courses and programs.
Professional development/Center for Teaching and Learning: Provide leadership for state and regional faculty development opportunities in areas that support the strategic plan.	Provide local faculty and staff development opportunities.
Program collaboration: Works to facilitate/coordinate more collaborative approaches to the development of new/changed program needs among system colleges/universities e.g. Doctorate of Nursing Practices, Broad Field	Campuses work to build and/or align programs, recognizing that faculty play a key role in developing programs and courses.

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Health Sciences, etc.	
Program review & approval: Approve all new programs, program changes and closures. Conduct regional reviews of critical program areas. Maintain the official inventory of programs used by other government units.	Develop and propose new or revised academic programs.
Strategic Partnerships	
Continuing education/ customized training: - Establish and seek agreement to performance measures across continuing education/customized training programming. Implement and manage the Lumens online software interface. Implement a Business and Industry Council to advise on best practices. - Provide funds to encourage innovation in programs and delivery, including management of an online registration and payment system.	Aggregate employer and workforce development data by institution. Provide institutional funds to the commonly held contract.
Farm and small business management: - Advocate for and coordinate the delivery of education for farmers and small businesses. - Implement the 2010 FBM Task Force recommendations, and seek efficiencies in delivery of programming. Maximize use of farm business management legacy data.	Provide farm and small business management training.
Strategic partnerships/other: - Manage system data collection relative to American Recovery and Reinvestment Act training initiatives, and competitive projects. - Manage regionwide, statewide or industrywide proposals to federal agencies and private foundations as they relate to training and workforce development. - Coordinate the Centers of Excellence to ensure board and legislative outcomes are met. Manage the external evaluation of the centers. - Manage and coordinate a U.S. Department of Labor multicampus grant project in renewable energy. - Represent system interests in the Minnesota Job Skills Partnership Program and Workforce Investment Act (WIA) program certification	Develop and report on outreach to dislocated workers. Participate in systemwide ARRA initiatives, report on awards from regional Workforce Investment Boards. Report on federal community-based job training grants. Lead and participate in the work of the Centers of Excellence. Offer course work as agreed upon by the consortium. Work with local companies to submit proposals. Seek WIA certification for short term training offerings.
Strategic Partnerships/Workforce	

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<p>Federal Perkins Grant: - Serve as state entity to receive \$22 million annually; administer and evaluate the funds per the federal mandate. - Develop career and technical education programs and paths of study across secondary and postsecondary sectors.</p>	<p>Participate in one of 26 consortia with secondary and industry partners.</p> <p>Partner with local school districts to develop coordinated course work in a program of study.</p>
<p>Career Services: In keeping with new board policies regarding providing better market and career information to prospective students, make online career-related tools (including ISEEK and MnCareers magazine) the preeminent resources for the system.</p>	<p>Familiarize admissions and career counseling staff with the depth of these resources and their regional equivalents.</p>
<p>Fire/EMS/Safety Training: -Oversee 12 fire and 17 emergency management programs statewide to ensure compliance with federal and state standards. - Manage nine train-the-trainer courses. - Provide training oversight and services to 3,000 first aid/CPR instructors statewide.</p>	<p>Implement changes as promulgated regarding campus safety, fire safety, emergency medical services, hazardous waste management, etc.</p>
<p>iSEEK: Lead multi-organization collaborative that provides online program and career information for students, employees and employers.</p>	<p>Market Minnesota-based, career, licensure and professional development resources to prospective and current students.</p>
<p>CareerOne Stop: With DEED, lead a national initiative designed to provide career information for displaced and dislocated workers, veterans and others seeking employment.</p>	<p>Market this federal resource to faculty, students and community partners.</p>
<p>Research, Planning and Effectiveness</p>	
<p>Education policy research & evaluation: Provide data and analysis on policy topics of interest i.e. transfer, access, opportunity and success.</p>	<p>Provide raw data.</p>
<p>Institutional/system research/reporting Gather, reconcile and report student and other data to Federal [IPEDS and WIA] and state [OHE] entities as required by law.</p>	<p>Provide raw data.</p>
<p>Ad hoc data requests: Respond to requests from media, legislators, other Office of the Chancellor staff.</p>	<p>No action required.</p>
<p>Dashboard development: Create and maintain a series of online datasets that users can drill down for additional information.</p>	<p>Use dashboards.</p>

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Strategic and academic planning: Staff board strategic planning, planning facilitation and assistance for institutions and groups conducting regional academic planning.	Develop campus academic and strategic plans aligned with system plans.
Annual work plan development: Coordinate development of the system work plan; review and comment on institutional work plans.	Develop institutional work plans aligned with the system work plan.
P-16 collaboration: State policy development; monitor legislative committees, PSEO.	Work with P-12 schools and staff.
Teacher education: Monitor federal and legislative committees and Board of Teaching.	Provide teacher education programs approved by the Board of Teaching.
Action Analytics: Conceptualize and create a Student Success System, select and analyze a series of early indicators of success; create data systems for analysis by various users.	
Accountability: Develop and update the Board Accountability Dashboard; track and monitor the board-approved system and institutional targets.	Meet institutional targets and goals.
Student Affairs	
DARS/u.Select: Ensure availability of technology, provide training, monitor input of courses, provide technical assistance to campuses.	Input new or changed course data into the system. Determine course equivalencies.
Financial aid: Provide technical assistance to campuses, monitor compliance with Title IV regulations, work with IT to support ISRS developments, help to resolve audit issues, represent system at legislative hearings.	Determine eligibility for financial aid and award aid.
Student disabilities: Oversee the distribution of hearing interpreter funds, provide assistance in resolution of ADA problems.	Provide accommodations for students with disabilities.
Student life: Provide liaison with statewide student associations, ensure compliance with policies, especially policy on student consultation, help to resolve campus problems relating to student life.	Implement Student Life Policy.
Student services: Provide support for all campus student services functions, including admissions, registration, counseling and advising, TRiO programs. Work with IT to ensure that ISRS can handle the needs of campus staff, provide training and technical assistance as needed to comply with federal and state regulations, develop policies and monitor compliance with policies.	Implement student services functions, including admissions, registration, counseling and advising.

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Transfer: Develop policies, monitor MnTransfer curriculum, provide training for campus transfer staff, handle student appeals, ensure campus compliance with transfer policies.	Comply with policies relating to transfer, provide information on transfer to students, conduct transfer evaluations for students, and award transfer credit as appropriate.
Developmental education: Develop policy related to assessment for course placement and monitor compliance with policy. Ensure that course placement scores are appropriate. Manage statewide contract for use of assessment instrument.	Conduct assessments of students for appropriate course placement, provide instruction.
Veterans Services Support work of on-campus veteran service centers. Manage congressional earmark funding for development of veterans services, including technology-based credit for military experience, learning portfolio, and life/educational planning. Work with state National Guard to provide reintegration services for veterans returning from overseas deployment.	Provide on-campus services for veterans, including outreach, orientation, and counseling. Serve as advocates for veterans encountering difficulty.

III. Cite any recent or planned redistribution of costs or personnel between this division and college/universities for this functional area.

The Academic and Student Affairs division will act on this area as part of FY11 activities related to reorganization, budget, and staffing decisions. The assessment and corresponding decisions will be informed by the findings in the OLA report and the recommendations of the Structural Review Advisory Committee in consideration of core functions for the system office and colleges and universities.

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

The following represents selected initiatives and outcomes of the ASA division based primarily in the senior vice chancellor’s five major goals and underlying objectives prepared at the beginning of FY10 with a goal area related to the Office of the Legislative Auditor evaluation of the system office added in March 2010.

1. Serving the Underserved Initiative

Access and opportunity allocations and centers

- Report on college and university Access, Opportunity and Success project recruitment and retention outcomes to the Board of Trustees
Progress: Update on FY10 outcomes

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- The fall-to-fall persistence and completion rate for underrepresented students increased from 70.6 percent in fall 2007 to 72.8 percent in fall 2009. This increase represents 75.9 percent progress toward the 2014 target of a 73.5 percent persistence and completion rate.
- Fall semester credit headcount of underrepresented students increased by 15,242 students or 18.6 percent from 82,082 in fall 2008 to 97,324 in fall 2009, compared to a 6.6 percent increase in total credit. Headcount. (Underrepresented students include Pell eligible, first generation, and students of color).
- Identify the more effective practices based on college/university experience(s). Progress: Effective practices identified. Learning communities and supplemental instruction appear to be highly effective, along with intrusive advising.

Early Indicators of Success Initiative

- Identify indicators as part of NASH eight system project
Progress: Completed calculation of six leading indicators for a cohort of college and university students and conducted research to identify which are statistically significant predictors of graduation and/or transfer for various student populations.
- Share results of our system analysis with peers.
Progress: Presented the results of research at NASH Leading Indicators Meeting (March), System Planning Advisory Committee (May), CAO/CSAO and Deans Meeting (May), and Association for Institutional Research (AIR) Forum (May).

2. Students First

Continue to cosponsor the Students First work, monitor for satisfactory progress and support ongoing communications across constituencies.

- Systemwide Single Search Planning Process: FY10
Progress: This project is on schedule. Completion by July 2011 as originally envisioned.
- Single Registration Planning Process: FY10
Progress: This project is on schedule. Policy issues have been identified and draft proposals submitted. Business requirements are under development.
- Systemwide Single Application Process: FY10
Progress: This project is on schedule. Policy issues have been identified and draft proposals submitted. Business requirements are under development.

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3. Leadership Development for Higher Education Futures

- Members of the Academic and Student Affairs division, in collaboration with Vice Chancellor Lori Lamb, worked to assess and restructure presidential work plans to better align system and institutional planning used in the presidential evaluation process with the intention to better inform individual leadership development goals/objectives.
Progress: The FY10 presidential evaluation process is refined to elevate presidential leadership and performance to complement the current focus on institutional performance in the target setting process. This will support revisions to the framework for presidential evaluations in FY11.
- Coordinate Chief Academic and Student Affairs Officers, College and University Dean's Meeting, October 2009
Progress: This meeting was attended by over 220 campus chief academic and student affairs officers and college and university deans and CTL faculty leaders. It is a professional development opportunity with national and system presenters on topics including "Improving Learning: Assessment and Organization Redesign" and "Tuning USA is Just the Beginning."
- Coordinate systemwide Workshop on Learner Outcomes, February 2010
Progress: The college and university Chief Academic Officers convened to focus on "learning outcomes." Several campus teams shared best practices in core outcomes, early alert systems, career pathways, and technical skills assessments. Because of the strong campus response, planning is underway for a fall institute.
- Coordinate Academic and Student Affairs Administrator's Orientation, February 2010
Progress: This annual event convened 45 new campus leaders for orientation to the system and their positions.
- Coordinate Chief Academic and Student Affairs Officers, College and University Dean's Meeting, May 2010
Progress: The theme for this year's meeting was "Innovations and Best Practices During Difficult Times." Plenary presentations and discussions included "The Itasca Project Growth Initiative," by Kathy Schmidlkofer, vice president, General Mills; "Students First; What's Coming," by John O'Brien, director; and, "Reimagining Higher Education: Innovating in Challenging Times," by Senior Vice Chancellor Linda Baer.
- Academic and Student Affairs Annual Awards

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Progress: the Academic and Student Affairs division presented the annual awards to honor outstanding administrators and recognize excellence and innovation in Academic and Student Affairs programming. Nominations are solicited from all of our institutions and reviewed by a panel of institutional Academic and Student Affairs administrators. This year, there were 11 award recipients in excellence in curriculum, innovative partnering, student affairs innovation, and outstanding administrators.

4. Innovating in times of scarcity

- Staff the Board of Trustees Ad Hoc Committee for system planning
Progress: The system strategic plan revisions were reviewed by the Board of Trustees at the April and May meetings and are expected to be finalized at the June meeting.
- Action Analytics: Received a \$330,000 grant from the Bill & Melinda Gates Foundation to establish and lead a national agenda for action analytics. Cosponsor Analytics Symposium with Capella University Sept. 21, 2009
Progress: Completed very successful inaugural symposium that included over 20 national leaders in the use of analytics and many other participants, including a keynote address by Undersecretary of Education Martha Kanter.
- Action Analytics: Co-Sponsor Analytics Symposium 2 with Capella University May 6 and 7, 2010
Progress: System was awarded a Gates Foundation grant to develop an action analytics community of practice. Completed very successful symposium that included over 50 national leaders in the use of analytics and many other participants, including a keynote addresses by Doug Lederman, editor of Inside HigherEd, and Dennis Jones, president of the National Center for Higher Education Management Systems.
- Update and complete nine of the 10 “dials” on the Board Accountability Dashboard
Progress:
 - Received national attention and media coverage on the innovative dashboard
 - Updates to current dashboard measures were done in March 2010.
 - Student engagement measure was added to the dashboard in March 2010.
 - A proposal for revisions in the Accountability Dashboard was discussed by the Board of Trustees at its May 2010 meeting.
 - Work is underway to implement revisions on the composite financial index and a transfer measure; the innovation measure will become a qualitative

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indicator; and a high-quality learning presentation was made to the Board of Trustees at July 2010 meeting.

