



MINNESOTA STATE

Board of Trustees

30 East 7th Street
St. Paul, MN 55101

651-201-1705

Board of Trustees Meetings October 16-17, 2018



Minnesota State is an affirmative action, equal opportunity employer and educator.



Board of Trustees Meeting Schedule
Tuesday and Wednesday, October 16 -17, 2018

Winona State University
East Hall, Kryzsko Commons
175 West Mark St.
Winona, MN

Minnesota State College Southeast
Tandeski Center
1200 Storrs Pond Road
Winona, MN

Unless noticed otherwise, all meetings are in the East Hall of Kryzsko Commons at Winona State University. The Board of Trustees will be at Minnesota State College Southeast on the morning of October 17 for a tour. The committee and board meeting times listed below are tentative. Meetings may begin up to 45 minutes earlier than the times listed if a committee meeting concludes its business before the end of its allotted time slot. In addition to the board or committee members attending in person, some members may participate by telephone.

Tuesday, October 16

Winona State University, East Hall, Kryzsko Commons

- 8:00 am Facilities Committee, Jerry Janezich, Chair
- 2019 Capital Budget Recommendation**
 - Acquisition of Real Property, Minnesota State Community and Technical College, Fergus Falls**
 - Facilities Program Orientation
- 9:00 am Finance Committee, Roger Moe, Chair
- Minutes of June 20, 2018**
 - Contract Exceeding \$1 Million: MSU, Mankato, Athletic Team Physician and Athletic Training Partnership Program**
 - FY2020-FY2021 Legislative Biennial Budget Request (First Reading)
 - Proposed New Policy 5.26 Management of Enterprise System Data (First Reading)
 - Fee Study Report
 - Bachelor's Degree Partnership Program- Twin Cities Baccalaureate Pilot Tuition and Fees Program**
- 11:00 am Joint Diversity, Equity, and Inclusion and Finance Committees
Rudy Rodriguez and Roger Moe, Co-chairs
- Procurement Program Update and Redesign

- 12:00 pm Ad Hoc Committee on Outreach and Advocacy, Dawn Erlandson, Chair
- Partnership Tours
- 12:30 pm Luncheon, Cafeteria (Social event, not a meeting)
- 1:30 pm Committee of the Whole, Michael Vekich, Chair
1. NextGen Enterprise Update
 2. Project Risk Review #2 Results
- 2:30 pm Audit Committee, Michael Vekich, Chair
- 1. Minutes of June 19, 2018**
 - 2. Approval of FY2019 Audit Plan – Part 2**
- 3:00 pm Closed Session, Joint Audit and Finance Committees, **Purple Room**
Pursuant to Minn. Stat. § 13D.05 (2017) Data Classified as Not Public
Michael Vekich and Roger Moe, Co-chairs
1. Information Security Update
 2. Information Technology Risk Assessment Advisory Project Results
- 4:00 pm Closed Session Ends
- 4:30 pm Reception: Laird Norton Center for Art and Design (Social event, not a meeting)
- 6:30 pm Dinner (Social event, not a meeting)

Wednesday, October 17

Minnesota State College Southeast

- 8:30 am Minnesota State College Southeast
Tour Begins at Tandeski Center, 1200 Storrs Pond Road, Winona
- 10:00 am **Tour ends**

Winona State University, East Hall, Kryzsko Commons

- 10:30 am **Academic and Student Affairs, Alex Cirillo, Chair**
- 1. Minutes of June 20, 2018**
 - 2. Proposed Amendments and Repeals to Policies (Second Readings)**
 - a) 3.4 Undergraduate Admissions**
 - b) 3.35 Credit for Prior Learning**
Repeal Policies
 - a) 3.15 Advanced Placement Credit**
 - b) 3.16 International Baccalaureate Credit**
 - c) 3.33 College-Level Examination Program (CLEP) Credit**

3. Proposed New Policy 3.42 Posthumous Academic Awards

4. Proposed Amendments to Policies (First Readings)

a) 3.3 Assessment for Course Placement

b) 3.41 Education Abroad

5. Academic and Student Affairs Vision and FY19 Work Plan

6. Academic and Student Affairs Committee FY19 Work Plan and Meeting Agenda

12:00 pm Lunch (Social event, not a meeting) The Solarium, Kryzsko Hall

1:30 pm Human Resources Committee, Jay Cowles, Chair

1. Minutes of June 19, 2018

2. Appointment of Vice Chancellor for Human Resources

3. Executive Search Process Review Update

2:00 pm Board of Trustees, Michael Vekich, Chair

3:30 pm Meeting Ends



Committee Roster
2018-2019

Executive

Michael Vekich, Chair
Jay Cowles, Vice Chair
Roger Moe, Treasurer
Alex Cirillo
Dawn Erlandson
Louise Sundin
Cheryl Tefer

Academic and Student Affairs

Alex Cirillo, Chair
Cheryl Tefer, Vice Chair
Ashlyn Anderson
Dawn Erlandson
Jerry Janezich
Rudy Rodriguez
Louise Sundin

President Liaisons:

Hara Charlier
Connie Gores

Audit

Michael Vekich, Chair
April Nishimura, Vice Chair
Bob Hoffman
Jerry Janezich
George Soule

President Liaisons:

Richard Davenport
Pat Johns

Diversity, Equity, and Inclusion

Rudy Rodriguez, Chair
Louise Sundin, Vice Chair
AbdulRahmane Abdul-Aziz
Ashlyn Anderson
Jay Cowles
April Nishimura
George Soule

President Liaisons:

Anne Blackhurst
Sharon Pierce

Facilities

Jerry Janezich, Chair
George Soule, Vice Chair
Roger Moe
Louise Sundin
Samson Williams

President Liaisons:

Faith Hensrud
Barbara McDonald

Finance

Roger Moe, Chair
Bob Hoffman, Vice Chair
AbdulRahmane Abdul-Aziz
Ashlyn Anderson
Jerry Janezich
April Nishimura
Samson Williams

President Liaisons:

Richard Davenport
Joe Mulford

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Human Resources

Jay Cowles, Chair
Cheryl Tefer, Vice Chair
Alex Cirillo
Dawn Erlandson
Bob Hoffman
Roger Moe
Samson Williams

President Liaisons:

*Ginny Arthur
Adenuga Atewologun*

Nominating Committee

Members will be named later

Ad Hoc Committee on Outreach and Advocacy

Dawn Erlandson, Chair
Louise Sundin, Vice Chair
AbdulRahmane Abdul-Aziz
George Soule
Rudy Rodriguez

President Liaisons:

*Rassoul Dastmozd
Scott Olson*

Chancellor Review

Michael Vekich, Chair
Jay Cowles, Vice Chair
Dawn Erlandson
Bob Hoffman



Approved FY2019 and FY2020 Board Meeting Dates

The FY2019 and FY2020 meeting dates are listed below. The calendar is subject to change. Changes to the calendar will be publicly noticed.

FY2019 Meeting Calendar

Meeting	Date	If agendas require less time, these dates will be cancelled.
Board Meeting/Joint Meeting with Leadership Council	July 25-26, 2018	July, 26, 2018
Added: Special Meeting - Executive Committee	August 21, 2018	
Added: Special Meeting – Board Meeting	August 31, 2018	
Orientation and Board Retreat	September 18-19, 2018	
Cancelled: Executive Committee	October 3, 2018	
Committee / Board Meetings	October 16-17, 2018	October 16, 2018
Executive Committee	November 7, 2018	
Committee / Board Meetings	November 13-14, 2018	November 13, 2018
Executive Committee	January 2, 2019	
Committee / Board Meetings Joint Meeting with Leadership Council	January 29-30, 2019	January 29, 2019
Executive Committee	March 6, 2019	
Committee / Board Meetings	March 19-20, 2019	March 19, 2019
Executive Committee	April 3, 2019	
Committee / Board Meetings/ Awards for Excellence in Teaching	April 16-17, 2019	

Executive Committee	May 1, 2019	
Committee / Board Meetings	May 21-22, 2019	May 21, 2019
Executive Committee	June 5, 2019	
Committee / Annual Board Meetings	June 18-19, 2019	June 18, 2019

FY2020 Meeting Calendar

Meeting	Date	If agendas require less time, these dates will be cancelled.
Board Meeting/Joint Meeting with Leadership Council	July 23-24, 2019	
Orientation and Board Retreat	September 17-18, 2019	
Executive Committee	October 2, 2019	
Committee / Board Meetings	October 15-16, 2019	October 15, 2019
Executive Committee	November 6, 2019	
Committee / Board Meetings	November 19-20, 2019	November 19, 2019
Executive Committee	January 8, 2020	
Committee / Board Meetings Joint Meeting with Leadership Council	January 28-29, 2020	
Executive Committee	March 4, 2020	
Committee / Board Meetings	March 17-18, 2020	March 17, 2020
Executive Committee	April 1, 2020	
Committee / Board Meetings Awards for Excellence in Teaching	April 21-22, 2020	
Executive Committee	May 6, 2020	
Committee / Board Meetings	May 19-20, 2020	May 19, 2020

Executive Committee	June 3, 2020	
Committee / Annual Board Meetings	June 16-17, 2020	June 16, 2020



MINNESOTA STATE

Facilities Committee

October 16, 2018

8:00 A.M.

Winona State University

East Hall, Kryzsko Commons

175 West Mark St.

Winona, MN

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

Facilities Committee, Jerry Janezich, Chair

1. **Capital Budget Recommendation (pp. 1-5)**
2. **Acquisition of Real Property, Minnesota State Community and Technical College, Fergus Falls (pp. 6-8)**
3. Facilities Portfolio Orientation (p. 9)

Committee Members:

Jerry Janezich, Chair

George Soule, Vice Chair

Roger Moe

Louise Sundin

Samson Williams

President Liaisons:

Faith Hensrud

Barbara McDonald



Bolded items indicate action is required.

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

Name: Facilities Committee

Date: October 16, 2018

Title: Capital Budget Recommendation

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 Board of Trustees is asked to consider and approve a capital bonding request of \$150 million for higher education asset preservation and replacement (HEAPR) as part of the 2019 legislative session. While the 2019 session is not considered a bonding year, it is prudent the board communicate their priorities should a bonding bill be considered as part for session's proceedings.

Scheduled Presenter(s):

Brian Yolitz, Associate Vice Chancellor for Facilities

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

ACTION ITEM
CAPITAL BUDGET RECOMMENDATION

BACKGROUND

On May 30, 2018, Governor Dayton signed a \$1.5 billion bonding bill which included \$129.0 million for Minnesota State colleges and universities. This included \$45.0 million for higher education asset preservation and replacement (HEAPR) and \$84.0 million for 10 major capital projects. This funding represented 57 percent of the board’s total 2018 program request, 35 percent of the requested HEAPR and 89 percent of the requested capital projects. **See Attachment A.**

While the upcoming legislative session is focused primarily on the operating budget and considered an “off” bonding year, there have been occasions where bonding bills have emerged as part of session outcomes. Board recommendation on capital investment priorities will inform deliberations on a bonding bill should one be considered in 2019.

2019 CAPITAL INVESTMENT PLANNING

A total of \$95.5 million of the board’s priorities including \$85.0 million in HEAPR and \$10.5 million for five projects was not funded in 2018. Aging facilities and consistently low HEAPR funding have led to the system’s estimated backlog of maintenance reaching nearly \$1.0 billion.

There are generally two options to consider as the board’s approach to 2019 capital investment priorities: funding unmet priorities from 2018 or HEAPR funding only. Both have been pursued in the past. Urgency of need, clarity of priorities, messaging during the legislative session, and program executability are among the factors to consider in advancing a 2019 request.

A HEAPR only request for 2019 would align best with these factors. The need is urgent and growing, impacting all institutions. HEAPR has been the board’s number one priority since the system’s inception. “HEAPR Only” is a clear, concise, and consistent message. These projects are highly executable and unmet major capital projects from 2018 are being refined to reflect programmatic driven scope adjustments and inflation factors to best meet individual campus needs. These major capital projects will be taken up as part of the 2020 program.

The 2018 bonding bill left \$85 million or 65% of the board's number one priority for bonding unmet. The estimated backlog of maintenance grew by over \$80 million from 2017 as our facilities and their systems have aged. To simply sustain the state of our campus physical plant, a HEAPR only request for \$150 million should be pursued for the 2019 legislative session. A simplified representative summary list is provided at Attachment B. This would provide funding for over 100 projects at nearly all colleges and universities.

RECOMMENDED COMMITTEE ACTION:

Facilities Committee recommends the Board of Trustees adopt the following motion:

The Board of Trustees approves a capital bonding request of \$150 million for higher education asset preservation and replacement (HEAPR) funding and authorizes submission to the executive and legislative branches for consideration as part of the 2019 legislative session. As funding is authorized and appropriated by the legislature and approved by the governor, the chancellor or their designee is authorized to execute contracting actions necessary to deliver on individual project scopes and intent.

RECOMMENDED MOTION:

The Board of Trustees approves a capital bonding request of \$150 million for higher education asset preservation and replacement (HEAPR) funding and authorizes submission to the executive and legislative branches for consideration as part of the 2019 legislative session. As funding is authorized and appropriated by the legislature and approved by the governor, the chancellor or their designee is authorized to execute contracting actions necessary to deliver on individual project scopes and intent.

Date Presented to the Board of Trustees: October 16/17, 2018

**Minnesota State
Capital Bonding Funding – 2018 Results**

Board Priority	College / University	Project Title	Requested Amount	Final (May 30, 2018)
1	Higher Education Asset Preservation and Replacement	HEAPR	\$ 130,000,000	\$ 45,000,000
2	Bemidji State University	Academic Learning Center & Campus Renovation (Hagg-Sauer Hall Demolition)	\$ 22,512,000	\$ 22,512,000
3	Rochester Community and Technical College	Memorial and Plaza Halls Demolition, Design, Renovation, and Addition	\$ 22,853,000	\$ 22,853,000
4	Minnesota State University, Mankato	Clinical Sciences Phase 2 Renovation	\$ 6,478,000	\$ 6,478,000
5	Anoka-Ramsey Community College	Nursing Modernization--Business & Nursing Classroom Renovation Design	\$ 569,000	\$ 569,000
6	Century College	Engineering & Applied Technology Center Design and Renovation	\$ 6,362,000	\$ 6,362,000
7	Normandale Community College	Classroom and Student Services Design and Renovation	\$ 12,636,000	\$ 12,636,000
8	Minnesota State University Moorhead	Weld Hall Renovation and Addition Design	\$ 628,000	\$ 628,000
9	Inver Hills Community College	Technology and Business Center Renovation Design	\$ 698,000	\$ 698,000
10	Riverland Community College	Transportation, Trade and Industrial Education Center Design and Renovation	\$ 10,122,000	\$ 10,122,000
11	Minneapolis Community and Technical College, North Hennepin, Normandale	Increase Access to Baccalaureate Education	\$ 4,270,000	
12	Fond du Lac Tribal and Community College	Maajigi (Start to Grow) Design and Renovation	\$ 1,157,000	\$ 1,157,000
13	Saint Paul College	Academic Excellence Renovation and Renewal Design	\$ 995,000	
14	Northland Community and Technical College	Science Lab Design and Renovation	\$ 2,425,000	
15	Vermilion Community College	Classroom Building Design and Renovation	\$ 2,349,000	
16	Central Lakes College	Brainerd Campus Student Services and Academic Support Design and Renovation	\$ 455,000	
		Total Program	\$ 224,509,000	\$ 129,015,000
		Total - Capital Projects Only	\$ 94,509,000	\$ 84,015,000
		State Support (GO)	\$ 193,006,000	\$ 101,010,000
		User Financing (UF)	\$ 31,503,000	\$ 28,005,000



MINNESOTA STATE

Attachment B

Minnesota State 2019 HEAPR - \$150M

Based on college and university submissions through Oct 1, 2019
 DRAFT ONLY – will change as information is improved

College / University	Work Type	Estimated Cost (\$000)
Alexandria Community & Technical College	Replace roof, HVAC and repair exterior	\$7,720
Anoka Technical College	Replace Roofs	\$4,350
Anoka-Ramsey Community College	Building envelope, replace roof and update electrical grid	\$5,527
Bemidji State University	Replace roof, update electrical grid, update lighting	\$4,630
Central Lakes College	Replace roof, HVAC	\$7,549
Century College	Replace roof, boilers and HVAC	\$8,930
Dakota County Technical College	Replace roof, windows, security hardware	\$1,505
Hennepin Technical College, Brooklyn Park	Replace roofs	\$3,443
Inver Hills Community College	Replace HVAC, roofs	\$3,510
Lake Superior College	Replace roofs	\$4,262
Minneapolis Community and Technical College	Repair skyway, replace roof, update emergency power	\$8,854
Minnesota State College-Southeast	Backup generator, replace roof, windows, doors and frames	\$3,216
Minnesota State Community & Technical College	Update HVAC system, multiple campuses	\$13,078
Minnesota State University Moorhead	Replace HVAC, upgrade exterior envelope	\$8,468
Minnesota State University, Mankato	Repair envelope, repair link, replace windows, replace chiller	\$4,151
Minnesota West Community and Technical College	Replace boiler, upgrade restrooms on multiple campuses	\$2,870
Normandale Community College	Repair exteriors, replace elevator, & roof	\$3,972
North Hennepin Community College	Replace boilers and chillers	\$2,861
Northeast Higher Education District	Replace roofs	\$2,705
Northwest Technical College	Replace air handler, update doors and locks	\$1,200
Pine Technical and Community College	HVAC, windows and security hardware, improve accessibility	\$1,523
Ridgewater College	Roofs, repair building envelope, upgrade electrical panels	\$3,305
Riverland Community College	Replace roof and upgrade electrical system	\$3,660
Rochester Community and Technical College	Repair exteriors, windows and door, replace roof	\$3,637
Southwest Minnesota State University	Replace curtainwall, replace pool deck	\$6,467
St. Cloud State University	Replace cooling plant, repair exteriors and building infrastructure	\$8,946
St. Cloud Technical & Community College	Upgrade fire alarms, interior finishes and HVAC	\$2,125
Winona State University	Accessibility issues, replace HVAC, roofs, update infrastructure	\$11,725
Accessibility Initiative (Available system-wide)	Correct accessibility issues both interior and exterior	\$3,811
Advance Design (Available system-wide)	Advance design work for future HEAPR projects	\$2,000
Grand Total		\$150,000

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

Name: Facilities Committee

Date: October 16, 2018

**Title: Acquisition of Real Property, Minnesota State Community and Technical College,
Fergus Falls**

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 college seeks to acquire two (2) apartment complexes located immediately adjacent to the Minnesota State Community and Technical College campus in Fergus Falls from the Fergus Area College Foundation. The college has leased the apartments for use as student housing for the last 23 years. The foundation intends to convey the apartments to the college at a cost of \$1.00.

Scheduled Presenter(s):

Greg Ewing, Director of Capital Development

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD ACTION
ACQUISITION OF REAL PROPERTY, MINNESOTA STATE COMMUNITY AND TECHNICAL COLLEGE, FERGUS FALLS

REQUEST

The college seeks to acquire two (2) apartment complexes located immediately adjacent to the Minnesota State Community and Technical College campus in Fergus Falls from the Fergus Area College Foundation. The college has leased the apartments for use as student housing for the last 23 years. The foundation intends to convey the apartments to the college at a cost of \$1.00.

BACKGROUND

The apartments have a long history with the college. The College Manor facility, a 3-story building located approximately 3 blocks from the main campus contains twenty-two (22) four-bedroom/two-bath units (88 beds) and was constructed in 1985. The second facility, Williams Hillside Village, is located adjacent to campus and includes four 2-story frame buildings containing four (4) three bedroom/two bath units (48 units) and was constructed in 1995. The two complexes have 136 beds total.

The Fergus Falls Housing and Redevelopment Authority (HRA) issued revenue bonds in 1995 to construct Hillside Village and acquire the College Manor apartments with the intent of leasing both to the college for student housing. Shortly before the bonds were retired in 2015, the HRA conveyed both properties to the Fergus Area College Foundation in exchanged for a payment of approximately \$375,000 to make the final bond payment. The foundation took ownership and continued to lease the properties to the college, and now seeks to convey the property to Minnesota State at the cost of \$1.00.

College Manor and Hillside Village are valued at approximately \$3.5 million total based on an independent appraisal completed earlier this year. While both properties are in reasonable condition, they will require some renewal of living spaces and building systems as part of updates for buildings this age.

NEED FOR STUDENT HOUSING

The college has, via lease arrangements with the HRA and lately, the foundation, been leasing and operating both properties since 1995. The primary occupants are students who attend the college in Fergus Falls. Over the past 10 years, even with declining enrollment, the college maintained an average occupancy of 85-90% in fall and 75-80% in spring semester. Williams Hillside Village, which is closer to campus, tends to be better occupied than College Manor, which is slightly farther away and older.

Financial analysis suggests continued performance at comparable levels, although the college has estimated that the apartments could tolerate lower occupancy rates of 70% in fall and spring and still continue to meet financial obligations related to reserve requirement and routine repairs. The college currently reports a \$325,000 reserve in the student housing fund in anticipation of upcoming reinvestments and well above a three month reserve requirement of approximately \$110,000.

The City of Fergus Falls undertook a city wide housing study in 2014 that noted a stable occupancy for the campus student housing, although did note declining enrollment trends that began in 2012.

Condition of Apartments and Student Costs

In preparation for this acquisition, the college engaged an architecture firm and undertook a building assessment of both properties. The buildings have been kept in fairly good condition, although they are all due for some routine freshening of their interiors and replacement of some building systems. The college has budgeted between \$750,000 - \$1 million from the Housing fund over the next five years to refresh and renew the facilities, which includes replacing appliances, flooring (carpet and old vinyl), windows and a variety of work that would be typical of apartments of this type and age. With no outstanding debt nor purchase costs and with property tax exempt status for both properties, the college expects to fund all renewal work via reserves and rental income.

Students pay an average of \$350-\$400 per month during the academic year. After the college takes over the properties, the college may seek to increase rents slightly next year to help accelerate updates to the apartments.

RECOMMENDED COMMITTEE MOTION

The Facilities Committee recommends that the Board of Trustees adopt the following motion:

The Board of Trustees authorizes the chancellor or the chancellor's designee to accept the conveyance of the College Manor and Williams Hillside Village located in Fergus Falls from the college foundation for a purchase price of \$1.00. The properties shall be transferred to Minnesota State free and clear of any encumbrances and shall be in acceptable environmental condition.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor's designee to accept the conveyance of the College Manor and Williams Hillside Village located in Fergus Falls from the college foundation for a purchase price of \$1.00. The properties shall be transferred to Minnesota State free and clear of any encumbrances and shall be in acceptable environmental condition.

Date Presented to the Board of Trustees: 10/17/18

Date of Implementation: 10/17/18

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

Name: Facilities Committee

Date: October 16, 2018

Title: Facilities Program Orientation

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

Committee will be provided an overview of the facilities assets and associated programs along with an initial workplan for their work ahead.

Scheduled Presenter(s):

Brian Yolitz, Associate Vice Chancellor for Facilities



MINNESOTA STATE

Finance Committee

October 16, 2018

9:00 A.M.

Winona State University

East Hall, Kryzsko Commons

175 West Mark St.

Winona, MN

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

Finance Committee, Roger Moe, Chair

1. **Minutes of June 20, 2018 (pp. 1-15)**
2. **Contract Exceeding \$1 Million: MSU, Mankato, Athletic Team Physician and Athletic Training Partnership Program (pp. 16-19)**
3. FY2020-FY2021 Legislative Biennial Budget Request (First Reading) (pp. 20-33)
4. Proposed New Policy 5.26 Management of Enterprise System Data (First Reading) (pp. 34-37)
5. Fee Study Report (pp. 38-92)
6. **Bachelor's Degree Partnership Program —Twin Cities Baccalaureate Pilot Tuition and Fees Program (pp. 93-103)**

Committee Members:

Roger Moe, Chair

Robert Hoffman, Vice Chair

AbdulRahmane Abdul-Aziz

Ashlyn Anderson

Jerry Janezich

April Nishimura

Samson Williams

President Liaisons:

Richard Davenport

Joe Mulford

Bolded items indicate action is required.



**MINNESOTA STATE
BOARD OF TRUSTEES
FINANCE AND FACILITIES COMMITTEE**
June 20, 2018
McCORMICK ROOM
30 7TH STREET EAST
ST. PAUL, MN

Finance and Facilities Committee Members Present: Chair Jay Cowles, Vice Chair Roger Moe, Trustees Basil Ajuo, , Robert Hoffman, Jerry Janezich

Present by Telephone: AbdulRahmane Abdul-Aziz

Absent: Trustee Ann Anaya

Other Board Members Present: Trustees Alex Cirillo, Dawn Erlandson, Rodolfo Rodriguez, George Soule, Louise Sundin, Cheryl Tefer, and Michael Vekich.

Cabinet Members Present: Chancellor Devinder Malhotra, Vice Chancellors Laura King and Ron Anderson.

The Minnesota State Finance and Facilities Committee held its meeting on June 20, 2018 in the 4th Floor McCormick Room, 30 East 7th Street in St. Paul, MN.

Chair Cowles called the meeting to order at 8:05 a.m. There was a quorum.

1. Minutes of May 15, 2018

Chair Cowles called for a motion to approve the minutes from May 15, 2018 with the correction that Trustee George Soule be listed as present for that meeting. Trustee Moe made the motion, Trustee Hoffman seconded. The motion was adopted.

Vice Chancellor King was invited to provide updates:

- Trustees were reminded of a memo they received previously from Vice Chancellor King's office wrapping up the capital program results from the legislature. The system received \$129 million for its capital program as a result of the 2018 legislative session. Funding received represented 57% of the board's total request. The new funds include \$45 million or 35% of the \$130 million HEAPR request and \$84 million for 10 projects, representing 89% of the board's request for capital projects. Colleges and universities will begin design or construction and will be ready to go when funds become available beginning July 1.
- 2020 capital program planning is underway. Initial project submissions include 30 candidate projects equaling \$250 million. Campuses are preparing pre-design documents through the summer and fall. Projects will be scored in January 2019 by evaluation teams using board approved guidelines and scoring rubric. The chancellor will bring recommendations to the board in the spring of 2019.

- With respect to the NextGen project, there has been strong engagement from finance and facilities subject-matter experts across the campuses with regional meetings, development of documentation, and diligent work to participate in the project.
- The US Department of Education federal financial aid sanction period has ended. Recall the State of Minnesota missed some federal reporting deadlines resulting in a “heightened cash monitoring” status for 5 years. This fall campuses will once again be back to our normal cash management process. Vice Chancellor King thanked campus business offices and financial aid offices for bending their processes to accommodate the requirements.
- Now that all new labor contracts are in place, an employee retroactive pay will be paid out prior to the close of FY18 accounting system. MMA, IFO and classified groups were processed prior to June 1. MSCF, MSUAASF, and Administrators groups will be processed in July.
- Enrollment trends are being monitored closely. Year to date FYE enrollment is showing positive signs. As of June 10, summer enrollment is up just slightly less than 1% over last year with colleges as a sector about even. Universities are up about 1.6%. Although summer is a small percentage as overall enrollment, this is a positive sign.
- Vice Chancellor King introduced Don Haney as the new Executive Assistant and member of the Finance group.
- Vice Chancellor King recognized Deb Bednarz, System Director for Financial Planning and Analysis, on the occasion of her announced retirement. She joined Minnesota State in 2011 after 9 years at the US District Court, 10 years in MMB, as well as time at Common Bond and the Peace Corps, for a total of 33 years of public service. Director Bednarz has overseen numerous successful initiatives while at Minnesota State and has brought great discipline and continuity to the relationships with college and university colleagues. Her thoughtfulness and candor will be missed.
- Trustee Cowles thanked Director Bednarz for her extremely professional and valuable service to the system and this committee.

2. **Students United Fee Increase (Second Reading) :**

Vice Chancellor King reviewed key details of the Students United leadership presentation from the May meeting. In that presentation, the students detailed the history of the fee, program development and activities supported by the fee, as well as the consultation and advisement process they went through as they brought the fee recommendation forward.

The board by statute is delegated the authority to recognize student associations and revise or reject fee proposals brought by those associations. The motion before the board is the approval of the fee increase as recommended by Students United from .47 cents to .61 cents.

Vice Chancellor King invited the committee to review the information provided in response to the May committee discussion. This includes a discussion on the proposed fee study which would be conducted by finance staff and presented to the board in the fall.

Trustee Soule asked if it was the appropriate time to pose questions to the Students United representatives who were then invited by the chair to the presentation table. Present at the table were Lexi Byler, Vice Chair of Students United and Ben Uecker, Treasurer, Students United.

Trustee Soule asked what Students United does to support diversity and inclusion at their institutions. Trustee Soule also asked why the submitted materials show annual budgeted deficit of -\$179,000 and annual budgeted difference of over \$300,000. How is this made up for in the accounting?

Vice Chair Byler responded by explaining that there was a small fee increase in the previous year applied to the hiring of a new position of Director of Equity and Inclusion within Students United. This is a new position within the organization dedicated 100% to equity and focused on mobilizing the diversity specialists on each campus. This position has been responsible for growing the relationships between those students and Chief Diversity Officers on each campus. The position has been monumental in fostering diversity efforts on each campus and acting as a resource for students facing equity related issues on their campuses. Vice Chair Byler served as a diversity specialist prior to the position being created and recognizes that this new position has elevated the diversity and equity initiatives.

Treasurer Uecker responded to the second question by indicating that the first budget is the current budget which shows -\$179,000 deficit. The second budget showing an increase is the proposed new budget. The reason for the increase is that students want to see more initiatives on campus, want more communication with their representatives, more state/federal advocacy, an increase in staff budget to accommodate potential interns, potential new staff, and staff development.

Trustee Soule asked where the money comes from to cover the deficits and what is the plan going forward in that respect. Treasurer Uecker responded that excess funds for a building that was not built left \$647,000 in the fund. Plan is to spend it out over 6 years along with the proposed fee increase to cover the deficit in the proposed new budget.

Trustee Erlandson asked about the overhead or "general" expenditures representing 18.6% of the overall budget. Typically non-profit budgets have no more than 5% overhead. Students were asked to explain the general and administrative expenditure of \$173,775.

Treasurer Uecker stated that included in the general expenditures are student programming, officer salaries, student stipends, campus committees, organizing and office interns, as well as payroll taxes. Chair Cowles asked for a clarification in the distinction between the line item "personnel" and the staff included in general and administrative category just listed.

Elsbeth Howe, Executive Director of Students United, clarified that general, personnel, and student organizing are not program costs. The general line item is not just administrative costs although it is stated that way. The audit more clearly identifies the categories of programming, fund raising, and administrative costs. A copy of the audit is available and can be provided.

Trustee Erlandson recommended moving expenses into more appropriate budget categories where possible to avoid the appearance of high overhead cost. Trustee Tefer asked if all necessary resources were exhausted within campus structure before hiring a Director of Equity and Inclusion for Students United.

Vice Chair Byler responded that hiring the Director of Equity was not a result of lack of support on campuses. Students United, as a separate 501c3 entity, wanted this position as an asset to the organization where one did not exist before. The role serves in the capacity of training Students United staff and providing a resource to students outside of their campus diversity officers. Trustee Tefer asked if the role provides something unique, to which Vice Chair Byler responded yes.

Trustee Cowles recommended to the full board, approval of the rate increase for 1 year. At the end of that time the increase would revert to the current fee level subject to another presentation 1 year from now. This would allow the board to process the report next fall looking at all fee structures and issues of governance and will also give the Board more complete information than currently available. Within the structure of the statutes, it was proposed that this should be the motion to the full board. The proposal was offered for discussion.

Trustee Hoffman noted that this was the second reading and that discussion should have occurred during the first reading. Chair Cowles acknowledged this but stated that the proposal for a single year increase should not inhibit the fee increase going into place this year as planned and should not be troublesome to the Students United budgets. However this proposed motion provides a chance to reflect more completely on the fee requirement. Another proposal in the fall would allow any issues to be spoken to at that time.

Trustee Moe stated that raising the fee prior to the study seems convoluted but with the qualifier for 1 year it is understandable. Trustee Moe asked for a clarification of his understanding that without action, the fee will revert back to its original levels under this proposal. Chair Cowles responded that this would be the intention of the proposal.

Vice Chancellor King offered that there be an amendment to the motion on page 19, where the board accepts the increase, be revised to read: *"...for fall semester '18 and spring semester '19. The Fee will be reviewed by the Board prior to the summer '19 term."*

Chair Cowles asked for a clarification to ensure that the amendment include the full authority of the board to revise or reject the proposal 1 year from now.

Board Chair Vekich offered as a reminder that this issue could be added to the fee study taking place in the fall. Chair Cowles agreed and stated that a review of the student associations as part of the fee study in the fall was already included in the scope of the study.

Trustee Erlandson asked if the projected University fees increase of \$33.45 noted in the upcoming presentation was including the student fee increase or if the student fee increase was separate from that number. Vice Chancellor King pointed to a schedule in the materials for the operating budget that shows the cumulative mandatory fee increase with and without the action under discussion.

Chair Cowles called for motion to put the proposed language by Vice Chancellor King onto the floor for the committee. Trustee Janezich made the motion. Trustee Hoffman seconded. The motion was adopted.

3. **FY2019 Annual Operating Budget (Second Reading):**

Vice Chancellor King reviewed highlights of the FY2019 operating budget proposal as well addressed follow-up issues from the May board meeting.

Legislative Outcomes and Future Considerations

Final legislative and gubernatorial decisions have been made with Minnesota State receiving no additional operating budget support. This combined with the tuition freeze in FY19 means that the colleges and universities are facing a structural deficit that will move forward into FY20. Suggestions for addressing the deficit will be brought to the board as part of the FY20-21 biannual budget request. FY19 is now in front of the board with incorporated results of the legislative session.

