

# MINNESOTA STATE COLLEGES AND UNIVERSITIES

## BOARD OF TRUSTEES MEETING MINUTES

JANUARY 19, 2011

WELLS FARGO PLACE

ST. PAUL, MN

**Trustees Present:** Chair Scott Thiss, Duane Benson, Cheryl Dickson, Jacob Englund, Christopher Frederick Clarence Hightower, Philip Krinkie, Dan McElroy, Thomas Renier, Christine Rice, Louise Sundin, James Van Houten and Michael Vekich

**Trustees Absent:** Alfredo Oliveira and David Paskach,

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### 1. Call to Order

Chair Scott Thiss called the meeting to order at 1:05 p.m. and reported that a quorum was present. General and Commissioner of Veterans Affairs Larry Shellito led the assembly in the Pledge of Allegiance.

### 2. Chair's Report

#### a. Minutes of Board of Trustees Study Session of November 17, 2010

The minutes of the Board of Trustees Study Session were approved as written.

#### b. Minutes of Board of Trustees Meeting of November 17, 2010

The minutes of the Board of Trustees meeting of November 17, 2011, were approved as written.

- c. Report of the Executive Committee Meetings of December 8, 2010, and January 5, 2011  
Chair Thiss reported that the Executive Committee met on December 8, 2010 and January 5, 2011. The Executive Committee heard an update on the presidential and chancellor searches. There was a brief discussion on the use of iPad's in place of paper board books. Chair Thiss reported on progress towards a common agenda for higher education which was one outcome from the Board of Trustees October 2010 retreat. The committee also reviewed the agenda and schedule for the January meetings and heard a report on the Leadership Council meeting.

### 3. Consent Agenda

Chair Thiss reported that the Delegation to the Board Chair to Name Chancellor Finalists is withdrawn.

- (1) **Minnesota State University Moorhead Hendrix Health Center Lease**
- (2) **Delegation to the Board Chair to Name Chancellor Finalists**
- (3) **Mission Reaffirmation: Minnesota State University, Mankato**
- (4) **Academic and Student Affairs Board Committee Goal: Remedial and Developmental Education**

Chair Thiss announced that Consent Agenda items 2 and 4 were withdrawn.

He reported also that he placed item 3, Mission Reaffirmation: Minnesota State University, Mankato to the Academic and Student Affairs Committee agenda.

*Chair Thiss moved approval of the remaining Consent Agenda item: Minnesota State University Moorhead Hendrix Center Lease. The motion was seconded and carried unanimously.*

**4. Board Policy Decisions**

**(1) Performance Pay Discussion**

Chair Thiss reported that the Performance Pay Discussion was moved to the Human Resources Committee.

**5. Board Standing Committee Reports**

**a. Finance and Facilities Committee**

*Dan McElroy, Chair*

**(1) Finance and Facilities Update**

Committee Chair Dan McElroy reported that the committee heard an update from Vice Chancellor Laura King on the activities of the Finance and Facilities division.

**(2) Revenue Fund Bond Sale**

*Committee Chair McElroy moved that the Board of Trustees authorizes a Revenue Bond sale for not more than \$90,000,000, subject to the sale parameters as presented in the Board materials. The Board of Trustees approves the Series Resolution as described in the Board materials. The motion carried unanimously.*

**(3) FY2012 Capital Budget Update**

Committee Chair McElroy reported that the committee heard an update on the FY2012 Capital Budget process currently underway in preparation for the 2012 legislative session.

**(4) FY2010 and FY2009 Audited Financial Statements**

Committee Chair McElroy reported that the committee heard a report on the FY2010 and FY2009 Audited Financial Statements and the results of individual institutions' financial statement audits.

**b. Advancement Committee**

*Cheryl Dickson, Chair*

**(1) Advancement Update**

Committee Chair Cheryl Dickson reported that the committee heard updates from Director Mary Davenport, Associate Vice Chancellor Linda Kohl and Executive Director Maria McLemore on the Government Relations division, Public Affairs division and the System and Foundation Relations division, respectively.

