

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

Name: Finance and Facilities Committee

Date: March 17, 2015

Title: Smarthinking Contract Exceeding \$1 Million Dollars

Purpose (check one):

- | | | |
|---|--|---|
| <input type="checkbox"/> Proposed
New Policy or
Amendment to
Existing Policy | <input checked="" type="checkbox"/> Approvals
Required by
Policy | <input type="checkbox"/> Other
Approvals |
| <input type="checkbox"/> Monitoring /
Compliance | <input type="checkbox"/> Information | |

Brief Description:

The proposed action item is for board approval to extend the vendor agreement with Smarthinking. The current amendment has a cumulative total of \$1,209,708 through August 31, 2015. The proposed amendment would add one year and \$200,000 to the contract.

The agreement with Smarthinking provides all of the Minnesota State Colleges and Universities with live, on-demand online tutoring available 24/7 in a wide variety of subject areas. This service includes ESL writing specialists and bilingual math tutors.

Scheduled Presenter(s):

Laura M. King, Vice Chancellor - CFO

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

BOARD ACTION
Smarthinking Contract Exceeding \$1 Million Dollars

BACKGROUND

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

The proposed action item is for board approval to extend the vendor agreement with Smarthinking. The current contract has a cumulative total of \$1,209,708 through August 31, 2015.

The agreement with Smarthinking provides all of the Minnesota State Colleges and Universities with live, on-demand online tutoring available 24/7 in a wide variety of subject areas. This service includes ESL writing specialists and bilingual math tutors.

The system office issued a request for proposal in 2011. The contract was awarded to Smarthinking with a 3 to 5 year term. The change in board policy results in board approval required in order to execute the 5th year of this term at an estimated cost of \$175,000 to 200,000. Staff will undertake a new request for proposal process in the upcoming year.

The cost of the agreement is paid by the per credit assessment of \$4.50/credit charged to the institutions for each online course.

RECOMMENDED COMMITTEE ACTION

The Finance and Facilities Committee recommends that the Board of Trustees approves extending the current agreement until August 31, 2016 at a maximum total cost not to exceed \$1,409,712. The board directs the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD OF TRUSTEES ACTION

The Board of Trustees approve extending the current agreement until August 31, 2016 at a maximum total cost not to exceed \$1,409,712. The board directs the chancellor or his designee to execute all necessary documents.

Date Presented to the Board of Trustees: March 18, 2015