Educational Attainment Benefits

In response to Trustee Erlandson's question regarding educational attainment benefits, a chart created by the Bureau of Labor Statistics shows that the unemployment rate and median weekly earnings are related to educational attainment. As the level educational attainment increases, unemployment rates fall and earnings rise. Earnings and unemployment are related educational attainment in a positive way.

Trustee Erlandson added that in a comparison of high school diploma degree earnings to associate degree earnings, there is roughly a \$6,400 difference which exceeds the annual tuition cost for a two year degree. While the argument can be made by some that tuition is higher than we would like, it is still worth the money because after two years of work, a degree would have been paid for. Vice Chancellor King agreed and stated that the message of return

on investment is immediate at the Associates degree level and improves as you move up the path of educational attainment.

Minnesota High School Graduates

To address the question from the board regarding the number of projected Minnesota high school graduates, an analysis provided by the Western Interstate Commission for Higher Education (WICHE) was presented. The graph shows the number of Minnesota high school graduates is projected to be lower than 2010/11 levels until 2021/22 and will peak in 2024/25. These numbers are important for an enrollment planning and forecasting standpoint but do not exist in any statewide database in a forecast fashion.

Vice Chancellor King reviewed the key goals and initiatives within the budget request:

Annual Tuition Freeze & Modest Fee Increase

The FY2019 operating budget freezes tuition at FY2018 levels for both colleges and universities. Fee increases are kept to a minimum and are proposed to go up an average of \$10 per year (0.2%) for a full-time student. University fee increases will be \$38 per year (0.5%) which includes the Students United fee increase. Average annual college tuition will remain at \$4,815, the same rate as it was during the 2012-13 academic year while annual university tuition will average \$7,287, the same as last year.

Trustee Janezich pointed out that the numbers presented were averages. Supporting documents (table, pg. 106) showed that there were many campuses with no fee increases at all and that this represented a significant risk, particularly when location was taken into account. Trustee Cowles responded that this issue will be addressed in the fall review.

FY2019 Operating Budget Highlights

Specifics of the FY2019:

- Budget recommendation shows that revenues are essentially flat between FY18-FY19 with a modest increase in expenses of 1%.
- Fund balance saved in FY18 will be carried forward to FY19 to help support the state appropriation reduction from FY18 to FY19.
- This trend was expected and campuses were encouraged to provide for this.
- FY19 Budget shows a structural gap of \$23M, \$10M less than forecast last spring at the end of the legislative session. Campuses have structurally reduced expenses in order to match up with the structure of the appropriation.
- Staff looked back at FY2009 general fund budget and find that FY2019 spending is \$71M behind inflation. In other words, when CPI-U is used to inflate the FY2009 budget, we arrive a FY2019 spending level that is \$71M higher than the number currently before the board.
- Indication is that campuses have continued to find efficiencies and have just reduced costs in order to match their revenues.

College and University Budget Actions

Colleges and universities are managing the structural deficit through the following steps or in plans that they have provided:

- General fund reallocations of \$34M and \$30M to balance FY2018 and FY2019 budgets.
- Half of all reallocations are in the form of budget reductions used to balance the budget.
- Indications are that over 160 positions are impacted by reallocations, reassignments, vacancy management, or layoffs.
- Employee FTE is down about 7% between FY2009 and FY2017. While enrollment is also down, these numbers illustrate that campuses are managing the curve in their expense budgets.

All Funds Operating Budget

No changes in the budget have been made since the first reading. The proposed FY2019 all funds operating budget totals \$2 Billion or 0.2% higher than FY2018. In the all funds budget, the general fund budget is \$1.6 Billion or 0.6% higher than last year.

Revenue is accounted for in the general fund, revenue fund, and other. There are two expense lines, compensation and other. The budget balance of \$26.5M represents the resources generated in FY18 but not spent. FY19 budget balance of \$8M, indicates that resources generated in FY19, remain unspent in the budget plan at the end of FY19.

General Fund Operating Budget

Revenue line shows a program fund balance of \$7.3M in FY18 and budgeted balance of \$21.2M. Campuses took \$7M out of their fund balance, booked it as revenue for FY18, leaving \$21M in the budget balance, for a net pickup of \$15M in revenue. Campuses were encouraged not to spend all of their revenue in FY18 because it will be needed in FY19 due to the structural deficit.

FY19 has \$28M in programmed fund balance coming in as revenue, with \$1.7M left at the end of the year. \$26M in fund balance will be consumed in FY19 as part of the budget plan. This represents the structural deficit.

The budget before the board supports the system's Strategic Framework and focus on key priorities. It includes \$34M in reallocations and limited use of fund balances, while overall revenues and expense are increasing less than one percent. Tuition is flat and fees will increase by \$10 (at colleges) to \$38 (at universities) for a full-time student.

The committee's recommended motion is found on page 44 and conforms to the motion from last year with one change. St. Cloud State was in the health services fee exception window and has since moved out. Winona has moved into the window.

Trustee Janezich asked for a clarification as to whether the fund balance illustrated on table 2 was the fund balance in addition to the fund balance campuses are asked to maintain or was it the fund balance period. Vice Chancellor King explained that the table illustrates only what is put into and taken out of the fund balance. The beginning fund balance numbers are not shown. There is another attachment in the materials that shows campus reserves numbers.

Trustee Janezich asked if those numbers could be provided. Vice Chancellor King pointed to page 142 which shows, by college and university, back to FY13 and forward to FY19, how much of college and university fund balance is set aside in their reserves. This amount is defined in board policy as expected to be 5-7% of annual general operating revenue. Funds must be true reserves and not planned or budgeted for any other purpose. The table on page 142 shows that colleges stand at 7% reserves, universities at 6%, and system as a whole at 7%, which totals about \$103M. Campuses have been called on to either reestablish reserves that were called on or maintain their reserves even as budgets were under pressure. So, what is shown on page 39, Table 2 are not reserves, they are portions of the FY18 state appropriation that campuses have been able to save and add to fund balance to be used in the following year.

Trustee Erlandson commented on the actual tuition figures shown in the budget plan and compared them against the compensation weekly earnings figures. The full cost of a two year degree is surpassed by the increased earnings figures that degree provides. This is a good marketing plan to get students to attend and get legislators to invest in the system as some of the income earned would be returned in tax revenue.

Chair Cowles called for a motion to approve. Trustee Moe made the motion. Trustee Janezich seconded. The motion carried.

4. **Proposed Amendment to Policy 5.11 Tuition and Fees (Second Reading)**

Vice Chancellor King and System Director of Financial Planning and Analysis Deb Bednarz presented the second reading of the recommended amendments to Policy 5.11, Tuition and Fees.

Tuition and Fees Review

While policy 5.11 is considered a finance policy, the review process was a joint effort between academic and student affairs and finance, given the importance of this policy to both areas.

Follow up: New Student Orientation Fee

- Campuses would not be required to assess the new student orientation fee. The new student orientation fee would only be assessed at the discretion of the campus following a majority vote of the campus student association.
- Colleges would not be allowed to implement the fee until a review of national and regional best practices and research related to orientation is completed by the system

office student affairs group. Six of seven universities already have orientation programs in place.

- The fee generally would be assessed to all eligible students, in this case new students and transfer students, and these students would only pay the fee once during their time at the college or university. There are provisions in board for waivers and exemptions.
- Comprehensive orientation strategies go beyond course registration and advising by connecting students with campus resources that support student success.

Follow up Fee study

In addition to questions about the new student orientation fee, the board directed the Vice Chancellor of Finance to conduct and present to the board a fee study. The study will describe the system's current fee structure including fee types, purpose of each authorized fee type, statutory/policy authority for each fee type, governance/decision making process for administration of each fee, and current board fee maximums. The report will analyze fee rate trend data and use of each fee type by sector. It will also calculate the inflation-adjusted fee maximums and recommend changes in the maximums for the board's consideration. The report will be presented to the board in late fall.

Chair Cowles noted that in the resolution, there were caveats around application of fees in both college and university settings, to be informed by the fee study coming in the fall. There were no further questions or comments.

Chair Cowles called for a motion to approve. Trustee Janezich made the motion. Trustee Hoffman seconded. The motion carried.

5. Contracts Exceeding \$1 Million

Vice Chancellor King presented a brief summary of each of the contracts before the board:

a. Constituent Relationship Management Master Contract

The existing Hobson's master contract for Constituent Relationship Management Services (CRM) will expire on June 30, 2019. The Academic and Student Affairs division undertook a master contract RFP and is requesting approval to execute up to three CRM master contracts at a total cost of \$26M over an 8 year term.

b. Enterprise IT Agreement with Minnesota IT Services

The system office is seeking approval to execute a three-year contract between the system office information technology group and Minnesota IT services (Mn.IT). This contract would not exceed \$14M over the term and is provided for in the IT annual budget.

c. Amendment to Baker Tilly for Internal Audit Services

To accomplish the internal audit work in the 2019 audit plan, the system office is seeking approval of a \$600,000 amendment to the contract bringing the total contract to \$1.6 million.

d. MSU, Mankato Bookstore Contract

MSU, Mankato undertook an RFP for bookstore services in February 2018. Two vendors

responded and an ad hoc Bookstore Contract and RFP committee reviewed the proposals, ultimately recommending Barnes & Noble for a new 5 year (3 + 2 year) term. This is a revenue contract.

e. Southwest Minnesota State University and Winona State University Food Service Contract Amendments

Chartwells, the contracted food service vendor, proposes an early exercise of the five (5) year option to extend for both universities' contracts. Committing to the additional term now would allow Chartwells to offer capital reinvestment dollars, restructure commission rates and minimize rate increases to students. Both campuses are generally pleased with the service provided by Chartwells, and wish to continue.

f. St. Cloud State University

i. Castle Lease (England): The university entered into their first lease with the landlord, in 1984. Since the total lease payments made over the years exceed \$1,000,000, St. Cloud State seeks authorization from the Board of Trustees to extend the current lease for an additional five (5) year term, effective September 2018 – August 2023. The castle hosts educational programming including study abroad experiences through both St. Cloud State and Minnesota State University, Mankato with a plan to extend these opportunities to international partner universities.

ii) Chinese University Agreement Extension: In August 2013, SCSU signed a 5-year agreement to establish the Confucius Institute with the Confucius Institute Headquarters of China (aka HANBAN). The 5-year agreement is nearing completion and the university seeks a 2-year extension through August 2020.

Trustee Soule asked for the definition of a CRM, what service it supplies, and what is a Hobson's Master contract. Vice Chancellor King responded that CRM services provide software tools to email, text, and identify prospective students, recruiting tools to gain enrollment. Hobson's is the vendor of the CRM tool used. It is non-viable due to changes in technology.

Trustee Soule asked if the cost was \$3M per year. Vice Chancellor King replied that master contracts are "opt-in" contracts. Campuses can opt in if they choose. Costs are based on an aggressive modeling of inclusion and pricing is typically done on per head count basis. A small college will pay less than a university for the same functionality. Per campus cost will depend on which product they choose.

Trustee Soule asked if all campuses were using a CRM. Vice Chancellor King invited Brent Glass, Associate Vice Chancellor for Student Affairs to the table. Associate Vice Chancellor Glass stated that roughly 22 colleges and universities use a CRM system. Some campuses do not use a traditional CRM for recruitment, retention, and communications. Some campuses are using the communications module within the ISRS in place of a CRM.

Chair Cowles asked if this has been vetted with CFOs and Academic and Student Affairs leads as well as the Leadership Council at campuses? Vice Chancellor King stated that the

approach here was taken on advice from the Leadership Council and was influenced by concern about how much change we can ask the campuses to go through during the NextGen effort. The original effort was to choose a single CRM vendor but this was deemed not worth the risk in light of all other changes occurring within the community. The presidents were very much engaged in this discussion.

Chair Cowles asked if the structure of this contract anticipates the migration to a NextGen system and the desire to standardize in the future some of our practices. What is the relationship with the NextGen contract and how will it interact? Vice Chancellor King stated that we do not have an ERP product to compare and contrast to, this allows us to reserve the ability to gain advantage with a new ERP product.

Trustee Hoffman asked if the RFP is for a single entity or for multiple products. Associate Vice Chancellor Glass stated that the focus was looking at products around recruitment, retention, and communication. That would be inclusive within the RFP process. Campuses have the option to investigate on their own and sign contracts for specific needs that they may have.

Trustee Hoffman followed up by asking if the remaining products provided by vendors outside the RFP can be contracted by the universities and colleges directly for by-product. Associate Vice Chancellor Glass replied that the RFP was set up to allow many CRM vendors to apply for it. The group was tasked with choosing up to three master contracts but this does not preclude a college or university looking at another product beyond the master contracts. It is set up so that campuses can leverage negotiated services we have and get a better deal.

Chair Cowles asked for confirmation that the Baker Tilly contract total of 1.6M represented the total over three years and that \$600,000 amendment was for FY2019. Trustee Hoffman stated that this has been an excellent relationship and the leadership of Baker Tilly is greatly appreciated. Chair Cowles concurred.

Concerning the SCSU Castle and Chinese agreement, in the audience to answer questions were Dan Gregory, SCSU Interim Provost, Shahzad Ahmad, SCSU Associate Vice President for International Studies, and Mark Springer, SCSU Dean of the College of Liberal Arts.

Trustee Sundin suggested that references to "Board of Teaching" should be corrected to "PELSBA" in the Chinese University agreement. Dan Gregory, Interim Provost and Vice President for Academic Affairs of SCSU was invited to the table to answer questions regarding the castle lease agreement.

Trustee Soule asked how many students use this opportunity, how much is charged to them, and if this was a break-even or money-making endeavor. Provost Gregory stated this is a long standing relationship which has changed over the years requiring a sharpening of the business model. It is being managed as an asset of the university not as a destination for students. It is

used as a European hub for business partners around the world and will be opened up for conferences and additional expanded use.

Shahzad Ahmad, Interim Associate Vice President for International Studies, was invited to the table. He stated that SCSU has a long-standing history and tradition with the castle which began with the Anglo American group who provided the initial study abroad opportunities for American students and introduced SCSU to the castle. The current agreement allows US students in England to use the facility. Partners, SCSU, and other educational institutions can use the facility for long or short term basis.

Chancellor Malhotra stated that this began as an island program and many institutions have such programs. Semester study abroad programs often use facilities offered by the host country but run by the institutions and these programs are quite successful. Two to three classes per semester are offered at the castle, 63 beds are available. SCSU is trying to expand the program so that it would be available to international partners as well as Minnesota State partners. The program is in a state of transformation as they are rethinking both the strategy and the business model.

Trustee Soule asked if Minnesota State was providing the money upfront and students are paying it back as part of the study abroad program. Chancellor Malhotra stated that students who are enrolled pay the tuition and additional expenses including airfare and housing. Associate Vice President Ahmad explained that students pay tuition and fees and also the program fee that includes housing, food, and excursion costs. Every program is built on that model. Northumberland has made facility improvements to allow for long program use.

Trustee Soule followed up by asking if the revenues are exceeding the cost. Provost Gregory stated that in the past, for many of the years there was a surplus. Depending on the number of students who have gone, in some years, there has been a deficit. This was at a time when a more traditional business model focusing on the academic experience. SCSU anticipates generating more revenue based on the new model. It will take a few years to make the transition but they do not anticipate deficits during this time. The academic experience has been the focus of the relationship but going forward there will be more focus on the business.

Trustee Janezich wanted to know if empty beds could be filled by other universities. Associate Vice President Ahmad stated that the new lease allows SCSU to be engaged with other institutions which was not the case in the past. This has allowed some gradual introduction of Winona State and Minnesota State University, Mankato but they were not able to be engaged fully until the new lease is signed and it is clearly articulated that other institutions could be invited. Provost Gregory stated that he appreciates the assistance from the system office in navigating this complex international agreement.

Chancellor Malhotra touted the richness of the experience that goes beyond just getting credits and beyond having a cultural experience. There is a very strong experiential learning component and many students will intern with local businesses. The region of Northumbria has regarded SCSU as their own institution of higher learning. Relationships have developed over time with the nearby University of Newcastle. SCSU and other Minnesota State universities will have an opportunity to market their programs to the local population and that of nearby Newcastle using synchronous technology for low residency programs in and around the region in England.

Trustee Soule asked if the Chinese University agreement was in place to help create Chinese language programs in the K-12 system and state universities. Are there productivity measures that can be reviewed to see if the investment is paying off? Provost Gregory stated that Chinese students are coming here to help with Chinese immersion classes. There are additional components to the agreement such as local business members working in China. Students with disabilities also benefit as part of the original agreement has been the integration of sign language into education in SCSU partners in China. Based on the number of students participating, this is a very good agreement and continues to grow in its impact. Under the strategic plan of the new lease, actual measurements and deliverables will be built in.

Trustee Soule asked how many K-12 programs the Confucius Institute program benefits. Associate Vice President Ahmad responded that approximately 17 teachers per year come and are placed primarily in the St. Cloud school district as well as a district in North Dakota. The partnership provides one of the strongest benefits for K-12 institutions in terms of preparing our own learners to understand a language. Trustee Tefer asked for a confirmation that the language being taught was Mandarin Chinese. Associate Vice President Ahmad confirmed that it was.

Chair Cowles asked for a motion to approve all contracts in a single motion. Trustee Moe made the motion. Trustee Janezich seconded. The motion carried.

Trustee Hoffman recommended that the centralized purchasing item should be looked at by central auditing. Chair Cowles redirected the recommendation to the chair of the Audit Committee, who agreed to have a discussion with the Executive Director of Internal Audit Eric Wion.

6. System Office Space Planning

Associate Vice Chancellor Brian Yolitz presented an update on the System Office Space Planning. This was an informational presentation on the recent legislative interest in the evaluation of the current system office location and the proposed space study to commence in July 2019.

The system office in downtown St. Paul operates approximately 90,000 square feet of leased space in Wells Fargo Place, which is smaller than the space occupied approximately 5 years ago after 14% reduction due to a change in the lease reflecting system office staff reductions.

The current lease is scheduled to expire July 31, 2022. We currently pay around \$2.5 million annually for this space and its operations. The system office also has staff and resources stationed throughout the state. (A listing of the locations and square footages are noted in **Attachment A**).

In 2017 and again in 2018, bills were introduced in the legislature to direct the system office to prepare a space study to evaluate the current system office location. In the 2018 legislation, the bill sought to direct the functions located in the leased Wells Fargo Place to vacate downtown St Paul and to move to one or more Minnesota State campuses effective with the end of the current lease. The legislation did not pass during either session.

However, it is important to provide due diligence in terms of studying the requirements of the system office in terms location and services provided. Staff has outlined the most important elements around the system office in terms of proximity to key stakeholders including the legislature, student organizations, bargaining units and constituents.

A review of national data revealed that central offices of peer organizations (college and university systems) were most often located in the capitol city of the states that they served and rarely on a campus. These were most often in a leased space. For those systems offices located on a campus, those campuses were also located in the state capitol city.

We analyzed build options as well as leased space options that would be necessary in order to move to a college campus. The current campus capability to take on 90,000 square feet of space is not feasible without the need for capital investment, major renovation, or the construction of new space, all of which require a significant amount of time.

The ROI in terms of the debt service required would take almost 35-40 years and we would lose flexibility to reduce or add space should the organization need to shrink or grow. Capital investment needs for new or updated space is estimated on the order of \$35-\$40 million. This would have to be capital bonded. The previous bonding bill was only funded at approximately 35% of HEAPR, and just over 50% of the total capital request. The request would be added on top of our academic needs. We are currently cueing up to review almost \$250 million worth of work and by adding a large sum on top of that, it would really impede our ability to enhance the spaces on our campuses.

For these reasons we want to pursue more deeply the lease option which provides us with an opportunity to take a look at not only the WFP space but other spaces in the region. This will also provide us the flexibility should the posture of the system office change. It forgoes capital investment needs and has zero impact on our colleges and universities in terms of their operations.

Staff is proposing a lease study to commence in July 2019, which would look at the current organizational needs, how we are currently operating, opportunities for efficiencies, how we

can better collaborate, specialized needs for this board to enhance technology, as well as services provided by the system office functions. We would have a better understanding of the impacts of NextGen. We would commence a market analysis through an RFP to get better cost comparison of other spaces in the area. We would bring a recommendation to the board in the fall of 2020 for any implementation of a new lease in preparation for the expiration of the current lease with WFP in 2022.

Following the presentation, Chair Cowles added a clarification—this item is coming to the committee now rather than one year from now. There is a need to show that the board supports the recommendation to not pursue the construction of a new dedicated facility anywhere or in conjunction with one of the campuses. If that initiative were to be entirely successful, the legislative response in capital bonding schedules would be to force other academic investments further down the list. It would also require beginning the capital investment study process immediately. Associate Vice Chancellor Yolitz confirmed that if this were the case. In contrast a study for the lease option would need to begin next July, 2019.

Trustee Hoffman asked for the legislative rationale for recommending relocation of the System Office. Vice Chancellor King added that the response heard when the legislation's author was asked that question was in the nature of "putting the ivory tower closer to the people". There was some characterization that the people in St. Paul [system office staff] would care more about the work of Minnesota State if the system office were located on a campus.

Pursuing an owned option that would be available at the end of the current lease term would require launching efforts right now. Additionally, it would add a \$30-40 million project during the 2020 bonding list. Tremendous risk would be undertaken because there would be no lease option if the capital funding request failed. The proposed study helps ensure that the board is comfortable with the current strategy of remaining in a leased footprint.

Chair Cowles stated that a lease posture provides an appropriate flexibility that he finds compelling. Trustee Hoffman stated that he supports the current System Office plan. Trustee Cowles concurred that all of the trustees in attendance are in support of the System Office plan.

7. Procurement Program Update

Chair Cowles suggested that the procurement update be brought back in a future meeting noting that there was no action item before the board at this time.

Vice Chancellor King confirmed that there was no action before the board on this item and that the staff expects to be before the board in October with the first stage of the procurement program redesign resulting from the joint disparity study. The board members were encouraged to go to the department of administration website for a review of the joint disparity study.

The meeting adjourned at 10:30 a.m. Respectfully submitted: Don Haney, Recorder

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

Name: Finance Committee

Date: October 16, 2018

Title: Contract Exceeding \$1 Million: MSU, Mankato, Athletic Team Physician and Athletic Training Partnership Program

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 university seeks to enter into a publicly-bid contract for athletic team physician and training services with a value of up to \$1.8 million. The income contract was a product of a public request for proposals to provide men's hockey and football with orthopedic physicians at home competitions and to supplement athletic training coverage for these and other team sports with athletic trainers during competitions and weekly on campus consultation sessions.

Scheduled Presenter(s):

Laura M. King, Vice Chancellor/CFO
Greg Ewing, Director of Capital Development
Rick Straka, Vice President/CFO, MSU Mankato

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD ACTION

**CONTRACT EXCEEDING \$1 MILLION: MSU, MANKATO,
ATHLETIC TEAM PHYSICIAN AND ATHLETIC TRAINING PARTNERSHIP PROGRAM**

REQUEST

The university seeks to enter into a publicly-bid contract for athletic team physician and training services with a value of up to \$1.8 million. The income contract was a product of a public request for proposals to provide men’s hockey and football with orthopedic physicians at home competitions and to supplement athletic training coverage for these and all other university team sports with athletic trainers during competitions and weekly on campus consultation sessions.

BACKGROUND

Minnesota State University, Mankato regularly contracted with local orthopedic physicians to provide training and team doctor services for men’s hockey and football competitions and weekly on-campus consultation availability. The local orthopedic physician groups regularly placed athletic training students from the university in clinical rotations for academic credit. Those clinical placements remain under separate agreement and are non-exclusive.

As the athletic training industry has shifted from undergraduate to graduate degree certification requirements, the need to address athletic training staffing models has emerged. Prior to the certification changes, the physician group would often employ the university’s graduate assistants who had already obtained relevant certifications to perform certified athletic trainer activities. Now that the certification requirements require graduate level certification, graduate assistants are no longer eligible be able to provide any duties before first obtaining graduate degree level certifications. As a direct result, the university will be adjusting future staffing plans away from non-certified graduate assistants toward more staff positions which will require more resources to fund.

As the market for orthopedic services has grown in Mankato, the university has been subject to periodic overtures to offer athletic physician and team training services in exchange for money and rights to be considered the exclusive provider of sports medicine services for the university.

After receiving such overtures, the university went to market with a public RFP earlier this summer to seek athletic team physician and athletic training services. The RFP yielded two proposals: from Orthopedic and Fracture Clinic (OFC), a local independent orthopedic medical group with a partner affiliation with Sanford Health, and Mayo Clinic Orthopedics and Sports Medicine.

After weighing both proposals, the university is negotiating with the finalist for an exclusive contract to provide the above-mentioned services. In exchange for cash and in-kind services up to \$1.8 million over a five (5) year term. The agreement is expected to involve:

- Providing team physicians during men’s hockey and football games
- Providing weekly on-campus athletic training and sports medicine consultations during regular training sessions to all student athletes
- University identifying the finalist as the exclusive provider of sports medicine services for the university
- University to hire at least three additional seasonal/full-time employees

RECOMMENDED COMMITTEE MOTION

The Facilities Committee recommends that the Board of Trustees adopt the following motion:

The Board of Trustees authorizes the chancellor or the chancellor’s designee to negotiate an exclusive athletic team physician and athletic training contract with the finalist firm for MSU, Mankato. The terms and conditions shall include at a minimum:

- Providing cash and in-kind services to the university under the terms of the contract up to \$1.8 million over a term of five (5) years.
- Providing team physicians during men’s hockey and football games
- Providing weekly on-campus athletic training and sports medicine consultations during regular training sessions
- University identifying the finalist as the exclusive provider of sports medicine services for the university
- University to hire at least three additional seasonal/full-time employees supported/sponsored by the finalist.

The contract shall be subject to final legal review.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor’s designee to negotiate an exclusive athletic team physician and athletic training contract with the finalist firm for MSU, Mankato. The terms and conditions shall include at a minimum:

- Providing cash and in-kind services to the university under the terms of the contract up to \$1.8 million over a term of five (5) years.
- Providing team physicians during men’s hockey and football games
- Providing weekly on-campus athletic training and sports medicine consultations during regular training sessions

- University identifying the finalist as the exclusive provider of sports medicine services for the university
- University to hire at least three additional seasonal/full-time employees supported/sponsored by the finalist.

The contract shall be subject to final legal review.

Date Presented to the Board of Trustees: 10/16/18

Date of Implementation: 10/17/18

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

Name: Finance Committee

Date: October 16, 2018

Title: FY2020-FY2021 Legislative Biennial Budget Request (First Reading)

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:

Every two years the board submits its biennial operating budget request to the governor and the state legislature for their review and consideration. The FY2020-FY2021 budget proposal requests \$246 million in new money to serve our current and future students, protect our commitment to affordability and build capacity for innovation.

This is the first reading of this agenda item; consideration of approval of the recommended proposal is scheduled for November.

Scheduled Presenter(s):

Ron Anderson – Senior Vice Chancellor of Academic and Student Affairs
Laura King - Vice Chancellor/Chief Financial Officer

**BOARD OF TRUSTEES
MINNESOTA STATE**

BOARD ACTION

FY2020-2021 LEGISLATIVE BIENNIAL BUDGET REQUEST (FIRST READING)

INTRODUCTION

Board Policy 5.9, *Biennial and Annual Operating Budget Planning and Approval*, requires the Board of Trustees to approve the system’s legislative biennial operating budget request. This is the first reading of the FY2020-FY2021 legislative operating request.

LEGISLATIVE BIENNIAL OPERATING BUDGET REQUEST

Every two years the Board of Trustees submits its biennial operating budget request to the governor and the state legislature for their review and consideration. The proposed FY2020-FY2021 legislative operating budget proposal is designed to serve our students, our communities and our state. It aims to reduce economic and racial disparities, help meet our state’s need for talent, improve student success, protect access and affordability, ensure essential enterprise technology infrastructure is in place, and fund inflationary costs.

In developing the proposal, both statewide student associations, all statewide bargaining units, the Leadership Council, and the Board of Trustees were invited to provide input and guidance. Many of the themes and suggestions identified by these groups have been incorporated into the legislative operating budget proposal.

The proposal requests \$246 million in additional funding over the biennium (\$96.5 million in FY2020 and \$149.5 million in FY2021):

- \$169 million to keep our tuition affordable by funding inflationary costs at three percent each year of the biennium and repairing a portion of the structural funding gap from the FY2018-FY2019 biennium.
- \$37 million to support ISRS Next Gen, a mission-critical, multi-year technology infrastructure project to replace our out-of-date enterprise technology system.
- \$25 million in targeted financial support to strengthen access and help our student advance and succeed, especially diverse student groups.
- \$15 million to address the workforce gap through innovative career, technical and programming serving business and industry.

The biennial budget proposal recognizes the statutory authority of the Board of Trustees to govern and operate Minnesota State, including setting tuition rates. If the proposed legislative request is approved by the board and is fully funded by the legislature, the board is committed to holding undergraduate tuition rates at their current levels.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees adopt the following motion:

The FY2020-FY2021 legislative request strengthens the state’s commitment to access and affordability, invests in critical technology infrastructure, and supports student success. The Board of Trustees approves the 2020-2021 biennial budget request in the amount of \$817,919,000 in FY2020 and \$870,919,000 in FY2021 for a total of \$1,688,838,000. The Board strongly urges the state of Minnesota to support Minnesota State’s biennial budget request.

The Board of Trustees has been granted the authority in state statute to govern and operate Minnesota State. The board, after full consultation with Minnesota State constituencies, will make final budget decisions, including setting tuition rates, at the conclusion of the legislative session. If the legislative request is fully funded, the board intends to hold undergraduate tuition rates at current levels.

RECOMMENDED BOARD MOTION

The FY2020-FY2021 legislative request strengthens the state’s commitment to access and affordability, invests in critical technology infrastructure, and supports student success. The Board of Trustees approves the 2020-2021 biennial budget request in the amount of \$817,919,000 in FY2020 and \$870,919,000 in FY2021 for a total of \$1,688,838,000. The Board strongly urges the state of Minnesota to support Minnesota State’s biennial budget request.

The Board of Trustees has been granted the authority in state statute to govern and operate Minnesota State. The board, after full consultation with Minnesota State constituencies, will make final budget decisions, including setting tuition rates, at the conclusion of the legislative session. If the legislative request is fully funded, the board intends to hold undergraduate tuition rates at current levels.

Date Presented to the Board of Trustees: 10/17/18

Date of Board action: 11/14/18



FY2020-2021 Biennial Budget – Educating Minnesota’s Talent

Board of Trustees
October 2018

1

FY2020-F2021 operating request focuses on:

- Serving our current and future students
- Protecting our commitment to affordability
- Building capacity for innovation

2

Initial consultation has occurred with Minnesota State stakeholders

All statewide bargaining units and both student associations have been invited to provide advice

- Themes:
 - Make the case that adequately funding higher education is critical to nurture and sustain Minnesota’s economy
 - Help address Minnesota’s economic and racial disparities
 - Stay focused on improving affordability
 - Improve educational outcomes, student success and advance academic excellence
 - Replace an out-of-date, unreliable enterprise technology system with one that better serves students
 - Fund inflationary costs to protect students, programs, and campuses

3



Educating Minnesota’s Talent

Campus Investments

- Ensure the success of students by investing in essential enterprise-wide technology infrastructure and meet Minnesota’s talent needs by providing resources for high-quality, affordable, relevant academic programs

Strategic Investments

- Strengthen access through tuition strategies and address the workforce opportunity gap through investment in career, technical and professional workforce development

4



ISRS Next Gen is a critical enterprise system investment that must be made

- Plays a critical role in the success of our students – from applicant to graduate and nearly every process in between
- Serves as the cornerstone data system for our enterprise and requires high security
- Touches everyone and nearly every activity: application, registration, course schedule, housing, financial aid, transcripts, system finance, accounting, and HR
- Replaces the system’s outdated 20-year old ISRS data system that is reaching its technological end of life

5



Next Gen student record system

\$ in millions	FY2018-2019	FY2020-2021	FY2022-2023	FY2024-2025	Total
State contribution	\$8*	\$8*			
New support		\$37*			
Total state contribution	\$8	\$45*	\$45*	\$45*	\$143
System office & college & university contribution	\$8	\$0	\$0	\$0	\$8
Total project investment	\$16	\$45	\$45	\$45	\$151

*State funds added to the base – no additional state funds required in the FY2022-FY2023 and FY2024-FY2025 biennia

6



Campus support in FY2020-FY2021 to preserve programs and services

	Increase in resources needed for FY2020-FY2021
Compensation increases (salary plus fringe) =	\$111M
Operating cost increases =	<u>\$ 38M</u>
	\$149M
Address structural gap=	<u>\$20M</u>
Total campus support =	\$169M

7



Strengthening access

- Two new scholarship programs targeting enrollment and completion
 - “Mn State College Promise Program” for new and continuing college students
 - “Mn State University Transfer Scholarship” for transfer from our colleges to our universities

8



Invest in the workforce opportunity gap

- Expand career technical education and professional programming in sectors with high employment growth and demand in sustainable wage occupations
- Leverage campus and system capacity for collaborative program development and delivery
 - Strengthen and expand the K-12 career and technical pipeline and grow K-12 collaborative programming
 - Strengthen and expand opportunities for adult and incumbent workers
- Develop new teacher education pathways in career technical education in support of K-12 and higher education programming

9



Educating Minnesota's talent - \$246 million in new funding over the biennium

- \$37 million to support ISRS Next Gen, a mission-critical, multi-year technology infrastructure project to replace our out-of-date enterprise technology system and substantially improve the student experience
- \$169 million to provide high quality programs and fund inflationary costs at three percent each year of the biennium
- \$25 million in targeted financial support to strengthen access and help our students advance and succeed, especially diverse student groups
- \$15 million to address the workforce gap through innovative career, technical and professional programming serving business and industry

10



FY2020-FY2021 legislative operating budget request summary

\$s in millions

	FY2020	FY2021	FY2020-21
ISRS Next Gen	\$18.5	\$18.5	\$37
Campus support	\$59	\$110	\$169
Strengthen access	\$14	\$11	\$25
Workforce challenges	\$5	\$10	\$15
Total Request	\$96.5	\$149.5	\$246

FY2021 appropriation continues as base funding into the future

11



Ask for what we need with a commitment from the board to hold undergraduate tuition in FY2020 and FY2021 at FY2019 rates if the request is fully funded.