- Update and complete drill-down dashboards for public and institutional use:
Progress:
 - Internal Enrollment Dashboard launched in January 2010.
 - External Enrollment Dashboard launched in June 2010.
 - Persistence/Completion Dashboard being tested in June 2010.
 - Enhanced Enrollment Dashboard awaiting additional work from IT.
 - Online Dashboard business requirements complete in June 2010.
- Analytics Web Portal: A self-service reporting website that provides an interface for business users to quickly locate, run, and distribute key reports in multiple formats Evaluation, strategy development and funding of the most efficient and effective models for serving key Minnesota industries.
Progress: Web Portal developed and beta test underway in June 2010.
- Centers of Excellence: External evaluation and funding recommendations
Progress: The evaluation report from Wilder Research and staff recommendation for ongoing funding and evaluation were presented to the Board of Trustees in April, leading to a statement of support from the board for ongoing funding. A subsequent memo to center presidents outlined ongoing funding levels for FY11 and expectations for a performance-based evaluation and funding approach for FY12.
- Nursing: Complete a study by June 30, 2010, that looks at the employment demand for nurses in the next five years at different education levels
Progress: This effort was originally to have been completed in April 2010 but was delayed because of other pressing Customized Training/Continuing Education related issues. Survey will be completed in July 2010.
- Scaling of innovations: As part of ongoing efforts to leverage, integrate and gain efficiencies in systemwide innovative strategies, the senior vice chancellor will assess/scale several of these given budget limitations, including GPS LifePlan strategies.
Current Status: Expanded use of GPS Lifeplan in the system to five colleges
Current assessment of the scaling/marketing and commercialization with external partners; currently partnering with OOC Information Technology Services to assess/develop a draft “new business model” allowing us to assess the viability of new/innovative business strategies (Project Consultant – Venturequest). ASA is

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using efolioMinnesota and eFolioWorld as pilot in assessing and informing this strategy.

5. Partnerships and collaborations with K-12, higher education providers, workforce and communities will be the environment of future success.

- P-20 Council and other partnerships with the Minnesota Department of Education and local school districts have resulted in:
 - Leadership with the Minnesota Association of School Administrators in developing a rural P-14 agenda to better coordinate and use limited resources to meet education needs in rural areas.
 - Development of governance and data sharing agreement to support Statewide Longitudinal Data System

Progress: Data sharing agreement completed December 2009. Proposed governance structure is under consideration by P-20 Council.

- Continue implementation of strategies that extend the system's outreach to business and industry:
 - 1-800 telephone assistance.
 - Integrated Web pages for online and customized training.
 - Enhanced search and matching capabilities to meet employers' needs for training incumbent workers.

Progress: Completed 1-800 telephone assistance, which requires re-evaluation based on volume of services. Other items in progress include new Web pages and "matching capabilities." Re-evaluating role of Office of the Chancellor in light of OLA report and work with new Business and Industry Outreach Council established in January 2010.

- Fast Trac: Apply for Phase 2 Funding from Joyce Foundation to expand/continue to project goals.

Progress: The Joyce Foundation awarded Minnesota a \$450,000 grant to implement FastTRAC through 2012. FastTRAC partners leveraged agency and ARRA funds to continue piloting aspects of the FastTRAC mode; cross-agency teams will recommend guidelines for FastTRAC programs; a data analysis plan will support tracking of learners/workers across education and work force services.

- American Recovery and Reinvestment Act: Maximize our institutions' and system's participation in ARRA in areas influencing training and retraining of dislocated workers, and in competitive grant areas of the U.S. Department of Labor and other federal agencies.

Progress: A sample of accomplishments include:

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- Coordinated and reported on grant applications across the system
 - Conducted site visits with campus administrators to identify and present best practices in service to dislocated workers to statewide groups
 - Designed and lead a planning process for a systemwide federal grant application to Department of Commerce for Public Computer Centers
- Career and technical education: Successfully integrate Perkins program into system efforts and champion career and technical education statewide:
Progress: A sample of accomplishments include:
 - Development of a Program Advisory Committee Handbook that includes guidelines for effective program advisory committee work.
 - Continued development of Programs of Study/Career Pathways from high school to college (59 of possible 81 career pathways addressed).
 - Began work on Adult Pathway Programs of Study for adult learners.
6. Follow-up to OLA evaluation of the System Office that are under the purview of Academic and Student Affairs.
- Support for the ASA Committee of the Board of Trustees discussion and actions related to seven areas of concern
 - Identification of ASA division outcomes and measures to inform Board of Trustees oversight of system office activities.
 - Development of FY11 unit budgets and work plans to address agreed upon critical areas of response.
Progress: The ASA division provided context for Board ASA Committee review of the six areas of concern under its purview. An action plan will be presented to the ASA Committee in June that includes actions and corresponding timeline for addressing each of the six areas of concern as well as information for the Board of Trustees related to ongoing oversight of budget, staffing, and work plans of each Office of the Chancellor division. The senior vice chancellor presented the OLA report findings and areas of concern to ASA staff and met with each ASA unit to discuss areas for improvement. The action plan will guide ongoing fiscal decisions and be integrated in to work plans for the ASA division.

V. Identify major ASA Division/Committee work plan activities for FY 2011

The following represents FY11 ASA division goal areas and activities anticipated at this time. ASA Committee work plan activities will be based in oversight of some of the activities

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below, the system action plan, and discussions between the Interim Vice Chancellor and incoming Chair of the ASA Committee.

Access, Opportunity, and Success: Continue to evaluate and identify effective practices in reaching underrepresented student populations.

Accountability Dashboard: Complete and/or update all dashboard measures. Support learner outcomes workshop in the fall to support measure on quality learning and institutional assessment activities.

Action analytics: Advance initiatives related to Gates Foundation grant award; continue analysis of early indicators of student success to identify prominent indicators.

Career and Technical Education:

- Partner with the Minnesota Chamber and industry and labor groups to assess feasibility of designing technical education programs that provide students with opportunities to earn credentials with lower credit requirements.
- Continue identification and integration of workforce and career and technical education-related best practices within Perkins, FastTRAC, and ARRA programs.
- Support the twenty-six Perkins program consortia developed state wide with the Minnesota Department of Education including field visits for progress reporting.

Farm Business Management: Implement the priority goals of the Farm Business Management Task Force, which completed its work in late April 2010.

Legislative Affairs/Support: the interim vice chancellor and ASA staff, in consultation with the Government Relations division and others, will help develop and support the system's 2011 Biennial Budget plan for the Minnesota Legislature.

MnOnline: Continue implementation of the MnOnline Action Plan including expansion of Quality Matters rubric for course development and student support services.

OLA Evaluation: Implement the action steps to be provided to the Board in June including a review oversight and coordination functions to inform reorganization efforts within the division.

Policies and Procedures: Lead system ASA policy council and Board of Trustees' policy discussions related to transfer and other areas in the Policy Council work plan.

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Reorganization: The interim vice chancellor's office will initiate and lead the Academic and Student Affairs division's repositioning for the division, as part of the overall "Positioning the Office of the Chancellor for 2012 and Beyond" in light of the recently finalized Structural Review Advisory Committee recommendations, Budget Scenario Building Planning documents (finance), the ASA Board OLA Action Plan and annual ASA organization/ budget planning activities.

System Planning: Guide implementation of the system strategic plan including support for Board development of the system action plan and associated guidance for the institutional and ASA division work plan activities.

Students First: The six project areas (Single Search, Single Application, Single Registration, Graduation Planner, Single Bill/Payment, and Back-office Shared Services) are supported by ASA division staff with five of six areas on track to be completed by June of 2011.

Transfer: Complete smart transfer toolkit and initiate systemwide communication strategy to support student transfer decisions.

Veterans Reintegration: The system will continue its "nation-leading" work as a major partner with the Minnesota National Guard and Minnesota Department of Veterans Affairs in developing a cohesive reintegration model for returning veterans, including tools to assist service members in receiving academic credit for military training; an enhanced GPS LifePlan for military/veterans; and a survey of the mental, physical, and behavioral health needs of students who are veterans or service members.

Workforce Development: Serve as the primary resource for systemwide or industrywide funding opportunities from the U.S. Department of Labor and workforce related initiatives from private and corporate foundations; complete a workforce study of employment demand for nurses in next five years at different education levels.

Systemwide Academic and Student Affairs leadership activities: The interim vice chancellor, in consultation with the ASA leadership team and system constituents, will assess/plan systemwide meetings in support of the broader Board of Trustees and System Action Plans, which may include meetings of the chief academic and student affairs officers, college and university deans and other special meetings.

Office of the Chancellor Performance Report
Development Division

I. Multi-year Financial and Personnel Data

Development Office

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$360,034	\$271,382	\$267,886	\$273,925
Consulting Contracts	32,588	500	13,940	27,000
Other Administrative Costs	109,943	103,466	99,101	123,423
Total Administrative Costs	\$502,565	\$375,348	\$380,927	\$424,348
Less: External Funding (1)	\$72,000	\$57,000	\$57,000	\$57,000
General Fund Financed Costs	\$430,565	\$318,348	\$323,927	\$367,348
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	0	0	0	0
Systemwide Services	\$430,565	\$318,348	\$323,927	\$367,348
Division Employee FTE	4.0	3.0	3.0	3.0

(1) Blackbaud software program purchased for college/university foundations to use.

Alliss Educational Grant Program

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	0	0	0	0
Consulting Contracts	0	0	0	0
Other Administrative Costs	\$1,412,286	\$1,505,618	\$1,231,635	\$1,275,572
Total Administrative Costs	\$1,412,286	\$1,505,618	\$1,231,635	\$1,275,572
Less: External Funding	\$1,018,750	\$985,214	898,928	898,928
General Fund Financed Costs	\$393,536	\$520,404	\$332,707	\$376,644
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	0	0	0	0
Systemwide Services	\$393,536	\$520,404	\$332,707	\$376,644

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

The Development Division has five functional duties, including: 1) compliance enforcement;

Office of the Chancellor Performance Report Development Division

2) leadership and policy development; 3) fundraising and stewardship; 4) education and professional development; 5) administrative support to the Minnesota State Colleges and Universities Foundation.

In regard to fundraising, efforts are directed toward multi-institutional scholarships, systemwide initiatives and projects housed within the central office. The division's work with the foundation includes oversight of operating and investment funds; management and execution of internal fundraising campaigns and special events; coordination of annual and endowed scholarship application and selection processes; compilation and completion of required governmental and philanthropic reports, filings, etc.; and maintenance of constituent management and financial accounting software.

Functional Duties of the Development Division

Raise and steward funds for systemwide initiatives and for existing scholarship and program funds held by the system-related foundation.

Provide administrative support to the system-related foundation's board of directors.

Coordinate and host the system-related foundation's annual golf tournament.

Build relationships with local, regional and national private and corporate foundations on behalf of the Minnesota State Colleges and Universities system.

Articulate and enforce the board's policies and procedures for college-, university- and system-related foundations.

Serve as a central submission point for required financial documents for the related foundations.

Advise the Board of Trustees and chancellor (and others as necessary) on the performances of the system's related foundations.

Provide research, guidance and proposal preparation support to divisions within the Office of the Chancellor and to campus-based colleagues.

Coordinate professional development opportunities for development and alumni relations professionals throughout the system.

Disseminate information on grant opportunities, fellowships and pertinent research/resources to colleagues within the Office of the Chancellor and on college and university campuses.

Office of the Chancellor Performance Report Development Division

Activities performed by the colleges and universities:

Build relationships with local, regional and national private and corporate foundations on behalf of their respective institutions.

Raise and steward funds for their respective college or university and for their college- or university related foundation.

Host special events for their respective college or university and on behalf of their college- or university related foundation.

For their college- or university-related foundation, ensure preparation and submission of the required financial documents as dictated by Board Policy 8.3.

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

The Development Division, along with six colleges – Anoka-Ramsey Community College, Minnesota State Community and Technical College (Fergus Falls), Anoka Technical College, Minneapolis Community and Technical College, Northwest Technical College and Minnesota West Community and Technical College – currently partner in the Blackbaud Constituent Management System. The Blackbaud system is used to support fundraising, accounting and special events management efforts of college development/advancement offices. Participating campuses currently reimburse the central office for yearly maintenance costs, a practice that is expected to continue.

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

As of June 3, 2010:

Private gifts and grants received: \$1,225,496

Funds returned to the system: \$1,021,460

Disseminated 107 alerts regarding grant, scholarship and fellowships opportunities and pertinent publications.