**(2) Board Legislative Agenda**

*Committee Chair Dickson moved that the Board move the following motion:*

*The members of the Minnesota State Colleges and Universities Board of Trustees will advocate for:*

- *The Board-approved biennial budget request of \$1.26 billion, the amount set in current law.*

- *Potential opportunities for capital budget funding to complete projects that were approved in 2010, but not funded.*
- *State and federal financial aid policies and formulas that have an overall benefit to students attending Minnesota State Colleges and Universities.*
- *Actions that would enhance the system's ability to meet its strategic plan and action goals:*
  - *Increase persistence and completion rates of students from groups traditionally underrepresented in higher education.*
  - *Increase the percentage of students enrolled in one or more college-level courses in science, technology, engineering and math.*
  - *Increase the percentage of credits provided through online and blended courses.*

*The members of the Minnesota State Colleges and Universities Board of Trustees will oppose:*

- *Actions and policies that would restrict the ability of the Minnesota State Colleges and Universities system to maintain quality, preserve access and serve students.*

*Chair Thiss called for a motion to suspend the rules. The motion was made to suspend the rules and carried. Chair Thiss called the question to the motion. The motion carried unanimously.*

(3) State and Federal Legislative Update

Committee Chair Dickson reported that the committee heard an update on the 2011 State and Federal anticipated legislative issues.

**c. Diversity and Multiculturalism Committee**

*Louise Sundin, Chair*

(1) Diversity and Multiculturalism Division Update

Committee Chair Louise Sundin reported that the committee heard an update from Executive Director Whitney Stewart Harris on the activities of the Diversity and Multiculturalism division.

(2) Enrollment and Retention Data for Underrepresented Students

Committee Chair Sundin reported that the committee heard an update on Enrollment and Retention Data for Underrepresented Students. Systemwide enrollment of new underrepresented undergraduate students increased by 9,893, or 22 percent, from 44,357 in Fiscal Year 2009 to 54,250 in 2010. Total new undergraduate student enrollment increased by 6 percent.

(3) Discuss and Report Progress on Committee Goals

Committee Chair Sundin reported that the committee discussed the progress made toward the committee's goals.

**d. Audit Committee**

*James Van Houten, Chair*

(1) Audit Risk Assessment Methodology Discussion

Committee Chair James Van Houten reported that the committee heard a presentation on the Audit Risk Assessment Methodology. The system is in the beginning phases of developing a more formalized risk assessment strategy. A risk assessment strategy is a key management tool for protecting an organization.

A formal risk assessment and management strategy is a process-driven tool that enables senior management to visualize, assess, and manage significant risks that may adversely impact the attainment of key organizational objectives; ideally, it is integrated with the strategic planning process.

(2) Review External Audit Plan

Committee Chair Van Houten reported that the committee reviewed the External Audit Plan. The external audit firms for six institutions whose contracts have expired will be presented for renewal at the March meeting.

(3) Review Internal Auditing Annual Report

Committee Chair Van Houten reported that the committee reviewed the Internal Auditing annual report of the Internal Audit activities carried out in FY2010.

**e. Technology Committee**

*David Paskach, Chair*

(1) Information Technology Update

Committee Vice Chair Christopher Frederick reported that the committee heard an update from Vice Chancellor Darrel Huish on the Information Technology division.

(2) Review Board Goals

Committee Vice Chair Frederick reported that the committee reviewed goals implemented by the committee in September 2011.

(3) Day in the Life of a Student Services Provider

Committee Vice Chair Frederick reported that the committee heard a presentation on the Day in the Life of a Student Services Provider. Inver Hills Community College and St. Cloud Technology Committee staff presented their support services to students.

(4) Students First Report

Committee Vice Chair Frederick reported that the committee heard a report on Students First. Students First embodies several projects in key areas to better serve the students. This item will continue to be reported as a top priority for the committee.

**f. Human Resources Committee**

*Clarence Hightower, Chair*

(1) Human Resources Update

Committee Chair Clarence Hightower reported that the committee heard an update from Vice Chancellor Lori Lamb on the Human Resources division.

(2) Emeritus Recognition

*Committee Chair Hightower moved that upon the recommendation of Chancellor James H. McCormick, the Board of Trustees hereby confer emeritus status upon Larry Shellito, Alexandria Technical and Community College, and Anne Weyandt, Anoka Technical College. The motion carried unanimously.*

**(3) Pay for Performance**

*Committee Chair Hightower moved that the Board of Trustees supports the continued use of performance pay incentives for the chancellor, vice chancellors and presidents based on attainment of specific goals, in addition to the appropriate base salary. Trustee James Van Houten called for a roll call vote to show unanimous support of the motion. Chair Thiss called the question and Trustees Benson, Dickson, Englund, Hightower, Krinkie, McElroy, Renier, Rice, Sundin, Van Houten and Vekich approved and the motion carried unanimously.*

**(4) Update on Searches**

Committee Chair Hightower reported that the committee heard an update on the searches for Chancellor and presidents of Anoka Technical and Community College, Century College and Saint Paul College.

**(5) Closed Session on Bargaining Pursuant to Minnesota Statute § 13D.03 (2010)**

Committee Chair Hightower reported that the committee met in a closed session for an update and discussion on bargaining.