- Leads with a powerful commitment to affordability
- Protects our service to students and communities; enables us to help reduce economic and racial disparities; enables us to meet Minnesota's talent needs; enables ISRS Next Gen and modest investments in innovation
- Continues to move the state back towards its historic level of investment

12



Recommended board motion

The FY2020-FY2021 legislative request strengthens the state's commitment to access and affordability, reduces disparities, invests in critical technology infrastructure and supports student success.

The Board of Trustees approves the FY2020-FY2021 biennial budget request in the amount of \$817,919,000 in FY2020 and \$870,919,000 in FY2021 for a total of \$1,688,838,000.

The Board strongly urges the state of Minnesota to support Minnesota State's biennial budget request.

13



Recommended board motion, cont'd

The Board of Trustees has been granted the authority in state statute to govern and operate Minnesota State. The board, after full consultation with Minnesota State constituencies, will make final budget decisions, including setting tuition rates, at the conclusion of the legislative session. If the legislative request is fully funded, the board intends to hold undergraduate tuition rates at current levels.

14



BACKGROUND

15



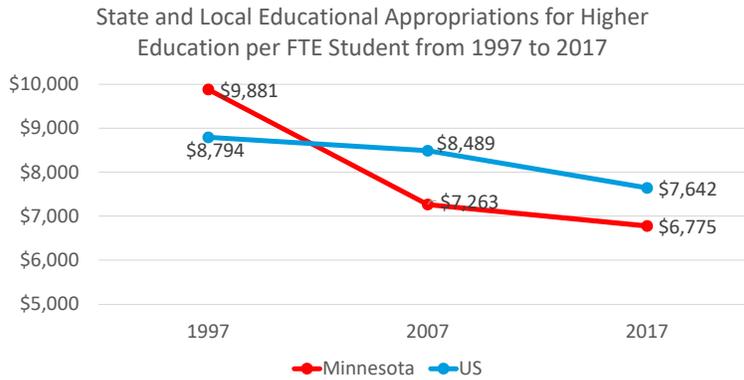
Some facts

- Between FY2008 and FY2019, state support and tuition revenue *combined* increased an average of 1.1% per year.
- In the FY2016-FY2017 biennium, state support increased 8.2% (\$102 million), but net new revenue from both tuition and state support increased only 2.8% (**\$78 million**) due to enrollment losses, rate changes and state funding shortfalls.
- In the FY2018-FY2019 biennium, state support increased 7.9% (**\$106 million**), but net new revenue from both tuition and state support is projected to increase only 2.5% over two years (**\$71 million**) due to enrollment losses, rate changes and state funding shortfalls.

16



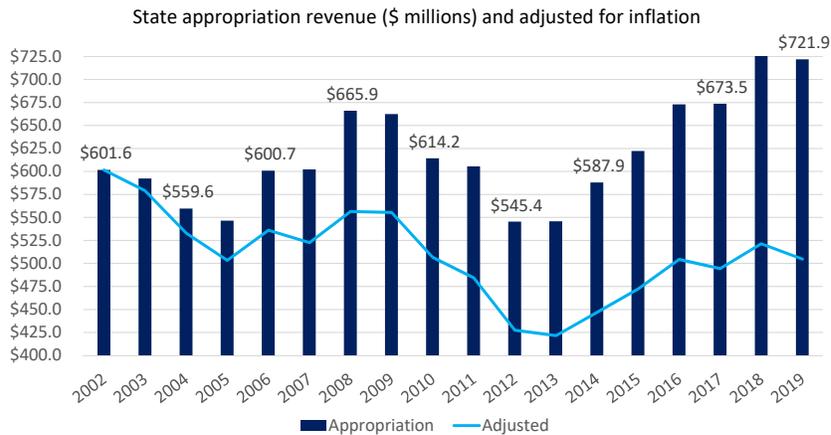
Minnesota's higher education funding trails U.S. average significantly



17

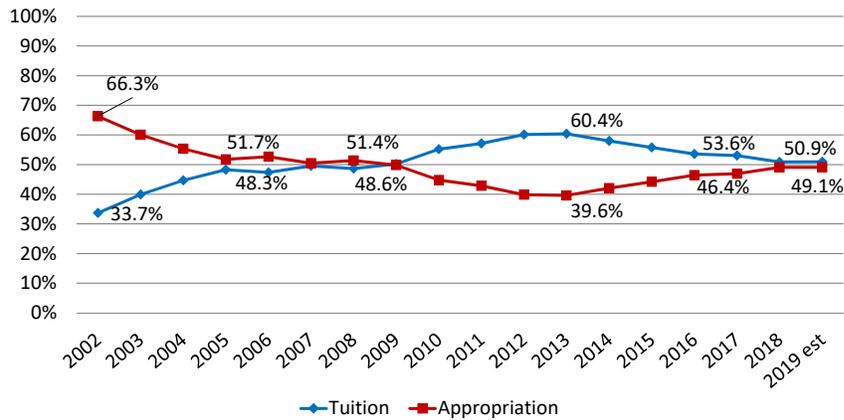


Despite significant increases, Minnesota's adjusted investment in higher education is \$97 million less than 2002



18

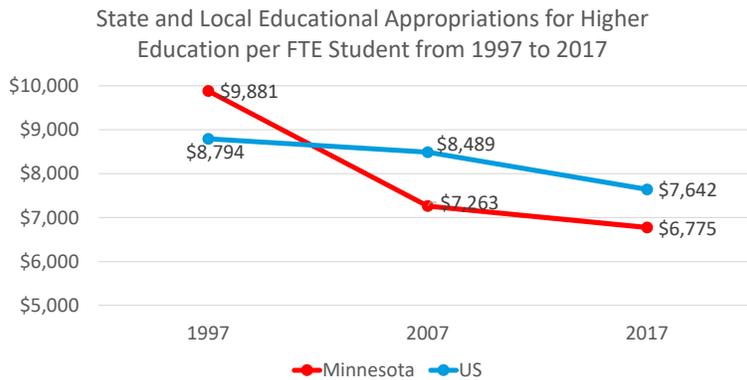
The relationship between Minnesota State tuition and state appropriation has changed significantly over the past 15 years



19



Minnesota's higher education funding trails U.S. average significantly



Source: SHEEO (2017). SHEF FY 17. Constant 2017 dollars adjusted by SHEEO Higher Education Cost Adjustment

20



Tuition rates has been restricted by the legislature

Fiscal Year	Colleges	Universities
2014	Frozen	Frozen
2015	Frozen	Frozen
2016	Frozen	Increased overall average of 3.4%
2017	Cut 1%	Frozen
2018	Increased overall average of 1%	Increased overall average of 3.9%
2019	Frozen	Frozen

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

Name: Finance Committee

Date: October 16, 2018

Title: 5.26 Management of Enterprise System Data (First Reading)

Purpose (check one):

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

Brief Description:

The objective of this new policy is to demonstrate leadership support for, formally adopt, and operationalize a Data Management Program for enterprise system data. Adoption of this policy will ensure enterprise system data shall be governed and managed as an asset for the purpose of protecting, delivering, and enhancing its value within Minnesota State colleges, universities, and system office. The Data Management Program for enterprise system data shall be established and maintained by the vice chancellor of information technology under the authority of the Chancellor and the Board of Trustees.

This is the first reading of proposed policy. The second reading would take place in November.

Scheduled Presenter(s):

Ramon Padilla, Vice Chancellor – Chief Information Officer

The proposed policy has been reviewed by the Office of General Counsel, cabinet, and sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation process were taken into consideration.

RECOMMENDED COMMITTEE MOTION

The Finance Committees recommends the Board of Trustees adopt the following motion:

The Board of Trustees approves as proposed Board Policy 5.26 Management of Enterprise System Data.

RECOMMENDED BOARD MOTION

The Board of Trustees approves as proposed Board Policy 5.26 Management of Enterprise System Data.

<i>Date of Introduction</i>	<i>10/16/2018</i>
<i>Date of Adoption:</i>	<i>11/14/2018</i>
<i>Date of Implementation:</i>	<i>11/14/2018</i>

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

NEW BOARD POLICY	
Chapter	5. Administration Policies
Section	26. Management of Enterprise System Data

1 **5.26 Management of Enterprise System Data**

2 **Part 1.**

3 Enterprise system data must be governed and managed as an asset for the purpose of
4 protecting, delivering, and enhancing its value within Minnesota State colleges, universities,
5 and system office. The Data Management Program for enterprise system data shall be
6 established and maintained by the vice chancellor of information technology.

7

8 **Part 2. Definitions**

9 For purposes of this board policy, the following definitions apply:

10 **Data Management Program**

11 A program that comprises the processes, governance, policies, standards, and tools that
12 consistently define and manage the essential data of an organization.

13 **Data governance**

14 Data governance is the exercise of authority, control, and shared decision making
15 (planning, monitoring, and enforcement) over the management of enterprise system
16 data assets.

17 **Enterprise system data**

18 Minnesota State electronic data collected, stored, transmitted, or maintained by the
19 system office or a third party acting on behalf of the system office for the benefit of the
20 colleges and universities within the Minnesota State system.

21

22 **Part 3. Authority, responsibilities and procedures**

23

24 The chancellor shall adopt system procedures to implement this policy to ensure
25 adoption and application of a Data Management Program for enterprise system data.

26 The vice chancellor of information technology shall create a Data Governance
27 Committee to recommend the adoption of system procedures and operating
28 instructions for the management and governance of all enterprise system data.

29

30 **Policy History**

31

32 *Date of Adoption:* 11/14/2018

33 *Date of Implementation:* 11/14/2018

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

Name: Finance Committee

Date: October 16, 2018

Title: Fee Study Report

Purpose (check one):

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

Brief Description:

The Minnesota State Board of Trustees requested a comprehensive review and analysis of fees charged to students at its May 2018 board meeting. This report was prepared in response to that request and is organized in three sections: 1) an overview of state statutes, board policy, and system procedures concerning student fees; 2) an analysis of Minnesota State's fee rates and charges; and 3) a review of board-approved fee maximums as required by board policy.

Scheduled Presenter(s):

Laura King, Vice Chancellor - CFO

**BOARD OF TRUSTEES
MINNESOTA STATE**

INFORMATION ITEM
FEE STUDY REPORT

Executive Summary

The Minnesota State Board of Trustees requested a comprehensive review and analysis of fees charged to students at its May 2018 board meeting. This report was prepared in response to that request and is organized in three sections: 1) an overview of state statutes, board policy, and system procedures concerning student fees; 2) an analysis of Minnesota State’s fee rates and charges; and 3) a review of board-approved fee maximums as required by board policy.

Major findings of the report are summarized below:

- The Minnesota Legislature grants the Minnesota State Board of Trustees the authority to set fees; fee policy is prescribed in board policy 5.11, and system procedures provide further guidance.
- Fee revenue is generally treated as dedicated revenue and is used to support specific activities or services. It accounts for approximately six percent of the system’s overall operating revenue, excluding room and board charges. When including room and board charges, the percentage increases to eleven percent of the system’s overall operating revenue.
- Student fees are generally assessed to support specific student services or activities, such as instructional and classroom technology, student life/activity, health services, athletics, new student orientation, and parking. Fees are also assessed to support facilities funded through the sale of revenue bonds such as wellness centers, student unions, parking facilities, and student housing.
- Minnesota State’s annual fee charges are below the national average for both colleges and universities. Based on an analysis of FY2017 national IPEDS data conducted by System Research, average annual fees in FY2017 totaled \$601 at our colleges and \$1,196 at our universities. Nationally, college annual fees averaged \$632 at colleges and \$1,979 at public masters universities. The analysis compares fees charged to all students as reported to the U.S. Department of Education.
- Fee maximums set an upper limit on how much a student can be charged for certain fees and those maximums are established by the board. Fee maximums have not been increased in ten years or more, creating pressure on fee-supported activities, especially

when combined with falling enrollment and increased demand for services. Staff will present recommendations for changes to the fee maximums to the board next month.

Statutory and Policy Guidance Regarding Student Fees

Statutory Authority

The Minnesota Legislature grants the Minnesota State Board of Trustees authority to establish and set fees in 2017 Minnesota Statutes [136F.06](#). As stated in Subdivision 1:

The board shall possess all powers necessary to govern the state colleges and universities and all related property. Those powers shall include, but are not limited to, those enumerated in this section. The board shall prescribe conditions of admission, set tuition and fees, approve programs of study and requirements for completion of programs, approve the awarding of appropriate certificates, diplomas, and degrees, enter into contracts and other agreements, and adopt suitable policies for the institutions it governs...

While most fee policy is established by the board, the legislature has enacted a limited number of statutory requirements related to fees. They include:

- *Student Health* (136F.20): Requires the board to offer health services for students at each state university and the option of offering health services at state colleges. Permits the board to charge a fee to support these services.
- *Mandatory Student Activity Fees Referendum* ([135A.0434](#)): Requires a campus-wide student referendum approving an increase to mandatory student activity fees by more than two percent. Student activities are defined in 136F.01. Referendum language was enacted during the 2017 legislative session first impacting the system's FY2019 operating budget process. In preparation for the FY2019 operating budget, two colleges and two universities held referendums.
- *Student Associations* (136F.22): Requires the board to recognize one statewide student association for universities and one statewide student association for colleges. Permits the statewide associations to set their fees and submit any changes in fees to the board for review. Permits the board to revise or reject requests for fee changes. Requires the system to collect the fees on behalf of the associations.
- *Parking and Traffic Regulation* (136F.53): Allows colleges and universities to adopt and enforce parking policies and ordinances and collect fines and towing fees for violations. Authorizes law enforcement officials to enforce these policies and ordinances, including arresting and prosecuting offenders for law violations.
- *Financing of Parking* ([136F.67](#)): Limits state appropriations for repair or construction of parking facilities to no more than two-thirds of the repair or construction cost at state colleges. The difference must be provided from local revenues.
- *Tuition; Fees; Activities Funds* ([136F.70](#)): Allows the board to prescribe student fees for student unions, state college and university activities, functions, and purposes.

- *Student Activities, Fee charged (136F.93)*: States that it is the duty of the board to establish charges or fees for the use of any revenue-bond financed building or structure sufficient to pay the principal and interest on the bonds and to create and maintain suitable reserves.
- *Allocation of Receipts (136F.95)*: Appropriates all funding from the revenue fund and all income from the operation of revenue-funded buildings to pay the expenses of the building and the payment of the revenue bond obligations.
- *Senior Citizen Program and Qualifications (135A.51 and 135A.52)*: Entitles qualified senior citizens to attend courses offered for credit, audit any courses offered for credit, or enroll in any noncredit courses on a space available basis without payment of tuition or activity fees. Requires students to pay any materials, personal property, or service charges for the course. Requires an administrative fee to be charged to students taking courses for credit.
- *Higher Education Fairness (197.775)*: States that state colleges or universities may not assess late fees to veterans under certain circumstances.

Minnesota State Board Policy

Minnesota State board policy [5.11 Tuition and Fees](#) governs tuition and fees (Appendix 1). The board reviewed and approved updates to this policy in June 2018. The policy identifies five objectives of the tuition and fee policy: 1) affordable access to higher education, 2) sustainability, 3) equity, 4) transparency, 5) flexibility for innovation and emerging markets.

The policy authorizes four types of fees and charges. All fees are subject to board-mandated student consultation requirements.

- 1) *Required fees* are established in statute or by board policy and are required to be charged by all colleges and universities. The required fees and charges are parking, senior citizen in lieu of tuition, late, payment plan, and statewide student association fees.
- 2) *Campus discretionary fees* are established by board policy and adopted at the discretion of the college/university president. The authorized campus discretionary fees are student life/activity, athletics, health services, technology, special events, application, credit for prior learning assessment, residential learning community, and new student orientation.
- 3) *Personal property charges, services charges, and assessments* are established by board policy and adopted at the discretion of the college/university president. Institutions may charge students the actual cost of property retained by students or services received by students. Policy also allows institutions to charge assessments to discourage certain behaviors, such as late fees.

- 4) *Revenue fund fees* are authorized in statute, board policy, and through the board approved related bond indenture. Fees support facilities funded with the proceeds from revenue bond sales and include charges for room and board, student unions, wellness centers and recreation facilities, parking ramps and lots. Fees may also be charged for the use of facilities.

Minnesota State Procedures and Other Guidance

Additional guidance on fees is provided in system procedure [5.11.1 Tuition and Fees](#) (Appendix 2) and [5.12.2 Tuition Waivers, Deferrals, and Retroactive Drops](#) (Appendix 3), and system procedure [7.3.5 Revenue Fund Management](#) (Appendix 4). System procedure 5.11.1 provides further instruction on assessing fees, including how fee proceeds can be used and, in some cases, specifying budget and student consultation requirements for certain campus discretionary fees. The procedure also provides the presidents, after consultation with the recognized campus student association, with the authority to exempt certain campuses, sites, or specific groups of students, such as online students, from all or a percentage of any campus discretionary fee.

System procedure 5.12.2 provides guidance on when a president may waive amounts due to the college or university, including fees. According to the procedure, the president may waive amounts due for a limited number of reasons that include employee benefit provided by a collective bargaining agreement, death of student, medical reasons, college or university error, employment related condition, significant personal circumstances, student leader allowance, course conditions, natural disasters or other situations beyond the control of the campus, military duty, and ward of the state.

System procedure [7.3.5 Revenue Fund Management](#) outlines the responsibilities and authority for revenue fund projects, including annual financing plans and fee approval, as discussed in more detail below.

Board Role in Fee Setting

While the board has the authority to set fees, it does not approve all individual fee charges assessed at each college or university. Rather, the board policy establishes the fee structure and allows colleges and universities to operate within that structure. Board action on fees generally falls under three categories: establishing fee maximums, approving fee rates, and revising or rejecting fee changes proposed by statewide student associations.

Establishing Fee Maximums

As described in the previous sections, state statute and board policy prescribe which types of student fees may or must be charged. For many fees, the board sets fee maximums that limit the amount a college or university can charge a student for a certain fee. The board has established fee maximums for certain required and campus discretionary fees including: senior

citizen in lieu of tuition, payment plan, late, application, student life/activity, athletics, health services, technology, and residential learning communities. The fee maximums are an [attachment](#) to system procedure 5.11.1 and are posted on the board policy webpage.

Approving Revenue Fund Fee Rates

In contrast to required and campus discretionary fees, the board approves revenue fund fee rates as part of the annual operating budget. These rates are included as an attachment to the operating budget and approved in the board motion. The board's responsibility for revenue fund fees and charges is addressed in system procedure [7.3.5](#) Revenue Fund Management. It reads:

Fees and charges

The amounts the board is obligated to charge in support of the financing, use, and operation of any buildings or structures sufficient at all times to pay the necessary expenses of their operation and maintenance, the principal and interest on the bonds, and suitable reserves. Fees and charges may include any fees and charges that may be levied for a particular action or service required, such as room change fees, early occupancy, damage fees, and other fees or charges to recover costs.

Statewide Student Association Fees

Fees charged to students to support the statewide student association are treated differently than other student fees. Statewide student association fees are governed by board policy [3.7](#) *Statewide Student Associations* (Appendix 5). Among other things, this policy recognizes the two statewide student associations, authorizes the associations to set their fees, and requires them to submit any changes to the fee to the board for their review. The board then has the authority to revise or reject the fee change during the two board meetings immediately following the requested fee change submission. This authority is described in statute and policy.

Chancellor's Role in Fee Setting

The chancellor has the authority to establish limits on fee rate increases that are presented to the board as part of the annual operating budget. Since 2013, the chancellor has limited the annual increase in aggregate fees charged to all students to three percent, with exceptions considered for increases supported by student governments and/or necessary to support bond-financed facilities. The limit on aggregate fee increases is intended to support affordability while providing needed flexibility to colleges and universities if exceptions to the limit are warranted. The limit on aggregate fee rate increases is used in conjunction with the fee maximums established by the board and does not supersede them.

College and University Role in Fee Setting

College and university presidents have the authority to assess fees and set fee rates consistent with state statutes, board policy, system procedures, and the limits established by the board and chancellor, provided they consult with their campus student associations. Student consultation requirements as defined in board policy and system procedure require colleges and universities to inform and seek the opinion of their campus student associations and consider their input in the decision-making process. Consultation includes presenting materials, allowing for discussion, and providing an opportunity for questions; it does not provide campus student associations with veto authority over a president's decisions.

In addition to the consultation requirements, campus student associations have additional authority when certain fees are initially established. For example, before a college or university can establish either the athletics fee or new student orientation fee they must obtain an affirmative vote of their campus student association.

Student Fee Analysis

Comparative Analysis: Minnesota State vs. National Average

Based on an analysis conducted by Minnesota State System Research using fiscal year 2017 IPEDS data, Minnesota State fee charges are lower than the national average for both public masters universities and public two-year colleges. The IPEDS data contains high level fee data from hundreds of colleges and universities across the country. The national data set does not indicate the types of fees reported, but we know only fees typically charged to all students are included in the reporting process. For Minnesota State, these fees include technology, athletics, health services, student life/activity, revenue fund fees charged to all students, and the statewide student association fees.

Key findings:

- Minnesota State universities rank 32 out of 49 reporting states and the District of Columbia for annual fee charges, based on fiscal year 2017 IPEDS data. The average annual Minnesota State university fees totaled \$1,196 and the U.S. average annual fees totaled \$1,979.
- Minnesota State colleges rank 21 out of 48 reporting states and the District of Columbia for annual fee charges, based on fiscal year 2017 IPEDS data. The average annual Minnesota State college fees totaled \$601 and the U.S. average annual fees totaled \$632.

Table 1a and 1b below shows how Minnesota compares to border states in terms of annual fees charged to all students. The complete listing of fees by state and the District of Columbia for public master's universities and public two-year colleges is shown in Appendix 6a and 6b.

Table 1a: Public Two-Year Colleges Fee Rates
Fiscal Year 2017

State	National Ranking	Average In-state Fees
US Average	NA	\$632
South Dakota	2	\$2,599
North Dakota	14	\$862
Minnesota State Colleges	21	\$601
Iowa	31	\$429
Wisconsin	38	\$322

Table 1b: Public Masters Universities
Fiscal Year 2017

State	National Ranking	Average In-state Fees
US Average	NA	\$1,979
Wisconsin	22	\$1,501
North Dakota	25	\$1,409
South Dakota	26	\$1,378
Iowa	31	\$1,243
Minnesota State Universities	32	\$1,196

Internal Analysis: Minnesota State Fees

The comparative analysis provides an understanding of how Minnesota State compares to other colleges and universities across the nation on the amount of fees charged to all students, but lacks detail concerning the types of fees assessed and associated revenues. This section provides an analysis of Minnesota State specific fees charged to students that includes data from financial statements, ISRS, fee schedules presented to the Board of Trustees, and information compiled from a survey completed by the system's colleges and universities this summer.

Required Fees

Parking Fees, Permits, and Charges

Colleges and universities are required to charge parking fees to generate revenue for parking construction, maintenance, and improvements. Presidents are given wide discretion in how to generate this revenue, and may opt to assess per credit charges, sell parking permits, or charge

on a per use basis. Some colleges and universities finance their facilities through the revenue fund. Table 2 below shows the range of options and charges used for parking.

Key findings:

- Most colleges and universities opt for a per-credit fee to finance parking, with 31 institutions choosing this approach. One college and five universities offer parking permits, and one college charges a per-day fee. For those universities offering permits, the cost of the permit varies depending on the parking lot location.
- Five colleges and two universities have used the revenue fund to finance parking facility construction. The other institutions fund parking maintenance and improvements from current parking fee revenues.
- As permitted by board policy, colleges and universities take different approaches on exempting certain groups from parking fees. According to survey results, only ten institutions charge all students parking fees. Ten institutions exempt only online students from the fee, six offer an opt-out waiver option for qualified students, and four offer a public transportation option for students.

Table 2: Parking Charges by Type
Fiscal Year 2019

	Per Credit Charge	Parking Permits	Per Use Charge
Colleges	28	1	1
Universities*	3	5	
System	31	6	1
Range Charged	\$1-\$12 per credit	\$65 - \$337 per term	\$2.50 per use

*One university offers a permit option on its main campus and a per credit options on its satellite campus.

Statewide Student Association Fees

Statewide student association fees are designated as required fees per board policy. Colleges and universities must assess and collect statewide student association fees on behalf of the two statewide student organizations and remit the fee revenue to the respective association. As noted earlier in this report, the board has the authority to revise or reject association requests for changes in their fee rates.

Key findings:

- Students United, the statewide student association for university students, currently charges \$0.61 per credit. The association increased its fee from \$0.47 per credit to \$0.61 per credit in FY2019 and from \$0.43 per credit to \$0.47 per credit in FY2018.
- LeadMN, the statewide student association for college students, currently charges \$0.35 per credit. The association last increased its fee in FY2016 when its rate was were increased from \$0.31 per credit to \$0.35 per credit.

Other Required Fees

In addition to parking and statewide student association fees, all colleges and universities are also required to charge a senior citizen fee in lieu of tuition, late fees, and payment plan fees, to applicable students. A survey of colleges and universities found that colleges and universities comply with these requirements, including the specified board fee maximums.

Campus Discretionary Fees

As described in board policy 5.11, colleges and universities have the option to assess certain campus discretionary fees. Those fees include technology, health services, student life/activity, athletics, application, credit for prior learning, voluntary special events, residential learning community, and new student orientation.

Four of the campus discretionary fees are generally charged to all students attending the campus opting to assess the fee: technology, health services, student life/activity, and athletics. Table 3 below summarizes how many colleges and universities by sector assess the four major discretionary fees charged to all students and the range of fees charged per student. Appendix 7 shows the college and university detail for these four fee types.

Key findings:

- All colleges and universities assess a technology fee. The technology fee is a per credit fee that ranges from \$6.00 to \$10.00 per credit, with an average fee of \$9.63 per credit. The technology fee maximum is \$10 per credit.
- All colleges and universities assess a student life/activity fee. The student life/activity fee ranges from \$20.25 to \$112.50 per term, with an average fee of \$87.93 per term. The student life/activity fee maximum is \$112.50 per term.
- Twelve colleges and all seven universities assess a health services fee. The health services fee ranges from \$5.25 to \$73.92 per term, with an average fee of \$34.93 per term for those campuses assessing the fee. The health services fee maximum is \$65 per term. Winona State University has received board approval to exceed the fee maximum in fiscal year 2019.
- Four colleges and six universities assess an athletic fee. The athletic fee ranges from \$16.50 to \$55.00 per term, with an average fee of \$47.56 per term for those campuses assessing the fee. The athletic fee maximum is \$55 per term.

Table 3: Campus Discretionary Fees Charged to all Students
Fiscal Year 2019

Institutions Charging Fee	Technology (per credit)	Athletics (per term)	Health services (per term)	Student life/activity (per term)
Colleges	30	4	12	30
Universities	7	6	7	7
System	37	10	19	37
Average Fee Charged	\$9.63	\$47.56	\$34.93	\$87.93
Range Charged	6.00-10.00	16.50-55.00	5.25-73.92	20.25-112.50

The other campus discretionary fees are assessed to a segment of the school's population, generally those students requiring the services or participating in the activities funded by the fee: student application, credit for prior learning, voluntary special events, residential learning community, and new student orientation.

Key findings:

- Seven universities and 22 colleges charge an application fee to students applying to their schools. All 29 institutions that charge an application fee charge \$20 for undergraduate applications, the fee maximum. Three universities charge an application fee for graduate students and one charges a \$55 doctoral application fee.
- Four universities and 18 colleges and 4 universities charge a credit for prior learning fee. The fees vary widely, ranging from \$25 to \$136.50 per credit, with an average per credit charge of \$64. The four institutions that charge per lecture ranged from \$20 to \$50 and per lab ranged from \$50 to \$100.
- Five colleges and universities reported charging fees to students who participate in voluntary special events, including orientations, concerts and performances, athletic events, speakers and special lectures.
- Three universities and one college charge a residential learning community fee.
- The new student orientation fee was recently authorized in June 2018 when revisions to board policy 5.11 were adopted, and consequently no college or university has authorized this fee. To implement this new fee, the campus student association must vote to approve establishing the fee. In addition, no college may institute the fee until Minnesota State completes a review of regional and national orientation practices/literature to identify and promote effective and promising student success practices for first-year students.

Revenue Fund Fees

All colleges and universities are eligible to participate in the revenue fund, which is a statutory fund developed to support residential, dining, student union, parking, and other revenue generating facilities the board deems necessary for its students. Table 4 lists which colleges and universities participate in the revenue fund by facility type.

As of 2018, fifteen campuses participate in the revenue fund and levy revenue fund fees to support the cost of revenue fund facilities. Revenue fund fees are used to pay outstanding revenue bond debt, operating costs, and to set aside funds for ongoing repairs and replacement of building systems. No tuition, state appropriation or state bonding dollars are used in support of revenue fund facilities. These facilities rely solely on user and student fees.

The revenue fund also levies special facility fees in support of debt issues by the St. Cloud Housing and Redevelopment authority and provides a guarantee to the Minnesota State University Moorhead Alumni Foundation for John Neumaier Apartments. The Moorhead transaction costs have been absorbed within the university's residential life budget.

Key Findings:

- Approximately 75 percent of all revenues in the revenue fund are generated from the residential life program, 15 percent from student union fees seven percent from parking and three percent from wellness facility fees.
- Room and board fees average approximately \$8,610 per academic year (FY2019). Residential housing and dining range from \$8,186 to \$8,826 per academic year for a double room and the most popular meal plan.
- Dining plans typically make up 33-37 percent of total cost of the room and board rates.
- Student union facility fees range from \$165 to \$334 for a full-time student.
- Wellness facility fees range from \$120-\$174 for a full-time student.
- There are five parking ramps in the revenue fund. Most campuses charge a per credit fee for parking in revenue fund parking facilities that range from \$3.80-\$12 per credit. This works out to between \$0.84/day to \$2.79/day (flat rate by use).

Table 4: Participation in Revenue Fund Fee by Facility Type Fiscal Year 2019

CAMPUSES	Housing	Student Union	Parking	Wellness	Other
Universities					
1. Bemidji State University	X	X			
2. Metropolitan State University		X	X		
3. Minnesota State University, Mankato ¹	X	X			X
4. Minnesota State University Moorhead	X	X		X	
5. St. Cloud State University ²	X	X	X		X
6. Southwest Minnesota State University	X	X			
7. Winona State University	X	X		X	
Colleges					
8. Alexandria Technical and Community College			X		
9. Anoka Ramsey Community College (Coon Rapids)				X	
10. Century College			X		
11. Minneapolis Community and Technical College		X	X		
12. Minnesota State Community and Technical College, Moorhead				X	
13. Normandale Community College		X	X		
14. Saint Paul College			X		
15. Vermilion Community College	X				

¹ "Other" – MSU, Mankato recreational athletic fields (2009)

² "Other" - revenue fund guarantee project refunded in May 2012 and Phase I of National Hockey and Event Center

Student Fee Revenue

Student fee revenue is treated as dedicated revenue, with limited exceptions. Dedicated revenues are revenues that are designated for specific purposes and cannot be used for other purposes. Fee revenue makes up a small percentage of an institution’s overall budget. For the system, six percent of total revenues was generated from fees in fiscal year 2017, excluding room and board charges. Room and board revenue increases the percentage to eleven percent of total revenues. Fees and room and board revenue are shown in table 5 below. Overall, total revenue for fees and room and board increased by 6.3 percent% between FY2014 and FY2017.

Table 5: Fee Revenue Including Room and Board
Fiscal Years 2014 & 2017

\$'s in thousands	FY2014	FY2017
Other fees, gross	87,812	89,762
Revenue fund fees	21,233	24,603
Revenue fund room & board	78,124	84,643
Other fees - room & board	7,450	7,864
Total Fee Revenue	194,619	206,872
Total % change from FY2014		6.3%
% change Rev fund		10%
% change all but Rev fund fees		2.5%

Other fee revenue reported in the system’s annual financial statements includes revenue from required fees, campus discretionary fees, and personal property/service charges. Most of the revenue generated are from campus discretionary fees that accounts for approximately 73percent of the other fee revenue. The campus discretionary fees that generate the most revenue are shown in table 6 below. Although overall fees and room and board increased between FY2014 and FY2017 as shown in table 5, the major campus discretionary fees revenue decreased by 2.6 percent over the same time period as shown in table 6.

Key findings:

- Fee revenue from the four major campus discretionary fees was \$65.3 million in FY2017, \$1.8 million lower than in FY2014 due to declining enrollment and limited increases in fee rates.
- As expected, the fees charged by all colleges and universities—student life/activity and technology—generate the most revenue. In FY2017, the technology fee generated \$31.3 million and student/life activity generated \$22.2 million.

Table 6: Fee Revenue for Four Major Campus Discretionary Fee Types
Fiscal Years 2014 & 2017

\$'s in thousands	FY2014	FY2017
Technology	32,919	31,311
Student Life/Activity	23,123	22,243
Health Services	6,194	6,497
Athletics	4,820	5,241
Total Fee Revenue	67,056	65,292
% change from FY2014		-2.6%

As described in procedure 5.11.1, how these fees must be used are outlined in policy. Below is a description of the major fee categories and how the fee revenue must be used.

Technology fees: The revenue generated by this fee must be used for the acquisition, upgrading and/or maintenance of technology for academic and student support activities that provide or enhance student access to technology, including but not limited to technology infrastructure, computer labs, wireless networks, ongoing technology support, and software licensing.