Led efforts to amend Board Policy 8.3 and institute new reporting practices to ensure systemwide accountability measures for fundraising.

Office of the Chancellor Performance Report Development Division

Hosted a two-day, systemwide conference for development and alumni relations professionals.

V. Identify major division/committee work plan activities planned for upcoming year.

Through the combined efforts of the foundation and the Development Division, raise at least \$1 million to support scholarships, programs and systemwide initiatives.

Ensure a return on investment of at least \$1.50 for every \$1 in public funds provided to the Minnesota State Colleges and Universities Foundation.

Provide at least 30 hours of professional development to the system's college and university presidents and to the alumni relations and development professionals.

Provide at least eight hours of orientation/training for the volunteer board members serving the system's college-, university- and system-affiliated foundations.

Oversee the submission of audit reports, tax documents and other finance-related materials and assist in the elimination or reduction of identified material weaknesses.

Office of the Chancellor Performance Report Diversity and Multiculturalism Division

I. Multi-year Financial and Personnel Data

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$446,151	\$515,872	\$564,053	\$563,147
Consulting Contracts	22,709	6,459	28,081	23,000
Other Administrative Costs	177,115	129,527	163,101	127,500
Total Administrative Costs	\$645,976	\$651,859	\$755,235	\$713,647
Less: External Funding	0	0	0	0
General Fund Financed Costs	\$645,976	\$651,859	\$755,235	\$713,647
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$352,348	\$415,133	\$453,141	\$428,188
Systemwide Services	293,628	236,726	302,094	285,459
Division Employee FTE	6.0	7.0	6.5	

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

Office of the Chancellor Functions	Colleges and Universities Functions
Conduct Office for Civil Rights (OCR) campus reviews as required by federal law and policy.	Create OCR Voluntary Compliance Plans to address areas where corrective action is needed.
Monitor the progress of campus compliance plans developed from the Office for Civil Rights reviews.	Implement OCR Voluntary Compliance Plans.
Develop the biennial report that goes to the Department of Education concerning OCR audits.	No action required.
Conduct Policy 1B.1 Nondiscrimination in Employment and Education Opportunity investigations at the Office of the Chancellor.	No action required.
Conduct 1B.1 investigations of senior campus administrators.	Conduct most other 1B.1 investigations, with technical assistance from the Diversity and Multiculturalism division.
Provide technical assistance to campuses in implementing, monitoring and conducting 1B1 investigations.	Conduct most other 1B.1 investigations, with technical assistance from the Diversity and Multiculturalism division.
Monitor the systemwide access, persistence and completion rates of underrepresented students. Note that the Diversity and Multiculturalism division has only indirect influence on these outcomes.	Each institution monitors its own access, persistence and completion rates.

Office of the Chancellor Performance Report Diversity and Multiculturalism Division

Develop systemwide policies related to equal opportunity, affirmative action and compliance.	Colleges and universities are charged with implementing the policies.
Provide technical assistance to campuses in their work to achieve student recruitment, retention and success.	Direct recruitment of students is done by the colleges and universities.
Assist in the implementation of federal, state and board policies related to equal opportunity, affirmative action and compliance.	Colleges and universities are charged with implementing the policies.
Conduct affirmative action, harassment, discrimination and anti-racism training on campuses. Technical assistance is provided to colleges and universities that conduct this training for their campuses.	Campuses with appropriate resources conduct affirmative action, harassment, discrimination and anti-racism training on their campuses.
Research best practices for the recruitment and retention of students and employees from traditionally underrepresented communities and communicate them to campuses.	Colleges and universities implement best practices, as appropriate. Student recruitment is primarily the responsibility of each campus.
Facilitate the systemwide Community Action Diversity Council; and provide technical assistance, best practices and feedback from the Community Action Diversity Council regarding access, opportunity and success for students.	Some campuses establish local diversity councils.
Provide resources and technical assistance for targeting systemwide employee recruitment.	Each campus manages the recruitment and retention of its employees.

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

The Diversity and Multiculturalism division will continue to shift its focus from direct community outreach to facilitating, providing models and best practices to campuses, and sharing community-based town and gown opportunities with campuses. The division will conclude its direct participation in student recruitment activities. The goal is to eliminate duplication of campus services. However, in collaboration with Academic and Student Affairs, the staff will provide technical assistance to campuses regarding the recruitment, retention and success of all students, especially those from underrepresented groups. In addition, the division, under the direction of the chancellor, will monitor and report on the success of campuses in these areas. This will lead to personnel reassignment and other changes in the division.

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

Enrollment of male students from spring 2009 to spring 2010 increased by 11.9 percent, from 54,142 to 60,595 students.

Office of the Chancellor Performance Report Diversity and Multiculturalism Division

Enrollment of students of color from spring 2009 to spring 2010 increased by 21.9 percent, from 22,554 to 27,483 students.

With regard to the above increases, it is important to note that while no direct causal relationship can be easily established between the work of the division and the increases, research indicates that many of the campus activities and programs that received support from the Diversity and Multiculturalism division result in increases in recruitment and retention of underrepresented students.

Approximately 100 administrators and staff members completed Investigator (51) and Decisionmaker (49) training.

Completed four U.S. Department Office for Civil Rights campus audits.

In cooperation with the Human Resources division, a new guideline, Searches for Unclassified Vacancies, was approved and published.

Completed professional development sessions for campus diversity officers regarding the use of statistics in the development and assessments of diversity programs that support access, opportunity and success for students and the creation of a diverse innovative workforce.

Completed an online training module for preventing sexual harassment.

V. Identify major division/committee work plan activities planned for upcoming year.

Report and analyze campus spending for diversity-oriented cultural support services.

Conduct four regional best practice seminars focused on the recruitment, retention and success of underrepresented students.

Conduct U.S. Department of Education Office for Civil Rights campus audits during Fiscal Year 2011. In addition, monitor and provide technical assistance to campuses which need corrective action.

Develop an electronic training program on affirmative hiring for campus and Office of the Chancellor search committees.

Work with colleges and universities to assess the effectiveness of the programs and activities supported by the Access, Opportunity and Success Initiative. Technical assistance will be provided for any modifications that are needed.

Office of the Chancellor Performance Report
Finance and Facilities Division

I. Multi-year Financial and Personnel Data

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$5,362,804	\$5,535,561	\$5,308,579	\$4,981,812
Consulting Contracts	1,647,563	383,368	2,463,552	1,180,438
Other Administrative Costs	5,126,485	5,825,655	5,312,742	4,285,684
Total Administrative Costs	\$12,136,852	\$11,744,584	\$13,084,873	\$10,447,934
Less: External Funding (1)	1,574,483	660,156	1,601,763	1,745,071
General Fund Financed Costs	\$10,562,369	\$11,084,428	\$11,483,110	\$8,702,863
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$4,185,753	\$3,412,349	\$4,133,920	\$3,133,031
Systemwide Services	6,376,616	7,672,079	7,349,190	5,569,832
Division Employee FTE	62.38	62.25	59.75	

(1) Includes construction management fees, risk management, workers comp and Revenue Fund

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

Policy Leadership

Board policies and procedures are prepared for adoption by the board. Implementation occurs at either/both the system level and the college and university level. Colleges and universities as well as the Office of the Chancellor develop local policies within the authority granted by the board to affect activity on their local campus

Budget

Operating budget functions occurs at the system level – request for state appropriation made on behalf of the system and once received are allocated to each college and university. Colleges and universities prepare budgets at the local level adding tuition and other revenue to available resources and then allocating to the departments and functions with the college or university.

Budget unit provides financial planning parameters and tuition guidance for budget development. Colleges and universities develop finance plans and recommend tuition rates.

Budget unit requests state appropriation for the system, allocates available appropriation to the colleges and universities, and monitors various aspects of college and university budgets throughout the year. Colleges and universities develop budgets at the local level (which

Office of the Chancellor Performance Report Finance and Facilities Division

includes appropriation, tuition and other revenue), allocate resources to departments and functions with their individual institution, and monitor/adjust budgets throughout the year.

Board policies and procedures are prepared for adoption by the board. Colleges and universities develop local policies within the authority granted by the board to affect activity on their local campus

Budget unit distributes state appropriation to colleges and universities for base support via an allocation framework. Data is obtained, numerous formulas are run, and a state appropriation allocation is calculated for each college and university. Colleges and universities determine how to spend the appropriation received through the allocation framework.

Budget unit extracts the student enrollment and finance data and distributes to each college and university for their review and completion of cost study. The unit compiles the individual college and university instructional cost studies into a systemwide report. The system cost study as well as individual cost studies are made available to each college and university for use in academic program management.

Each college and university completes an annual instructional cost study using the data generated from the Budget unit. The instructional cost study displays a cost per student for each academic program by level of instruction. Many colleges and universities use the instructional cost data in their program review processes and for academic program management.

Budget unit has overall responsibility for overseeing improvements made to the allocation framework. It staffs a Technical Advisory Committee (composed of academic, student and finance officers) which is charged with on-going analysis and review of the operation and design of the allocation framework and its components.

Issues needing to be analyzed or pursued within the allocation framework may be identified by colleges and universities. Colleges and universities provide feedback on any proposed changes to the allocation framework.

The budget unit has responsibility for conducting research and preparing systemwide studies and reports such as tuition and fees, cost of attendance, and various legislative reports. The tuition and fee study addressed current tuition and fees policy, tuition comparison at national level, tuition revenue dependency, the role of financial aid in the cost of attendance, and total spending per student comparison at national level. System studies are designed to assist the Board of Trustees in the areas of program design and policy setting.

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Colleges and universities may as part of their tuition setting process compare their individual tuition rates to peer institutions. Colleges and universities conduct research and prepare institution-level reports on a variety of topics important to their local environment.

Facilities

Facilities planning: Staff provides policy guidance and technical oversight for the preparation of campus master facilities plans. Per board policy, staff tracks five-year update milestones and works with campuses and their architectural consultant in developing the master plan update. Staff makes recommendations for plan development, critiques technical substance and progress, and recommends approval action to the Vice Chancellor - CFO. Colleges and universities engage the consultant and manage the master plan update with campus constituencies based on the OOC guidelines and timetable for review and approval.

Staff provides technical oversight for the preparation of capital project predesigns, a necessary and required component of planning prior to capital project funding. Colleges and universities engage the architectural consultant and develop the predesign document based on board and OOC guidelines. Staff review the document at various stages of development, make recommendations to the campuses, and make final recommendation for approval to the Vice Chancellor - CFO.

Capital budget preparation: Staff develops biennial capital budget guidelines to frame the development of capital projects for state funding. After board approval of the budget guidelines, staff manages development of the capital budget with input from each college and university. After approval of the capital budget by the board, staff manages the submission of the capital budget to the governor and Legislature, and advocates for legislative approval of the board-approved project list. Staff assists campuses with legislative visits during which legislators learn more details about capital project needs. Staff acts as primary source of project information for MMB, governor's office and the Legislature.

Sustainability: Staff develops policies, procedures and guidelines to assist campuses with their efforts towards building and maintaining a sustainable campus. Included are guidelines and standards for facilities planning, design and construction; reporting accomplishments to the board; and researching various methods of contracting with consultants to achieve positive results on campus. Staff develops a systemwide method to measure, compare and report on energy consumption and conservation. Campuses are responsible for taking the necessary actions to conserve energy, engage faculty and students, and generally promote on-site sustainable actions and initiatives.

Facilities design and construction: Staff develops policy and procedures for all contract actions for capital and other projects' design and construction. Staff oversees contracting at colleges and universities and provides assistance, training, monitoring, reporting of progress,

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and resolving problems with project delivery. Staff ensures compliance with state procurement requirements for design and construction, including design and construction standards, prevailing wage requirements, a number and variety of statutory requirements, quality assurance, and fiscal integrity. Colleges and universities manage the day-to-day design and construction work activity with oversight and assistance provided by Office of the Chancellor staff.

Real estate management: staff manages and oversees the entire portfolio of over 26 million square feet of space located on over 6,000 acres; provide assistance to campuses for real estate transactions, including easements, licenses, property sales and dispositions; reviews documents for conformance to state and system requirements. Staff creates and maintains systemwide data bases of real estate holdings, leases, campus boundaries and related information.

Revenue Fund: Staff manages the Revenue Fund from a central perspective, as the fund is legally and financially a single financial enterprise. Based on campus input, staff develops long and short ranges capital requirements and plans, and executes revenue bond sales in support of campus capital requirements. Staff provides oversight to annual Revenue Fund operating budgets and reporting to the board. Operation of site-specific Revenue Fund activities, including residence halls, student unions, wellness centers, some parking and dining services is accomplished on campus.

Risk management: Staff provides systemwide perspective and oversight of many risk management activities principally centered on casualty, property and liability insurance; coordinates with the state Admin in the management of a property and casualty program, and other insurance products as needed by campuses.