**g. Academic and Student Affairs Committee**

*Christine Rice, Chair*

**(1) Academic and Student Affairs Update**

Committee Chair Rice reported that the committee heard an update from Interim Vice Chancellor Scott Olson on the activities of the Academic and Student Affairs division.

**(2) Mission Reaffirmation: Minnesota State University, Mankato**

*Committee Chair Rice moved that the Board of Trustees approves the request by Minnesota State University, Mankato to reaffirm its vision, mission, purposes, and array of awards as listed in the executive summary. The motion was seconded.*

*Committee Chair Rice moved an amendment to the motion to change the language in the motion to read “we will think and act like an institution that offers applied doctoral programs.” The amendment was seconded and carried unanimously.*

*Chair Thiss called the question to the amended motion and the motion carried unanimously.*

**(3) Getting Prepared: A 2010 Report on Recent High School Graduates Who Took Developmental/Remedial Courses**

Committee Chair Rice reported that the committee received the “Getting Prepared “ report. The report on recent Minnesota public high school graduates who took developmental courses in mathematics, writing, reading and other skill areas from Minnesota State Colleges and Universities and the University of Minnesota.

**(4) Governor's Workforce Development Council Report to the Legislature on the Four Collaborative Workforce Centers Initiatives.**

Committee Chair Rice reported that the committee heard a report on the Governor's Workforce Development Council Report to the Legislature on the Four Collaborative Workforce Centers Initiatives.

(5) **Legislative Report on Transfer**

Committee Chair Rice reported that the committee received the Legislative Report on Transfer. The report provided information on actions taken to improve credit transfer.

(6) **Legislative Report on Joint Planning by the University of Minnesota and Minnesota State Colleges and Universities**

Committee Chair Rice reported that the committee received the Legislative Report on Joint Planning by the University of Minnesota and Minnesota State Colleges and Universities. The collaborative report relates to program coordination and joint projects and services between the Minnesota State Colleges and Universities and the University of Minnesota.

(7) **Career and Technical Education Study with the Minnesota Chamber of Commerce**

Committee Chair Rice reported that the committee heard a report on the Career and Technical Education Study with the Minnesota Chamber of Commerce. The report details a study in conjunction with the Minnesota Chamber of Commerce analyzing technical education programs and graduates.

**6. Joint Council of Student Associations**

a. **Minnesota State College Student Association (MSCSA)**

Mr. Travis Johnson, President, addressed the Board of Trustees.

b. **Minnesota State University Student Association (MSUSA)**

Mr. Andrew Spaeth, Chair, addressed the Board of Trustees.

**7. Minnesota State Colleges and Universities' Bargaining Units**

a. **Administrative and Service Faculty**

Ms. Barbara Oertel, President, addressed the Board of Trustees.

b. **Inter Faculty Organization**

Dr. Donald Larsson, President, addressed the Board of Trustees.

**8. Trustees' Reports**

Chair Thiss announced that the Chancellor Search interviews are on January 31, 2011 and February 1, 2011. The Board will meet on February 2, 2011 to interview and select a new Chancellor. He announced that once the Board names the finalists, the names would be made public. He thanked those involved in the search process for their time and commitment.

Trustee Philip Krinkie announced that he visited Riverland Community College in Albert Lea and Austin. Trustee James Van Houten reported that he visited North Hennepin Community College. Chair Thiss reported on his visits to the Northland Community and Technical College campuses in East Grand Forks and Thief River Falls and the Northeast Higher Education Districts campuses in Itasca, Hibbing, and Mesabi Range in Virginia and Eveleth.

**9. Chancellor's Comments**

Chancellor James McCormick welcomed the Trustees, presidents, staff and constituents to the meeting.

Chancellor McCormick thanked the bargaining representatives for their talent and ability to work together as a team. Chancellor McCormick expressed his gratitude to the Board for their hard work on the Chancellor Search, as well as all of the meetings that they attend for the system.

Chancellor McCormick concluded his remarks thanking the Board for their commitment.

**10. Requests by Individuals to Address the Board**

There were no requests to address the Board.

**11. Other Business**

(1) Closed Session on Bargaining Pursuant to Minnesota Statute §13D.03 (2010)

Chair Thiss announced a recess at 2:30 p.m. to prepare for a Closed Session of the Board PURSUANT TO MINN. STAT. SECTION 13D.03 TO DISCUSS LABOR NEGOTIATIONS STRATEGY. The Board reconvened at 2:43 p.m., and a motion was made to close the public meeting. The motion was seconded, and the Board met in Closed Session until 4:05 p.m. A motion was made to open the public meeting and carried.

**12. Adjournment**

Chair Thiss adjourned the meeting at 4:05 p.m.

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Ingeborg K. Chapin  
Secretary to the Board