Student life/activity fees: The revenue generated by this fee must be used to fund student activities as defined in state statute: “*Student activities means lectures, concerts, and other functions contributing to the mental, moral, and cultural development of the student body and community in which they live, athletic activities, including intercollegiate contests, forensics, dramatics, and such other activities of any nature as in the opinion of the board contribute to the educational, cultural, or physical well being of the student body.*”

Health services fees: Revenue generated by this fee must be used for health services as defined in state statute including mental health services.

Athletic fees: The revenues generated from this fee must be used to support student athletics; the fee replaces annual requests for funding from the student life/activity fee.

Board Fee Maximums

Fee maximums are established by the board for individual fee types. Colleges and universities may charge up to the fee maximum but may not exceed it without specific authorization from the board. The board sets fee maximums to maintain oversight over the level of fees charged to students while allowing individual colleges and universities the ability to assess differing fee rates within those limits based on individual campus needs. The fee maximums are the same for colleges and for universities; they are not sector specific.

Recent changes to board policy require the system office to review, report, and make recommendations to the board regarding fee maximum levels every two years. The information in this section fulfills the review and reporting requirements. Before any changes to the fee maximums are implemented, the system office must consult with the statewide student associations. Recommendations for changes in fee maximums will be presented to the board after consultation with the statewide student associations has been completed.

The board has set fee maximums for the following campus discretionary fees charged to all students: athletics, health services, student/life activity and technology. Tables 7a and 7b below show the current fee maximums, the number of colleges and universities currently charging the fee maximum, the last fiscal year the maximum was changed, and the inflation adjusted maximum.

Key findings:

- Fee maximums for campus discretionary fees have not been increased in 10 years or more and have not kept up with inflation. Furthermore, declining enrollment has reduced the revenue generated from fees, compounding the financial pressure on fee-supported activities.
- If the four major campus discretionary fees maximums had kept pace with inflation, the technology fee would increase from \$10 to \$12 per credit, the student life/activity fee from \$112.50 to \$170 per term, the health services fee from \$65 to \$74.50, and the athletic fee from \$55 to \$63.
- Most colleges (29) and universities (4) charge the technology fee maximum. Nine colleges and one university charge the student life/activity fee maximum. Four universities charge the health services fee maximum, and three universities and one college charge the athletic fee maximum.

- Increased demand for certain fee-funded services have put additional pressure on fee-supported budgets; this is especially evident in technology and health services where demand for mental health services has increased.
- Increased demand for mental services on campuses has been documented by the Center for Collegiate Mental Health ([CCMH](#)), a consortium based at Penn State University. Over the past five years, St. Cloud State University, a member of the consortium, has seen a 15 percent increase in the number of students accessing their counseling and psychological services and a 95 percent increase in crisis urgent care assessments from five years earlier, even though enrollment fell over the same period.
- Increasing the fee maximums does not mean that student fees assessed at colleges and universities will necessarily increase. It only provides the option to increase fees subject to student consultation and to other constraints on fee rate increase.

Table 7a: Campus Discretionary Fees Charged to All Students
Fiscal Year 2019

	Technology	Athletics	Health services	Student life/activity
Colleges charging maximum rate	24	1	0	9
Universities charging maximum rate	4	3	4	1
Last year maximum increased	FY2008	FY2009	FY2009	FY2000
Current fee maximum	\$10 per credit	\$55 per term	\$65 per term	\$112.50 per term
Inflation adjusted maximum*	\$12.00	\$63.00	\$74.50	\$170.00

* Based on CPI-U as of August 2018, rounded to nearest \$0.50

Table 7b: Required and Campus Discretionary Fees Charged to Some Students
Fiscal Year 2019

	Senior Citizen	Payment Plan	Late	Application (UG)
Colleges charging maximum rate	25	9	16	22
Universities charging maximum rate	6	3	5	7
Last year maximum increased	FY2000	FY2003	FY2003	FY2003
Current fee maximum	\$20 per credit	\$30 per term	\$50 per term	\$20 per application
Inflation adjusted maximum*	\$30.00	\$42.00	\$70.00	\$28.00

* Based on CPI-U as of August 2018, rounded to nearest \$0.50

Conclusion

Minnesota State colleges and universities charge student fees to support a range of student services, activities, and revenue bond-financed facilities. Minnesota State student fees are below the national average for their sectors. Based on analysis for FY2017 national data, Minnesota State universities charged an average of \$1,196 per year in fees and ranked 32 out of 49 reporting states and the District of Columbia, compared to other public master universities (ranked highest fee charges to lowest). Minnesota State colleges charged an average of \$601 per year in fees and ranked 21 out of 48 reporting states and the District of Columbia, compared to other two-year public colleges. Board-approved fee maximums have not been increased in a decade or more and have not kept up with inflation and student demand for services. A recommendation for changes to fee maximums will be presented to the board in November.

Date presented to the Board: 10/16/2018



October 2018

Minnesota State Fee Study

Board of Trustees

Fee Study

- The Board of Trustees requested a review and analysis of fees at the May 2018 board meeting
- Report organized into three sections
 - Overview of state statutes, board policy, and system procedures
 - Analysis of Minnesota State's fee rates and charges
 - A review of board-approved fee maximums as required by board policy

Highlights

- Fee revenue is typically dedicated revenue used to support specific activities or services
- Fee revenue accounts for approximately 6% of total revenue excluding room and board charges. Room and board increases the percentage to 11%
- System's annual fee charges are below the national average for both colleges and universities
- Board is granted authority to set fees in state statute.
- Board sets the fee structure for the system, sets maximum rates for specific fees, and approve Revenue fund fee rates

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Authority and Roles in Setting Fees

4



Statutory Authority

- Board authority to establish and set fees in Minnesota Statutes 136F.06 (2017)
 - “The board shall prescribe conditions of admissions, set tuition and fees...”
- Other statutory requirements related to fees:
 - Student health
 - Mandatory student activity fees referendum
 - Student associations
 - Parking
 - Activities funds
 - Student activities
 - Senior citizen program

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Board Policy and System Procedure

- Board policy 5.11 Tuition and Fees authorizes four types of fees and charges:
 - Required fees
 - Campus discretionary fees
 - Personal property charges, services charges, and assessments
 - Revenue fund fees
- System procedures provides additional guidance including assessing fees, use of fee revenue, requiring budgets for specific fees, requiring student consultation, and setting reasons when a president may waive amounts due

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Roles in Fee Setting

Board's role

- Establishes fee structure
- Sets fee maximums for certain required and campus discretionary fees
- Approves Revenue fund fee rates
- Revise or reject fee rates established by statewide student associations

Chancellor and president's roles

- Chancellor may establish limits on fee rate increases
- Presidents have authority to assess fees and set fee rates consistent with state statutes, board policy, system procedures, and limits established by the board and chancellor

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Fee Analysis

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Comparative Analysis: Regional College Fee Rates Comparisons

Table 1a: Public Two-Year Colleges Fee Rates
Fiscal Year 2017

State	National Ranking	Average In-state Fees
US Average	NA	\$632
South Dakota	2	\$2,599
North Dakota	14	\$862
Minnesota State Colleges	21	\$601
Iowa	31	\$429
Wisconsin	38	\$322

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Comparative Analysis: Regional University Fee Rates Comparisons

Table 1b: Public Master Universities
Fiscal Year 2017

State	National Ranking	Average In-state Fees
US Average	NA	\$1,979
Wisconsin	22	\$1,501
North Dakota	25	\$1,409
South Dakota	26	\$1,378
Iowa	31	\$1,243
Minnesota State Universities	32	\$1,196

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Minnesota State Fees Analysis

- Analysis of data from financial statements, ISRS, and fee schedules
- Results from survey to all our colleges and universities seeking additional details about fees
- Analysis includes required fees, campus discretionary fees, and Revenue fund fees

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Required Fees

- Parking fees
 - All colleges and universities required to charge for parking
 - Most opt for per-credit fee, but some use parking permits or per-day fee assessments
- Statewide student association fees
 - Students United charges \$0.61 per credit
 - LeadMN charges \$0.35 per credit
 - Board will review Students United fee in spring
- All colleges and universities are required to charge the following fees when necessary
 - Senior citizen fee in lieu of tuition
 - Late fees
 - Payment plan fees

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Campus Discretionary Fees

Table 3: Campus discretionary fees charged to all students
Fiscal Year 2019

Institutions Charging Fee	Technology (per credit)	Athletics (per term)	Health services (per term)	Student life/activity (per term)
Colleges	30	4	12	30
Universities	7	6	7	7
System	37	10	19	37
Average Fee Charged	\$9.63	\$47.56	\$34.93	\$87.93
Range Charged	\$6.00-\$10.00	\$16.50-\$55.00	\$5.25-\$73.92	\$20.25-\$112.50

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Revenue Fund Fees

- Revenue fund revenue consists of 75% from residential life, 15% from student union fees, 7% from parking, and 3% from wellness facility fees
- Average room and board is \$8,610 per academic year
- Student union fees range from \$165 to \$334 for a full-time student
- Wellness facilities fees range from \$120-\$174 for a full-time student
- 5 parking ramps are in the revenue fund with most charging a per credit fee ranging from \$3.80 - \$12 per credit

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Student Fee Revenue

**Table 5: Fee Revenue Including Room and Board
FY2014 & FY2017**

\$'s in thousands	FY2014	FY2017
Other fees, gross	\$87,812	\$89,762
Revenue fund fees	21,233	24,603
Revenue fund room & board	78,124	84,643
Other fees - room & board	7,450	7,864
Total Fee Revenue	\$194,619	\$206,872
% change from FY2014		6.30%

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Student Fee Revenue, cont'd

**Table 6: Fee Revenue for Four Major Campus
Discretionary Fee Types
FY2014 & FY2017**

\$'s in thousands	FY2014	FY2017
Technology	\$32,919	\$31,311
Student Life/Activity	23,123	22,243
Health Services	6,194	6,497
Athletics	4,820	5,241
Total Fee Revenue	\$67,056	\$65,292
% change from FY2014		-2.6%

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Board Fee Maximums

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Board Fee Maximums

**Table 7a: Discretionary Campus Fees Charged to All Students
Fiscal Year FY2019**

	Technology	Athletics	Health services	Student life/activity
Colleges at maximum rate	24	1	0	9
Universities at maximum rate	4	3	4	1
Last year maximum increased	FY2008	FY2009	FY2009	FY2000
Current fee maximum	\$10 per credit	\$55 per term	\$65 per term	\$112.50 per term
Inflation adjusted maximum*	\$12.00	\$63.00	\$74.50	\$170.00

* Based on CPI-U as of August 2018, rounded to nearest \$0.50
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Board Fee Maximums cont'd

**Table 7b: Required and Campus Discretionary Fees Charged to Some Students
Fiscal Year FY2019**

	Senior Citizen	Payment Plan	Late	Application (UG)
Colleges at maximum rate	25	9	16	22
Universities at maximum rate	6	3	5	7
Last year maximum increased	FY2000	FY2003	FY2003	FY2003
Current fee maximum	\$20 per credit	\$30 per term	\$50 per term	\$20 per application
Inflation adjusted maximum*	\$30.00	\$42.00	\$70.00	\$28.00

* Based on CPI-U as of August 2018, rounded to nearest \$0.50

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Next Steps

- Review of current Board maximum rates
- Consultation with statewide student associations
- Consider recommendation to Board in November to raise fee maximums in policy -Any changes to Board maximum rates would not automatically increase rates changed to students
- Fee rate changes at colleges and universities reviewed at time of FY2020 operating budget approval in June 2019

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Questions?



Chapter 5 – Administration

Board Policy 5.11 Tuition and Fees

Part 1. Policy objectives

The tuition and fees policy of Minnesota State seeks to balance five values:

1. **Affordable access to higher education:** Minnesota State will champion a quality affordable higher education that all Minnesotans can access.
2. **Sustainability:** Minnesota State seeks to provide the resources needed for colleges and universities to support quality higher education and long term financial viability.
3. **Equity:** Minnesota State students taking similar academic programs are charged similar rates across Minnesota State colleges and universities.
4. **Transparency:** Minnesota State students will know what they are paying for and how their total tuition and fee charges are calculated.
5. **Flexibility for innovation and emerging markets:** Minnesota State seeks to support the flexibility to be innovative, respond to the marketplace, and address emerging program and course development requirements.

Part 2. Authority

Minnesota Statutes § 136F.06, Powers and Duties, and Minnesota Statutes § 136F.70, Tuition; Fees; Activities Funds provide that the board shall set tuition and fees and adopt suitable policies for the colleges and universities it governs. All colleges and universities shall charge tuition and fees consistent with Minnesota Statutes, board policies, and system procedures. The board shall approve the tuition and fee structure for all colleges and universities.

The chancellor may establish limits on tuition and fee rate increases that are presented to the board as part of the annual operating budget. The chancellor or designee is authorized to make any necessary technical adjustments to the tuition rates and fees. Technical adjustments are defined as changes in tuition and fee rates which are deemed a correction or the addition of a program rate for a new program established in the interim.

Part 3. Tuition

Tuition shall be charged by all colleges and universities. The tuition categories are:

1. Per credit
2. Banded
3. Differential course and program
4. Market driven

Each tuition category may include resident, reciprocity, and nonresident rates. All tuition must be identified separately on a tuition and fee statement.



Colleges and universities have the option to create guaranteed tuition rates for undergraduate programs.

Part 4. Authorization and notice

Subpart A. Authorization of required and campus discretionary fees.

The board authorizes the following four categories of fees to be charged to Minnesota State students. The amount of the fees and how they are charged are determined by a college or university, subject to Minnesota statutes and board policy.

1. Required fees are in statute or established by board policy and are required to be charged by all colleges and universities.
2. Campus discretionary fees are established by board policy and adopted at campus discretion.
3. Personal property charges, service charges, and assessments are established by board policy and adopted at campus discretion.
4. Revenue Fund fees are established in accordance with statutes, board policy, and bond indenture.

Subpart B. Notice required.

All fees must be identified separately on a tuition and fee statement. On an annual basis, colleges and universities shall publish all fees that are charged to their students.

Part 5. Fees

Subpart A. Required fees

There are five required fees:

1. Senior citizen fee in lieu of tuition
2. Parking fee, permits, or charges
3. Late fee
4. Payment plan fee
5. Statewide student association fee

All colleges and universities shall charge these fees consistent with Minnesota Statutes, board policies, and system procedures.

Subpart B. Campus discretionary fees

The board authorizes the campus discretionary fee categories and approves the fee maximums. The system office shall review, report, and make recommendations to the board regarding fee maximum levels every two years.

The authorized campus discretionary fees are:

1. Application fee
2. Credit for prior learning assessment fee
3. Student life/activity fee
4. Athletics fee
5. Health services fee

6. Special events fee
7. Residential learning community fee
8. Technology fee
9. New student orientation fee

Colleges and universities may establish policies to charge campus discretionary fees. These fees are not to exceed the maximum amount approved by the board and published as an attachment to board policy. If an institution has multiple campuses or sites, they may choose to assess the fees on a campus by campus or site by site basis.

Subpart C. Personal property charges, service charges, and assessments.

Colleges and universities may charge students the cost of property retained by the student and services received by the student. The allowable charge must be based on actual costs. Colleges and universities may also assess charges to discourage certain behaviors.

Subpart D. Revenue fund facility fees.

Adequate fees must be charged for the use of revenue fund facilities to meet the requirements of Minnesota Statutes §136F.93 and 136F.95 and the Master Indenture of Trust. The fees must be sufficient to cover debt, operating cost and all repair and replacement costs, and reserves.

There are two types of revenue fund fees:

1. Revenue fund fees. Colleges and universities shall charge revenue fund fees for facilities that were constructed, renovated or acquired using revenue bonds or facilities that the board designated as part of the revenue fund. Revenue fund fees include but are not limited to:
 - a. Room and board fees
 - b. Student union facilities fees
 - c. Wellness center and recreation facility fees
 - d. Parking ramp and surface lot facility fees
 - e. Other revenue fund fees for eligible projects as may be approved by the board
2. Revenue fund fees charged for use of facilities. Colleges and universities shall charge fees for the use of revenue fund facilities, which must be reported to the board as part of the annual operating budget. On an annual basis, colleges and universities shall publish all fee schedules or explanation of fees that are charged to their students for revenue fund facilities. Revenue fund fees include but are not limited to event or facility usage fees, service charges, and equipment charges. The president of the college or university shall have final approval on all fees and subsequent rates for the use of revenue fund facilities.

Part 6. Student Consultation

All tuition and fees are subject to student consultation requirements as defined by board policy.

Date of Adoption: 06/21/00
Date of Implementation: 08/15/07
Date of Last Review: 06/20/18

Date and Subject of Amendments:

06/20/18 – **Effective July 1, 2018.** Added new Part 1 Policy Objectives. Additional amendments codify the chancellor’s authority to establish limits on tuition and fee increases, clarifies and provides further guidance on tuition types, establishes the ability for colleges and universities to create guaranteed tuition rates for undergraduate programs, clarifies definitions of ‘mandatory’ and ‘optional’ fees, clarifies assessments to discourage certain behaviors are permitted by policy, establishes a requirement for system office review and recommendations regarding board maximum rates for campus discretionary fees, establishes a new campus discretionary fee to support new student orientation, and requires an affirmative vote of the campus student association in order to implement this fee, clarifies that colleges and universities with multiple campuses or sites may assess fees on a campus by campus or site by site basis and modifies Revenue Fund fee language.

Additional HISTORY.



Chapter 5 – Administration

Procedure 5.11.1 Tuition and Fees

Part 1. Authority

Board Policy 1A.1 delegates authority to the chancellor to develop procedures on behalf of the board for purposes of implementing board policy.

All tuition and fee rate structures are authorized by the board. Tuition and fees collected shall be deposited and reported through the business office at each college or university.

Discretion is given to presidents to establish certain tuition and fee rates in accordance with board policy and system procedure. Before any new fee category is added or any increase is made in the fee maximums, the system office shall consult with the statewide student associations.

Part 2. Tuition

All colleges and universities shall charge tuition consistent with Minnesota statutes and policies. The tuition categories are per credit, banded, differential course and program, and market driven. Any tuition category may include international, resident, reciprocity, and nonresident rates. All tuition shall include the cost of consumable supplies used in the classroom or laboratory. Advance deposits are considered prepayment of tuition and are refundable in accordance with board policy 5.12.

Subpart A. Per credit tuition

Colleges and universities may charge tuition on a per credit basis for undergraduate and graduate programs. Per credit tuition rates are approved for individual colleges and universities by the board as part of the annual operating budget process.

Subpart B. Banded tuition

Banded tuition is defined as charging a single-rate tuition for credits registered within an identified range of credits. Individuals falling above or below the identified range pay per credit tuition rates. Banded tuition rates are approved for colleges and universities by the Board as part of the operating budget process.

Subpart C. Differential course and program tuition

Colleges and universities may charge tuition by course or program when special circumstances exist. These circumstances may include but are not limited to an extraordinary cost of offering the course or academic program (e.g., need for specialized equipment and supplies; accreditation standards; delivery methods, e.g., off site locations, online, clinical experience) or a desire to incent enrollment in a specific course or program.

Setting tuition by program assigns a per credit price for all the core courses in an academic program, regardless of whether or not the student is degree-seeking within that program. Setting tuition by course assigns a per credit price for an individual course, based on the unique circumstances of that course. Differential course and program tuition rates are reviewed by system office personnel for compliance with procedure and approved by the board as part of the operating budget process. Colleges and universities must maintain documentation regarding differential rates including costs included in the differential charge.

Subpart D. Market driven tuition

Colleges and universities may set and charge market driven tuition for customized training, continuing education, graduate programs, fully online undergraduate programs, non-resident/non-reciprocity, international, non-credit instruction, and contract post-secondary enrollment options.

Part 3. Required Fees

Required fees are in statute or policy and are required to be charged at all colleges and universities. All required fees must be at or below board specified maximums.

Subpart A. Senior citizen fee in lieu of tuition

Each college and university shall charge an administrative fee in lieu of tuition to senior citizens pursuant to *Minnesota Statute § 135A.51* and *Minnesota Statute § 135A.52*. A senior citizen enrolled under this section must pay any materials, personal property, or service charges for the course.

Subpart B. Parking fees, permits, or charges

1. Colleges and universities shall develop a policy to charge parking fees to generate revenue for parking lot construction, improvements and maintenance, and parking enforcement, pursuant to *Minnesota Statute § 136F.67*.
2. The president shall determine the fees, permits or charges, and how they are assessed.
3. Students shall pay an amount that is equal to or less than that paid by the colleges' and universities' employees for the same type of parking (e.g. reserved, general, etc.).
4. Colleges and universities have the option to collect fines and towing fees for parking violations pursuant to *Minnesota Statute § 136F.53*.

Subpart C. Statewide student association fees

All colleges and universities shall collect a statewide student association fee as authorized by *Minnesota Statutes § 136F.22* and in accordance with board policy.

Subpart D. Fees associated with tuition and fee payments

1. Colleges and universities shall establish a policy to charge a fee for late payment of tuition and/or fees. A late fee may also be charged for late payment under an approved payment plan. Consistent with *Minnesota Statute § 197.775*, students

- who are eligible and have applied for but not yet received veterans benefits are exempt from being charged a late fee.
2. The policy may provide for specific situations wherein the president of the college or university may waive this fee. Documentation concerning waivers must be retained and made available upon request.
 3. Colleges and universities shall establish a policy to charge a fee for payment plans. This fee shall allow students to pay their tuition and fees over the course of the semester.

Part 4. Campus Discretionary Fees

Colleges and universities may choose among the fees detailed below in determining those that are appropriate to the college or university and may establish the appropriate level of the fees consistent with board policy and system procedure. All campus discretionary fees must be at or below board specified maximums. The president of the college or university shall have final approval on all campus discretionary fees and subsequent rates, subject to limits established at the discretion of the chancellor.

After consultation with the recognized campus student association, the president may exempt certain campuses, sites or specific groups of students (e.g., fully online students) from all or a percentage of any campus discretionary fees when deemed to be in the best interests of the college or university. Colleges and universities shall maintain and appropriately disseminate policies that define the terms under which students are not charged specific fees covered by this policy. Upon request, the specific group exemption and number of exempt students shall be published and disseminated to students, and the number of exempt students shall be reported to the appropriate campus student associations.

Subpart A. Student application fee

1. Colleges and universities may establish a policy to charge a fee for student applications, consistent with board policy 3.4 and system procedure 3.4.1. The local college or university policy shall list situations in which students are not charged this fee.
2. Undergraduate or graduate application fees may be assessed at each college or university to all credit-seeking applicants. Students denied enrollment to the college or university due to program size limitations or closure shall receive a refund of this fee.

Subpart B. Credit for prior learning assessment fee

1. Colleges and universities shall establish policies for credit for prior learning pursuant to board policy and system procedure. The policies may include fees for credit for prior learning as indicated below.
2. The fees charged shall reasonably reflect the cost of services provided in assessing the learning and awarding of credit, and are reviewed by system office personnel for consistency and compliance with procedure.

3. A fee shall not be charged for previously evaluated credit for prior learning students seeking transfer of credits from other regionally or nationally accredited higher education institutions.
4. A fee shall not be charged for transcribing credits for an award of credit for prior learning.
5. A fee shall not be charged for students seeking faculty consent for enrollment in a course or waiver of prerequisites that does not involve an award of credit for prior learning.
6. A fee shall not be charged for analysis and awarding of credit for military courses and military training pursuant to Minnesota Statutes §197.775.

Subpart C. Student life/activity fee

1. Colleges and universities may establish a policy to charge a fee for student life activities as defined by *Minnesota Statute § 136F.01, subd. 5* and Board Policy 2.8, Student Life.
2. College or university programming and budgeting processes for the use of these funds shall be governed by board policy 2.8, Student Life.
3. Colleges and universities must not increase student life activity fees by greater than two percent relative to the previous academic year unless the increase is approved by a majority of students voting in a campus referendum, pursuant to Minnesota Statutes §135A.0434.

Subpart D. Athletics fee

1. Colleges and universities, by an affirmative vote of the campus student association, may establish a policy to charge a fee for athletics. This fee will support student athletics and replace annual requests for funding from the student life/activity fee.
2. College or university programming and budgeting processes for the use of these funds shall be similar to those processes used for student life activities.
3. For this fee, students will receive admission to regular athletic contests, pursuant to an agreement with the campus student association and based on ticket availability.
4. Colleges and universities must not increase student athletic fees by greater than two percent relative to the previous academic year unless the increase is approved by a majority of students voting in a campus referendum, pursuant to Minnesota Statutes § 135A.0434.

Subpart E. Health services fee

1. Colleges and universities may establish a policy to charge students a fee for health services as defined by *Minnesota Statute § 136F.20* including mental health services.
2. College or university programming and budgeting processes for the use of these funds shall be similar to those processes used for student life activities.
3. The decision to charge the fee as per credit (including the number of credits the fee is assessed on) or per term shall be made after consultation with the campus student association.

Subpart F. Fees for voluntary special events

1. Colleges and universities may establish a policy to charge students for special campus events in which participation is voluntary. Colleges and universities may only charge students who participate in the special campus event.
2. These voluntary events may include, but are not limited to, activities such as seminars, workshops, lectures, orientations, Welcome week activities, enrichment events, concerts, convocations, ceremonies such as graduation, and athletic events.

Subpart G. Residential learning community fee

1. Colleges and universities may establish a policy to charge a residential learning community fee.
2. The fee shall be charged only to students participating in this program.
3. Student program participants shall be included in the process for allocating this fee.

Subpart H. Technology fee.

1. Colleges and universities may establish a policy to charge a fee to students for the acquisition, upgrading and/or maintenance of technology for academic and student support activities that provide or enhance student access to technology. Academic and student support activities include but are not limited to technology infrastructure, computer labs, wireless networks, ongoing technology support, and software licensing.
2. A technology fee advisory committee shall exist for each college or university. A majority of the committee members shall be students. The campus student association(s) shall appoint the student members of the technology fee advisory committee. Prior to making recommendations to the college or university president, the technology fee advisory committee will present the recommendations to the campus student association(s) for advice and recommendation.

The campus student association(s) and the institution president or designee shall jointly determine a schedule for the technology fee advisory committee to ensure that the plan and budget for the technology fee will be completed for action prior to the end of the spring semester. The college or university shall provide the necessary background materials in advance to the technology fee advisory committee in accordance with System Procedure 2.3.1, part 2, subpart B.

3. The college or university president shall review any modifications to the recommendation with the campus student association(s) and the technology fee advisory committee prior to the implementation for that year.

Subpart I. New student orientation fee

1. Colleges and universities, by affirmative vote of the campus student association, may establish a policy to charge a new student orientation fee. This fee will be assessed to all new students enrolling for the first time at the college or university.

Students admitted as special status students as defined by procedure 3.4.1 shall not be charged the new student orientation fee.

2. The new student orientation fee will support new student orientation activities and other strategies designed to assist new students in making a successful academic and social transition to the college or university. Examples of strategies include, but are not limited to, orientation and welcome week activities. The new student orientation fee should not fund course registration activities.
3. Initiatives funded by the new student orientation fee must be open and accessible for all new students to participate.
4. The budgeting process used for the allocation of these funds shall be similar to the processes used for student life activities.

Part 5. Personal Property Charges, Service Charges, and Assessments

Personal property charges, service charges, and assessments are authorized by the board and adopted at campus discretion. Students may not be charged for consumable supplies related to instruction.

Individual personal property charges, service charges, and assessments shall be approved by the president. The approximate range or rate shall be available to students at the time of registration. A list of these charges shall be available to students upon request at each campus. Documentation of charge calculations must be maintained for audit purposes.

Subpart A. Personal property charges

Personal property charges shall be for items that become the personal property of a student and have an educational or personal value beyond the classroom. These items may include, but are not limited to, tools, books, and materials retained by the student. It also includes official transcripts, identification cards, and replacement or additional diplomas.

Subpart B. Service charges

Service charges shall be for services for or on the behalf of the student and may include:

1. Equipment, including purchases, special leases, or rentals as required by an institution or program. Situations requiring students to purchase or lease college- or university-wide technology shall be reviewed by the technology fee advisory committee and the campus student association(s) shall be consulted.
2. Special testing, including but not limited to, testing for counseling (e.g. career interest inventories, type indicators, etc.); occupational certification, licensure, or assessment; retesting of entry level assessment; and optional testing requested by the student. Students shall not be charged for initial entry assessment or required outcome assessment.
3. Other instructional services, such as:
 - a. additional instructional costs not included in tuition but paid by the student to a vendor or auxiliary service (e.g. theater tickets, bowling lane rentals, green fees, ski lift tickets, etc.) may be a service charge if identified at the time of registration.

- b. costs of private lessons or services associated with a credit-bearing course (e.g. flight training, voice or instrument, art, etc.) may be charged in addition to tuition.
 - c. electronic course materials, including online subscriptions but not including open educational resources (OER) materials.
4. Other non-instructional services provided to students such as legal services, health services, background checks, drug and alcohol screening, and insurance.
 5. Actual course-related travel costs required for transportation, room, board and other expense.

Subpart C. Assessments

Colleges and universities may assess charges to discourage certain behaviors, such as a library overdue charge, a non-sufficient funds bank charge, restitution charge to pay for damage incurred, or violations of campus health and safety policies.

Part 6. Revenue Fund Fees

Revenue fund fees must be charged to generate sufficient revenue to pay the debt service, equip, operate, maintain and repair revenue fund facilities. Fees shall be sufficient to provide adequate operating reserves. Revenue fund fees are charged for room and board, student union facilities, wellness center and outdoor recreation, parking, and for any other revenue generating facility that is designated as part of the revenue fund by the Board. Optional fees may be charged and include other usage, service and equipment fees.

Subpart A. Room and board fees

The room fee is the amount an enrolled student pays for occupying a residence hall room while attending a college or university. The board fee is the amount an enrolled student pays for their selected meal plan offerings.

Subpart B. Student union facilities fees

The amount an enrolled student pays to support the debt operations and maintenance of a student union facility while attending a college or university.

Subpart C. Wellness center and recreation facility fees

The amount an enrolled student pays to support the debt, operations and maintenance of a student wellness center or recreation facility or area while attending a college or university.

Subpart D. Parking ramp and surface lot fees

The amounts that students, faculty, staff and visitors pay for parking in or on parking facilities in the revenue fund.

Subpart E. Other facilities fees

The board may from time to time approve fees for revenue fund facilities that are not otherwise contemplated above. Those facilities fees shall be charged to an enrolled student to support such a revenue generating facility, which shall be designated by the board as part of the revenue fund.

Subpart F. Revenue fund fees charged for use of facilities

Colleges and universities shall charge revenue fund fees for the use of revenue fund facilities. Revenue fund fees charged for use of facilities are items such as event or facility usage fees, service charges, and equipment charges. The president of the college or university shall have final approval on all such useage fees and subsequent rates. The president may exempt specific groups from all or a percentage of room or facility usage or rental fees provided the revenue fund program remains financially viable and such exemption is deemed to be in the best interests of the college or university and consistent with the waiver process established by the campus. The three major categories of optional revenue fund usage fees are listed below:

1. Room or facility usage or rental fees, such as for use of rooms in the student union, athletic facilities, fields, residence hall common rooms. Fees may also be charged for facility usage outside a typical academic year, such as for summer or conference activities, storage, and early or between semester occupancy of residence halls. It is usual and customary that recognized campus student organizations (as defined under Student Life Procedure 2.8.1) are exempt from ordinary room or facility usage or rental fees.
2. Service charges, such as for lost or damaged items or modification of contractual terms. A sampling of such fees may include, but are not limited to, a fee for early release from a residence hall contract, residence hall cancellation fee, late charges, installment payment charges, lost key charge, loaner key charge, room changes charge, damages to residence hall room or common areas.
3. Equipment and personal property fees for use in Revenue fund facilities, such as fees for rental of athletic equipment, installation of equipment (i.e. air conditioning in residence halls), technology, or other items or services otherwise available for use by students who use the facility.

Date of Adoption: 06/21/00
Date of Implementation: 08/06/08
Date of Last Review: 08/02/18

Date and Subject of Revision:

08/02/18 - Procedure 5.11.1 went through a periodic review, substantive changes were made throughout the procedure. Part 4, Subpart I, New student orientation fee was added. Part 5, Subpart C, Assessments was added. The language and formatting were updated with the new writing and formatting styles.

Additional HISTORY.



**Minnesota State Colleges and Universities
System Procedures
Chapter 5 – Administration
Procedures associated with Board Policy 5.12**

5.12.2 Tuition Waivers, Deferrals, and Retroactive Drops

Part 1. Purpose

To clarify the context and conditions where presidents may grant waivers or short-term deferrals of amounts due to the colleges or universities under Policy 5.12.

Part 2. Waivers

Subpart A. Authorized waiver types

The president may waive amounts due to the college or university for the following reasons:

1. Employee benefit provided by a collective bargaining agreement
2. Death of a student
3. Medical reasons
4. College or university error
5. Employment related condition
6. Significant personal circumstances
7. Student leader allowance
8. Course conditions (a course condition exists when the location or timing of the course results in the student not being able to use the services intended by a fee)
9. Natural disasters or other situations beyond the control of the campus
10. Military duty
11. Ward of the state

Each college or university shall define the terms under which any authorized waiver will be granted. The college and university shall document the reason for all waivers.

Subpart B. Person under guardianship

The president may waive tuition for persons under the age of 21 who are under the guardianship of the commissioner of human services or for an American Indian child under suspension of parental rights or termination of parental rights under the guardianship of a tribe or tribal social service agency. These persons must be qualified for admission to a Minnesota state college or university.

The president may continue to waive tuition up to and beyond age 21 for students meeting eligibility requirements. If the student has attained the age of 21 and has made satisfactory progress in his or her academic program but has not completed the program, the individual

may petition the college or university through their designated campus official for continuation of the waiver until that program is completed. The designated campus official will make a recommendation to the president. The decision to continue to waive tuition will be at the discretion of the president.