Emergency planning: Colleges and universities prepare local emergency plans, and coordinate their development with the Fire Center which provides oversight, guidance and assistance as needed.

Safety and environmental health: Staff assists campuses with local compliance activities in the area of employee and student safety, hazardous waste disposal, and a variety of environmental compliance activities. Campuses are responsible for effective day-to-day management of safety and environmental compliance.

Financial Reporting (includes Campus Assistance)

Financial reporting group: Staff provides leadership, guidance, training and tools aimed at college and university management and improvement of campus financial health and financial operations. Financial health is measured on an accrual basis with a focus on a composite financial index measurement basis, which is also used by the Higher Learning

Office of the Chancellor Performance Report Finance and Facilities Division

Commission of the North Central Association to assess members' financial health in relation to accreditation.

The group provides professional accounting and audit pronouncement interpretation and implementation guidance. The group is responsible for Fundware, the supplemental accrual accounting and reporting package used to produce GAAP financial statements, systemwide financial reports and related audits including the systemwide consolidated annual report and the Revenue Fund annual report, and directly supports the external GAAP audits of thirteen universities and colleges and unaudited financial statements and related annual internal of twenty-three unaudited colleges.

The group establishes and maintains appropriate accounting policies and procedures ranging from those with a day-to-day focus to those required for year-end financial statements. The Campus Assistance group is responsible for resolving accounting and procedure issues, monitoring systemwide financial data to ensure data integrity, training of college staff in areas such as local and state treasury bank reconciliations, and providing a wide range of additional accounting, business process, payroll, ISRS finance modules' support and other support to campuses as requested.

Other college/university and systemwide reporting is also supported to varying degrees and includes items such as quarterly Interim Financial reporting, IPEDS reporting, Higher Learning Commission CFI reporting, meeting state and federal government requirements, and ad hoc reporting as needed to support campus management needs.

The colleges and universities are responsible for campus use of ISRS finance modules including the accounting module and all student services uses, preparation and analysis of campus financial statements and supporting footnotes, calculation of required financial performance measures, preparation of other financial reports, responding to auditors' questions and documentation requirements, compliance with board accounting and reporting policies and procedures, and internal controls documentation and maintenance.

Tax and Financial Services

Staff ensures accurate and timely payment of Minnesota State Colleges and Universities federal and state tax obligations as well as compliance with federal and state reporting requirements. As a single legal entity, the system has a single federal taxpayer ID that in turn drives federal consolidated compliance and reporting combining all System colleges and universities. Primary tax compliance and reporting areas include:

1. Unrelated Business Income Tax (UBIT)—The *Tax and Financial Services group* files a federal combined system unrelated business income tax return for all colleges and universities and works closely with each campus to determine their individual taxable

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- income. The group also provides tax planning and advice for campuses' revenue contracts and other potential UBIT transactions.
- Campuses provide local management, data and analysis, and implement tax planning if applicable.
2. Year End Tax Forms and Reporting—the *Tax and Financial Services group* prepares, prints, distributes and files (with the IRS, Social Security Administration, state Department of Revenue, etc.) approximately 300,000 student tax forms each year.
 - Campuses provide primary support for student questions.
 3. Student Payroll Tax (consolidated withholding payments & reporting)—The *Tax and Financial Services group* reports wages to the IRS/Social Security Administration and state authorities for approximately \$35,000,000 of payroll for 21,000 student employees; this includes remitting withholding tax and all federal and state tax filings. Tax Services answers campus student payroll questions.
 - Campuses hire the students, verify hours, pay the students and enter pay data in the system.
 4. Minnesota Nonresident Entertainer Taxes—The *Tax and Financial Services group* files the summary report each month with the Minnesota Department of Revenue regarding the required 2% tax withholding on campus payments to out of state entertainers; each year 15 – 20 colleges and universities have approximately 100 such transactions for several hundred thousand dollars.
 - Campuses must identify the transactions and code them properly allowing proper capture, reporting and withholding remittance.
 5. Nonresident Alien Taxation (NRA)—Foreign students, vendors, and faculty and the colleges & universities face a completely different and complicated set of tax rules than U.S. citizens. The *Tax and Financial Services group* devises forms and procedures for NRA compliance and works with campuses to ensure proper paperwork, tax filings and payments are completed.
 - Campuses must maintain all required documentation including requirements from Customs and Immigration, IRS, and Homeland Security and advise students, vendors and faculty.
 6. Sales Tax—*Campuses* file their own sales tax returns; the *Tax and Financial Services group* assists with the many questions that arise including dealing with vendors to ensure campuses are exempted from sales tax where applicable and Tax Services issues guidance such as a three page sales tax guide for campuses.

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7. Tax Compliance—the *Tax and Financial Services* group reviews tax law changes, researches tax questions and provides appropriate assistance to campuses and system office departments, and prepares campuses for and coordinates tax audits and responses to notices from tax authorities. This involves regular updates and periodic training.

Business Office/Financial Operations

The unit includes three groups, the Business Office group, Student Loans group and Office Services group.

The Business Office group ensures the accurate and timely handling of System Office transactions through appropriate application of board policy and state laws. The Business Office group provides a range of accounting and payroll services for operations of the Office of the Chancellor and related staff. All college and university presidents are deemed employees of the OOC such that payroll and expense reporting and processing is conducted at the OOC. Further, the Grants Accounting role of the Business Office Group provides grant accounting services in direct support of campuses. Business Office group responsibilities include: accounts receivable, business expenses, disbursements, employee forms repository, OOC financial management and accounting, fixed asset inventory, grants accounting, auxiliary operations controllership services, and OOC procedures required for these areas.

Campuses interface with presidential payroll and business expenses when such expenses are transferred to campuses for appropriate accounting and reporting. Similarly, campuses are responsible for local grant accounting.

The Office Services group provides support for the operations of the Office of the Chancellor, including staffing the main reception desks, mailroom, meeting room set-up and tear-down, office supplies inventory, vehicle scheduling and maintenance, furniture procurement, internal office and cubicle moves, copier and fax machines' maintenance, records storage, and other related tasks. *There are no campus-related activities.*

The Student Loan group manages collection and repayment of \$34.1 million in Federal Perkins' loans for over 13,000 of the Systems' highest need students at 20 colleges and universities. The unit also plays a lead compliance and reporting role assuring compliance with complex federal student loan regulations. Laxity in loan collection efforts can result in higher loan default rates, which in turn can result in overall Perkins Loan program ineligibility.

The Student Loan group provides a centralized student loan collection unit for all Minnesota State Colleges and Universities that participate in the Federal Perkins Loan program. (20 colleges and universities) currently 34.1 m; 13,560 loans. *Colleges and universities* award

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and disburse the funds and completes the annual Fiscal Operation Report filed with the federal government

The Student Loan group manages the loan from the time the student leaves school until the loan is paid in full, provides the schools' data on a monthly basis for input into ISRS and, provides loan data to Financial Reporting group for financial statement support purposes.

The Student Loan group also administers the online e-payment process (web payments) where student tuition and fee payments can be made via the web using a credit card or e-check. Processing is through a single vendor processing contract. FY2009 volume was \$100 million representing 175,658 individual payment transactions. Centralization of this e-payment process has resulted in significant cost savings through elimination of multiple set-up and maintenance costs and volume-based fee reductions. Centralization has also greatly reduced the System's risk of noncompliance with Payment Card Industry Data Security Standards for transactions processed through this single contract. Sensitive payment data is collected and maintained by the vendor, not by the system.

e-Payments (on-line student payments)

1. Money is received daily by the group and paid out the next day to colleges and universities; payment card fees are charged monthly and the group collects from each campus.
2. Campuses provide information to the *Student Loan group* in order to respond to merchant disputes in a timely manner and the group provides assistance to campuses and customers as needed.

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

The **Budget** unit has not made any nor has plans to redistribute costs or personnel between the unit and the colleges and universities.

Facilities Design and Construction: For 2010, OOC/Facilities Unit personnel will track their personal time applied towards the oversight of specific capital projects financed by state GO bonds. Personnel who are performing work in support of this activity but who cannot reasonably apply their work hours to a specific GO financed project, will revert to tracking their financial support from the GEN fund. Overall, charges against bond-funded projects should decrease, while an increasing requirement for GEN funding will be seen. This change is undertaken at the direction of MMB.

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IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

2010 Work Plan Accomplishments

Developed a framework which provides assumptions for FY2011-2013 budget planning for colleges and universities and the Office of the Chancellor.

Identified key indicators to measure college and university financial health.

Assisted with reduction planning for the Office of the Chancellor including staffing the Structural Review Committee, preparing survey instrument for office employees and compiling a report of results. First set of reductions complete for the Office of the Chancellor. Second round of budget planning underway and will be reported to the board in December.

Provided the board committee with a comprehensive look at the role of financial aid in the cost of attendance – how financial aid interacts with tuition and fees rates to assist with tuition planning discussions.

Provided the board committee with detailed system data and information to which a budget planning framework was developed. Having a framework resulted in operating budgets and tuition recommendations that were approved by the board.

Once again accomplished clean audit opinions on system wide and 12 college and university audits.

Completed 2008-2013 and 2010-2017 Capital Budgets; gained board approval, and submitted to the governor and legislature. Successfully advocated for the capital improvement program at the Legislature and governor's office, achieving appropriations of \$241 million in 2008, \$40 million in 2009 and \$106 million in 2009.

Managed over \$500 million in design and construction capital projects funded by state general obligation bonds and Minnesota State Colleges and Universities revenue bonds. As of June 2010, 70% of the funds have been obligated or spent, reflecting successful management oversight throughout the system. The Legislature has consistently recognized the system for exceptional management of project execution.

Developed strategy to promote sustainability and energy conservation on campuses, in particular an energy benchmarking system using campus energy data on a web-based software platform. This will enable monitoring of energy consumption around the system, set goals, measure performance, and work towards greater energy efficiencies.

Office of the Chancellor Performance Report Finance and Facilities Division

Developed an “All Hazards” planning program to encompass Emergency Preparedness, Continuity of Operations and Crisis Intervention for all campuses. Most notable were the efforts of individual colleges and universities, with leadership by the Office of the Chancellor, in preparing for the potential pandemic flu outbreak of 2008/2009.

Architectural security guidelines were completed and posted for campus use.

A program called “Students First” was approved by the EIC at its September 2009 meeting. Finance combined planning efforts with the Integrated Student Services Advisory Group, a cross-functional group including representatives from the student associations, leading to development of a mid to long-range enterprise IT investment strategy focused on student service needs.

Finance collaborated with ITS to complete a systemwide Payment Card Industry Data Security Standards (PCI DSS) compliance project through use of an outside contractor (NetSPI). This project included mandatory self-assessment questionnaires, four mandatory quarterly vulnerability scans against college and university systems and identification of weaknesses and possible remediation steps. The effort is transitioning to an ongoing campus-focused compliance effort supported by a collaborative OOC- and campus-staffed PCI DSS Advisory Council.

Finance implemented a financial trends and highlights review process with all 24 accredited, non-audited colleges participated in one of several regional financial trends and highlights meetings. These meetings involve from one to five colleges and included presidents, CFOs and many academic leadership personnel. Working from a base package of performance measures centered on the Composite Financial Index, a round-table discussion highlights positive and negative developments and encourages a free exchange of financial performance information across campuses.

Tax authorities have not assessed colleges and universities with any tax penalties relating to payments, reporting, or audit/notice.

Positive OLA Audit Findings Relating to Tax Services. More than 90 percent of presidents gave the division high marks for each of the following functions “...helping campuses comply with tax laws and regulations”.

Under Students First Single Bill/Payment, a Tax Services proposed project is underway to provide students with electronic tuition tax statements and W-2's with the potential to save colleges and universities in excess of \$100,000 annually upon full implementation.

Office of the Chancellor Performance Report
Finance and Facilities Division

V. Identify major division/committee work plan activities planned for upcoming year.

- FY2012-2013 Biennial Operating Budget Request
- FY2011 Office of the Chancellor Budget Update
- FY2012 Operating Budget
- Continuous Improvement of the Allocation Framework
- FY2010 Financial Statements
- College and University Financial Health Indicator/Measurement Project
- Revenue Fund Bond Sale
- FY2012-2017 Capital Budget Request

Office of the Chancellor Performance Report
Government Relations Division

I. Multi-year Financial and Personnel Data

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$406,806	\$426,630	\$426,331	\$430,775
Consulting Contracts	59,747	24,112	0	0
Other Administrative Costs	65,152	61,928	103,500	84,513
Total Administrative Costs	\$531,705	\$512,670	\$529,831	\$515,228
Less: External Funding	0	0	0	0
General Fund Financed Costs	\$531,705	\$512,670	\$529,831	\$515,228
Distribution of General Fund Activities				
Direct Services to Colleges/Universities	\$412,049	\$423,037	\$353,947	\$417,335
Systemwide Services	119,656	89,633	83,024	97,893
Division Employee FTE	4.0	4.0	4.0	4.0

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

Functional duties of the Government Relations Division:

Articulate and communicate the system's state legislative and federal priorities/agendas.

