

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

Agenda Item Summary Sheet

Committee: Finance, Facilities and Technology **Date of Meeting:** June 16, 2010

Agenda Item: Proposed Amendment to Board Policy 6.5 Capital Program Planning
(First Reading)

Proposed Policy Change Approvals Required by Policy Other Approvals Monitoring

Information

Cite policy requirement, or explain why item is on the Board agenda: Board Policy 1A.1, Part 6, Subpart H, has established that each board policy and system procedure is to be reviewed at least once every five years.

Scheduled Presenter(s): Laura M. King, Vice Chancellor - Chief Financial Officer

Outline of Key Points/Policy Issues:

Board policies and procedures are reviewed to:

1. assure contemporary and responsible business practices are maintained
2. assure the system's current financial and operating control mechanisms are sustained or strengthened
3. assure continuity of operations
4. clarify conflicting or misunderstood information
5. eliminate redundancy

Background Information: The Finance Division is responsible for reviewing and proposing amendments to most board policies in Chapters 5, 6, and 7.

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

First Reading

BOARD ACTION

Proposed Amendment to Board Policy 6.5 Capital Program Planning

BACKGROUND

Board Policy 1A.1, Part 6, Subpart H, has established that each board policy and system procedure is to be reviewed at least once every five years. This purpose of this review is to:

1. assure contemporary and responsible business practices are maintained
2. assure the system's current financial and operating control mechanisms are sustained or strengthened
3. assure continuity of operations
4. clarify conflicting or misunderstood information
5. eliminate redundancy

The following policies contain language and syntax revisions in addition to the specific changes noted.

Policy 6.5, Capital Program Planning

The change to Policy 6.5 makes it consistent with existing Board Policy 1A.1 Part 7.

Colleges and universities shall not seek funding for any capital project that has not been approved by the Board as provided in Part 1 of this policy or Board Policy 1A.1 Part 7.

RECOMMENDED COMMITTEE ACTION

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

The Board of Trustees approves amending Policy 6.5 Capital Program Planning as shown in Attachment A.

RECOMMENDED BOARD ACTION

The Board of Trustees approves amending Policy 6.5 Capital Program Planning as shown in Attachment A.

Date Presented to the Board: June 16, 2010

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

BOARD POLICY		6.5
Chapter 6	Chapter Name	Facilities Management
Section 6.5	Policy Name	Capital Program Planning

6.5 Capital Program Planning

Part 1. Policy Statement. The Board ~~of Trustees~~ is committed to long-term stewardship of the state's facilities resources. The Board ~~of Trustees~~ shall establish criteria for and approve capital program guidelines and a multi-year capital budget, including a prioritized capital project list.

Part 2. Responsibilities. The chancellor shall develop and recommend capital program guidelines and a prioritized, system-wide capital budget including a long-term asset preservation and renewal program. The president of each college and university shall identify capital project requirements for submission to the chancellor consistent with Part 1.

Colleges and universities shall not seek funding for any capital project that has not been approved by the Board as provided in Part 1 of this policy or Board Policy 1A.1 Part 7.

The chancellor shall develop design and construction standards and contracting procedures for all facilities projects, and shall direct appropriate planning, design and construction of facilities to ensure long-lived, substantial and sustainable campus facilities.

Part 3. Accountability and Reporting. The ~~chancellor~~~~Board of Trustees~~ shall be periodically shall ~~advised~~ the Board of the status of the capital program, ~~that will include~~ reports on each project execution status, material changes in budget, scope and schedule, and post-occupancy results.

Date of Implementation: 06/21/00, Date of Adoption: 06/21/00,

Date and Subject of Revision: 06/21/06 – Part 2 – changed “low maintenance” to “sustainable” campus facilities 12/7/05 – Amends Part 1 to clarify that the Board will establish criteria for and approve capital program guidelines and a multi-year capital budget, including a prioritized capital project list. Amends Part 2 to clarify that the Chancellor will develop and recommend program guidelines and contracting procedures, and direct planning, design and construction of facilities to assure long-lived, substantial and low maintenance facilities. Amends Part 3 to require period reports to the Board on each project’s status, including changes in the budget, scope and schedule.

06/18/03 – revises Part 1 to delete Board approval of schematic designs for projects over \$5 million 06/21/00 - Repeals Board policies 6.1 and 6.2 (language in 6.2 was moved to Procedure 6.5.6);