Part 3. Deferrals

The president or designee may grant short-term tuition and fee payment deferrals in cases where, due to exceptional circumstances, a student needs additional time to arrange third party financing or otherwise satisfy a tuition and fee balance. The reason and time duration of the deferral must be documented and signed by the president or designee.

Part 4. Retroactive Drops

The president or designee may grant a retroactive drop of registration based on individual student circumstances. When such an exception is granted, the college or university shall document the reasons for granting the retroactive drop.

Date of Adoption: 05/07/99
Date of Implementation: 09/18/97
Date of Last Review: 08/08/16

Date and Subject of Amendments:

08/08/16 - The title was amended. Content has been expanded to include all tuition waivers, deferrals, and retroactive drops, not just for persons under guardianship. Waiver and deferral detail moved from Policy 5.12. Language was added to allow the president or designee to approve a retroactive drop based on individual student circumstances.

03/06/15 - Part 2 amended to include Native American students in the waiver.

06/21/00 - Contains language formerly in system procedure 5.0.3;



**Minnesota State Colleges and Universities
System Procedures
Chapter 7 – General Finance Provisions
Procedures associated with Board Policy 7.5**

7.3.5 Revenue Fund Management

Part 1. Purpose

To describe the governance of the Revenue Fund and to ensure the financial integrity of Revenue Fund programs at participating college and universities.

Part 2. Authority

The Revenue Fund is an independent enterprise fund under the control of the Board of Trustees. The board may acquire property, operate buildings, charge for their use, enter into contracts, borrow money, and issue bonds in support of residence halls, dining halls, student unions, parking facilities, wellness centers, and any other similar revenue-producing facilities the board finds necessary for the benefit of the state colleges and universities. The board has entered into an Indenture of Trust applicable to the management of revenue bonds.

Part 3. Definitions

Bond authority

The maximum aggregate principal amount of revenue bonds that the board is permitted to have outstanding at any time in accordance with state law.

Bond debt capacity

The financial measurement of the maximum amount of debt the Revenue Fund can incur based on its current financial situation. This measure is distinct from “bond authority.”

Cost of issuance

The costs incurred when selling revenue fund bonds, and may include costs for bond counsel, financial advising in preparation for a bond sale, underwriting in preparation for marketing the bonds, trustee fees, printing of official statements to satisfy securities requirements, rating agencies’ fees to rate the bonds, and miscellaneous fees that may be applicable to a particular sale.

Debt service reserve

The amount collected at the time of the bond sale closing equal to approximately one year of a series debt service payment and is held by the board’s appointed trustee. The debt service reserve is intended to be used for the last scheduled debt service payment.

Facility

The physically identifiable portion of any land or building, such as a residence hall, food service, student union, wellness center, and other revenue-producing buildings, which was built, improved, or acquired and financed in whole or in part by the issuance of revenue fund bonds, and all other buildings, improvements, structures, and lands, the revenues of which are pledged and appropriated to the Revenue Fund by resolution of the board.

Fees and charges

The amounts the board is obligated to charge in support of the financing, use, and operation of any buildings or structures sufficient at all times to pay the necessary expenses of their operation and maintenance, the principal and interest on the bonds, and suitable reserves. Fees and charges may include any fees and charges that may be levied for a particular action or service required, such as room change fees, early occupancy, damage fees, and other fees or charges to recover costs.

Financial advisor

An independent financial services firm used to consult on Revenue Fund projects, calculate bond debt capacity, and coordinate the orderly issuance of revenue bonds for the fund.

Indenture of trust

The current legal document, as amended from time to time, between the board and the investment community that describes the issuance, use, organization, management, delivery, and redemption of revenue fund bonds and proceeds.

Other bond costs

Any other costs payable at the time of the revenue bond sale, such as the collection of one year of debt service to be placed in reserve and an underwriter discount fee.

Program

An eligible use or activity housed in a Revenue Fund facility. For example, an eligible use or activity may include student living quarters, food service, space for student activities and locations for student groups to meet, exercise programs, or other use or activities offered in support of students and student life.

Project

A revenue-generating facility, facility renovation, or land that is or will be financed by the issuance of Revenue Fund bonds or through the use of other Revenue Fund assets.

Property

Real property acquired or underlying a Revenue Fund-financed facility.

Rating agency

Includes Moody's Investors Service, Standard & Poor's Financial Services LLC, Fitch Ratings Inc., or such other nationally recognized credit rating agency, which has been selected to issue a rating on bonds, and their successor organizations.

Revenue Fund or the Fund

The statutorily-established, restricted enterprise fund for use in issuing bonds, managing bond financing and governing operations of certain revenue-generating facilities at our colleges and universities.

Series resolution

A resolution adopted by the board authorizing a specific Revenue Fund bond sale and governing the obligations of the bond sale in coordination with the indenture of trust.

Part 4. Responsibilities

The chancellor delegates the specific responsibility for the operations of the programs and facilities in the Revenue Fund to the college and university president. The chancellor is responsible for oversight of the financial and legal operations of the Fund, such as management of bond proceeds, debt payment, reporting to the Board of Trustees, the legislature, state government, federal government, rating agencies, and the overall financial community. The presidents shall have the responsibility to manage the local operations of Revenue Fund supported programs. Revenue Fund operations must adhere to appropriate Internal Revenue Service (IRS) rules and tax requirements.

Subpart A. Bonding

The Revenue Fund offers revenue bond financing for qualifying capital projects in support of a state college or university. Revenue Fund bond proceeds must be used for the specific board-approved project described in a Revenue Fund bond sale. Separate board approval is required for any use of revenue bond proceeds outside the scope of original project approval.

Subpart B. Property and monies in the Revenue Fund

Facilities are part of the Revenue Fund if either (i) the building, improvement, or land is financed in whole or in part by the issuance of Revenue Fund bonds, or (ii) the board declares by resolution that a building, improvement, or land and its revenues are part of the Revenue Fund. All revenues generated in or by the facilities are part of the Fund and pledged to the repayment of Revenue Fund principal, interest, operations, and maintenance. Property remains in the Fund unless moved out by action of the board or pursuant to the bond indenture. Facilities may be jointly funded with other sources, but a clear definition of both property and revenue parameters must be agreed to and documented by all parties and approved by the chancellor or designee.

Subpart C. Comprehensive facilities planning

Colleges and universities shall identify and incorporate Revenue Fund eligible projects as part of their regular comprehensive facilities planning efforts and documents. Colleges and universities are expected to develop other planning documents, such as housing or residential life facilities plans, parking studies, and related evaluations, to supplement and be in concurrence with their overall campus facilities comprehensive plans.

Subpart D. Design and construction

A campus that seeks Revenue Fund bond financing for a project shall first submit a predesign and financial pro forma to the Associate Vice Chancellor for Facilities to determine project feasibility. Design and construction of Revenue Fund projects are subject to the same or similar processes as are applicable to all other capital projects for the colleges and universities.

Part 5. Student Consultation

All Revenue Fund projects are subject to the student consultation process and requirements as defined by Board Policy 2.3 Student Involvement in Decision Making.

Part 6. Financial Plans and Fees

Subpart A. Annual financial plan and fee approvals

As part of the annual operating budget approval process, colleges and universities with Revenue Fund facilities shall submit to the Associate Vice Chancellor for Facilities an annual statement of revenues, expenses, and other operating charges, including indirect costs levied against the Revenue Fund. A fee schedule must be provided to the board for approval prior to each fiscal year, which describes in sufficient detail the rates and fees students pay for a revenue fund facility. Fees must be collected to meet ongoing financial obligations, including, but not limited to, payment of debt service, ongoing operations, funding for repair and replacement, design work for a future project, and no less than three (3) months of operating reserves.

Subpart B. Facility usage fees and indirect costs

Adequate fees must be charged for the use of Revenue Fund facilities. A college or university may recover indirect costs from revenue fund facilities consistent with System Procedure 7.3.4. Similarly, a college or university shall reimburse the Revenue Fund program for indirect costs incurred by the Revenue Fund facilities or programs. All indirect costs must be reasonable, based on documented principles and procedures, and based on reliable financial and other information.

Date of Approval: 05/19/11
Date of Implementation: 06/01/11
Date of Last Review: 10/31/16

Date and Subject of Amendments:

10/31/16 - Wording and formatting changes throughout for clarity and consistency with other policy and procedures.

1/25/12 - The Chancellor amends all current system procedures effective February 15, 2012, to change the term "Office of the Chancellor" to "system office" or similar term reflecting the grammatical context of the sentence.



Chapter 3 – Educational Policies

Board Policy 3.7 Statewide Student Associations

Part 1. Statewide Student Association Recognition

The Minnesota State University Student Association (doing business as Students United), for state university students, and the Minnesota State College Student Association (doing business as LeadMN), for state community and technical college students, are each recognized as the one statewide student association for their respective student associations and students.

Part 2. Campus Student Association Affiliation

Each campus student association shall be affiliated with its statewide student association and all students enrolled in credit courses will be members of their respective statewide association.

Part 3. Fees

Each statewide student association shall set its fees and shall submit any changes in its fees to the board for review. The board may revise or reject the fee change during the two board meetings immediately following the fee change submission. Fees must be collected for each enrolled credit by each college and university and must be credited to each association's account to be spent as determined by that association. For purposes of this policy, enrolled credits include all credits in which a student has enrolled and not dropped before the college or university drop deadlines. Fees must be forwarded by the college or university to the statewide student association whether or not the college or university has received payment for fees.

Part 4. Recognition Process

Subpart A. Statewide student association recognition

Recognition of the associations listed in Part 1 must continue until such recognition is repealed by the board and succeeded by an appropriately constituted association representing the same group of students.

Subpart B. Repeal of recognition

1. Repeal of recognition by the board must occur if the following actions occur:
 - a. Two-thirds vote by the existing statewide student association indicating no confidence, expressed by a petition to the board in accordance with the procedures set forth in the association's governing documents; and
 - b. Two-thirds of existing campus student associations, in accordance with their governing rules, submit petitions to the board indicating no confidence.

2. Dissolution of a statewide student association must be subject to each association's internal procedures as indicated in their respective governing documents. Recognition of a statewide student association is repealed automatically upon dissolution of the student association. A notice of intent to dissolve must be sent to the board.

Subpart C. Recognition of new statewide student association

Following repeal of recognition of a statewide student association, recognition of a new statewide student association must be granted after the presentation of a petition to the board which expresses support of the new association and is approved by two-thirds of the campus student associations.

Part 5. Implementation

The chancellor shall develop an agreement between Minnesota State Colleges and Universities and each statewide student association to implement this policy, including provisions addressing payment of fees collected.

Date of Adoption: 10/18/94

Date of Implementation: 10/18/94

Date of Last Review: 05/16/18

Date and Subject of Amendments:

05/16/18 - Amended Part 1 to reflect new student association names. Applied the new formatting and writing styles which resulted in multiple technical edits.

Additional HISTORY.

IPEDS Average Required Fees by State
All Public Masters Universities
Fiscal Year 2017

Rank	State	# of Institutions	Average In-state Fees
	US Average	270	\$1,979
1	Massachusetts	7	\$8,657
2	Connecticut	4	\$5,101
3	South Carolina	6	\$4,515
4	Virginia	7	\$4,490
5	Illinois	7	\$2,690
6	New Jersey	8	\$2,666
7	Pennsylvania	16	\$2,662
8	New Hampshire	2	\$2,575
9	North Carolina	8	\$2,555
10	Louisiana	8	\$2,536
11	Maryland	7	\$2,305
12	Texas	15	\$2,026
13	Arkansas	6	\$2,018
14	Colorado	6	\$1,997
15	New Mexico	4	\$1,788
16	Nebraska	4	\$1,772
17	Florida	4	\$1,706
18	Oregon	3	\$1,684
19	Georgia	9	\$1,641
20	Tennessee	3	\$1,574
21	California	18	\$1,522
22	Wisconsin	9	\$1,501
23	Alaska	2	\$1,467
24	Montana	1	\$1,436
25	North Dakota	1	\$1,409
26	South Dakota	3	\$1,378
27	Alabama	8	\$1,359
28	Maine	1	\$1,302
29	Missouri	6	\$1,287
30	Oklahoma	8	\$1,249
31	Iowa	1	\$1,243
32	Minnesota State Universities	7	\$1,196
33	Washington	6	\$1,141
34	Rhode Island	1	\$1,139
35	Vermont	1	\$1,098
36	New York	23	\$1,060
37	Kansas	4	\$1,022
38	West Virginia	3	\$1,005
39	District of Columbia	1	\$860
40	Delaware	1	\$830

**IPEDS Average Required Fees by State
All Public Masters Universities
Fiscal Year 2017**

Rank	State	# of Institutions	Average In-state Fees
41	Utah	3	\$796
42	Arizona	2	\$688
43	Indiana	8	\$670
44	Ohio	1	\$604
46	Hawaii	1	\$448
47	Mississippi	4	\$415
48	Michigan	6	\$389
49	Kentucky	5	\$384

IPEDS Average Required Fees by State
All Public Two-Year Colleges
Fiscal Year 2017

Rank	State	# of Institutions	Average In-state Fees
	US Average	970	\$632
1	Massachusetts	16	\$3,914
2	South Dakota	5	\$2,599
3	Pennsylvania	17	\$1,491
4	Kansas	25	\$1,353
5	Oklahoma	24	\$1,040
6	New Jersey	19	\$1,034
7	Texas	61	\$1,018
8	Maine	7	\$920
9	Alabama	26	\$917
10	Louisiana	15	\$903
11	Montana	10	\$892
12	Maryland	16	\$886
13	Wyoming	7	\$867
14	North Dakota	5	\$862
15	West Virginia	11	\$773
16	Arkansas	22	\$749
17	Oregon	17	\$661
18	Georgia	24	\$651
19	New York	38	\$639
20	Michigan	25	\$615
21	Minnesota State Colleges	30	\$601
22	New Hampshire	7	\$597
23	Virginia	24	\$542
24	Missouri	17	\$529
25	Connecticut	14	\$498
26	Idaho	4	\$485
27	New Mexico	19	\$474
28	Utah	4	\$462
29	Illinois	48	\$454
30	Nebraska	9	\$440
31	Iowa	16	\$429
32	Colorado	13	\$428
33	Rhode Island	1	\$416
34	Ohio	33	\$358
35	Washington	8	\$349
36	South Carolina	20	\$338
37	Florida	32	\$338
38	Wisconsin	17	\$322
39	Tennessee	39	\$300
40	Mississippi	15	\$244

**IPEDS Average Required Fees by State
All Public Two-Year Colleges
Fiscal Year 2017**

Rank	State	# of Institutions	Average In-state Fees
41	Nevada	1	\$225
42	Kentucky	16	\$207
43	North Carolina	60	\$167
44	Vermont	1	\$150
45	California	105	\$137
46	Indiana	1	\$120
47	Hawaii	6	\$60
48	Arizona	20	\$43

Minnesota State
FY2019 Fee Rates for Campus Discretionary Fees Charged to All Students

Institution	Technology	Athletics	Health Services	Student Activity/Life
	Per Credit	Per Term	Per Term	Per Term
STATE COLLEGES				
Alexandria Technical & Community College	10.00	-	20.25	67.50
Anoka-Ramsey Community College	8.91	48.00		93.00
Anoka Technical College	10.00	-	-	53.25
Central Lakes College	10.00	55.00	-	81.75
Century College	10.00	16.50	9.15	61.50
Dakota County Technical College	10.00	-	15.00	109.50
Fond du Lac Tribal & Community College	10.00	-	-	105.00
Hennepin Technical College	10.00	-	15.00	50.70
Inver Hills Community College	10.00	-	14.25	67.05
Lake Superior College	10.00	42.45	-	112.50
Minneapolis Community & Technical College	10.00	-	51.00	80.25
Minnesota State College - Southeast Technical	10.00		43.50	74.10
Winona	10.00	-	53.25	103.20
Red Wing	10.00	-	33.75	45.00
Minnesota State Community & Technical College	10.00			68.25
Fergus Falls	10.00	-	-	112.50
Detroit Lakes	10.00	-	-	45.00
Moorhead	10.00	-	-	55.50
Wadena	10.00	-	-	60.00
Minnesota West Community & Technical College	10.00	-	-	82.50
Normandale Community College	9.76	-	-	66.00
North Hennepin Community College	9.23	-	15.00	88.50
Hibbing Community College	10.00	-	-	105.00
Itasca Community College	10.00	-	-	112.50
Mesabi Range College	10.00	-	-	112.50
Rainy River Community College	10.00	-	-	112.50
Vermilion Community College	10.00	-	-	112.50
Northland Community & Technical College	10.00			99.00
Northwest Technical College (Bemidji)	8.25	-	-	20.25
Pine Technical and Community College	10.00	-	-	51.00
Ridgewater College	8.30	-	12.75	112.50
Riverland Community College	9.95	-	-	112.50
Rochester Community and Technical College	10.00	-	15.00	112.50
St. Cloud Technical & Community College	9.45	-	5.25	107.55
Saint Paul College	10.00	-	-	60.00
South Central College	10.00	-	37.50	97.50

Minnesota State
FY2019 Fee Rates for Campus Discretionary Fees Charged to All Students

Institution	Technology	Athletics	Health Services	Student Activity/Life
	Per Credit	Per Term	Per Term	Per Term
STATE UNIVERSITIES				
Bemidji State University	10.00	55.00	61.92	100.02
Metropolitan State University	9.00	-	15.00	60.00
Minnesota State University, Mankato	10.00	46.32	65.00	100.32
Minnesota State University Moorhead	6.00	54.96	64.92	102.24
St. Cloud State University	10.00	54.90	65.00	112.50
Southwest Minnesota State University	10.00	48.00	47.04	105.60
Winona State University*	7.40	54.48	73.92	83.40

*WSU: The per credit parking fee is excluded from the annual fee calculation as it is assessed to only Rochester Center.

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

Name: Finance Committee

Date: October 16, 2018

Title: Bachelor's Degree Partnership Program-Twin Cities Baccalaureate Pilot Tuition and Fees Program

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

The Twin Cities Baccalaureate (TCB) initiative seeks to expand access to baccalaureate programs in the Twin Cities metropolitan area by increasing capacity and improving services to area students. The TCB Finance Workgroup was charged by the TCB Steering Committee with developing a tuition and fee financial model to support college and university partnerships that expand baccalaureate access.

Scheduled Presenter(s):

Ron Anderson – Senior Vice Chancellor of Academic and Student Affairs
Laura King, Vice Chancellor/Chief financial Officer

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

ACTION ITEM
BACHELOR'S DEGREE PARTNERSHIP PROGRAM - TWIN CITIES BACCALAUREATE PILOT TUITION AND FEES PROGRAM

BACKGROUND

The Twin Cities Baccalaureate (TCB) initiative seeks to expand access to baccalaureate programs in the Twin Cities metropolitan area by increasing capacity and improving services to area students. The TCB Finance Workgroup was charged by the TCB Steering Committee with developing a tuition and fee financial model to support college and university partnerships that expand baccalaureate access. Rosters for the TCB Finance Workgroup and Steering Committee are attached.

TCB Financing Model: Consensus was reached to recommend the following financial model concerning tuition and fees associated with the upper division coursework offered by state universities to students at Twin Cities metropolitan area college campuses.

For all non-Metropolitan State University students:

1. University enrolled students taking upper division courses on metropolitan area college campuses will be charged university tuition and host college fees.
2. Host colleges will retain all fee revenue and 5% of tuition revenue to cover costs to support university students on college campuses.
3. MSU, Mankato will have to option to assess a “transitional fee” charge over a limited time period. This fee is in addition to tuition and the regular college fees and is intended to allow for adjustment of university fee budgets.

For all Metropolitan State University students:

1. Metropolitan State University students taking upper division courses on college campuses will be charged university tuition and a new “metro baccalaureate” per credit fee.
2. The new metro baccalaureate fee will be a single per credit fee equal to the sum of Metropolitan State University fees charged to other Metropolitan State University students. The new fee will be charged in lieu of those other fees.
3. Metropolitan State University will use the metro baccalaureate fee revenue to reimburse host colleges for fees charged on the college campus at the rates charged to host college students.
4. Metropolitan State University will share 5% of tuition revenue to cover non-fee supported costs incurred by host colleges.

Rationale:

1. Tuition revenue supports instruction and academic services provided by university faculty and staff. Therefore, universities should retain most tuition revenue with a small percentage shared with colleges for costs not supported with fees (e.g. utilities, maintenance, college libraries).
2. University students attend courses on college campuses and have access to activities and/or facilities supported by college student fees. As a result, university students should contribute to college fee supported activities/facilities.
3. Because it's located in the Twin Cities metro area, Metropolitan State University students often take courses at multiple locations during the same term. Metropolitan State University students should have access to fee supported activities and facilities at its main campus as well as host colleges. Under the model, Metropolitan State University students would pay the same fee amount regardless of where they attend classes. Fees should support activities/facilities at both host colleges and the university's main campus.

Piloting TCB Financing Model: Before widely deploying the TCB Financing Model, four institutions agreed to pilot the model and offer recommendations for improvement as needed. It is expected that some ISRS system changes will also be required and will need to be programmed.

Pilot institutional partnerships:

1. MSU, Mankato course offerings at Normandale Community College
2. Metropolitan State University course offerings at Normandale Community College
3. Metropolitan State University course offerings at Hennepin Technical College

Pilot timeline:

Board approval	Oct 2018
Model implementation at pilot partnerships	Jan – Dec 2019
Report and reevaluate outcomes	Jan – Mar 2020
Implement to all metropolitan area colleges	July 2020

RECOMMENDED COMMITTEE MOTION

The Finance Committee recommends the Board of Trustees adopt the following motion:

The Board of Trustees approves the implementation of the TCB pilot project beginning in the spring term 2019. Initial participants in the pilot project are MSU, Mankato; Metropolitan State University; Normandale Community College; and Hennepin Technical College. As part of the pilot project, Metropolitan State University is authorized to charge a new per credit Metro

Baccalaureate fee to its students participating in the pilot project. This fee is in lieu of other standard fees charged to Metropolitan State students. MSU, Mankato is authorized to charge Normandale Community College fee rates and a transition fee to students participating in the pilot project.

RECOMMENDED BOARD MOTION

The Board of Trustees approves the implementation of the TCB pilot project beginning in the spring term 2019. Initial participants in the pilot project are MSU, Mankato; Metropolitan State University; Normandale Community College; and Hennepin Technical College. As part of the pilot project, Metropolitan State University is authorized to charge a new per credit Metro Baccalaureate fee to its students participating in the pilot project. This fee is in lieu of other standard fees charged to Metropolitan State students. MSU, Mankato is authorized to charge Normandale Community College fee rates and a transition fee to students participating in the pilot project.

Date Presented to the Board of Trustees: 10/17/18
Date of Implementation: 10/17/18

TCB Steering Committee

Ginny Arthur	President, Metropolitan State University
Rassoul Dastmozd	President, Saint Paul College
Barbara McDonald	President, North Hennepin Community College
Ashish Vaidya	Interim President, St. Cloud State University
Tim Wynes	President, Inver Hills Community College/Dakota County Technical College
Ron Anderson	Senior Vice Chancellor for Academic and Student Affairs
Laura King	Chief Financial Officer and Vice Chancellor for Finance

TCB Finance Workgroup

Deb Bednarz (Co-Lead)	System Director Financial Planning & Analysis	System Office
Brian Yolitz (Co-Lead)	Associate Vice Chancellor Facilities	System Office
Bruice Biser	Chief Financial Officer and Vice President for Administrative Affairs	Metropolitan State University
Elena Favela	Dean of Student Development	North Hennepin Community College
Jeanine Gangeness	Associate Vice President for Academic Affairs – Rochester, Dean for the School of Graduate Studies	Winona State University
Terry Hatch	Chief Financial Officer and Vice President for Administrative Affairs	Metropolitan State University
Deidra (Deedee) Peaslee	Dean of Educational Services	Anoka Ramsey Community College
Christopher Rau	Chief Financial Officer and Vice President of Finance and Operations	Minneapolis Community and Technical College
Rick Straka	Chief Financial Officer and Vice President for Finance and Administration	MSU Mankato
Ashely Weatherspoon	Director of Student Partnerships and Collaborations	Metropolitan State University
Lisa Wheeler	Chief Financial Officer and Vice President of Finance and Operations	Normandale Community College



October 16, 2018

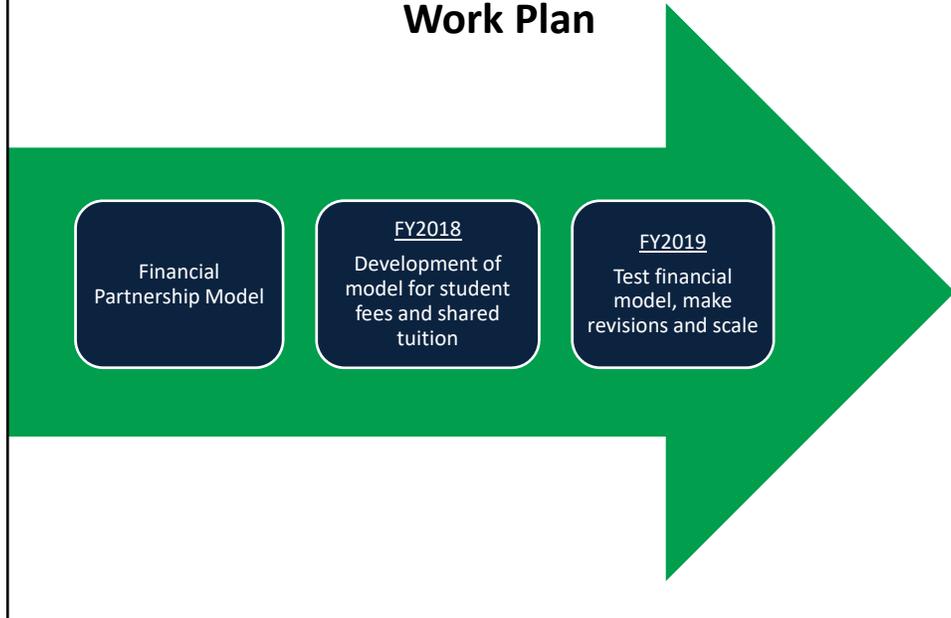
Board of Trustees

**Bachelor's Degree Partnership Program -Twin
Cities Baccalaureate Pilot Tuition and Fees
Project**

**Twin Cities Baccalaureate
Governance and Implementation Team Structure**



Finance/Facilities Implementation Team Work Plan



Finance/Facilities Implementation Team Goals

- Support academic partnerships that expand access to Minnesota State baccalaureate programs and degrees by offering university programs on college campuses
- Develop uniform financial model to be used throughout the metro area and eventually throughout the system based on design principles

Advantages of a uniform model

- Support consistent, fair, and equitable treatment of university students taking courses on college campuses
- Encourage partnerships that leverage Minnesota State system's strengths, assets, and infrastructure
- Foster collaboration and discourage competition among our colleges and universities to support baccalaureate options in the metro area
-



Proposed TCB Financial Model for All Universities Except Metropolitan State

1. TCB students taking courses on college campuses will be charged university tuition and host college fees.
2. Host colleges will retain all fee revenue and 5% of tuition revenue to cover costs to support university students on college campuses.
3. MSU, Mankato will be allowed to assess a "transitional fee" charge over a limited time period. This fee is in addition to tuition and the regular college fees and is intended to allow for adjustment of university fee budgets.



Proposed TCB Financial Model for Metropolitan State University

1. Metropolitan State students taking courses on college campuses will be charged university tuition and a new “metro baccalaureate” per credit fee.
2. The new metro baccalaureate fee will be a single per credit fee equal to the sum of Metropolitan State fees charged to other Metro State students. The new fee will be charged in lieu of those other fees.
3. Metropolitan State will use the metro baccalaureate fee revenue to reimburse host colleges for fees charged on the college campus at the rates charged to their students.
4. Metropolitan State will share 5% of tuition revenue to cover non-fee supported costs incurred by host colleges.



Proposed TCB Financial Model Rationale

1. University students attend courses on college campuses and have access to activities and/or facilities supported by college student fees.
 - *University students should contribute to college fee supported activities/facilities.*
2. Most tuition revenue supports instruction and academic services provided by university faculty and staff.
 - *Universities should retain most tuition revenue with a small percentage shared with colleges for costs not supported with fees (e.g. utilities, maintenance, college libraries).*



Proposed TCB Financial Model Rationale (Cont'd)

3. Because it's located in the Twin Cities metro area, Metropolitan State students often take courses at multiple locations during the same term.
 - *Metropolitan State students should have access to fee supported activities and facilities at its main campus and host colleges.*
 - *Metropolitan State students should pay the same fee amount regardless of where they attend classes.*
 - *Fees should support activities/facilities at both host colleges and the university's main campus.*



TCB Pilot Project Timeline

	Oct 2018	Jan 2019	Jan 2020	July 2020
Obtain Board of Trustee approval for pilot project	X			
Implement pilot project with three partnerships: • MSU, Mankato/Normandale • Metropolitan State/Normandale • Metropolitan State/Hennepin Tech		X		
Evaluate and recommend changes to the pilot project to the Board of Trustees			X	
Implement at all metro colleges; possibly statewide				X



Proposed Board Motion

The Board of Trustees approves the implementation of the TCB pilot project beginning in the spring term 2019. Initial participants in the pilot project are MSU, Mankato; Metropolitan State University; Normandale Community College; and Hennepin Technical College. As part of the pilot project, Metropolitan State University is authorized to charge a new per credit Metro Baccalaureate fee to its students participating in the pilot project. This fee is in lieu of other standard fees charged to Metropolitan State students. MSU, Mankato is authorized the charge Normandale Community College fee rates and a transition fee to students participating in the pilot project.





MINNESOTA STATE

Joint Diversity, Equity and Inclusion and Finance Committee

October 16, 2018

11:00 A.M.

Winona State University
East Hall, Kryzsko Commons
175 West Mark St.
Winona, MN

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

Joint Diversity, Equity and Inclusion and Finance Committees, Rudy Rodriguez and Roger Moe, Co-chairs

1. Procurement Program Update and Redesign (pp. 1-13)

Committee Members – Finance:

Jerry Janezich, Chair
George Soule, Vice Chair
Roger Moe
Louise Sundin
Samson Williams

President Liaisons:

Faith Hensrud
Barbara McDonald

Committee Members – Diversity, Equity and Inclusion

Rudy Rodriguez, Chair
Louise Sundin, Vice Chair
AbdulRahmane Abdul-Aziz
Ashlyn Anderson
Jay Cowles
April Nishimura
George Soule

President Liaisons:

Anne Blackhurst
Sharon Pierce

Bolded items indicate action is required.



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

Name: Joint Diversity, Equity and Inclusion
and Finance Committees

Date: October 16, 2018

Title: Procurement Program Update & Redesign

Purpose (check one):

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

Brief Description:

The State of Minnesota – Department of Administration commissioned a Joint Disparity Study in 2016. Minnesota State was one of the nine public entities that participated. The study was designed to provide a legal foundation for a public entity offering race and gender based procurement preferences. The presentation will summarize the study design, findings and leadership’s commitment to take steps to address the findings that emerged.

Scheduled Presenter(s):

Clyde Pickett – Chief Diversity Officer
Laura King – Vice Chancellor/chief Financial Officer
Michael Noble- Olson – Chief Procurement Officer



Procurement Program Update and Redesign

October 2018

Purpose

Provide an overview of the findings in the 2017 Joint Disparity Study and resulting proposed strategies and action plans.