Advise the Board of Trustees and chancellor (and others as necessary) on campus positions and strategies related to legislative and community relations and in public policy.

Provide guidance on the development and leveraging of local/campus district relationships to advance the system's state and federal agendas.

Coordinate preparation of materials and presentation of testimony for legislative and other governmental hearings; respond to legislative inquiries on behalf of the system.

Serve as a resource and coach/advisor to staff, faculty and students on budget issues and legislation that impacts the system.

Coordinate and manage campus bonding tours between Legislature/legislative staff and campus.

Office of the Chancellor Performance Report Government Relations Division

Coordinate and/or conduct legislative research and policy analysis.

Coordinate federal legislative program; coordinate development of federal earmarks.

Activities performed by the colleges and universities:

Build relationships with locally elected officials and friends in support of the system's state and federal priorities/agendas.

Provide testimony, responses to questions and/or other campus-based information as requested through coordinated efforts with Government Relations staff.

Prepare on-campus logistics and site preparation for bonding visits.

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

None

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

2010 bonding request outcome: \$106 million.

FY2010 Federal appropriations: \$2.45 million.

As of May 2010, more than 920 legislative contacts have been made in FY2010.

V. Identify major division/committee work plan activities planned for upcoming year.

Prepare for and promote Board of Trustees legislative agenda for FY2011, including the FY2012-13 biennial budget agenda, bonding agenda, and/or legislative policy changes if needed.

Continue to build positive relationships between the system and Legislature.

Build positive relationships between state and federal elected officials, state and federal agencies and others.

Office of the Chancellor Performance Report
Human Resources Division

I. Multi-year Financial and Personnel Data

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$2,892,324	\$3,020,073	\$3,129,976	\$2,858,866
Consulting Contracts	496,791	321,346	681,424	58,333
Other Administrative Costs	604,659	301,710	486,160	251,180
Total Administrative Costs	\$3,993,773	\$3,643,128	\$4,297,560	\$3,168,379
Less: External Funding (1)	330,520	108,669	104,840	104,840
General Fund Financed Costs	\$3,663,253	\$3,534,459	\$4,192,720	\$3,063,539
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$2,784,116	\$2,447,175	\$3,060,686	\$2,236,383
Systemwide Services	879,137	1,304,622	1,341,714	1,036,836
Division Employee FTE	33.5	30.5	28.5	26.5

(1) Retirement Admin Fund

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

Please note: Campuses have input and consultation through various committees and task forces on all services provided by the Office of the Chancellor Human Resources.

OOO HR Unit	OOO Function	Campus Function
Vice Chancellor	Board HR Committee Support	
2 FTE	Leadership Council HR Committee Support	
	Strategic Planning	
	Executive Searches	Campus CHRO serves as liaison to presidential search committees
	Executive Evaluation and Development	
	Policy Development & Implementation	
	Personnel Plan Administration	
	Legislative Relations	
	Audit Findings/Evaluations Follow-up	Campuses respond to their own audit findings to the extent they have individual audits on their campus
	Management of Statewide Bargaining Unit Relationships	Campuses manage local relationships with local bargaining unit leaders
	Statewide Data Reporting	Campuses only provided data on respective campuses
Labor Relations	Negotiation of Collective Bargaining	Some campus representation on

Office of the Chancellor Performance Report Human Resources Division

7.5 FTE	Agreements (IFO, MSCF, MSUAASF are negotiated directly)	negotiation teams
	Serve on negotiating teams for classified contracts negotiated through MMB; negotiate supplemental agreements for classified contracts	Some campuses representatives sought from time to time
	Arbitrations	
	Grievance Processing – OOC handles step 2 or 3 (final step before arbitration); provide advice to campuses on step 1 and 2	Campuses handle step 1 and 2 grievances
	Negotiation of Memoranda of Understanding, Letters of Understanding, etc.	
	Training on Collective Bargaining Agreements	
	Advice on collective bargaining matters – OOC provides advice to CHROs and Presidents to assure consistency across the system	Campuses provide advice to local campus leaders
	Management of Statewide Bargaining Unit Relationships	Campuses manage local relationships with local bargaining unit leaders
	Represent the system on unit determination issues	
	Maintenance of statewide layoff lists for IFO, MSCF, MSUAASF	
Contract Administration	IFO Salary Review Committee	Campuses may have representative on statewide review committee (SRC)
	IFO Outplacement Services – procurement of services	Campuses set up outplacement meetings and services for individual faculty, if requested
	MSCF Salary Placement – OOC provides final decisions	Campuses process initial step placement paperwork
1.5 FTE	MSCF Credentialing – OOC provides final decisions for faculty hired into unlimited positions. <i>(Note: this is under review for potential of delegating more authority to campuses in this area)</i>	Campuses process initial paperwork
	MSCF Sabbatical eligibility	
	MSCF Hiring Practices (70%/60% full time hire requirement)	
	MSCF Early Retirement Incentive – OOC reviews work history and determines eligibility for former MCCFA faculty.	Campuses process initial paperwork

Office of the Chancellor Performance Report Human Resources Division

	MSUAASF Reporting requirements	
	Campus advice and assistance on various federal laws (I9, FLSA, FMLA, ADA, USERRA, Commercial Driver's License, Drug and Alcohol testing) and state laws (Voluntary Unpaid Leave, criminal background checks, proportional reductions, military leave, etc.)	
Personnel 2 FTE	Communications with Campuses	
	Coordination of Annual Conferences	
	Budget for the Division	
	Coordination of presidential searches	
	Policy and procedure development and coordination	
	Personnel Plan Administration	
Human Resource Information Systems 3.5 FTE	Oversee HRIS System functionality and partnership with ITS	Reps from some campuses have input on SCUPPS User Group
	Development of new HRIS tools	
	SCUPPS Help Desk (HRIS user assistance)	
	HR Online Help – online tool for processes and procedures in HR	
	Sema4 (State payroll system) interface and assistance – provided by OOC	
	Data Integrity	Campuses work to insure integrity
	Maintenance of comprehensive web site for prospective and new employees, and resource materials for campus human resources offices	
	Reporting Capabilities	
Retirement 1 FTE	Retirement plan development and administration (e.g. managing investment committee and faculty advisory committee)	Campuses determine individual eligibility
	Retirement coordination and implementation with MMB and various retirement plan providers	Campuses determine individual eligibility
	Retirement Plan IRS Document approval, administration, and maintenance	
	Coordination of Post Retirement Employment Options	Campuses provide individual information
	Coordination of BESI	Campuses implement BESI plans
Benefits .5 FTE	Health Care Reimbursement Plan administration	Campuses determine individual eligibility

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Human Resources Division

	Tuition Waiver eligibility and implementation through HRIS system – overseen by OOC	Campuses determine eligibility
	General benefits administration and coordination with SEGIP	Campuses determine eligibility
Worker’s Compensation .5 FTE	Training and large claim management	Campuses handle first reports of injury and resolve small cases
Training and Development 2.5 FTE	<i>Leadership Development:</i> Luoma Leadership Academy (mid-level intensive 18-mo. leadership program)	Campuses may have local leadership programs
	Administrator Orientation & Development	
	Provide statutorily required training to all supervisors (Art & Science of Supervision Training session)	Some campus CHROs assist in delivering training
	Develop and deliver additional on-going supervisory training, classroom and e-learning	Campuses may have some local optional supervisory training
	Deliver customized leadership development programs to campuses upon request	
	<i>Systemwide Training:</i> Provide e-learning on required topics (Code of Conduct, Sexual Harassment, Right to Know, etc.)	Campuses may develop their own training on key topics
	Support subject matter experts with assistance in instructional design, facilitation tips, and trainer/facilitator competencies	
	Deliver customized staff development programs to campuses upon request	
	<i>Organization Development:</i> Provide Organization Development resources and referrals to campuses	
	Provide Organization Development services at the system level (strategic planning, large meeting design and facilitation, process improvement)	
Classification 3 FTE	Classification determinations for vacant positions and reclassified/reallocated positions in the classified service – provided by OOC (<i>Note: this is under review for potential of delegating more authority to the campuses in this area</i>)	Campuses have authority for some classifications; document justification for requests on other classifications
	Classification determinations for unclassified positions (MSUAASF, MAPE, MMA unclassified, Administrators)	Documentation of justification for request

Office of the Chancellor Performance Report Human Resources Division

	Classification appeals	Documentation of justification for appeals
	Coordination with MMB on classification issues; consultation with Bureau of Mediation Services where necessary	
	Posting vacancies to statewide resume management service; tracking and clearing vacancies	Campuses provide data for input
	Maintenance of System Job Opportunities	Campuses provide data for input
Compensation 1 FTE	Classified compensation decisions when above the delegation limit (depends on bargaining unit)	Campuses make some compensation decisions to the extent of delegated authority
	Unclassified compensation decisions – OOC provides determinations when above delegation limit or above step placement	Campuses make some compensation decisions to the extent of delegated authority
	Develop and implement a comprehensive compensation program for unclassified staff, including administrators and presidents	
Office of the Chancellor HR Office 3.5 FTE	Full service front-line human resources services to the Office of the Chancellor (400+ employees at 12 different locations throughout the state) including recruitment, hiring, performance management, discipline, discharge/separation, benefits and more)	

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

At this time, planned redistribution of any work from the Office of the Chancellor Human Resources will be based on the recommendations from the Office of Legislative Audit Evaluation of the System Office. That report made recommendations for delegation of additional authority to campuses in two areas: 1) college faculty credentialing, and 2) classification of positions. The projects underway in these areas will result in additional work being done on campuses. However, this should expedite processing in these functional areas for campuses.

Additional redistribution of costs to campuses may result from further budget reductions in the Office of the Chancellor HR Division. Those determinations will be made by December 2010.

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

Office of the Chancellor Performance Report Human Resources Division

OOO HR Unit	OOO Function	Accomplishments
Vice Chancellor		
	Strategic Planning	Completed the first ever Human Resources Division Strategic Plan including action plans for future assessment
	Policy Review and Development	Drafted and implemented the Board Early Separation Incentive policy; as of April 26, 2010, 16 campuses have offered BESIs and over 50 employees have separated under this program
	Executive Searches	Completed four national presidential searches and appointments; completed one national search and appointment for Vice Chancellor of Information and Technology Services and Chief Information Officer Evaluated the executive search process and implemented necessary changes to add rigor to the selection process
	Executive Evaluation and Development	Conducted needs assessment regarding the evaluation process; redesigned the presidential/executive evaluation process; created new online presidential/executive evaluation tool Conducted needs assessment regarding the development and orientation processes; used information to inform additional process improvements for executive development including: individual development plans, improving the 360 degree assessment tool, and additional coaching opportunities Conducted coaching/mentoring sessions with all Presidents at least one time; Vice Chancellor attended nearly all of these sessions Conducted Cabinet development through mid-year meetings with Chancellor and each Cabinet member; Vice Chancellor was present in all meetings Held Leadership retreat in June 2010 to focus on strengthening evaluation and development, and on improving relationships with bargaining units
	Audit Findings/Evaluations Follow-up	Followed up on two recommendations from OLA report regarding credentialing and classification delegation Followed up on other institutional audit findings, e.g. unclassified leave

Office of the Chancellor Performance Report
Human Resources Division

	Management of Statewide Bargaining Unit Relationships	<p>Held first ever “Labor Relations Summit” with administrators around the system to begin to develop a long term labor relations strategy</p> <p>Held first ever “Conversation” with all bargaining units regarding the future of higher education</p> <p>Met with all bargaining units representatives regularly to discuss ongoing issues and resolve problems</p>
Labor Relations		
	Arbitrations	Five arbitrations held on statewide issues
	Grievance Processing – OOC handles step 2 or 3 (final step before arbitration); provide advice to campuses on step 1 and 2	106 grievances were filed and responded to; 51 grievances were settled or withdrawn
	Negotiation of Memoranda of Understanding, Letters of Understanding, etc.	<p>69 MOAs, MOUs, LOUs, settlement agreements and last chance agreements negotiated</p> <p>Major revision implemented to the Health Reimbursement Arrangement Plan to bring into compliance with IRS regulations; executed through LOU</p>
	Training on Collective Bargaining Agreements and other topics	<p>11 “person days” spent in training supervisors on collective bargaining matters</p> <p>3 “person days” spent on Investigator and Decisionmaker Training (Board Policy 1B1)</p> <p>7 “person days” devoted to on-campus training on various requested topics</p> <p>Implemented monthly LR Newsletter to communicate more effectively with campuses on LR issues</p>
	Advice on collective bargaining matters – OOC provides advice to CHROs and Presidents to assure consistency across the system	<p>Advice to campuses on daily basis regarding collective bargaining agreement implementation</p> <p>Developed new retrenchment procedures for IFO and companion templates</p>
Contract Administration	IFO Salary Review Committee	<p>Completed salary reviews for 280 IFO faculty and implemented salary changes for FY 07</p> <p>Conducted training and orientation for Salary Review Committee</p>