Presentation

- Summary of findings from 2017 Joint Disparity Study
- Leadership commitment
- Strategies and action steps

3

2017 state Joint Disparity Study

- Minnesota State one of nine public entities that participated.
- Study designed to provide legal foundation for a public entity offering race and gender based preferences
- The study “examined whether there was a level playing field for minority-and women- owned firms in the Minnesota marketplace and in public entity procurement.” (2017 Minnesota Joint Disparity Study – Keen Independent Research)

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Study scope

Qualitative and quantitative information

- W/MBE availability and utilization
- Market conditions

Minnesota State procurements:

- 10,126 procurements, \$984 million over 2011-2016 study period
- Construction, professional services, goods, and other services
- Contracts and some subcontracts
- Not all spending: excluded utilities, leases, insurance, etc.
- 5,064 business entities available for public sector work

Source: 2017 Minnesota Joint Disparity Stud

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General qualitative findings

Unequal opportunities to:

- Enter and advance as employees within certain industries;
- Start and operate businesses within study industries, and;
- Obtain financing and bonding

Fewer W/MBE in certain industries than there would be with level playing field in the market place

Source: 2017 Minnesota Joint Disparity Study

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General qualitative findings

Business outcomes differ for W/MBE compared to majority-owned companies -

- More likely a small businesses
- WBEs earn less
- Unequal business community relationships and unequal access to relationships

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All participants- procurement findings

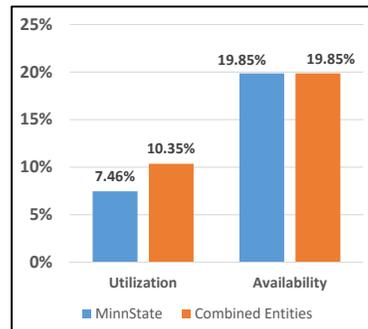
Combined availability: 19.85%

Combined utilization: 10.35%

- 125,474 procurements

Disparity Index: 52

- Considered “substantial” disparity
- Disparity occurred even though eight of the nine entities operated race- and gender-based programs during study period



Source: 2017 Minnesota Joint Disparity Study

8



Minnesota State procurement findings

W/MBE availability: 19.85%

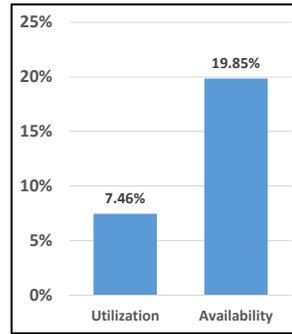
- MBE: 6.77%
- WBE: 13.08%

W/MBE utilization: 7.46%

- MBE: 1.39%
- WBE: 6.07%

Disparity Index: 38

- $7.46\% / 19.85\% = 38$
- Considered “substantial” disparity



Source: 2017 Minnesota Joint Disparity Study

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Disparity findings summary

Minnesota State	Construction	Professional Services	Goods	Other Services
African American-owned	Substantial	Substantial	Substantial	Substantial
Asian American - owned	No Disparity	Substantial	Substantial	Substantial
Hispanic American - owned	Substantial	Substantial	Substantial	Substantial
Native American - owned	Substantial	Substantial	Substantial	No Disparity
White Women -owned	Substantial	Substantial	Substantial	Substantial

Source: 2017 Minnesota Joint Disparity Study

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Minnesota State purchasing

(based on 2011-2016 data)

	Utilization	Availability
African American- owned	0.50%	2.92%
Asian American - owned	1.11%	1.46%
Hispanic American - owned	0.11%	1.21%
Native American -owned	0.11%	1.19%
White Women -owned	6.07%	13.08%
All measured purchasing	7.46%	19.85%

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Findings inform commitment

- Substantial disparity in all but 2 instances
- Disparity gaps vary, but persistent
- Gaps both in metro and non-metro/greater MN
- Findings support management's administration of preferences for purchasing and construction contract awards

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Minnesota State findings

- Study found that 89 percent of Minnesota State spending was with firms in Minnesota or two WI counties (Pierce and St Croix)
- There are areas where Minnesota State can improve its procurement and sourcing practices, which will result in more equity to W/MBEs.
- Minnesota State has a legal basis for a preference program and the report gives us guidance as to program design

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Study recommendations for all study participants

- Address barriers and open up opportunities for W/MBE and other small businesses;
- Consider whether it is appropriate to retain certain existing programs or more fully implement them;
- Pursue opportunities for new and better tools to address barriers;
- Track and report results on W/MBE participation;
- Carefully consider study results and other information to determine future program eligibility by group

Source: 2017 Minnesota Joint Disparity Study

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Leadership Commitment

- Support campus Equity by Design program
- Redesign Procurement program
- Procurement goal setting
- Launch outreach, communication, training plan

15

Policy commitment and goals

- Leadership Council commitment to actions to substantially improve participation by 2026
- Goal setting across all procurement activities
- Annual improvement goals expected to range from 15-35% by area.
- Policy and procedure revisions required
- Will require substantial change in practices across the system.

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Proposed Strategies

Act upon Study Recommendations

Minnesota State:

- Commit to substantial action
- Reform procurement policy and practice
- Share and expand opportunities through outreach
- Reduce internal barriers to doing business with us

Partner with state agencies and affinity groups:

- Build W/MBE capacity
- Expand opportunities
- Reduce barriers identified in the study

Represents a cultural change that will take intentionality, time and commitment

17



Action Steps

- Purchasing policy and procedure rewrite
- Vendor engagement program
- Procurement program changes
- Procurement program intentional goal setting
- Training, reporting and accountability improvements

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Policy and procedure redesign

- Preference program targeting vendors where ownership 51% women, minority, veteran or physically disabled
- Expand use of vendor registries to include the CERT and MnUCP lists in addition to state's list.
- Establish "Equity Select" program for preference at low dollar purchases
- Examine feasibility of goal setting at construction subcontract level

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Vendor engagement program

- Seek vendor community advice on program redesign proposal
- Use of multiple certification lists
- Utility of Equity Select program
- Establish internal and external communication channels
- Streamline electronic tools for vendor and campus communities

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Timeline for deliverables

- Vendor relationship development – Ongoing
- Communication plan – Ongoing
- Policy and Procedure changes drafted for review – January 1, 2019
- Redesign contract and RFP templates – January 1, 2019
- Establish enhanced online tools – January 1, 2019
- Best practices procurement development program launched – January 1, 2019

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Summary

2017 Joint Disparity Study found opportunities to improve utilization of W/MBE in all system procurement areas -construction, professional services, goods, and other services

System leadership committed to closing disparity gap

Requires reform of system procurement policies and practices and enhancement of partnership and outreach

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These recommendations represent a **cultural change** and will take **intentionality, time and commitment** to be successful.



MINNESOTA STATE

Ad Hoc Committee on Outreach and Advocacy

October 16, 2018

12 p.m.

East Hall, Kryzsko Commons

Winona State University

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

1. Update on the Chancellor Malhotra's Partnership Tours

Committee Members:

Dawn Erlandson, Chair

Louise Sundin, Vice Chair

AbdulRahmane Abdul-Aziz

George Soule

Rudy Rodriguez

President Liaisons:

Rassoul Dastmozd

Scott Olson

Bolded items indicate action is required.



**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Ad Hoc Committee on Outreach and Advocacy

Date: October 16, 2018

Title: Chancellor's Partnership Tour Update

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

This session will provide the Ad Hoc Committee on Outreach and Advocacy an update about the Partnership Tour currently underway, and next steps.

Scheduled Presenter(s):

Noelle Hawton, Chief Marketing and Communications Officer

Pat Johns, President, Lake Superior College

Bill Maki, President, Northeast Higher Education District



MINNESOTA STATE



Committee of the Whole
October 16, 2018
1:30 PM
Winona State University
East Hall, Kryzsko Commons

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

Committee of the Whole, Michael Vekich, Chair

1. NextGen Enterprise Update (pp. 1-22)
2. Project Risk Review #2 Results (pp. 23-34)

Bolded items indicate action is required.



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

Name: Committee of the Whole

Date: October 16, 2018

Title: NextGen Enterprise Update

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

The NextGen presentation will provide the board with a project status and assurance update. The assurance update ensures potential risks have been mitigated by incorporating HR-TSM lessons learned and ERP Best Practices within project plans.

Scheduled Presenter(s):

Ramon Padilla, Vice Chancellor – Chief Information Officer
Eric Wion, Interim Executive Director of Internal Auditing
Mike Cullen, Baker Tilly

**MINNESOTA STATE
BOARD OF TRUSTEES**

INFORMATION ITEM
NextGen Enterprise Update

BACKGROUND The NextGen presentation will provide the board with a project status and assurance update. The assurance update ensures potential risks have been mitigated by incorporating HR-TSM lessons learned and ERP Best Practices within project plans.

Date Presented to the Board of Trustees: October 16, 2018



October 16, 2018

NextGen Enterprise Update

Board of Trustees Meeting

Topics

- Project Objective & Overview
- Topics Presented to Date
- Status Update / Upcoming Milestones
- NextGen vs. Legacy Rewrite
- HR-TSM Lessons Learned
- Critical Success Factors

NextGen Overview

Project Objective: Provide an enhanced student experience and “future proof” our technology investment.

- Deliver tools to improve registration, degree planning, credit transfer, online advising, data analytics, recruitment and administrative processes to support student success
- Phase 1 – Design phase (2017 – 2019)
Business process reviews, RFP development, data integration, project management, communications and ISRS platform refresh
- Phase 2 – Implementation phase (2020 – 2025)
Implementation of all new functionality, new reporting and data analytics

Topics Presented To Date

BOT SESSION	TOPICS PRESENTED	DECISIONS MADE
June 2014	<ul style="list-style-type: none"> • Topic introduced 	
October 2015	<ul style="list-style-type: none"> • Student Experience (overview) • Update on listening sessions and business case development 	
March 2016	Presentation of NextGen Business Case	Board supports... <ul style="list-style-type: none"> • moving forward with planning • submitting FY2018 biennial legislative request
October 2016	Presented estimates timeline and budget	NextGen updates to be presented to Board biannually - in January and June
June 2017	<ul style="list-style-type: none"> • Received \$8M from FY2018 legislative request - enough for team to kickoff Phase 1 (business process reviews, RFP, legacy technology preparation) • RISK! Failure to provide sufficient funding to enter into long term contracts for Phase 2 (implementation) will add significant and critical delays to the project. 	Board supports... <ul style="list-style-type: none"> • moving forward with Phase 1 • submitting FY2018 supplemental funding request and FY2019 biennial legislative request
January 2018	<ul style="list-style-type: none"> • Introduction of ERP Steering Committee • Introduction of Phase 1 and vendor (CampusWorks) 	Board supports... <ul style="list-style-type: none"> • Project overall design • Phase I timeline

Topics Presented To Date

BOT SESSION	TOPICS PRESENTED	DECISIONS MADE
March 2018	<ul style="list-style-type: none"> • Project organization structure • Revised program dashboard template • Communication Plan for BOT and Leadership Council Updates 	Board supports... <ul style="list-style-type: none"> • Revised project team structure • Reporting format • Update cadence for BOT and LC
June 2018	<ul style="list-style-type: none"> • Communications Plan • Change Management Strategy 	Board supports... <ul style="list-style-type: none"> • Communication vehicles and cycles • Change Management Strategy and looks forward to seeing the Change Management Plan during the September Board Meeting.
September 2018	<ul style="list-style-type: none"> • Revised project timeline • Change Management Plan 	Board supports... <ul style="list-style-type: none"> • Tactical adjustments made for the good of the project • Change Management role of the Board of Trustees

NextGen vs. Legacy Rewrite

NextGen Project	Typical Legacy Rewrite Project
<p>Purchase of commercially available software.</p> <p>No customizations allowed – change business processes to match software.</p>	<p>Contractor/internal staff hired to rewrite in house/legacy code.</p> <p>Code is written to accommodate business practices. Emphasis on process standardization varies by project.</p>
<p>Business readiness and organizational change management is part of the software as a service acquisition process.</p>	<p>Process tends to focus on transferring legacy functionality to new software platform; may not start with effort to rethink how business is done.</p>
<p>Project governance, stakeholder engagement, board and audit oversight are integral to the project. There are many checkpoints for course correction.</p>	<p>Often seen as an IT project since the focus is on rewriting existing system.</p>
<p>Software is maintained and hosted by vendor.</p>	<p>Resulting software is “one of a kind” tailored to own environment.</p>
<p>Project design includes substantial user engagement in product selection and change management.</p>	<p>Project design may or may not include user engagement as code is written.</p>





PREPARED BY : Melinda Clark

REPORT DATE : 9/24/2018

OVERALL HEALTH STATUS

	OVERALL	SCOPE	SCHEDULE	BUDGET	RESOURCES
CURRENT STATUS	ON TRACK	ON TRACK	ON TRACK	ON TRACK	AT RISK
LAST STATUS	ON TRACK	ON TRACK	ON TRACK	ON TRACK	AT RISK

Phase 1 Budget (FY18-FY19)

Legislative Funds	\$ 8,000,000.00
Campus/System Office Contributions	\$ 8,000,000.00
Total Funding Sources	\$ 16,000,000.00
Spent to Date	\$ 1,653,673.79
Current Obligations	\$ 3,546,663.66
REMAINING BUDGET	\$ 10,799,662.55

HEALTH STATUS NOTES:

Resource status remains **AT RISK** until Communications Lead can be backfilled. This does not impact the deliverable dates of key milestones, but may impact the timeliness of project communications.

PHASE 1 TIMELINE

9/24/2018

Q	FY18												FY19												FY20							
	Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4										
	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	JAN 2019	FEB 2019	MAR 2019	APR 2019	MAY 2019	JUN 2019	JUL 2019	AUG 2019	SEP 2019	OCT 2019	NOV 2019	DEC 2019	JAN 2020	FEB 2020
	Business Process Reviews (HR, Finance & Student)																		RFP Process, Evaluation, Vendor Selection for ERP Solution						Post RFP, Evaluation, Vendor Selection, Contract Negotiations							
	Future State & Gap Analysis																		RFP Planning & Requirements						Legacy Technology Preparation							
	Planning																		Current State						Legacy Technology Preparation							



PREPARED BY : Melinda Clark

REPORT DATE : 9/24/2018

MILESTONE STATUS

MILESTONES	START DATE	END DATE	LEADERSHIP		STATUS
			COUNCIL REVIEW	BOARD OF TRUSTEES REVIEW	
Business Case w/ High-level Timeline for ERP Replacement	7/2015	3/2016	3/2016	3/2016	COMPLETE
Funding Strategy	1/2016	6/2017	6/2017	6/2017	COMPLETE
Project Charter	9/2017	9/2017		1/2018	COMPLETE
Risk Management Plan	1/2018	1/2018	--	--	COMPLETE
Communications Plan	1/29/18	4/03/18	5/2018	6/2018	COMPLETE
Change Management Plan	1/24/18	7/27/18	9/10/18	--	COMPLETE
PHASE 1					
Planning	1/23/18	4/04/18	--	3/2018	COMPLETE
Current State Process Reviews	2/12/18	6/29/18	--	--	COMPLETE
Future State Business Process Mapping	7/16/18	1/18/19	1/2019	1/2019	ON TRACK
Conduct ERP Request for Proposal (Draft, Post, Evaluation)	7/16/18	11/2019	--	--	Not Started
Finalize Phase 2 Funding Strategy	5/2019	5/2019	5/2019	5/2019	Not Started
Vendor Selection (Selection, Negotiations)	12/2019	3/2020	12/2019	12/2019	Not Started
Legacy Technology Updates	7/2016	3/2020	--	--	ON TRACK
PHASE 2					
Finance Planning & Implementation	4/2020*	9/2022*	TBD	TBD	Not Started
HR Planning & Implementation	4/2021*	12/2022*	TBD	TBD	Not Started
Student Planning & Implementation	4/2022*	8/2024*	TBD	TBD	Not Started



PREPARED BY : Melinda Clark

REPORT DATE : 9/24/2018

Summary of Activities

ACCOMPLISHMENTS (since last update)

- ✓ BPR: Conducted Vendor Showcases
- ✓ BPR: Student, HR and Finance Teams finalized current state business processes
- ✓ BPR: Student, HR and Finance Teams began mapping future state
- ✓ BPR: Conducted Data Management Team and IT Team Kickoff
- ✓ BPR: Data Management and IT Teams began mapping current & future state
- ✓ CM: Finalize Change Management Plan
- ✓ RFP: Began RFP Planning

UPCOMING ACTIVITIES

August – September 2018

- BPR: Student, HR and Finance Teams map future state
- BPR: Data Management and IT Teams map current & future state
- BPR: Conduct IT Tech Talk with Minnesota State Community (to identify current state 3rd party integrations)
- CM: Conduct Readiness Assessment
- CM: Identify Change Management Resources
- RFP: Finalize RFP Timeline
- RFP: Identify RFP Team

October 2018

- BPR: Conduct Future State Regional Reviews
- CM: Conduct Readiness Assessment
- CM: Identify Change Management Resources
- RFP: Identify RFP Team

November 2018

- BPR: Finalize Future State Processes (all teams)
- RFP: RFP Team Kickoff

BPR – Business Process Review

CM – Change Management

RFP – Request for Proposal

HR-TSM Lessons Learned

Learning from Our Past:

Lessons learned (strengths and opportunities) from May 2018 “HR-TSM Report: Summary Results” provided by the Office of Internal Auditing.

HR-TSM Lessons Learned

HR-TSM Strengths*

There was strong project management during the planning and execution of Phase 1. The project leaders were devoted to the project and believed in the benefits of implementing a shared service model.

The project manager devised and effectively communicated a project plan to the HR community.

NextGen Actions (to ensure similar results)

Establish and budget for a dedicated Program Manager for the duration of the project. **Status: Complete**

Establish an ERP Steering Committee to provide oversight, and a change champion. **Status: Complete**

Minnesota State Program Manager and CampusWorks Program Manager established a Phase 1 project plan by facilitating planning meetings with subject matter experts from Finance, HR, Academic and Student Affairs and IT. Plans were shared with the Board of Trustees, Leadership Council, Phase 1 working teams (during an all team Kickoff Meeting) and posted to the NextGen website. **Status: Complete**

High-level Phase 2 plans will be detailed and finalized following a similar approach, once the implementation vendors are identified. **Status: Future Activity (Implementation)**

The HR division developed common practices. The process mapping performed during Phase 1 unveiled erroneous and inconsistent practices between the institutions that will be eliminated as all transactions are transitioned to a standard process driven by the service centers.

NextGen Phase 1 deliverables will include proposed future state business processes and areas for improvement. **Status: In progress**

* Represent HR-TSM strengths and opportunities identified within the summary observations of the May 4, 2018 “HR-TSM Report: Summary Results” provided by the Office of Internal Auditing.

HR-TSM Lessons Learned

HR-TSM Strengths*	NextGen Actions (to ensure similar results)
<p>The process mapping completed during Phase 1 will put the HR division at an advantage for Minnesota State’s ERP implementation.</p>	<p>Leverage the work completed by HR-TSM when mapping current and future state business processes. Status: In Progress</p>
<p>The HR-TSM project had support from IT during the project planning and throughout Phase 1. The IT team was able to develop technology that meets the needs of the institutions. IT worked with project management and institutions to make critical updates to the technology during the development process to address their needs and concerns.</p>	<p>Each NextGen team will include subject matter experts (SMEs) from the business area and IT - system office, college and university SMEs. Status: Complete</p>

* Represent HR-TSM strengths and opportunities identified within the summary observations of the May 4, 2018 “HR-TSM Report: Summary Results” provided by the Office of Internal Auditing.

HR-TSM Lessons Learned

HR-TSM Opportunities*

Project Governance: The HR-TSM leadership team would benefit from additional cross-functional diversity and advocacy to support providing individuals outside of the HR community with accurate information on the project’s goals, objectives, and return on investment.

NextGen Actions (to mitigate similar results)

Implement the following teams to ensure cross-functional diversity and advocacy.
Status: Complete

- ERP Steering Committee
- 21 Working Teams for Phase 1 (with cross-functional representation where needed)
- Coordinating Committee composed of all working team leads
- Local Transition Management Teams

Establish the NextGen website with the ability to register for updates, provide regular updates to the Board of Trustees, Leadership Council, bargaining units and student associations. **Status: Completed and in use**

Monitor success towards keeping the Minnesota State community informed by conducting periodic readiness assessments.
Status: Ongoing

Project Governance: To ensure project success, it will be necessary to **re-assess the sufficiency of resources and funding** devoted to the project.

Phase 2 budget assumptions will be reassessed with the selection of the ERP solution and with future change requests. **Status: Ongoing**

Phase 2 resource assumptions will be reassessed with Phase 2 planning – when the ERP vendor/integration partner and Minnesota State planning team is engaged, and with future change requests. **Status: Ongoing**

* Represent HR-TSM strengths and opportunities identified within the summary observations of the May 4, 2018 “HR-TSM Report: Summary Results” provided by the Office of Internal Auditing.

HR-TSM Lessons Learned

HR-TSM Opportunities*	NextGen Actions (to mitigate similar results)
<p>Project Governance: The structure and organization of the service centers could be adjusted to enhance their performance. While some standardization of processes has occurred, the service centers are still processing transactions in multiple ways.</p> <p>Communication: Communication of expectations could have been clearer during the initial phase of implementation regarding institution-level advocacy, mandatory deadlines for workload transition and technology adoption, and the anticipated project benefits.</p>	<p>Establish a Change Management Lead role responsible for assessing institutional readiness and acceptance; establishing and managing change management plans. Status: Complete</p> <p>Establish a Communications Lead role responsible for managing the project’s communications plan and developing project communications. Status: Complete</p> <p>NextGen Change Managements Lead will partner with the NextGen Program Manager, Communications Lead and Local Transition Management teams to identify project training and communication needs/messaging. Status: Ongoing</p> <p>Establish Local Transition Management Teams to coordinate local NextGen activity, monitor / provide feedback to the project and assist with issue mitigation/resolution. Status: In progress</p>

*Represent HR-TSM strengths and opportunities identified within the summary observations of the May 4, 2018 “HR-TSM Report: Summary Results” provided by the Office of Internal Auditing.

HR-TSM Lessons Learned

HR-TSM Opportunities*	NextGen Actions (to mitigate similar results)
<p>Tools/Templates/Technology: The approach used to implement system-wide technology enhancements, the willingness of the institutions to adopt the technology and required changes in processes, and the staff experience level and training received at the service centers could impede the future success of the shared service initiative.</p>	<p>Establish change management plans to assist with identifying and monitoring activities to increase awareness and adoption. Activities identified to-date include:</p> <ul style="list-style-type: none"> • Establish transition management teams. Status: In progress • Establish a process to assess and monitor readiness and engagement across Minnesota State and its colleges and universities. Status: In progress • Establish a change management structure for the duration of the project. Status: In progress • Establish change management training / tool kits. Status: Future Activity
<p>Roles and Responsibilities: Ownership of HR transaction-related roles and responsibilities after the transition, including decision authority and ownership, could be more clearly understood and defined.</p>	<p>Identify roles and responsibilities to support key milestones, such as: establishing governance, recommending future state, ERP selection, finalizing requirements / design, testing, implementation, on-going training and support.</p> <p>Phase 1 Status: Complete; Phase 2 Status: Future Activity (Implementation)</p>
<p>Reporting: Success indicators, which could enable the HR-TSM leadership team to gauge the implementation’s success and to make mid-course corrections, have not yet been identified, tracked, or reported to stakeholders during the initial phase of work.</p>	<p>Guiding principles and success factors were identified within the project charter. Additional success indicators / key performance indicators (KPIs) will be identified with Phase 2.</p> <p>Phase 1 Status: Complete; Phase 2 Status: Future Activity (Implementation)</p>

* Represent HR-TSM strengths and opportunities identified within the summary observations of the May 4, 2018 “HR-TSM Report: Summary Results” provided by the Office of Internal Auditing.



ERP Implementation | Critical Success Factors

Understanding What It Takes to Succeed:
Mapping ERP Critical Success Factors from 2003
Research Paper Entitled “The Role of Governance in
ERP System Implementation” to the NextGen Project.

ERP Implementation | Critical Success Factors

Critical Success Factors (CSF)*	NextGen Actions
<p>Top management support and project champion/executive sponsor. This is indicated by “the level of commitment by senior management to the project in terms of their own involvement and willingness to allocate valuable organizational resources” and to a willingness and ability to undertake the cultural, political and structural change which may be necessary for successful ERP system implementation.</p>	<p>We see this in our NextGen project through the thorough and willing participation of the Board of Trustees, college and university presidents and system office senior management. This involvement is built into our project governance structure and charter.</p>
<p>Balanced team and best people full time. This includes staff who are seconded from their normal duties for the period of the project and who have the correct skill mix to support the implementation.</p>	<p>This need/success factor has been built in to the project budget from the start. Phase 2 of the project plan includes the backfilling of key personnel from both campuses and the system office, so they may devote their time and attention full time to project implementation. From the beginning of the project – from today’s working teams to phase 2 implementation teams, we have worked hard to ensure that we have a strong mix of skills and strong subject matter expertise.</p>

*Critical Success Factors (CSF) for Successful ERP Implementation according to Fitz-Gerald and Carrol

ERP Implementation | Critical Success Factors

Critical Success Factors (CSF)* NextGen Actions

Empowered decision makers refers to the ability of project team members to make quick decisions which will be supported by the organization.

This is addressed in our project charter and governance process, where we have created a structure that provides freedom to act while still maintaining appropriate checks and balances.

Minimal customization or vanilla implementation refers to severely limiting the amount of customization to the vendor's 'off the shelf" ERP product.

This has been a mantra for NextGen since project inception and has been codified in our charter and guiding principles.

Sound project management principles.

NextGen has been managed using industry standard project management principles and the management of the project has been continuously validated by internal audit through its project risk review process.

*Critical Success Factors (CSF) for Successful ERP Implementation according to Fitz-Gerald and Carrol

ERP Implementation | Critical Success Factors

Critical Success Factors (CSF)*	NextGen Actions
<p>User involvement and change management. Establishing a sound change management strategy, seeking input from potential system users and regular, comprehensive communication to provide information, assist in the change management process and manage expectations are key activities of both the organization and the project team.</p>	<p>All the above regarding user involvement and change management can be found in our NextGen project strategy as executed in phase 1. Whether it is through the business process review activities, state wide feedback forums, our communications strategy and our change management activities, we have made user involvement and change management paramount to our project plan and its success.</p>
<p>Good fit of system to organizational environment. This refers to an organization's structural, cultural and political environment and its compatibility with the basic premises on which an ERP system is built.</p>	<p>This critical success factor will be of upmost importance in our selection of a product at the end of phase 1 and will be built into our comprehensive request for proposal and product selection process.</p>

*Critical Success Factors (CSF) for Successful ERP Implementation according to Fitz-Gerald and Carrol

Recap of Upcoming Activities

October 2018

- BPR: Conduct Future State Regional Reviews
- CM: Conduct Readiness Assessment
- CM: Identify Change Management Resources
- RFP: Identify RFP Team

Next Board Update:

- Written update in November and December
- In-person update at January Board Meeting

November 2018

- BPR: Finalize Future State Processes (all teams)
- RFP: RFP Team Kickoff

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

Name: Committee of the Whole

Date: October 16, 2018

Title: Project Risk Review #2 Results

Purpose (check one):

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

Brief Description:

The NextGen Project Risk Review #2 will include information on project risk management, stakeholder involvement, and organizational change management.

Scheduled Presenter(s):

Ramon Padilla, Vice Chancellor – Chief Information Officer
Eric Wion, Interim Executive Director of Internal Auditing
Mike Cullen, Baker Tilly

**MINNESOTA STATE
BOARD OF TRUSTEES**

INFORMATION ITEM
Project Risk Review #2 Results

BACKGROUND The NextGen Project Risk Review #2 will include information on project risk management, stakeholder involvement, and organizational change management.

Date Presented to the Board of Trustees: October 16, 2018



October 16, 2018
Office of Internal Auditing

Internal Audit Summary Report

NextGen Project Risk Review (PRR) – #2 Results

NextGen PRR – Background

- Approved as part of the fiscal year (FY) 2018 Audit Plan
- Provides ongoing and objective assessments of NextGen for two purposes:
 1. Providing assurance to the Board on project risk management
 2. Providing assurance and advisory guidance to the project Steering Committee on project risk leading practices

NextGen PRR – Categories of Risk Areas Reviewed

Project governance and management

Leadership, oversight, guidance, and decision-making over the project

Organizational change management

Planning, communications, training, support related to the successful transition and adoption

Stakeholder involvement

Participation of key business process and control owners in definition and validation of requirements

Project execution

Evidence of all implementation activities, including operational, technical, and compliance controls

NextGen PRR – Leading Practices for Board’s Role

Project governance and management

- Approve upcoming key milestones as recommended by the Steering Committee
- Monitor project risks (via regular project team updates and PRRs)

Organizational change management

- Promote and support the project goals
- Direct any individual wanting to provide feedback to the project team

Stakeholder involvement

- Promote and support the participation of key stakeholder constituencies in the project

Project execution

- No board role in project execution

NextGen PRR Checkpoint 2 – Conclusion



Current Checkpoint Conclusion

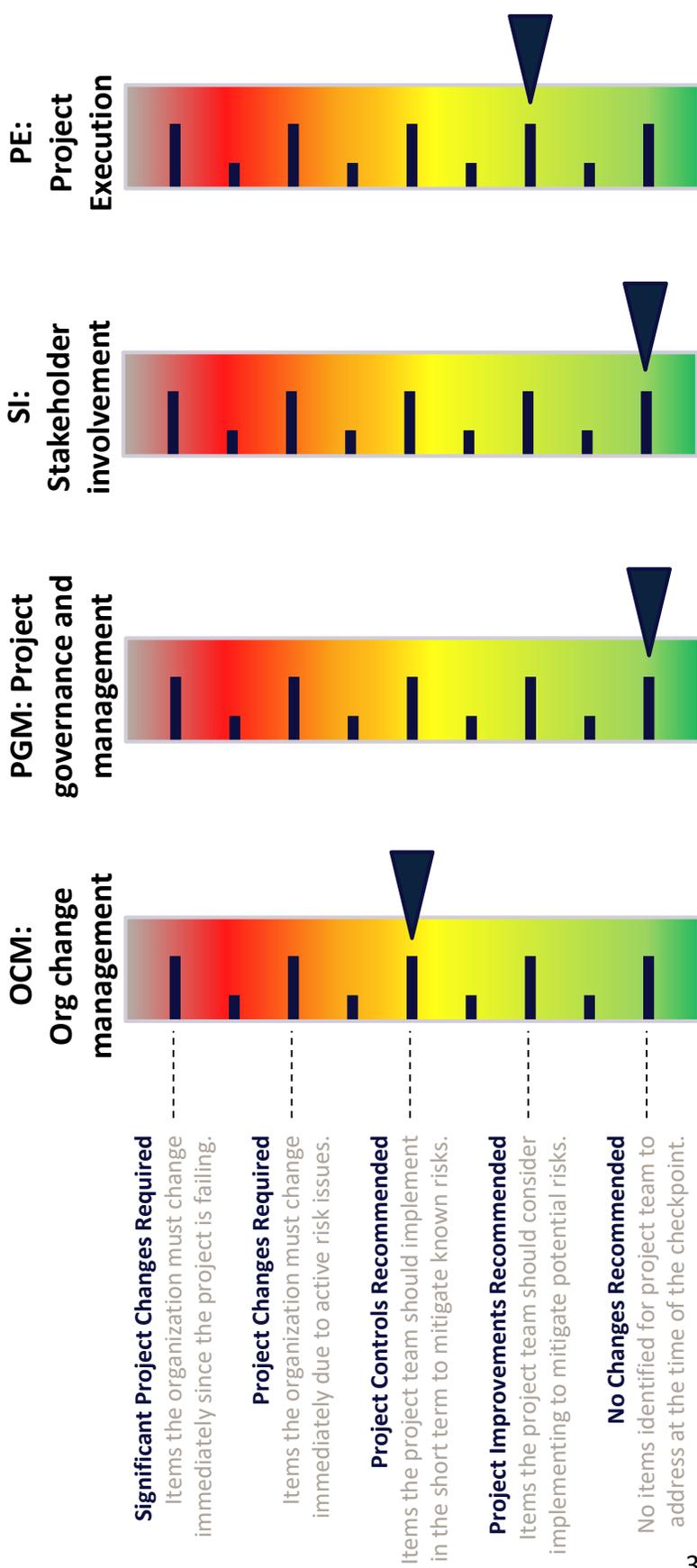
Current stage of NextGen Phase 1 is defining the future state business processes; at this time, the overall risk of not achieving success, not meeting the revised timeline, and not staying within budget for Phase 1 is still low.

²⁹ Note: Conclusion is based on the information available to Internal Audit and analyzed as of September 14, 2018



NextGen PRR Checkpoint 2 – Current Results

Internal Audit noted opportunities to enhance certain project activities in two of the four PRR process areas.



NextGen PRR Checkpoint 2 – New Recommendations

- Replace project Communications Lead role [OCM]
- Ensure Organizational Change Management Lead role is in place for Phase 2 [OCM]
- Identify internal control activities in future state business processes [PE]
- Identify linkage to statute/regulation and Board policy in future state business processes [PE]

NextGen PRR Checkpoint 2 – Prior Recommendations

Internal Audit will continually track all checkpoint recommendations and report on the status of each during every checkpoint report.

PRR Process Area	Total Prior Recommendations	Total Resolved Recommendations	Total In progress Recommendations	Total Unresolved Recommendations
Project governance and management [PGM]	5	5	0	0
Organizational change management [OCM]	4	3	1	0
Stakeholder involvement [SI]	3	0	3	0
Project Execution [PE]	0	0	0	0



NextGen PRR Checkpoint 2 – Prior Recommendations

- Prior recommendations that are in progress, which is appropriate for these items due to the current project schedule:
 - Monitoring the communication plan execution at the campus level [OCM]
 - Validating institutions are participating in project activities as appropriate [SI]
 - Accelerating the involvement of campus presidents and other campus C-level leaders (e.g., chief financial officers) in change management [SI]
 - Prioritizing faculty involvement before future state process definition sessions [SI]

NextGen PRR – Next Steps

- Work with project team to implement recommended improvements
- Continue serving as ex-officio member of Steering Committee
- Execute Checkpoint 3 activities in November and December
- Report Checkpoint 3 results in January 2019



MINNESOTA STATE

Audit Committee

October 16, 2018

2:30 p.m.

Winona State University

East Hall, Kryzsko Commons

175 West Mark St.

Winona, MN

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

1. **Minutes of Audit of June 19, 2018 (pages 1-3)**
2. **Approval of FY19 Audit Plan Part 2 (pages 4-9)**

Committee Members:

Michael Vekich, Chair

April Nishimura, Vice Chair

Bob Hoffman

George Soule

Jerry Janezich

Bolded items indicate action is required.



**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
AUDIT COMMITTEE MEETING MINUTES
June 19, 2018**

Audit Committee Members Present: Trustees Michael Vekich, Amanda Fredlund, Robert Hoffman, Jerry Janezich, and George Soule

Audit Committee Members Absent: none.

Others Present: Trustees Basil Ajuo, Ann Anaya, Alex Cirillo, Jay Cowles, Dawn Erlandson, Roger Moe, and Cheryl Tefer

The Minnesota State Colleges and Universities Audit Committee held its meeting on June 19, 2018, in the 4th Floor McCormick Room, 30 East 7th Street in St. Paul. Trustee Vekich called the meeting to order at 3:25 p.m.

1. Minutes of May 16, 2018

The minutes of the May 16, 2018 audit committee were approved as published.
The minutes of the May 16, 2018 joint audit and human resources committees were approved as published.

2. Approval of the FY19 Audit Plan

Mr. Eric Wion, Interim Executive Director for Internal Auditing, introduced Mr. Chris Jeffrey partner with Baker Tilly.

Mr. Wion began by explaining that the current mission and vision statement for the Office of Internal Auditing no longer captures what the office does today, and he presented alternative language to draw a better picture. He explained that the proposed audit plan included the assurance projects and audits the committee was familiar with but also included advisory projects. He stated that the Office of Internal Auditing is striving to serve system leadership as a strategic partner in addressing a wide range of operational, compliance, and financial challenges facing the organization. He added that at some point over the next year he planned to come back to the committee with some recommended changes to the mission and vision statements.