Office of the Chancellor Performance Report
Human Resources Division

		Reviewed prior work experience for 184 newly hired IFO faculty
	MSCF Salary Placement – OOC provides final decisions	1887 notifications sent to MSCF faculty on salary placement and/or credentialing decisions
	MSCF Credentialing – OOC provides final decisions for faculty hired into unlimited positions. <i>(Note: this is under review for potential of delegating more authority to campuses in this area)</i>	Implementation of the Credentialing Task Force to review the college faculty credentialing policy and procedure
	MSCF Sabbatical eligibility	Processed 184 MSCF faculty sabbatical eligibility verifications
	MSCF Hiring Practices (70%/60% full time hire requirement)	14,004 rows of data in 5 spreadsheets were analyzed to complete the 2 stage process of analyzing compliance Worked with campuses to correct non-compliance with contract issues; resolved non-compliance issue effectively
	MSCF Early Retirement Incentive – OOC reviews work history and determines eligibility for former MCCFA faculty.	Reviewed and approved 45 requests for former MCCFA early retirement incentives
Personnel	Communications with Campuses	Launched the new intra-agency agreement process to better facilitate payments for shared employees Held quarterly meetings with all Chief Human Resource Officers (in person or by WebEx) Held monthly telephonic meetings with all Chief Human Resource Officers
	Coordination of Annual Conferences	Held annual Fall Conference September 2009; focus on training and development Held annual Spring Conference April 2010; focus on strategic planning
	Budget for the Division	Reduced division staffing by two FTE and reallocated and restructured service delivery
	Personnel Plan Administration	Provided legislative support to ensure contract ratification

Office of the Chancellor Performance Report
Human Resources Division

Human Resource Information Systems		
	Development of new HRIS tools	<p>Completed the Process and Application Assessment to create a plan for addressing HRIS needs into the future</p> <p>Developed and coordinated implementation new Legal Files software program for use by Labor Relations</p> <p>Roll out E-Timesheets module to 10 additional institutions</p> <p>Participation and planning for the E-Timesheet Interface Project with MMB and Sema4</p>
	SCUPPS Help Desk (HRIS user assistance)	<p>44 priorities have been addressed and removed from the SCUPPS Priority Backlog List (over 100 items remaining)</p> <p>SCUPPS User Group has met four times to continue to identify issues and prioritize needed changes to systems</p> <p>Provided SCUPPS Training Sessions – four campus specific; one basic training; one update session</p> <p>Held four WebEx training sessions for unclassified leave accounting</p> <p>3346 inquiries to Help Desk were received and resolved</p>
	HR Online Help – online tool for processes and procedures in HR	The fourth computer based training tutorial module was produced and added to the tool
	Sema4 (State payroll system) interface and assistance – provided by OOC	70 department ID and location ID requests were received and processed for campuses
Retirement	Retirement plan development and administration (e.g. managing investment committee and faculty advisory committee)	<p>Engaged Deloitte Consulting to conduct an overall review of retirement plans including IRAP, SRP, TSA</p> <p>Established task force to implement recommendations for plan modifications and processing improvements</p> <p>Removed over 1,500 inactive accounts with less than \$1,000 balances thereby reducing the costs of administration for the plan</p> <p>Increased training opportunities for new and existing plan participants to allow individuals to make better</p>

Office of the Chancellor Performance Report
Human Resources Division

		retirement choices; over 300 people attended seminars Implemented new option for election of Defined Benefit Plan for newly tenured faculty (over 200 faculty notified) Implemented ten Life-cycle funds for the retirement plans and established these funds as the default Successfully sponsored legislation that removes the State Board of Investment from the selection of the record-keeper and retirement investment funds
Benefits	Health Care Reimbursement Plan administration	Managed and processed 3041 HRAs for Administrators and IFO faculty totaling \$2,318,200
	Tuition Waiver eligibility and implementation through HRIS system – overseen by OOC	Negotiated MOA with MSCF on eligibility of temporary part time faculty members; updated tuition waiver system and communicated changes to campuses
	General benefits administration and coordination with SEGIP	134 administrator vacation conversions were processed totaling \$232,331
Worker's Compensation	Training and large claim management	Conducted training for supervisors on early return to work for injured workers; coordinated similar training with MMB (Minnesota State Colleges and Universities IR in FY 09 was 2.2 compared to a state average of 4.2) Managed 10 litigation claims; all settled; projected savings from claims management is \$395,574
Training and Development	<i>Leadership Development:</i> Luoma Leadership Academy (mid-level intensive 18-month leadership program)	Provided Return on Investment analysis to Board of Trustees Hosted the Chair Academy's International Leadership Conference; 125 system leaders attended; 23 presentations were given by system staff
	Administrator Orientation & Development	Provided Administrator training to 141 participants
	Provide statutorily required training to all supervisors (Art & Science of Supervision Training session)	Delivered four Art of Supervision and three Science of Supervision sessions; served 173 participants
	Deliver customized leadership development programs to campuses	Provided customized training and leadership development serving over 800 employees

Office of the Chancellor Performance Report
Human Resources Division

	upon request	
	<i>Systemwide Training:</i> Provide e-learning on required topics (Code of Conduct, Sexual Harassment, Right to Know, etc.)	Facilitated adopted of “required” training curriculum
	Support subject matter experts with assistance in instructional design, facilitation tips, and trainer/facilitator competencies	Facilitated the Labor Relations Summit and the “Conversation” with bargaining units
	Provide Organization Development services at the system level (strategic planning, large meeting design and facilitation, process improvement)	Facilitated the division’s strategic planning effort
Classification	Classification determinations for vacant positions and reclassified/reallocated positions in the classified service – provided by OOC (<i>Note: this is under review for potential of delegating more authority to the campuses in this area</i>)	462 job audits conducted with an average turnaround time of 4 days for vacant positions(improved by one day over FY 09) and average turnaround of 11 days for filled positions (improved four days from FY 09) 42 campus individuals trained on job audits 31 campus individuals trained on Basic Concepts at the Fall Conference 26 campus individuals trained on Classification, Specialty Appointments & Managing Search Process and Appeals
	Classification determinations for unclassified positions (MSUAASF, MAPE, MMA unclassified, Administrators)	3 sessions presented on how to write position descriptions Began process of delegation of more classification authority to campuses
	Coordination with MMB on classification issues; consultation with Bureau of Mediation Services where necessary	Prepared and successfully came through the MMB audit for classification delegation authority over the last 3 years; results were that the system met standards to retain delegation authority
	Posting vacancies to statewide resume management service;	542 Classified vacancies were posted through 5/11/10 587 Unclassified vacancies were posted through 5/11/10

**Office of the Chancellor Performance Report
Human Resources Division**

	tracking and clearing vacancies	
Compensation	Classified compensation decisions when above the delegation limit (depends on bargaining unit)	235 salary approval requests were processed as of 5/11/10; turnaround is same day
	Unclassified compensation decisions – OOC provides determinations when above delegation limit or above step placement	15 approvals for administrator plan salaries above the delegation limit; all done within same day
Office of the Chancellor HR Office	Full service front-line human resources services to the Office of the Chancellor (400+ employees at 12 different locations throughout the state) including recruitment, hiring, performance management, discipline, discharge/separation, benefits and more)	Improved reporting for Board of Trustees on staffing levels in the Office of the Chancellor Processed layoffs and reductions in force for 36 positions Implemented Telecommuting Procedure

V. Identify major division/committee work plan activities planned for upcoming year.

The major work of the division will be driven by the new strategic plan that was adopted. The strategic plan goals follow. The action plans are in the final stages of adoption and revision and will be provided when all priorities are determined. The new strategic plan is attached, including the new values and mission for the division.

Office of the Chancellor Performance Report
Human Resources Division

Human Resources Strategic Plan

HR Values:
Integrity, Collaboration, Innovation

HR Mission:
Building a Workforce that Delivers Excellence in Education

Goal 1: Attract, retain, and develop employees to meet current and future educational needs.

Identify the workforce skills and competencies that are needed in our colleges, universities, and the Office of the Chancellor to ensure the success of our system well into the future. Design positions and recruit talent to meet these needs. Support employee and organizational success through an integrated approach to talent management that includes: workforce planning, talent acquisition, performance management, learning and development, competency management, compensation, leadership development, and succession management.

Goal 2: Cultivate a work and learning environment that is inclusive, welcoming and supportive.

Promote a culture of accountability that fosters diversity and inclusion, provides opportunities for professional and personal development, fosters employee retention, and supports work-life balance.

Goal 3: Provide employees with accurate and timely HR information to make informed decisions affecting their work and life.

Create an effective communication framework to provide timely, clear, and consistent communication to all employees.

Goal 4: Advance a labor relations strategy that promotes flexibility and responsiveness to meet the changing needs of higher education.

Develop a strategic labor relations approach that will facilitate quality and innovation in educational services and responsiveness to meet the needs of students and the larger community. Strengthen partnerships across constituencies and promote positive working relationships and shared goals with all of the system's labor unions.

Goal 5: Build HR processes, systems, and infrastructure to provide efficiency, quality and cost effectiveness.

Seek and secure resources to implement a comprehensive and integrated Human Resources Information Systems (HRIS). Align common HR processes. Provide managers access to reliable workforce information to assess costs and plan for future needs. Support institutional and system decision making through the systematic use of HR data. Promote accountability for results by providing stakeholders access to meaningful data and analysis. Support steady efforts for data and process integrity.

Goal 6: Build HR capacity to advance system goals

Develop HR competency and expertise among HR professionals and strengthen HR's role as a strategic partner to meet future challenges, remove barriers to innovation and responsiveness, and advance College, University, and Office of the Chancellor goals.

Office of the Chancellor Performance Report
Information Technology Services Division

I. Multi-year Financial and Personnel Data

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$12,522,746	\$15,658,656	\$17,203,451	\$19,599,917
Consulting Contracts	11,830,984	8,676,645	4,297,451	3,028,951
Other Administrative Costs	16,252,335	16,749,270	18,667,621	17,823,219
Total Administrative Costs	\$40,606,065	\$41,084,571	\$40,168,522	\$40,452,087
Less: External Funding (1)	0	0	4,800,000	4,800,000
General Fund Financed Costs	\$40,606,065	\$41,084,571	\$35,368,522	\$35,652,087
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$38,524,068	\$40,224,562	\$34,307,466	\$34,582,524
Systemwide Services	2,081,997	860,009	1,061,056	1,069,563
Division Employee FTE	130.25	156.75	169.75	

(1) Learning Network of MN funds administered 100% to partner groups

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

ITS is, in essence, a shared service for the colleges and universities. Collectively we share a single enterprise administration system, a single elearning system, a single hardware infrastructure on which the systems operate and a single Wide Area Network to access the systems and provide Internet to students and faculty. We also share a single security program and a single warehouse of information for their use. Colleges and universities do not perform these functions. Instead, the college and university role is to populate the systems with college specific data or instructional content.

ITS functions that are not shared services to campuses use a very small percent of IT resources. The Office of the Chancellor specific functions are desktop support, email, telephone support and webmaster services. Each campus also has IT staff and uses resources to provide desktop support, email, telephone and webmaster services and local infrastructure at the campus level. Since the campuses do not need to operate individual enterprise administration, eLearning, Wide Area Network, enterprise servers, information warehouse and security programs, their efforts are directed to these unique, campus specific needs. Some institutions also support small development staff groups to extend the shared enterprise administration system to meet campus needs for specific functionality.

Office of the Chancellor Performance Report Information Technology Services Division

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

There are no plans to redistribute costs to the colleges/universities for IT support functions. Please note, there are several discussions that may lead to even more IT related shared services. The end result of the discussion may be redistribution of campus functions and costs. For example, campus IT staff would like to explore whether their own data backups could be more cost effectively handled as a shared service. Another example is an emerging discussion about providing email as a shared service.

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

Provided enterprise systems availability with an annual mean service uptime of 99.96% (to date this FY.) Desire to Learn (D2L) system availability has been 99.99% for the last two years. Peak usage was 285,600 daily logins.

Launched Students First, an initiative designed to make it possible for a student to access system curriculum and resources more easily. Students First is composed of six individual but often interdependent projects: single search, single application, graduation planner, single registration, single bill/single payment, and shared services. These projects are scheduled for completion in FY11 and will achieve more consistent processes along with a focus on efficiency and effectiveness.