Mr. Wion introduced the internal audit team, both Minnesota State staff and Baker Tilly team members. He explained that we have a three year contract with Baker Tilly that is funded year by year, so each year there is an amendment that is funded through the internal audit budget based on funds available. In recent years those funds have been provided through savings from six unfilled positions in the Office of Internal Auditing. He stated that they would be seeking approval for that contract amendment at tomorrow's Finance and Facilities Committee.

Mr. Wion explained that the proposed amendment would increase the contract by \$600,000 to be used for work in fiscal year 2019. Trustee Janezich asked how much the total contracted amount was with Baker Tilly. Vice Chancellor Laura King, Chief Financial Officer, explained that in the proposed amendment contained in the Finance and Facilities Committee packet for tomorrow, there was a request to approve an amendment to the existing Baker Tilly contract, adding \$600,000 for a new total of \$1.2 Million.

Mr. Wion stated that the annual audit plan was required by board policy as well as international auditing standards. The audit plan is broken out into ongoing activities and projects. Mr. Wion explained that throughout the year he would bring updates to the plan as well as any suggested changes, to the audit committee.

Mr. Wion explained the process for developing the audit plan and that this year the plan would be broken into two parts. He explained that the proposed list of projects had been vetted with leadership, and were being presented today as a suggested list of projects for the committee's approval. Over the course of the summer, the Enterprise Risk Management Committee will be completing their work around the annual risk assessment. Mr. Wion's suggestion would be to allow that committee to finish that work and then allow that work to inform the second part of the audit plan. He planned to come back to the committee in October with the second part of an audit plan for their consideration and approval.

Mr. Wion reviewed the list of ongoing activities which include consulting and advisory services, assurance services, external audit coordination, and fraud inquiry and investigation services.

Mr. Wion reviewed the list of projects being proposed, and noted that the first three were being carried forward from last year's plan. He stated that substantial planning work had been done on the first two projects, compliance practices assessment and shared services governance framework review. They have worked with stakeholders to identify project scope, objectives and were ready to launch the first two projects as soon as the audit plan is approved. The third project around enrollment initiatives, is a pretty broad subject matter and it still needed to be scoped and the objectives defined.

Mr. Wion reviewed list of important multiyear projects that include continued participation with NextGen, on the steering committee as well as the project risk reviews, continuing advisory work with the Enterprise Risk Management Steering Committee, and two information technology related projects.

Trustee Vekich asked about timing of the two information technology projects. Mr. Wion explained that the information security consultation – Phase 2 project was about to get started and they would be presenting the work on the information technology risk assessment at the next committee meeting.

Trustee Cowles asked for clarification about the information technology risk assessment. Mr. Wion explained that the scope of the project would focus on the system office and the information technology systems and services that are supported by the system office. It would include ISRS as well as Learning Management system and all the associated services. Mr. Jeffrey added that the specific risks around the NextGen project would be covered separately within the project risk review. The information technology risk assessment would look holistically at the system office, things such as policies, processes, procedures, controls, hardware, and software currently in place that the system, and the risks around them. He added there would be risks that come up with regards to ISRS, and how the system is managing ISRS, but it wouldn't be focused specifically on that.

Vice Chancellor Ramon Padilla stated that CliftonLarsonAllen performs a financial controls audit that will also look at the current infrastructure in regards to ISRS and ensures that the system as a whole is secure. That would be in addition to this audit work. He added that they had been doing a tremendous amount of work as part of the NextGen project plan to ensure that the foundation for ISRS are current and running so the system can stay whole throughout the process.

Finally Mr. Wion stated that proposed plan would be to stay engaged with the HR-TSM project over the course of this next year and to help make sure that project stays on track and accomplishes the outcomes and objectives. He added that at some point over the course of the next year, he would provide a status update report to the board on that project.

Trustee Vekich proposed that the recommended committee action be amended to include the audit committee's approval of the Baker Tilly contract that will be presented to the Finance and Facilities committee. Trustee Vekich called for a motion, Trustee Soule made the motion, Trustee Janezich seconded. There was no dissent and the motion carried.

RECOMMENDED COMMITTEE ACTION:

The Audit Committee approves the amendment of the Baker Tilly contract that will be presented to the Finance and Facilities Committee.

On June 19, 2018, the Audit Committee reviewed the Fiscal Year 2019 Internal Audit Plan – Part 1 and recommends that the Board of Trustees adopt the following motion:

RECOMMENDED BOARD MOTION:

The Board of Trustees approves the Office of Internal Auditing annual audit plan for fiscal year 2019 – Part 1.

The meeting adjourned at 3:51 p.m.

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

Name: Audit Committee

Date: October 16, 2018

Title: Approval of FY19 Audit Plan Part 2

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

Board Policy 1D.1, part 6, requires the Executive Director of Internal Auditing to present and seek approval of an audit plan for each fiscal year. Internal auditing standards require that the board approve the annual plan.

The audit plan presents an overview of how the Office of Internal Auditing plans to use its resources in fiscal year 2019. Part one of the plan was presented and approved in June 2018. Part two, includes two additional projects, will be presented for discussion and approval today.

Plan updates will be brought to the Audit Committee throughout fiscal year 2019.

Scheduled Presenter(s):

Eric Wion, Interim Executive Director of Internal Auditing
Chris Jeffrey, Baker Tilly Partner

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

ACTION ITEM
APPROVAL OF FY19 AUDIT PLAN – PART 2

BACKGROUND

According to Board Policy 1.D., Part 6, the Office Internal Auditing must submit an annual audit plan to the Audit Committee. Internal auditing standards require that the Board approve the annual plan. The fiscal year 2019 audit plan will be reviewed at the meeting.

The audit plan presents an overview of how the Office of Internal Auditing plans to use its resources in fiscal year 2019. The plan is broken into two parts. Part one was presented and approved by the Audit Committee in June 2018. Part two will be presented for discussion and approval today.

RECOMMENDED COMMITTEE ACTION:

On June 19, 2018, the Audit Committee reviewed the Fiscal Year 2019 Internal Audit Plan – Part 2 and recommends that the Board of Trustees adopt the following motion:

RECOMMENDED BOARD MOTION:

The Board of Trustees approves the Office of Internal Auditing annual audit plan for fiscal year 2019 – Part 2.

Date Presented to the Board of Trustees: October 16, 2018



October 16, 2018
Office of Internal Auditing

Internal Audit Report to the Audit Committee

MINNESOTA STATE

Today's Agenda

- Project Updates - FY19 Internal Audit Plan Part 1
- Proposed FY19 Internal Audit Plan Part 2

FY19 Audit Plan – Part 1 Project Updates

Projects/Objective	Status
ERM Advisory – Participate in the ERM Steering Committee and assist as requested. Assist the committee in facilitating an annual enterprise risk management assessment; conduct facilitated discussions with key stakeholders.	Ongoing
NextGen Steering Committee Participation – Participate in the ERP Steering Committee, provide professional advice, and assist as requested.	Ongoing
NextGen Project Risk Review (PRR) Phase 1 – Conduct business process reviews and assess specific project processes and products. Enhance management insight into project performance to mitigate the risk that the project will not achieve goals in terms of schedule, scope, and budget. Recommend and validate that appropriate and adequate internal controls are implemented with the system and business process changes.	Completed; Results discussed at Committee of the Whole meetings: <ul style="list-style-type: none"> ✓ Checkpoint #1 (June 2018) ✓ Checkpoint #2 (October 2018) Future work to be completed: <ul style="list-style-type: none"> ✓ Checkpoint #3 (January 2019) ✓ Checkpoint #4 (March 2019) ✓ Checkpoint #5 (June 2019)

FY19 Audit Plan – Part 1 Project Updates

Projects/Objective	Status
Information Technology Risk Assessment Phase 1 – Perform an initial review to identify and prioritize top IT risks for the System Office IT systems and services. Develop a high-level approach for future IT risk assessment projects at the campus level.	Completed; Results discussed at joint Audit and Finance Committee meeting October 16, 2018
Information Security Consultation Phase 2 – Develop methodology for assessing institution's Top 5 (information security controls) implementation plan. Conduct pilot assessment with 4 institutions.	In Process; Scheduling pilot assessment with 2 colleges, 2 universities, and the system office
Enterprise Services Governance Roadmap (Shared services governance framework review) – Develop a roadmap to govern and manage shared service implementation initiatives and operations; grounded in leading practice, considering potential risks, and informed by lessons learned.	In Process; Meeting with system office personnel to incorporate Leadership Council feedback and ensure shared service and other strategic initiatives are coordinated. Working to update principles and have initial framework considerations outlined for Nov. LC meeting.

FY19 Audit Plan – Part 1 Project Updates

Projects/Objective	Status
HR-TSM Advisory – Continue to review the HR service center model progress to date, and the extent to which the desired project goals and objectives have been achieved. Review the Phase 2 plan and offer insights to enhance probability of successful execution, ensure appropriate timing, and highlight keys for project management.	In Process; Reviewed project status with HR-TSM project managers and system office and discussed recommended approach for critical high-level HR-TSM project management plan and key progress to plan review activities. Will conduct audit activities by month end using originally proposed approach.
Enrollment Forecasting Review (enrollment initiative review) – Review enrollment forecasting practices across various colleges and universities and identify areas of strength and opportunities to align with industry leading practices. Consider opportunities to develop tools or resources that could be deployed across multiple colleges and universities.	In Process; Confirming scope with project stakeholders and scheduling project execution timeline
Compliance Practices Assessment – Review Minnesota State’s compliance governance structures, accountabilities and responsibilities, and monitoring and oversight practices, with a focus on the delegation of responsibilities between the college and university and system office leadership. Project is being performed under Attorney Client Privilege.	In Process

5



FY19 Internal Audit Plan Development Process



6



FY19 Proposed Internal Audit Plan – Part 2

Project	Type (Advisory or Assurance)	Strategic Objective	Risk(s)	Objective
Additional Proposed FY19 Projects				
E-Procurement Controls Review	Assurance	Programmatic and financial sustainability	Financial sustainability	Review implemented internal controls and processes for e-Procurement to further understand the current design and operation of the controls, and to identify any potential control gaps and improvements opportunities. In addition, review the status of the management action plans for the observations and improvement opportunities noted during the 2017 Purchasing Card Follow-up Audit.
			Facility cost	
			Change management	
Institution Financial Controls Review Project Planning and Pilot	Assurance	Programmatic and financial sustainability	Governance and compliance structure	<p>Develop and pilot a multi-year audit plan that would result in key financial controls being audited at each college and university.</p> <ul style="list-style-type: none"> ✓ identify a set of key financial controls each college and university must have ✓ develop an audit methodology for reviewing the design and effectiveness of controls ✓ Select a sample of college or universities to pilot the approach <p>The internal audit team will leverage information prepared as part of the NextGen project and provide NextGen teams any internal control information it develops as part of the audit project.</p>
			Financial sustainability	

Recommended Action and Motion

- Recommended Committee Action
 - *On October 16, 2018, the Audit Committee reviewed the Fiscal Year 2019 Internal Audit Plan, Part 2, and recommends that the Board of Trustees adopt the following motion:*
- Recommended Board Motion
 - *The Board of Trustees approves the Office of Internal Auditing annual audit plan part 2 for fiscal year 2019.*



MINNESOTA STATE

Closed Session: Joint Audit and Finance and Facilities Committees

October 16, 2018

1:30 p.m.

Winona State University

East Hall, Kryzsko Commons, Purple Room

175 West Mark St.

Winona, MN

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

Committee Audit Chair Michael Vekich and Finance Chair Roger Moe call the meeting to order.

Pursuant to Minnesota Statutes § 13D.05, subd.3(d), the Board of Trustees will meet in Closed Session to receive a systemwide information technology security briefing.

1. Information Security Report
2. Information Technology Risk Assessment Advisory Project Results

Audit Committee Members:

Michael Vekich, Chair
April Nishimura, Vice Chair
Bob Hoffman
Jerry Janezich
George Soule

Finance and Facilities Committee Members:

Roger Moe, Chair
Bob Hoffman, Vice Chair
AbdulRahmane Abdul - Aziz
Ashlyn Anderson
Jerry Janezich
April Nishimura
Samson Williams

Bolded items indicate action is required.



**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Closed Session: Joint Audit and
Finance and Facilities Committee

Date: October 16, 2018

Title: 1. Information Security Report
2. Information Technology Risk Assessment Advisory Project Results

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

In closed session, Ramon Padilla, Vice Chancellor for Information Technology, and Craig Munson, Chief Information Security Officer, will provide a systemwide information security update. Eric Wion, Interim Executive Director of Internal Audit, and Mike Cullen, Baker Tilly, will provide the results of the Information Technology Risk Assessment Advisory Project.

Scheduled Presenter(s):

Ramon Padilla, Vice Chancellor – Chief Information Officer
Craig Munson, Chief Information Security Officer
Eric Wion, Interim Executive Director of Internal Audit
Mike Cullen, Baker Tilly

**MINNESOTA STATE
BOARD OF TRUSTEES**

INFORMATION ITEM
1. INFORMATION SECURITY REPORT 2. INFORMATION TECHNOLOGY RISK ASSESSMENT ADVISORY PROJECT RESULTS

BACKGROUND In closed session, Ramon Padilla, Vice Chancellor for Information Technology, and Craig Munson, Chief Information Security Officer, will provide a systemwide information security update. Eric Wion, Interim Executive Director of Internal Audit, and Mike Cullen, Baker Tilly, will provide the results of the Information Technology Risk Assessment Advisory Project.

Date Presented to the Board of Trustees: October 17, 2017



MINNESOTA STATE

ACADEMIC AND STUDENT AFFAIRS COMMITTEE
OCTOBER 17, 2018
10:30 AM

Winona State University
East Hall, Kryzsko Commons
175 West Mark St.
Winona, MN

Please note: Committee/Board meeting times are tentative. Committee/Board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

1. **Minutes of June 20, 2018 (pp. 1-6)**
2. **Proposed Amendments and Repeals to Policies (Second Readings)**
 - a) **3.4 Undergraduate Admissions (pp. 7-12)**
 - b) **3.35 Credit for Prior Learning Repeal Policies (pp. 13-19)**

Repeal Policies:

 - **3.15 Advanced Placement Credit**
 - **3.16 International Baccalaureate Credit**
 - **3.33 College-Level Examination Program (CLEP) Credit**
3. **Proposed New Policy 3.42 Posthumous Academic Awards (pp. 20-22)**
4. Proposed Amendments to Policies (First Readings)
 - a) 3.3 Assessment for Course Placement (pp. 23-25)
 - b) 3.41 Education Abroad (pp. 26-28)
5. Academic and Student Affairs Vision and FY19 Work Plan (pp. 29-42)
6. Academic and Student Affairs Committee FY19 Work Plan and Meeting Agenda (pp. 43-52)

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Alex Cirillo, Chair
Cheryl Tefer, Vice Chair
Ashlyn Anderson
Dawn Erlandson
Jerry Janezich
Rudy Rodriguez
Louise Sundin

Bolded items indicate action required.



**Minnesota State Board of Trustees
Academic and Student Affairs Committee
June 20, 2018
McCormick Room, 30 7th Street East
St. Paul, MN**

Academic and Student Affairs Committee members present: *Alex Cirillo, Chair; Louise Sundin, Vice Chair; Trustees Dawn Erlandson, Amanda Frelund, Jerry Janezich, Rudy Rodriguez, Cheryl Tefer.*

Academic and Student Affairs Committee members absent: *none*

Other board members present: *Michael Vekich, Jay Cowles, George Soule, Basil Ajuo, Chancellor Devinder Malhotra.*

Committee Chair Cirillo called the meeting to order at 10:40 AM.

Approval of the Academic and Student Affairs Committee Meeting Minutes:

Chair Cirillo called for a motion to approve the Joint Academic and Student Affairs and the Diversity, Equity, and Inclusion Committees Meeting Minutes. Both sets of minutes were approved as written.

1. Mission Statement: Minnesota State Community and Technical College

Presenters:

Peggy Kennedy, President, and President Elect Carrie Brimhall,
Minnesota State Community and Technical College

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

Proposed new Mission Statement: Minnesota State Community and Technical College specializes in affordable, exceptional education, service, and workforce training. We welcome all students and engage them in shaping their futures and communities.

Proposed new Vision Statement:

A success story for every student.

Three new values that align with the system strategic framework:

- *Integrity* – Aligns with being sincere and honest partners and responsible stewards of resources to deliver the highest value/most affordable higher education option.
- *Inclusion* – Aligns with respecting and accepting and celebrating all people for who they are to ensure access to an extraordinary education for all Minnesotans.
- *Innovation* – Aligns with using the power of our four campuses and strategic partnerships to be the partner of choice to meet Minnesota’s workforce and community needs.

President Elect Brimhall: All three values start with “IN” so the committee recommended our theme for next year in all aspects of our work is that we are “All IN”.

MOTION: *Upon the recommendation of the Chancellor, the Academic and Student Affairs Committee recommends that the Board of Trustees approve the mission of Minnesota State Community and Technical College.*

***The new mission carries.**

2. Proposed Amendment to Policy 3.4 Undergraduate Admissions (First Reading)

Presenter:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

3. Proposed Amendment to Policy 3.35 Credit for Prior Learning (First Reading)

Presenter:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

4. Proposed New Policy 3.42 Posthumous Academic Awards (First Reading)

Presenter:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

Trustee Sundin: The phrase “becomes deceased” should be presented in different language.

SVC Anderson stated this would be revised for the second reading.

5. Transfer Pathways Update

Presenter:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

Kim Lynch, Interim Associate Vice Chancellor for Academic Affairs

Implementation of the transfer pathways plan began in spring 2016 with the first four pilot pathways. Twenty-six total pathways were developed over the course of a year and a half. Campus implementation of the pilot pathways began in fall 2016, offering the programs in fall 2017. Implementation of the remaining 22 pathways will continue through spring 2020.

Forty-four pilot transfer pathway degree programs were implemented at 18 colleges during FY18. Over 2,000 students declared a pilot transfer pathway degree in FY18. Transfer Pathways Coordinating Team developed and approved an evaluation and governance plan for transfer pathways.

Promise made to students – *Students are not disadvantaged in any way by transfer.*

FY19 Priorities:

- Governance structure within ASA – fall 2018 kickoff

- Maintenance of curriculum – faculty connections
- Marketing and advising
- Transfer and completion – Twin Cities Baccalaureate, Transfer pathways, Minnesota Transfer Curriculum, and Transfer Guarantee. A new Transfer Governance Team will be in place fall 2018.

Strategic questions for consideration and discussion

1. From your perspective, which of the FY19 priorities need greatest attention? What might be missing?
2. Ongoing connections between sectors and across disciplines is critical to this work. How might the Board help forward those efforts?
3. As we work to bring an equity lens to all of our efforts, how might we do so more fully with transfer pathways?

Trustee Tefer: Is there a way we have a compared generic student who starts for example at Mankato State and their experiences and their graduation rates to a student who transfers in from a community college and their success rates, are they proportional?

SVC Anderson: No, we have not broken out success measures in that way but it is an excellent suggestion of something to work with.

Trustee Tefer: Students should know from day one upon entry at a community college that they are in fact a Bachelor student and the goal is for them to complete a university degree and they will be moving forward with that choice. Has there been thought about that, is there a way to build that into this so that the student doesn't feel like it is such a leap to go from one school to the next?

Dr. Lynch: That is an excellent point. That is exactly what we are meaning to do by declaring a transfer pathway. That is an integral part of why we entered into this in the first place.

Trustee Tefer: I want it to come to the attention of this Board at some point that there have to be best practices and stories that came out of the Minnesota Alliance for Nursing Education project.

Trustee Cowles: This is very important work. I would invite a much richer data set to be presented to the Board that actually identified by sector where we are having success or not. In order to measure progress I would like to know what 2014-2016 was in these different measures. What is the trend?

Trustee Hoffman: We have been trying for 20 years to achieve seamless transfer. Are we saying that with completion of the pathway we now have seamless transfer with 30 disciplines?

Dr. Lynch: I think seamless is a bit misrepresentational but I think we are ironing out the seams. We have great momentum.

SVC Anderson: We are moving away from a course by course assessment of transfer to a conversation around competencies and how those are taught and offered at different campuses. That will help us establish these pathways and create new ways of looking at the pathways and working with students to help them understand that piece.

Trustee Fredlund: I had problems with my transfer. It was not seamless. The most important thing I would see is the marketing. Making sure that the students know which path they should be taking and which path they want to take. I can see that things have changed in the last two years and I give you credit for that.

Trustee Rodriguez: Would like to see more data on why students are leaving and how we could have kept them through best practices and marketing. Using big data wherever possible, are there actions where students where we might know they are thinking of transferring before they do.

Trustee Sundin: Follow up on Marketing. Have any of the two year institution that have gone to the idea of Central Lakes Career Fair that they do when they bring in busloads of 9th graders and their departments have examples of their programs. And if the two years would have university fairs and have the university come and present their programs. That would be more hands on. Is anybody trying it?

Dr. Lynch: I think the energy around transfer pathways at the moment makes it a good time to re-think what role we might play in facilitating something like that. This is a key year for marketing.

SVC Anderson: I would like to thank Interim Associate Vice Chancellor Kim Lynch for her work over this past year. She stepped in a little over a year ago, jumped in and has really done outstanding work to move this forward with our campuses.

6. Twin Cities Baccalaureate Implementation Update

Presenter:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs
Todd Harmening, System Director for Academic Programs and Collaboration
Wilson Garland, Executive Director, Minnesota State IT Center of Excellence

The presentation provides an update on the many aspects and associated projects to advance the Twin Cities Baccalaureate Strategy. Among the topics to be addressed are overall oversight and workgroup focus areas, interconnections with other system initiatives, and a focus on collaborative and regional academic program planning. The board will have an opportunity to hear from one of the Minnesota State Centers of Excellence designated by the system regarding collaborative program development efforts within information technology.

Challenges in Implementation

Capacity
Complexity and interconnectivity
Change management
IT Capacity
Timing

Primary Areas of Focus for FY19

- Recalibrate targets for program and enrollment growth, and program completion
- Formalize market analysis, collaborative program planning, and approval processes
- Prioritize and integrate primary technology needs into system IT projects
- Pilot, evaluate, and scale financial partnership model
- Develop marketing toolkit in conjunction with other system initiatives
- Allocate system collaboration funds to advance programs and services

Strategic Questions:

1. What interconnections with other Board priorities should we be mindful of as we advance the Twin Cities Baccalaureate Strategy?
2. What aspects of the Twin Cities Baccalaureate Strategy do you most want to see advanced as part of a system and regional academic planning framework?

Trustee Cowles: There may be some degrees that we are uniquely strong in, are there marketing opportunities that can begin to align our system resources more closely with our market needs around the state? Is that in your planning? Are we doing an adequate job developing the data analytics required to match what has now become a three dimensional chess game as opposed to a single site linear process? My concern is that we are going to wait until we have all the answers but we are going to have to a number of these things in parallel.

Harmening: In the regional planning work we have looked at how to elevate capacity within unique program areas. Twin Cities Baccalaureate, while there is a lot of emphasis on the metro area, the solutions we are developing to work together differently apply statewide. How do we bring those four year options, initially we are talking about

enhanced marketing and supporting students, there is an online option, or directing them to programs within those state universities with a residential experience.

SVC Anderson: Clearly we don't have the data analytics that we need yet. We are creating some of those structures to collect that data and to start thinking about how that interweaves. We have to be more and more comfortable with having, not the full picture, an informed picture and acting as best we can before we get ever one of those last pieces of information.

Trustee Sundin: We should have a metro east and a metro west. I don't think the current strategy is innovative. I think we should follow the lead of several other states that support the two year colleges in directly conferring the Baccalaureate degrees themselves. There is no reason why we have to limit the declaration of the degrees to the four year campuses. Then a lot of these challenges would go away. The only one we have that does it is Fond du Lac and there is no reason why we couldn't expand that.

The meeting adjourned at 12:45 PM.

Meeting minutes prepared by Kathy Pilugin

7/6/2018

**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Academic and Student Affairs Committee

Date: October 17, 2018

Title: Proposed amendment to Policy 3.4 Undergraduate Admissions

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

Scheduled Presenter:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD ACTION
BOARD POLICY 3.4 UNDERGRADUATE ADMISSIONS (SECOND READING)

1 **BACKGROUND**

2 Board Policy 3.4 Undergraduate Admissions was adopted by the Board of Trustees on January
3 18, 1995 and implemented on July 1, 1995. The policy was reviewed as part of the five year
4 review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities
5 Organization and Administration, Part 6, Subpart H, Periodic review

6
7 The proposed amendment updates the policy language to reflect current terminology used in
8 undergraduate admissions. The detailed process related language is being relocated to System
9 Procedure 3.4.1 Undergraduate Admissions.

10
11

12 **RECOMMENDED COMMITTEE MOTION**

13 The committee recommends the Board of Trustees adopt the proposed amendment to Board
14 Policy 3.4.

15
16

17 **RECOMMENDED BOARD MOTION**

18 The Board of Trustees adopt the proposed amendment to Board Policy 3.4.

19
20

21 *Date Presented to the Board of Trustees:* 10/17/18

22 *Date of Implementation:* xx/xx/xx

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD POLICY – SECOND READING		
Chapter 3	Chapter Name	Educational Polices
Section 4	Policy Name	Undergraduate Admissions

1 **3.4 Undergraduate Admissions**

2
3 **Part 1. Purpose.**

4 To establish standards that facilitate the admission process for prospective students.

5
6 **Part 21. Definitions.**

7 **Subpart A. Admission.**

8 Admission means a A student's initial entrance into a Minnesota state college or university as a
9 candidate for a certificate, diploma, or degree.

10
11 **Subpart B. College.**

12 College means a ~~System institution~~ A college authorized to offer certificates, diplomas, and
13 associate degrees.

14
15 **Subpart C. University.**

16 University means a ~~System institution~~ A university authorized to offer certificates, ~~diplomas,~~ and
17 associate, bachelors, masters, doctoral and professional degrees. ~~at the associate level and above.~~

18
19 **Subpart D. Academic or Career Program.**

20 Academic or career program means a major, minor, concentration, or emphasis offered by the
21 college or university.

22
23 **Subpart E. International Student.**

24 International student means a A student who is required to be registered under the federal Student
25 and Exchange Visitor Information System (SEVIS).

26
27 **Part 32. Admissions.**

28 Consistent with their specific missions, colleges and universities shall consider for admission students
29 who are able to benefit from the educational offerings. ~~of an institution.~~

30 Colleges shall be committed to open admissions with required minimum standards. Universities shall
31 set admissions standards based on student achievement of a high school diploma or its equivalent,
32 completion of specific high school courses, and academic performance standards.

34 All ~~institutions~~ colleges and universities shall provide clear, accessible information to potential students
35 regarding admissions requirements, ~~as well as the appropriate level of academic preparation~~
36 ~~necessary for success in specific programs of study.~~

37
38 Academic and career programs may have additional admission requirements. Admission to a college or
39 university does not guarantee subsequent admission to a specific such programs. Academic, fiscal, and
40 facilities considerations may limit admission to particular programs, colleges or universities, or
41 institutions.

42
43 ~~**Part 3. State College Admission Requirements.**~~

44 ~~Colleges are committed to open admissions with the following requirements:~~

- 45
46 1. ~~The basic requirement is a high school diploma or General Educational Development (GED)~~
47 ~~certificate.~~
- 48 2. ~~A person who **has neither** a high school diploma nor **a GED certificate** may be admitted if, at the~~
49 ~~discretion of the college, that person demonstrates potential for being a successful college~~
50 ~~student, based on a passing score on an approved Ability to Benefit Test.~~
- 51 3. ~~Admission to a college does not guarantee **admission to** college-level courses as provided for in~~
52 ~~**Board Policy 2.3 Assessment for College Readiness.**~~

53
54 ~~**Part 4. State University Admission Requirements.**~~

55 ~~Subpart B. Universities. Admission to universities in the system shall be based on the achievement~~
56 ~~of a high school diploma and preparation standards in specific subject areas **as noted below.**~~

57
58 ~~**Subpart A. New first year students.**~~

59 ~~To be considered for admission to a university as a new first year student, students shall have~~
60 ~~completed courses determined to be college preparatory in the following pattern or which provide~~
61 ~~mastery of equivalent competencies in grades 9-12.~~

- 62
63 1. ~~Required Academic Core consisting of:~~
 - 64 a. ~~4 years of English (including composition, literature, and speech)~~
 - 65 b. ~~3 years of mathematics (2 years of algebra, of which one is intermediate or advanced~~
66 ~~algebra, and 1 year of geometry)~~
 - 67 c. ~~3 years of science (at least 1 year each of a biological and physical science, with all courses~~
68 ~~including significant laboratory experience)~~
 - 69 d. ~~3 years of social studies (including 1 year each of geography and U.S. history)~~
 - 70 e. ~~2 years of a single world language (including non-English native languages and~~
71 ~~American Sign Language)~~
 - 72 f. ~~One year of arts (visual arts and the performing arts of theater, music, dance and media~~
73 ~~arts)~~
- 74
75 2. ~~Academic Performance Requirement. In addition to the preceding subject area requirement,~~
76 ~~new first year students shall have a rank in their high school graduating class in the top 50% or a~~
77 ~~composite score on the ACT, the PSAT, or the SAT, at or above the 50th percentile on the~~

78 national norms. If a student's high school does not rank graduates, an unweighted grade point
79 average of at least 3.0 shall be deemed to meet the class rank requirement. Individual
80 universities may set higher test score, grade point average, or class rank requirements.

81
82 Universities shall include consideration of Minnesota Comprehensive Assessment (MCA) scores
83 for Minnesota high school students that completed the grade 10 Reading MCA and/or the grade
84 11 Mathematics MCA and submitted documentation of such test score results.

85
86 **Subpart B. Transfer students.**

87 ~~Students transferring to a state university from any other college or university must have a level of~~
88 ~~academic achievement that is at least equal to the standard required for good academic standing at~~
89 ~~the transfer institution. In addition, students who did not complete the preparation requirements~~
90 ~~in high school may be admitted according to the following:~~

- 91
92 1. ~~Students who have completed an Associate in Arts degree from a Minnesota community~~
93 ~~college and the world language requirement shall be judged to have met all preparation~~
94 ~~requirements.~~
- 95 2. ~~Students who have completed the Minnesota Transfer Curriculum and the world language~~
96 ~~requirement shall be judged to have met all preparation requirements.~~
- 97 3. ~~Students who wish to transfer from a two year or four year college or university shall have~~
98 ~~completed sufficient college or university credits that are judged by the receiving~~
99 ~~institutions to have satisfied all high school preparation deficiencies.~~
- 100 4. ~~Students whose college or university credits were completed before implementation of the~~
101 ~~preparation requirements (1994) shall be reviewed individually at each university on the~~
102 ~~basis of university guidelines consistent with its mission.~~

103
104 **Subpart C. Out of state students.**

105 ~~The high school preparation requirements and exceptions shall apply to students who have~~
106 ~~graduated from high schools in states other than Minnesota.~~

107
108 **Subpart D. Exceptions.**

109 ~~Individual universities may make exceptions to the requirement set forth in subparts A and B~~
110 ~~above.~~

- 111
112 1. ~~New first year students who are admitted with deficiencies shall be advised to make up~~
113 ~~those deficiencies during their first year of enrollment.~~
- 114 2. ~~Other students with deficiencies shall be required to make up the deficiency within the first~~
115 ~~year of enrollment. [Standard practice equates two years of high school world language~~
116 ~~instruction with one year of college level world language instruction.]~~
- 117 3. ~~Universities shall document the reasons for granting exceptions and maintain adequate~~
118 ~~records to determine the academic success of students admitted under these exceptions.~~

119
120 **Part 5. Procedure.**

121 ~~The Chancellor shall develop a system procedure to implement the provisions of Board Policy 3.4,~~
122 ~~including requirements for consistency in administering admissions processes.~~

**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Academic and Student Affairs Committee

Date: October 17, 2018

Title: Proposed amendment to Policy 3.35 Credit for Prior Learning

Purpose (check one):

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

Brief Description:

The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

The policy language reflects best practices for assessing and awarding credit for prior learning (CPL). The amended Policy 3.35 covers all types of CPL, and merges Policies 3.15 Advanced Placement Credit, 3.16 International Baccalaureate Credit and 3.33 College-Level Examination Program (CLEP) Credit into Policy 3.35.

Scheduled Presenter:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD ACTION
BOARD POLICY 3.35 CREDIT FOR PRIOR LEARNING (SECOND READING)

1 **BACKGROUND**

2 Board Policy 3.35 Credit for Prior Learning was adopted by the Board of Trustees on September
3 17, 2008 and implemented on March 1, 2009. The policy was reviewed as part of the five year
4 review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities
5 Organization and Administration, Part 6, Subpart H, Periodic review
6

7 The Academic and Student Affairs Division recently completed a major updating of the Credit
8 for Prior Learning board policy, system procedures, and college and university business
9 practices. The proposed amendment updates the policy language to be consistent with the new
10 terminology used in the system procedures and local college and university business practices.
11 Additionally, the amendment also merges Policies 3.15 Advanced Placement Credit, 3.16
12 International Baccalaureate Credit, and 3.33 College-Level Examination Program (CLEP) Credit
13 into Policy 3.35. The consolidation places all Credit for Prior Learning information in one policy.
14 The new writing and formatting styles were also applied to the policy.
15

16
17 **RECOMMENDED COMMITTEE MOTION**

18 The committee recommends the Board of Trustees adopt the proposed amendment to Board
19 Policy 3.35 and the proposed repeal of Board Policies 3.15, 3.16, and 3.33.
20

21
22 **RECOMMENDED BOARD MOTION**

23 The Board of Trustees adopt the proposed amendment to Board Policy 3.35 and the proposed
24 repeal of Board Policies 3.15, 3.16, and 3.33.
25

26
27 *Date Presented to the Board of Trustees:* 10/17/18

28 *Date of Implementation:* xx/xx/xx

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD POLICY – SECOND READING		
Chapter 3	Chapter Name	Educational Polices
Section 35	Policy Name	Credit for Prior Learning

3.35 Credit for Prior Learning

Part 1. Purpose.