Improved the speed of service to students by implementing eTranscript. Available in all Minnesota State Colleges and Universities, eTranscript allows for the electronic exchange of transcripts between campuses. Which results in faster service for students and transfer-cost savings for institutions.

Replaced obsolete ISRS application servers in favor of a more economical hardware platform. Increased the capacity for performance and load testing systems and made extensive architecture changes in the registration process to improve performance for students.

Completed an Activity Based Costing Study which identified the ITS portfolio of system applications and services and their costs. It is a tool to help ITS measure the impact of its investments and determine how and where future investments are best made.

Security-improvement efforts continue to be a major area of focus for ITS. Created and deployed the ability to establish strong passwords and an automated security module that strengthen and improves access controls, to high-risk ISRS modules. Developed and deployed the connection between ISRS and Identity and Access Management systems.

Office of the Chancellor Performance Report Information Technology Services Division

Strengthened the system Security Program by facilitating policy and practices around Payment Card Industry requirements, developing online classes for campus IT staff and vulnerability scanning.

Reduced the costs of employee-equivalent contractors by 50% from \$8.6M to \$4.2M.

Launched GPS LifePlan — a Web-based interface that helps service members chart a course to academic, personal and professional success. With GPS LifePlan, veterans may align their military experience with applicable coursework at schools within the system.

Re-engineered the ITS Project Management Office, enhancing project methodology by providing common templates for contractor evaluations and performance measurements, streamlining the reporting process and redesigning documentation.

The ISRS, IAM, and Security teams developed a high-level road-map for ISRS integration with the new Identity and Access Management (IAM) infrastructure. The IAM team has reached a major milestone in assigning StarIDs to all system employees. Authentication for all ISRS Web Applications will be migrated over time from eSession to the new IAM system with completion expected in July of 2011.

An Action Analytics Web Portal is in its final stages of development. This portal will provide a one-stop shop for accessing the wealth of existing standard and ad hoc reports for all institutional users.

V. Identify major division/committee work plan activities planned for upcoming year.

Students First will continue to take priority over all other development projects aside from those needed for compliance or maintenance.

The Data Center Upgrade will be completed in FY11, including rewiring to bring the wiring infrastructure into compliance and the installation and configuration of separate development and testing environments at Centennial Office Building (COB). This will pave the way for ISRS failover testing and implementation and continue the evolution of the system's enterprise data centers to meet college performance and availability requirements for hosted applications.

The Information Security Risk Management Program has a structured, proactive plan. ITS designed to address information security risks and to mitigate those risks to an acceptable level through four new projects: Intrusion Detection and Prevention System, Secure File Transfer, Risk Management and Assessment, and Independent Security Testing of Enterprise Data Centers.

Office of the Chancellor Performance Report
Internal Auditing Division

I. Multi-year Financial and Personnel Data

Office of Internal Auditing

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$1,074,187	\$1,114,179	\$1,019,735	\$1,035,132
Consulting Contracts	0	0	0	0
Other Administrative Costs	49,375	36,601	48,682	50,871
Total Administrative Costs	\$1,123,562	\$1,150,780	\$1,068,417	\$1,086,003
Less: External Funding (1)	0	0	0	0
General Fund Financed Costs	\$1,123,562	\$1,150,780	\$1,068,417	\$1,086,003
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$495,043	\$498,362	\$449,273	\$453,345
Systemwide Services	628,519	652,418	619,144	632,658
Division Employee FTE	11.0	11.0	9.5	9.5

Office of the Legislative Auditor

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Consulting Contracts	\$236,130	\$231,017	\$239,000	\$239,000
Total Administrative Costs	\$236,130	\$231,017	\$239,000	\$239,000
Less: External Funding (1)	0	0	0	0
General Fund Financed Costs	\$236,130	\$231,017	\$239,000	\$239,000
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$236,130	\$231,017	\$239,000	\$239,000
Systemwide Services	0	0	0	0

Note: Cost of external auditing services from CPA firms is included with the Finance Division data.

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

All internal auditing services for the system are provided through the Office of Internal Auditing. Five of the 10 internal auditing employees are located on college or university campuses, but report directly to the executive director of Internal Auditing. Board Policy 1D allows the chancellor and presidents to request services from the Office of Internal Auditing. Those requests are granted based on available resources,

Office of the Chancellor Performance Report Internal Auditing Division

as long as the office independence will not be impaired. Typical services provided to colleges and universities are fraud inquiry and investigation support services and professional advice.

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

Prior to fiscal year 2010, the Office of Internal Auditing offered consulting services to the chancellor and presidents. Those services were discontinued in fiscal year 2010, as a budget reduction measure. Internal Auditing has assisted former consulting clients with identifying alternative sources for procuring those services. The costs associated with such consulting services must now be paid by the client, rather than provided as part of the Office of Internal Auditing budget.

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

The office has provided the services anticipated by its annual audit plan (approved by the Board of Trustees in July 2009). Noteworthy accomplishments are completion of a special project to quantify the extent of credit loss experienced by transfer students, leading efforts to hire a new CPA firm to serve as principal audit (with a 20 percent reduction in fees), providing support services for the annual financial statement and federal financial assistance audit (with no material weaknesses noted by the external auditors at the system level), and helping coordinate system cooperation with the performance evaluation conducted by the Office of the Legislative Auditor.

V. Identify major division/committee work plan activities planned for upcoming year.

The system likely faces a major transition in auditing services from the Office of the Legislative Auditor (OLA) in fiscal year 2011 (consulting contract amounts shown in Multi-Year Financial Schedule). The OLA has provided services to Minnesota State Colleges and Universities under contract since 1996. In recent years, these services have focused on the colleges which do not have annual financial statement audits. The OLA has expressed its intention to transition away from this contract so that it is able to redeploy its resources to other priorities. The system must decide how it wishes to fill the resulting void in its audit coverage. Options include hiring additional internal auditing staff, redirecting existing internal audit priorities, or outsourcing the audits to public accounting firms.

Office of the Chancellor Performance Report
Public Affairs Division

I. Multi-year Financial and Personnel Data

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$642,046	\$681,035	\$658,099	\$656,815
Consulting Contracts	452,072	753,093	385,149	30,000
Other Administrative Costs	461,411	480,553	278,561	265,591
Total Administrative Costs	\$1,555,530	\$1,914,681	\$1,321,780	\$952,406
Less: External Funding (1)	0	0	0	0
General Fund Financed Costs	\$1,555,530	\$1,914,681	\$1,321,780	\$952,406
Distribution of General Fund Activities				
Direct Services to Colleges/Universities	\$689,931	\$1,021,947	\$647,672	\$466,679
Systemwide Services	865,599	892,734	674,108	485,727
Division Employee FTE	7.0	7.75	6.0	6.0

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

Media relations: The Public Affairs division handles media relations for the system as a whole, including issuing news releases about the system and board actions; proposing stories for publication; and responding to media inquiries on behalf of the Board of Trustees, the chancellor and the Office of the Chancellor. The colleges and universities handle media relations for their individual institutions.

Coaching and technical assistance: Public Affairs provides coaching and technical assistance to the Board of Trustees, Office of the Chancellor and individual colleges and universities in media relations, public relations, marketing, crisis communications and public presentations as requested. The colleges and universities provide coaching and technical assistance to college or university staff and coordinate crisis communications with Office of the Chancellor.

Market research and marketing: Public Affairs conducts market research, demographic trend analyses and marketing for the system as a whole and shares results with individual colleges and universities. Statewide marketing initiatives from the system office are implemented to support and enhance the enrollment, recruitment and other marketing efforts at each of the individual colleges and universities.

Office of the Chancellor Performance Report Public Affairs Division

Publications: Public Affairs develops and distributes publications about the system as a whole to external audiences, including publications that promote the system and its contributions to the state of Minnesota (*Minnesota State Colleges & Universities* magazine, *Amazing Facts*, *Designing the Future*); legislative publications (bonding request, capital request, presentations); student recruitment publications such as *Go Places* that promote all system institutions; the system Web site; and other publications as needed. Colleges and universities develop and distribute publications about their individual institutions, including publications that promote the institutions, student recruitment publications, the college or university Web site, and other publications as needed.

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

No changes planned.

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

Published 11th edition of *Go Places*, the system's viewbook, and distributed more than 90,000 copies. The viewbook continues to be in demand by school counselors, and system enrollment continues to grow.

Produced system publications to support the bonding request to the Legislature, updated *Amazing Facts*, published two issues of the *Minnesota State Colleges and Universities* magazine that publicizes news and features from the campuses, and in collaboration with academic and student affairs published a brochure to promote biosciences education.

Conducted the "Make college a part of your future" campaign in collaboration with the Diversity and Multiculturalism division to reach out to groups traditionally underrepresented in higher education and to increase enrollment within these groups. The campaign included brochures and counselor posters printed in nine languages, ads run in state minority newspapers and an outdoor transit campaign on metro area and outstate buses, light rail trains and transit shelters. A new three-month round of ads began this May.

- The campaign generated 39 million impressions during a six-month campaign in 2009.
- High school and middle school counselors have ordered more than 100,000 of the brochures and posters.
- Enrollment of new students from underrepresented groups rose by 22 percent or 7,300 new students in fall 2009 over the previous fall.

Office of the Chancellor Performance Report Public Affairs Division

Supported the system's Super Weekend initiative outreach initiative to underrepresented communities by developing talking points and updating handouts that were given out at the places of worship where the chancellor, presidents and top administrators spoke about the benefits of attending college.

Continued an advertising and outreach campaign focused on making employers aware of the system's resources for business. The ad series has been placed in regional business publications in Minnesota, regionally targeted ads in national news and business magazines, and online ads in a network of business-related Web sites and search engines. The campaign includes a 25-page resource guide, *Open for Business: Your Guide to Training, Education and Business Services*. Following an initial rollout in winter 2009, when copies were poly-bagged with the state's two largest business magazines, Twin Cities Business and Minnesota Business, and mailed about 48,000 subscribers, a second insertion in Twin Cities Business magazine was mailed in March to about 20,000 subscribers.

Wrote and issued 46 news releases generating hundreds of stories. Responded to at least 300 media inquiries leading to stories that included or focused on the system and individual institutions. Notable examples this year include a story in the Chronicle of Higher Education on how the system serves a growing number of underrepresented students; stories in a wide variety of news outlets on the annual farm business report and on the system's unprecedented enrollment growth; and favorable columns about college completion and other issues in the Star Tribune opinion section.

Published News Watch, a twice-weekly online internal publication providing a sampling of news stories about the system and its institutions with about 250 subscribers.

Handled at least 100 requests for information from the public and more than 200 requests for information or assistance from campus communicators or other campus staff.

Prepared remarks and background information for more than 100 public speaking engagements by the chancellor and trustees.

Planned and hosted a spring Marketing and Communications conference attended by about 70 communications and marketing professionals from the state colleges and universities.

Planned and executed, with curator Martin Springborg, the fifth-annual faculty and student art exhibit in the Office of the Chancellor and a March luncheon and presentation by artists in the previous year's display.

Coordinated and executed the Minnesota State Colleges and Universities exhibit at the State Fair, visited by more 600,000 fair-goers in the Education Building. Officials of the system

Office of the Chancellor Performance Report Public Affairs Division

met with visitors and gave out thousands of Go Places guides and prospective student brochures from all 32 state colleges and universities.

Coordinated and executed the annual National College Fair system exhibit in Minneapolis, where the system and state colleges and universities meet with 26,000 prospective students and parents and distribute thousands of Go Places and state college and university brochures.

Upgraded system-related Web sites include:

- Minnesota Transfer to improve access to articulation agreement information;
- Minnesota Online to improve academic program searches and enhance college and university information; the
- Veterans Education Transfer System application to determine how military training can count for credit in system institutions
- System Web site additions such as a System Presidents section, short-term program information for dislocated workers and comprehensive systemwide program information updates.

Attracted more than 1.3 million Web visits to www.mnscu.edu and related top-level pages from 193 countries and territories, with 39 percent going directly to job opportunities, and another 30 percent to campus profile pages, the academic program search and other prospective student-related pages.

Generated requests from about 7,500 prospective students who sought information from system colleges and universities through the electronic reply card, generating about 30,000 leads that were forwarded to the institutions. Another 2,320 requested an electronic application or the Go Places publication.

Explored social media as a vehicle for publishing and sharing system news, collaborating with stakeholders and forming cost-effective communities of interest. More than 3,200 friends currently follow the system on Twitter, Facebook and YouTube and have read or viewed articles and videos an estimated 15,000 times.

V. Identify major division/committee work plan activities planned for upcoming year.

Public Affairs will continue to promote the Minnesota State Colleges and Universities system and support the initiatives of the Board of Trustees and chancellor. The division will support and promote Students First, increase use of social networking and other new technologies where appropriate to reach prospective students, and use limited marketing dollars strategically. The complete Public Affairs communications plan is available on request.

Office of the Chancellor Performance Report Board Office

I. Multi-year Financial and Personnel Data

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Per Diems	\$22,990	\$24,035	\$22,500	\$30,000
Consulting Contracts	3,938	5,565	9,600	10,000
Other Administrative Costs	162,146	141,831	144,100	172,500
Total Administrative Costs (1)	\$189,074	\$171,431	\$176,200	\$212,500
Less: External Funding	0	0	0	0
General Fund Financed Costs	\$189,074	\$171,431	\$176,200	\$212,500
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	0	0	0	0
Systemwide Services	\$189,074	\$171,431	\$176,200	\$212,500
Division Employee FTE (2)	3	3	2	2

- (1) Actual spending for FY2008-2010 has been significantly less than the budgeted amounts as follows: \$267,913 for FY2008; \$236,266 for FY2009; and \$212,500 for FY2010. The amount shown as "2011 Projected" is the budgeted amount for that year.
- (2) Staffing for the Board Office is paid from the Chancellor's Office budget.

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

The Minnesota State Colleges and Universities system only has one governing board. The Board Office staff:

- Coordinates all of the Board of Trustees' meetings, including consultation with the chancellor and system officers on the development of meeting agendas and meeting materials;
- Manages the Board of Trustees Web site that displays current information about the board, including the meeting materials, calendar, agendas, summaries, and approved minutes;
- Administers the permanent record of all board meetings, board calendar, expense reimbursements, per diems, and archive records;
- Monitors compliance with state statutes, open meeting law notice requirements, policies and procedures;
- Recommends, develops, and implements policies and procedures related to the Board of Trustees' support, staffing, and office operation;
- Manages the Board of Trustees' operating budget, and;

Office of the Chancellor Performance Report Board Office

- Coordinates all of the Board of Trustees' system business activities, systemwide and statewide, and participation in national higher education organizations and professional development work.

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

N/A

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

Citizens' comments at four listening sessions hosted by an Ad Hoc Committee of the Board of Trustees on the system's priorities for the next five to ten years influenced the revisions to the Minnesota State Colleges and Universities Strategic Plan.

The board is exercising greater oversight of the Office of the Chancellor.

The committee and board meetings are being audio-streamed.

V. Identify major division/committee work plan activities planned for upcoming year.

The board will be engaged in a search for a new chancellor.

Office of the Chancellor Performance Report
Chancellor's Office

I. Multi-year Financial and Personnel Data

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$1,121,975	\$1,048,907	\$992,495	\$975,625
Consulting Contracts	26,527	0	0	0
Other Administrative Costs	93,641	73,766	89,605	105,602
Total Administrative Costs	\$1,242,143	\$1,122,673	\$1,082,100	\$1,081,227
Less: External Funding	0	0	0	0
General Fund Financed Costs	\$1,242,143	\$1,122,673	\$1,082,100	\$1,081,227
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$17,002	\$11,485	\$10,796	\$10,796
Systemwide Services	1,225,141	1,111,188	1,071,304	1,070,431
Division Employee FTE	5.0	4.0	4.0	4.0

Presidents

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$7,478,760	\$8,284,135	\$7,730,526	\$8,000,000
Consulting Contracts	0	0	0	0
Other Administrative Costs	0	0	0	0
Total Administrative Costs	\$7,478,760	\$8,284,135	\$7,730,526	\$8,000,000
Less: External Funding	0	0	0	0
General Fund Financed Costs	\$7,478,760	\$8,284,135	\$7,730,526	\$8,000,000
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$7,478,760	\$8,284,135	\$7,730,526	\$8,000,000
Systemwide Services	0	0	0	0
Division Employee FTE	32.0	32.0	32.0	32.0

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

No duties are performed by the colleges and universities that are similar to those carried out in this support office. Parallel assignments might be found in a president's executive office,

Office of the Chancellor Performance Report Chancellor's Office

though the actual hands-on preparation and direction emanating from the chancellor's office is systemwide, even national in scope.

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

There are no plans for redistribution. Between direct professional support to the chief executive and coordination of presidential and staff communications/meetings with the chief executive, the office cannot consider duty or personnel shifts. Worthy to note, the office always stands ready to lend support and advice to all system office areas.

Two charts represent salaries and costs for presidential salaries, as well as office-based staff.

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

The office ties its annual goals and planning to the chief executive's accepted goals and system plan. The chancellor's annual assessment has been provided to the governing board with addressed goals: Students First, System Planning, Presidential/Cabinet Development, and Office of the Legislative Auditor.

V. Identify major division/committee work plan activities planned for upcoming year.

The most significant plan addresses preparation for and successful transition of new presidents, office senior leaders, and the chief executive.

It will be a particularly important year to manage communications/schedules for presidential mentoring, evaluations, new senior staff, and legislative contacts.

Office of the Chancellor Performance Report
Office of General Counsel

I. Multi-year Financial and Personnel Data

Office of General Counsel

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Salaries & Benefits	\$720,154	\$918,058	\$928,513	\$937,059
Consulting Contracts	0	0	0	0
Other Administrative Costs	56,411	33,832	40,127	47,236
Total Administrative Costs	\$776,565	\$951,890	\$968,640	\$984,295
Less: Campus Litigation Costs (1)	0	0	125,000	125,000
General Fund Financed Costs	\$776,565	\$951,890	\$843,640	\$859,295
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$217,600	\$241,140	\$253,861	\$203,226
Systemwide Services	560,765	710,750	589,779	666,069
Division Employee FTE	8.0	8.0	8.0	8.0

(1) Effective with FY 2010, colleges and universities are required to pay 50% of the costs billed by the Attorney General's Office for services they receive in any litigation matters.

Attorney General's Office

Cost Category / Financing	2008-09 Biennium		2010-11 Biennium	
	2008 Actual	2009 Actual	2010 Estimate	2011 Projected
Attorney General Service Agreement	\$444,816	\$479,800	\$433,076	\$433,076
Less: External Funding	0	0	0	0
General Fund Financed Costs	\$444,816	\$479,800	\$433,076	\$433,076
<u>Distribution of General Fund Activities</u>				
Direct Services to Colleges/Universities	\$444,816	\$479,800	\$433,076	\$433,076
Systemwide Services	0	0	0	0

II. Explain the structural distribution between the functional duties performed by this division and similar activities performed by the colleges and universities.

All legal advice and representation are provided by the Office of General Counsel and the Attorney General's Office. Campuses do not have counterpart roles to those in the Office of General Counsel because campus personnel are not permitted to act as legal counsel or provide legal advice. The AGO represents the system in all litigation matters and provides

Office of the Chancellor Performance Report Office of General Counsel

legal advice in specialized areas including intellectual property, real estate and other transactions, finance and bonding issues, and employment law. The OGC provides legal advice in governance, data practices, Title IX compliance, contracts, student organization issues, policy-related matters, etc. Services provided directly to campuses may be included in either the “direct services” or “systemwide services” category, depending on the nature of the service provided.

III. Cite any recent or planned redistribution of costs or personnel between this division and colleges/universities for this functional area.

For FY 2010, colleges and universities were told that they would be required to fund 50 percent of the fees paid to the AGO for litigation involving their institution (projected total of approximately \$125,000 systemwide). Historically campuses have been responsible for all litigation costs other than the fees paid to the AGO, including filing fees, deposition transcript expenses, judgments or settlements, expert fees, etc. All other legal costs are included in the system budget – totaling approximately \$1,405,024 (including both OGC expenses and the costs of AGO services we are required to pay).

IV. Cite performance metrics and major accomplishments from the past year (tie to prior year division/committee work plan, if possible).

Major accomplishments for the year include:

Preventative law initiatives:

- Developed and delivered full day “Legal Institute” on higher education legal topics to over 130 system administrators (more than 1/5 of all administrators).
- Ethics, data practices, other legal topic training for campus personnel.
- Delivered six Webinars to over 350 employees systemwide on topics of special interest, including:
 - Contract issues
 - Title IX compliance
 - Illegal file sharing, update on federal Higher Education Opportunity Act
 - Dealing with disruptive students in the classroom
 - Site agreements for student clinical, internships
 - H1-b visa requirements
- Legal advice on major projects as well as daily campus contacts.
- Defended against unemployment compensation cases involving significant issues.
- Made significant updates or additions to OGC Web site legal articles, clinical agreements, OGC record retention schedule, and study abroad-related forms.

Office of the Chancellor Performance Report Office of General Counsel

- Compliance projects including credit card security, implementation guidance for federal Higher Education Opportunity Act, cell phone procedure, guidelines.
- Continued development of legal file management software project.

V. Identify major division/committee work plan activities planned for upcoming year.

Draft 2011 Office of General Counsel Work Plan.

In addition to the daily work of the Office of General Counsel, proposed projects include:

- Guidance and advice on social media tools used throughout system.
- Development of guidance, policies and procedures regarding use of criminal background checks in employment and student matters.
- Develop training tools to facilitate compliance in credit card use and handling; Campus Security Act; Red Flag Rules Identity Theft.
- Data and retention policy development.
- Guidance, leader handbook, policy development on study-abroad, global program issues.

Office of the Chancellor Performance Reports

Technical Appendix

Background

These divisional performance reports were developed to respond to a recommendation provided in the February 2010 Office of the Legislative Auditor evaluation report, *MnSCU System Office*, (see pages 42-48). The auditor recommended that “The Board of Trustees should exercise stronger ongoing oversight of the system office” (page 46). Specifically, the auditor recommended that board committees could benefit from a review of multi-year financial data and trends regarding employee FTE and consulting contracts. The Executive Committee of the Board of Trustees reviewed a draft template for preparing these reports at its April 2010 meeting. Board Chair David Olson then asked each board committee to review the performance reports of its respective Office of the Chancellor divisions at the June 2010 meetings.

Multi-year Financial and Personnel Data

Financial data includes all fund expenditures paid from sources such as appropriations, grants, and enterprise revenue. Data excludes default accounts, clearing accounts and Revenue Fund Bond proceeds. Also excluded are internal salary reimbursements (0880 and 0881) and indirect costs (7501). Data is grouped by division and fund type. Fund type identifies fund as either internal or external.

1. Administrative Costs

- a. **Total:** Actual all funds expenditure data queried from the data warehouse for FY08 and FY09 and actual YTD expenditure data plus encumbrances queried from the same source for FY10 to enable estimate. FY11 projections based on approved budgets plus any grants and other revenues currently identified.
- b. **Salary and Benefits:** “Total” data sorted by object codes related to salary and benefits, excluding 0880 and 0881, which are internal salary reimbursements. For FY11, projected salary and benefit information.
- c. **Consulting Contracts:** “Total” data sorted to identify object code 15xx, Consultant and Professional/Technical Services. For FY11 projections, any budget workbooks identifying budget for this purpose.
- d. **Other Administrative costs:** All other operating costs not classified as salaries or consulting contracts.

2. External Funding

Expenses that are attached to a fund code that is external from the Office of the Chancellor, including iSEEK and MnCareers and any services billed to campuses. Each division with “external funding” has the source noted.

Office of the Chancellor Performance Reports

Technical Appendix

3. General Fund Financed Costs

Represents Office of the Chancellor services that are financed with General Fund appropriations. The costs are further presented in two sub-categories (the distinction between these sub-categories is not absolute and requires the use of judgment and estimation):

- a. **Direct Services to Colleges/Universities** are costs and an equal amount of appropriation that were redistributed to colleges and universities so that the full operational costs are presented in institutional financial statements. In essence, the direct service are provided centrally, rather than carried out locally, to achieve efficiencies.
- b. **Systemwide Services** also represent services that benefit the colleges and universities, but in a more indirect manner. These costs are not redistributed to colleges and universities for financial reporting purposes. They represent mandatory services performed to conduct the business of the system as a whole, such as governance and advocacy activities.

Division Employee FTE was calculated by the Office of the Chancellor Human Resources division for fiscal years 2008, 2009, and 2010. The FTE calculations were based on the status of positions in each division as of May 1 each fiscal year. Full-time positions were counted as 1.0 FTE and part-time positions were counted based on the standard hours a position was scheduled to work each pay period. For example, a position scheduled to work 60 hours per 80-hour pay period was counted as 0.75 FTE. The Human Resources division did not estimate an FTE number for fiscal year 2011 because of the uncertainty associated with that budget year. Some Cabinet members estimated the 2011 FTE for their divisions, and others left it blank.

Narrative Information

In sections II to V, each division provided narrative information in response to four standard questions that had been reviewed with the Executive Committee of the Board of Trustees. The questions attempt to set the stage for a discussion about the distinction of services provided centrally versus locally at the colleges and universities and to explore possible changes that may occur in the upcoming year regarding type and level of services provided through the Office of the Chancellor.