~~The purpose of this policy is to require system colleges and universities to~~ To provide students with opportunities to demonstrate competence at the college- and university-level from learning gained in ~~non-credit or experiential settings through learning experiences outside of a college or university credit-bearing course~~ and to establish consistent practices among ~~all system~~ colleges and universities for evaluating and ~~granting~~ awarding undergraduate or graduate credit for ~~such~~ prior learning.

Part 2. Authority

Minn. Stat. § 197.775 Higher Education Fairness requires the awarding of credit for veteran’s military training or service. Minn. Stat. § 120B.13 Advanced Placement and International Baccalaureate Programs requires Minnesota State to award credit for Advanced Placement (AP) and International Baccalaureate (IB). Minn. Stat. § 120B.131 College-Level Examination Program (CLEP) requires Minnesota State to award credit for College-Level Examination Program (CLEP) examinations. Minn. Stat. § 120B.022 Elective Standards requires Minnesota State colleges and universities to establish criteria for translating world language certificates and seals into academic credit.

~~**Part 2. Institutional Policy and Procedure.**~~

~~Each system college and university shall provide students a means for evaluation of prior learning and shall develop policies and procedures consistent with Procedure 3.35.1 Credit for Prior Learning.~~

Part 3. Definitions

Credit for prior learning

Academic credit awarded for demonstrated college- and university-level learning gained through learning experiences outside college or university credit-bearing courses and assessed by academically sound and rigorous methods and processes.

Credit for prior learning (CPL) - external assessments

Assessment methods and processes at the colleges or universities of Minnesota State that could result in credit for prior learning achieved and assessed through a nationally recognized third-party assessment agency or organization, regionally or nationally accredited postsecondary institution, or noncredit instruction. Students demonstrate a level of proficiency that is recognized through

35 curriculum, instruction, program, or a standardized exam. CPL external assessment types may
36 include, but are not limited to, AP, IB, CLEP, and other national standardized assessments, world
37 languages seals and certificates, industry recognized credentials, licenses, and certifications, and
38 noncredit instruction in programs such as registered apprenticeships, continuing education, and
39 customized training.

40
41 **Credit for prior learning (CPL) - internal college/university assessments**

42 College or university assessment methods and processes used by Minnesota State faculty members
43 to assess students' demonstrated learning and/or competence. Such assessments determine
44 competence-to-credit comparability, course-equivalency or individualized subject status, and
45 application to degree requirements or electives. CPL internal assessment types may include, but
46 are not limited to, credit by exam, prior learning portfolio assessment, individualized subject-area
47 assessment, group or seminar assessment, and competency-based assessment.

48
49 **Military courses**

50 A curriculum with measurable outcomes and learning assessments that service members are
51 required to successfully complete based on their military occupation.

52
53 **Military occupations**

54 A service member's job(s) while in the military.

55
56 **Prior learning**

57 Learning gained in life, community and/or work-based settings, and through experiences outside of
58 the college or university credit-bearing course, including but not limited to independent study, life
59 experience and reflection, non-credit study programs, career education, continuing education,
60 online learning or instruction, and training or certificate programs. The learning occurs "prior to"
61 the student's request for assessment at a college or university.

62
63 **~~Part 3. Compliance with Legislation.~~**

64 ~~Each system college and university shall grant credit for prior learning for a veteran's military training~~
65 ~~or service in compliance with Subd. 2 of Minnesota Statutes §197.775.~~

66
67 **Part 4. Opportunities for Students**

68 Colleges and universities shall provide current, comprehensive, and accessible information on
69 opportunities to obtain credit for prior learning to prospective and admitted students as part of degree
70 planning and advising. Colleges and universities shall provide opportunities for enrolled students to
71 demonstrate college- and university-level learning achieved through prior learning experiences outside
72 of the college or university credit-bearing course that is applicable to their courses, programs, or
73 degree requirements. Credit for prior learning opportunities may include CPL external assessments,
74 CPL internal college/university assessments, and/or military courses and military occupations according
75 to System Procedure 3.35.1 Credit for Prior Learning - External Assessments, System Procedure 3.35.2
76 Credit for Prior Learning - Internal Assessments, and System Procedure 3.35.3 Military Courses and
77 Military Occupations.

79 ~~Information Dissemination.~~
80 ~~Each system college and university shall provide accessible and timely information to prospective and~~
81 ~~admitted students regarding opportunities for credit for prior learning.~~

82
83 **Part 5. Awarding Credit for Prior Learning**

84 Colleges and universities shall determine the credit award for students who demonstrate prior learning
85 consistent with system procedures and through processes and methods of external assessment,
86 internal college/university assessment, and/or for military courses or occupations. Credit awarded for
87 prior learning may fulfill general, technical, Minnesota Transfer Curriculum (MnTC),
88 program/major/minor, and/or elective courses.

89
90 **Part 6. College and University Transfer of Credit for Prior Learning**

91 Credit awarded for prior learning by a college or university must be accepted in transfer by the
92 receiving college or university in accordance with System Procedure 3.21.1 Undergraduate Course
93 Credit Transfer.

94
95 **Part 7. Credit for Prior Learning Appeals**

96 Colleges and universities shall establish an appeals process that may be used by students who are
97 denied credit requested for prior learning.

98 **3.15 Advanced Placement Credit**

99
100 ~~**Part 1. Purpose.** The purpose of this policy is to establish common practices among all Minnesota State~~
101 ~~Colleges and Universities for granting credit based on student performance on Advanced Placement~~
102 ~~(AP) examinations.~~

103
104 ~~**Part 2. Definition.**~~

105
106 ~~**Advanced Placement:** Advanced Placement (AP) is a program of The College Board through which a~~
107 ~~secondary student completes college-level courses that are designated as AP in high schools. A student~~
108 ~~may earn college credits by demonstrating a specified level of performance on AP examinations. The~~
109 ~~AP examinations, which are scored on a 5-point scale, can be taken by any student who feels prepared~~
110 ~~by independent study or other preparation as well as by students who complete AP courses.~~

111
112 ~~**Part 3. Credit for Advanced Placement.** Minnesota State Colleges and Universities shall grant credit~~
113 ~~for scores of 3 or higher on AP examinations according to Procedure 3.15.1 Advanced Placement Credit.~~

114
115 ~~Related Documents:~~

- 116 ~~• Procedure 3.15.1 Advanced Placement Credit~~

117
118 ~~Policy History:~~

119

120 *Date of Adoption:* _____ 7/17/96

121 *Date of Implementation:* _____ 7/17/96

122

123 **Date & Subject of Revisions:**

124

125 4/19/06—Amended the Policy title to include the word "Credit." Amended Part 1 to "grant" credit
126 (instead of "award" credit). Amended Part 2, Advanced Placement definition language. Amended Part 3
127 to refer to the procedure and deleted 1-5.

128 There is no additional HISTORY for policy 3.15.

129

130

131

132

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135

136 **3.16 International Baccalaureate Credit**

137

138 **Part 1. Purpose.**

139 The purpose of this policy is to establish consistent practices among all Minnesota State Colleges and
140 Universities for granting credit based on students performance on International Baccalaureate (IB)
141 examinations or completion of an IB diploma.

142

143 **Part 2. Definition.**

144

145 **Subpart A. International Baccalaureate (IB) program.** The IB program is an internationally
146 recognized program through which a secondary student completes a comprehensive curriculum of
147 rigorous study and demonstrates performance on IB examinations. A student may present a full IB
148 diploma or a certificate recognizing specific higher level or standard level examination scores.

149

150 **Subpart B. Higher level IB examinations.** Higher level IB examinations assess work for higher level
151 courses which generally involve significant breadth and depth of learning. They represent a
152 recommended 240 teaching hours.

153

154 **Subpart C. Standard level IB examinations.** Standard level IB examinations assess work completed at
155 a narrower or less rigorous level than the higher level examinations. They represent a recommended 150
156 teaching hours.

157

158 **Subpart D. IB Diploma.** The IB diploma covers six subjects and is awarded to students who achieve
159 specified scores on three higher level and three standard level examinations or four higher level and two
160 standard level examinations.

161

162 **Part 3. International Baccalaureate Policy.**

163 Minnesota State Colleges and Universities shall grant credit for scores of 4 or higher on individual IB
164 examinations or successful completion of the IB diploma according to Procedure 3.16.1 International
165 Baccalaureate Credit.

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Related Documents:

- ~~Procedure 3.16.1 International Baccalaureate Credit~~
-

Policy History:

~~Date of Adoption: 7/16/96,~~

~~Date of Implementation: 7/16/96,~~

~~Date & Subject of Revisions:~~

~~4/18/07 wording changes throughout. Divided Part 2 into subparts, and added language for subparts B-D. New language for Part 3, deleted numbers 1-3.~~

~~There is no additional HISTORY for policy 3.16.~~

3.33 College-Level Examination Program (CLEP) Credit

Part 1. Purpose. ~~The purpose of this policy is to establish consistent practices among all Minnesota State Colleges and Universities for granting credit based on student performance on College Level Examination Program (CLEP) examinations.~~

Part 2. Definitions. ~~College Level Examination Program (CLEP). CLEP is a testing program of The College Board designed to measure prior learning. A student may earn college credits by achieving a specified level of performance on a CLEP examination.~~

Part 3. Credit for College Level Examination Program. ~~Minnesota State Colleges and Universities shall grant credit for CLEP examinations according to Procedure 3.33.1.~~

Related Documents:

- ~~Procedure 3.33.1 College Level Examination Program (CLEP) Credit~~
-

Policy History:

~~Date of Adoption: 04/19/06,~~

~~Date of Implementation: 04/19/06,~~

~~Date & Subject of Revisions:~~

~~There is no additional HISTORY for policy 3.33.~~

**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Academic and Student Affairs Committee

Date: October 17, 2018

Title: Proposed NEW Policy 3.42 Posthumous Academic Award

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

The proposed new policy authorizes colleges and universities to confer posthumous academic awards to students who become deceased before completing their degree, diploma, or certificate.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

Scheduled Presenter:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD ACTION
NEW BOARD POLICY 3.42 POSTHUMOUS ACADEMIC AWARDS (SECOND READING)

1 **BACKGROUND**

2 New Board Policy 3.42 Posthumous Academic Awards was created to address situations where
3 students die prior to completing their education at a Minnesota State college or university. The
4 System Office typically receives at least one of these inquiries every year. The proposed
5 language was drafted after reviewing the best policies on this topic in higher education.

6
7

8 **RECOMMENDED COMMITTEE MOTION**

9 The committee recommends the Board of Trustees adopt the proposed new Board Policy 3.42.

10
11

12 **RECOMMENDED BOARD MOTION**

13 The Board of Trustees adopt the proposed new Board Policy 3.42.

14
15

16 *Date Presented to the Board of Trustees:* 10/17/18

17 *Date of Implementation:* xx/xx/xx

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD POLICY – FIRST READING		
Chapter 3	Chapter Name	Educational Polices
Section 42	Policy Name	Posthumous Academic Awards

1 **3.42 Posthumous Academic Awards**

2

3 **Part 1. Purpose**

4 To recognize the work and achievements of a student who completed a significant amount of the
5 requirements for a degree, diploma, or certificate but ~~becomes deceased~~ dies before the degree,
6 diploma, or certificate is conferred.

7

8 **Part 2. Definition**

9

10 **Posthumous Academic Award**

11 A degree, diploma, or certificate awarded after the recipient’s death.

12

13 **Part 3. Authorization**

14 Colleges and universities may confer posthumous degrees, diplomas, or certificates in compliance with
15 system procedures.

**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Academic and Student Affairs Committee

Date: October 17, 2018

Title: Proposed amendment to Board Policy 3.3 Assessment for Course Placement

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

Scheduled Presenter:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

**BOARD OF TRUSTEES
MINNESOTA STATE**

INFORMATION ITEM

UNDERGRADUATE ADMISSIONS

BACKGROUND

Board Policy 3.3 Assessment for Course Placement was adopted by the Board of Trustees on May 5, 1997 and implemented on September 1, 1998. The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment updates the policy language to reflect that multiple assessment instruments (plural) are used in our system. The former language referenced only one assessment instrument. The new writing and formatting styles were also applied to the policy.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD POLICY – FIRST READING		
Chapter 3	Chapter Name	Educational Policies
Section 3	Policy Name	Assessment for Course Placement

1 **3.3 Assessment for Course Placement**

2

3 **Part 1. Purpose.**

4 ~~The purpose of this policy is to~~ To improve student success in college and university courses through
5 student assessment and course placement. ~~that addresses reading comprehension, written English,~~
6 ~~and mathematics knowledge and skills.~~

7 **Part 2. Course Placement Assessment.**

8 **Subpart A. College and University Policy.**

9 Each college and university shall ~~develop and implement a course placement policy that addresses~~
10 how student knowledge and skills ~~shall~~ will be assessed for course placement decisions according
11 to System Procedure 3.3.1 Course Placement.

12 **Subpart B. System-Endorsed Placement Instrument(s).**

13 The chancellor shall select the system-endorsed placement instrument(s) for assessment of reading
14 comprehension, written English, and mathematics according to System Procedure 3.3.1 Course
15 Placement.

Related Documents

- [System Procedure 3.3.1](#) Assessment for Course Placement

To view related Minnesota statutes, go to the Revisor's Web site
(<http://www.revisor.leg.state.mn.us/>). You can conduct a search from this site by typing in the statute
number

- Minn. Stat. 136F.302 Regulating the Assignment of Students to Remedial Courses
-

**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Academic and Student Affairs Committee

Date: October 17, 2018

Title: Proposed amendment to Policy 3.41 Education Abroad Programs

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

Policy 3.41 Education Abroad Programs was adopted by the Board of Trustees in January of 2018. Shortly thereafter, the U.S. Department of State changed the language in their International Travel Warning System. The proposed amendment reflects the new language by replacing the word "warnings" with "advisories".

The proposed amendment was reviewed by the Academic and Student Affairs Policy Council, Office of General Counsel and cabinet. An expedited review process was used since this Policy was recently adopted and the proposed amendment was merely correcting the name of the warnings provided by a federal agency.

Scheduled Presenter:

Ron Anderson, Senior Vice Chancellor

**BOARD OF TRUSTEES
MINNESOTA STATE**

INFORMATION ITEM
EDUCATION ABROAD PROGRAMS

BACKGROUND

Board Policy 3.41 Education Abroad Programs was created in response to an internal audit that recommended the need for a board policy and system procedure in the area of education abroad programs. The policy was adopted by the Board of Trustees in January 2018. Shortly after adoption, the U.S. Department of State made a change in the International Travel Warning System. Their “Travel Warnings” were changed to “Travel Advisories”. The proposed amendment replaces the word “Warnings” with “Advisories”.

The proposed amendment was reviewed by the Academic and Student Affairs Policy Council, Office of General Counsel and cabinet. An expedited review process was used since this Policy was recently adopted and the proposed amendment was merely correcting the name of the warnings provided by a federal agency.

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD POLICY – FIRST READING		
Chapter 3	Chapter Name	Educational Policies
Section 41	Policy Name	Education Abroad Programs

1 **3.41 Education Abroad Programs**

2

3 **Part 1. Policy Statement**

4 The colleges and universities of Minnesota State strive to provide students with academic and
5 experiential opportunities outside the United States to acquire cultural experiences and
6 develop global competencies.

7

8 **Part 2. Process Components**

9 Colleges and universities will have a process for approval, evaluation, quality improvement, and
10 the delivery of appropriate institutional support for education abroad programs.

11

12 **Part 3. Health and Safety of Participants**

13 Education abroad programs approved for credit by a college or university must be established
14 with sound health, safety, and security measures that minimize risks to the participant and
15 college or university.

16

17 Colleges and universities that offer education abroad programs shall request disclosures of
18 hospitalizations and deaths related to participation in the education abroad program. Upon
19 completion of the program, the college or university shall submit necessary reports to the
20 Office of Higher Education pursuant to Minn. Stat. § 5.41.

21

22 **Part 4. Risk Assessment**

23 Colleges and universities offering education abroad programs shall conduct a thorough risk
24 assessment for the program prior to and during the travel period of the program and comply
25 with the U.S. Department of State Travel ~~Advisories~~ Warnings.

26

27 **Part 5. Third-Party Providers**

28 The requirements of this policy apply to education abroad programs offered by a third-party
29 provider pursuant to a contract with a college or university.

30

31 Colleges and universities shall inform students that any information students receive about
32 non-contracted third-party providers does not constitute an endorsement, approval, or
33 evidence that the college or university has vetted the third-party provider.

**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Academic and Student Affairs

Date: October 17, 2018

Title: ASA Vision and FY19 Work Plan Framework

Purpose (check one):

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

Brief Description:

The Senior Vice Chancellor for Academic and Student Affairs will provide an overview of the Academic and Student Affairs division's strategic vision, work plan framework, and FY19 priorities (as aligned with the work of the Leadership Council and system priorities), and will engage the committee in discussion of the framework and its alignment to the board's work to reimagine Minnesota State.

Scheduled Presenter(s):

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

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

INFORMATION ITEM

Report of the Senior Vice Chancellor on the Work of Academic and Student Affairs

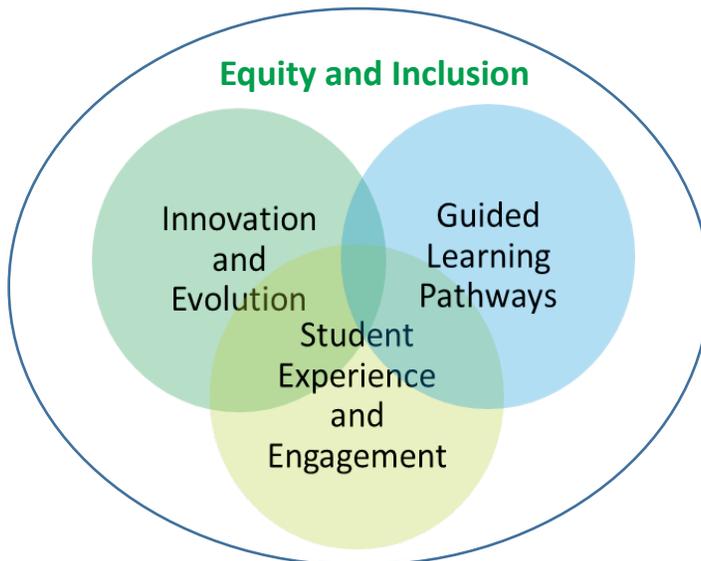
BACKGROUND

In the winter of 2018, the Academic and Student Affairs division began a 6 month visioning process centered on an examination of system and division priorities and strategic initiatives, national issues and trends, and high impact practices in higher education. From this work emerged a strategic vision for our work and a framework for re-envisioning academic and student affairs to better meet the current and future needs of our students, state, and workforce. This vision and framework guides the division’s annual work plan, and provides a structure for aligning and supporting the implementation of strategic initiatives across the system.

Academic and Student Affairs Vision

To be a national higher education leader in transforming systems and practices to improve student outcomes, eliminate educational disparities, and meet workforce needs.

To achieve these ends, the Academic and Student Affairs division is re-envisioning and restructuring its work using a framework of three interdependent principles, grounded in intentional, equity-focused, and evidence-based solutions:



Within this framework the division has developed its FY19 work plan, aligning current and emerging strategic initiatives with the system priorities of improving student success, strengthening diversity, equity, and inclusion, and ensuring the financial sustainability of our colleges and universities.



October 17, 2018

Academic and Student Affairs

ASA Vision and FY19 Work Plan Framework

Academic and Student Affairs Units

- Academic Affairs
- Student Affairs
- Educational Innovations
- Workforce Development
- Research



Our Role as a System Office Division

- Leadership
- Support
- Assurance and Advocacy



Divisional Visioning – Unit Discussions

- Current work of each unit
- Goals and strategic priorities
- Emerging strategic issues and opportunities
- Alignment, interconnectivity, and synergy across units, divisions, and with campuses



Divisional Visioning



Divisional Visioning – External Scanning

- National issues and trending themes
- High impact practices
- System strategic initiatives

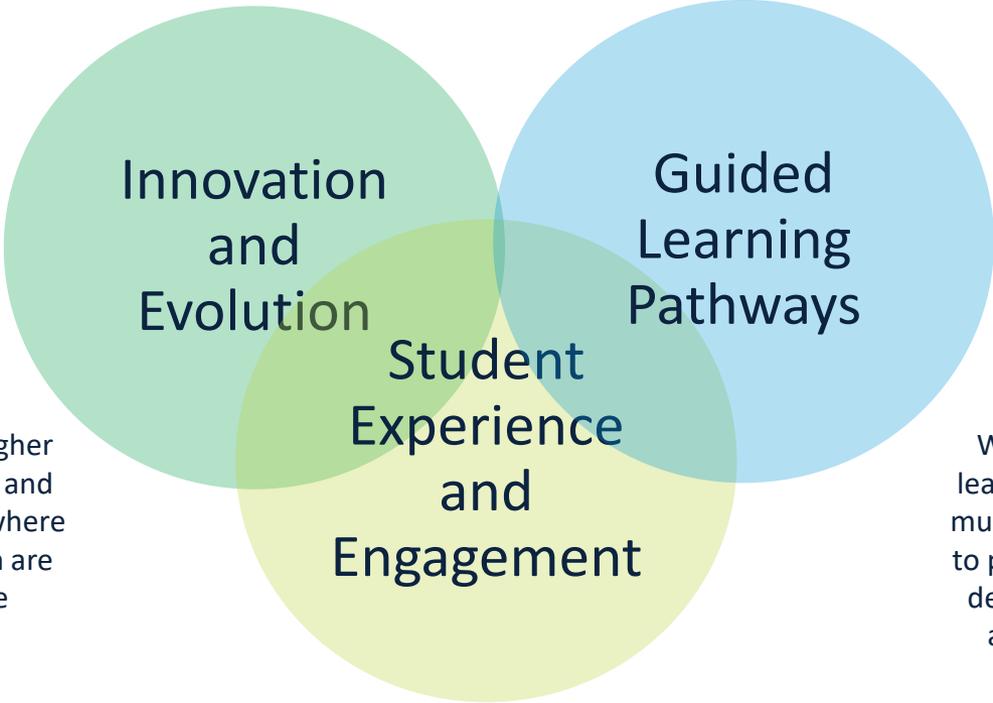


Academic and Student Affairs Vision

To be a national higher education leader in transforming systems and practices to improve student outcomes, eliminate educational disparities, and meet workforce needs.



Equity and Inclusion



Innovation and Evolution

We are re-envisioning higher education as a collective and collaborative enterprise where innovation and evolution are integral to our culture

Guided Learning Pathways

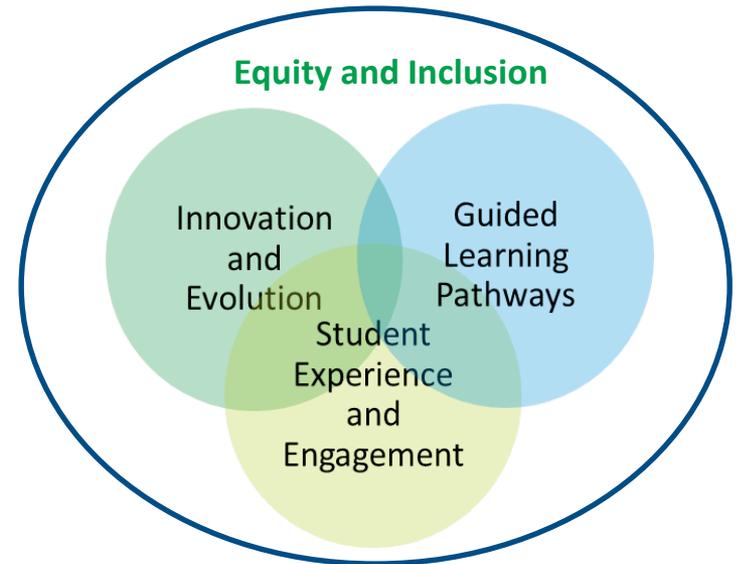
We are re-envisioning all learning pathways to create multiple and equitable paths to personal and professional development, credentials, and careers for lifelong success

Student Experience and Engagement

We are re-envisioning and enhancing the entire student experience to improve student success and effectively grow and manage enrollment

Strategic Initiatives

- Student success strategies
- Strategic enrollment management
- Student success analytics
- Transfer pathways
- Developmental education redesign
- Career technical education vision and strategy
- Credit for prior learning/competency-based education
- Comprehensive Workplace Solutions
- Online strategy
- Graduate education
- Collaborative campus and regional planning
- Open educational resources



Alignment with System Priorities

Student Success

- Student success strategies
- Student success analytics
- Transfer pathways
- Career technical education vision and strategy
- Online strategy
- Graduate education
- Credit for prior learning/competency based education
- Comprehensive Workplace Solutions

Equity and Inclusion

- Developmental education redesign
- Strategic enrollment management
- Student success strategies

Campus and Program Sustainability

- Strategic enrollment management
- Collaborative campus and regional planning
- Open educational resources
- Online strategy
- Graduate education
- Comprehensive Workplace Solutions



Next Steps

- Vet and refine framework and approach
- Complete the articulation of enterprise-based and campus-based activities
- Complete review of resource and skills needs moving into the future
- Strategically align resources and build capacity
- Strengthen alignment of work with other divisions



Strategic Discussion

1. How can this framework best align with, and best support the Board's work to reimagine Minnesota State?
2. What interconnections with other Board priorities should we be mindful of as we advance our work?



**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Academic and Student Affairs

Date: October 17, 2018

Title: ASA Committee FY19 Work Plan and Agenda

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

The senior vice chancellor and the committee chair will lead the committee in a discussion of alternative frameworks/approaches to organizing its FY19 work plan and agenda, including the desired format of monthly presentations, discussions, and stakeholder involvement.

Scheduled Presenter(s):

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

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

INFORMATION ITEM
ASA Committee FY19 Work Plan and Agenda

BACKGROUND

Each year the ASA committee establishes an annual work plan and agenda in the early fall, which is typically finalized after the board's fall retreat in September. This work plan and agenda guides the work of the committee and directs the scheduling of relevant presentations. In creating FY19 work plans and agendas, all board committees were asked to consider the usefulness of focusing on the eight national issues and trends discussed during the March and September meetings of the board, or on some other organizing framework.

The purpose of this discussion is to determine the organizing framework/approach that the committee would like to employ as it finalizes its FY19 work plan and agenda, and the desired format of monthly presentations, discussions, and stakeholder involvement.



October 17, 2018

Academic and Student Affairs

ASA Committee FY19 Work Plan and Agenda

Discussion Outline

- Identifying our organizational framework for the year's presentations and discussions, in addition to policy and mission approvals
- Presentation and discussion formats
- Strategic questions and discussion
- Next steps



Organizing Frameworks

Option 1: ASA division framework of three interdependent principles

- Guided Learning Pathways
- Student Experience and Engagement
- Innovation and Evolution



Organizing Frameworks

Option 2: National issues and trends

- The value and purpose of higher education
- Student success, enrollment, and changing student demographics
- Innovation and quality in curriculum, programming, services, and operations
- Campus climate
- Disinvestment in public higher education
- Affordability and student debt
- State and federal policy
- Leadership and change



Organizing Frameworks

Option 3: Key academic and student affairs topics (current practice)

- Topics of interest and import identified by the committee
- Topics of import identified by the ASA division or Chancellor



Presentation Formats

What information do you need to make the committee meetings and discussion most fruitful?

Current practice

- Executive summary
- Strategic questions for committee discussion
- Background slides containing context and detail

Additions/alternatives for consideration

- Explicit linkages to system strategic priorities
- Explicit linkage to the work of other board committees
- Explicit linkage to the national issues and trends
- Address background context and detail as a pocket item



Strategic Discussion Questions

- How can our questions be best formulated to engender committee engagement and discussion?
- How would the committee like to hear the voices of our campus presidents, faculty, students, and staff?
- What have we forgotten?



Next Steps

- ASA will draft a work plan/agenda for the committee based on today's discussion
- The committee chair will circulate the draft to the full committee for feedback
- A revised version of the work plan/agenda will be brought to the November meeting for committee review and approval.





MINNESOTA STATE

Human Resources Committee
October 17, 2018
1:30 PM
East Hall, Kryzsko Commons
Winona State University

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

- 1. Minutes of June 19, 2018**
- 2. Appointment of Vice Chancellor for Human Resources**
3. Executive Search Process Review Update

Committee Members:

Jay Cowles, Chair
Cheryl Tefer, Vice Chair
Alex Cirillo
Dawn Erlandson
Bob Hoffman
Roger Moe
Samson Williams

President Liaisons:

Ginny Arthur
Adenuga Atewologun

Bolded items indicate action is required.



Minnesota State Board of Trustees
Human Resources Committee
June 19, 2018

Human Resources Committee members present: Dawn Erlandson, Chair; Trustees Basil Ajuo, Alexander Cirillo, Robert Hoffman, Roger Moe, Rudy Rodriguez, and Cheryl Tefer.

Human Resources Committee members absent: None.

Other board members present: Ann Anaya, Jay Cowles, Amanda Fredlund, Jerry Janezich, George Soule, Louise Sundin, and Michael Vekich.

Leadership Council committee members present: Devinder Malhotra, Chancellor; Sue Appelquist, Interim Vice Chancellor for Human Resources.

Committee Chair Erlandson called the meeting to order at 2:10 PM.

Approval of the May 16, 2018 Committee Meeting Minutes

Committee Chair Erlandson called for a motion to approve the Human Resources Committee Meeting Minutes. The minutes were approved as written.

1. Human Resources Transactional Service Model (HR-TSM) Project Update
Interim Vice Chancellor Appelquist provided update on activities relating to HR-TSM since May's Board meeting where Internal Audit shared their observations and recommendations to ensure the project's success. Deb Gehrke, Chief Human Resources officer, Metropolitan State University joined Interim Vice Chancellor Appelquist at the table to share Metro State's experience with the project.

Interim Vice Chancellor Appelquist stated, the HR-TSM leadership team has worked hard to assess, strategize, and adjust course to finish Phase 1 of the project and begin Phase 2 in a way that will help our colleges, universities, and our service centers be successful.

HR-TSM is a campus-driven, system-wide effort to migrate both HR and payroll transactions to a shared service model. By doing this we will improve the quality of the work and create efficiencies such that our college and university HR teams will be better positioned to focus their attention on the strategic needs of their institutions.

From an enterprise perspective, this effort is establishing consistent and common business practices across the system that will mitigate risk that comes from disparate practices, and it positions us very well for the NextGen ERP project.

From the campus perspective, this effort augments HR's capacity for strategic HR work such as workforce planning, talent acquisition, employee engagement, and training and development.

Interim Vice Chancellor Appelquist stated that original project timeline had Phase 1 faculty transaction activities finishing up by the end of this month, and begin Phase 2 on July 1, which is moving the transactions of all other employee groups to the service centers.

Internal Audit has recommended leadership team revisit Phase 2 approach. The HR-TSM leadership team agreed with Internal Audit's recommendation to focus their attention on six key areas:

- Project governance
- Enhanced communications
- Improved technology functionality
- Clarifying roles and responsibilities
- Reporting and metrics
- And a revised transition plan for Phase 2

Leadership team also agree with Internal Audit that immediate action is necessary, and if those actions are taken, there is a high probability of success. While Internal Audit indicated a moderate level of effort is needed, leadership team stressed that effort and commitment needs to come from ALL project stakeholders, including system and campus leadership, our campus HR teams, the service center teams, and central office staff.

Interim Vice Chancellor Appelquist said there's been significant progress in project governance. First, funding was secured to engage HR-TSM project manager Kari Campbell. She's already started transitioning from her current project management role in academic and student affairs to HR-TSM. Currently in the process of shifting our leadership team to a new governance structure. For cross-functional diversity, we have added both 2-yr and 4-yr representatives from ASA and finance to the HR-TSM governance team. Currently, membership of the HR-TSM and FWM operational teams are being finalized– both will be inclusive of stakeholders beyond HR. The new teams will begin meeting in the new fiscal year.

Interim Vice Chancellor Appelquist stated that FWM and HR-TSM are not the same, but they are related when it comes to the success of our project. FWM is the Faculty Workload Management application in ISRS that provides an integrated and automated process to transmit faculty assignment data from Academic and Student Affairs to Human Resources. HR-TSM is our shared

services environment through four regional service centers across the state that will eventually process all HR and payroll transactions for the system. Successful adoption of FWM at the campus is essential to successfully process faculty transactions at the service center.

Interim Vice Chancellor Appelquist stated that the HR-TSM leadership team is revising the Phase 2 transition plan. The leadership team is taking a sequenced approach and will begin with a pilot group of four institutions later this summer, and then move all other campuses in two sequenced groups - one in mid-fall and the other near the end of the calendar year.

Campus readiness in transitioning to Phase 2 will be based primarily on campus adoption of FWM and other new technology, and adoption of new common business practices. Assessment of campus readiness will be based on the eight factors

- Effective working relationship with service center
- Mutually agreed upon Service level agreement (SLA)
- Campus leadership project support and advocacy
- Regular and effective campus stakeholder communication
- New technology adoption, including Faculty Workload Management
- Common business practice adoption
- Campus data integrity
- Campus transaction error rates

Information will be gathered through self-reporting, system usage metrics, and feedback from system office and service center staff.

Interim Vice Chancellor Appelquist said to accommodate the revised plan, leadership team is constructing a transitional fee structure for campuses, which will be a “pay as you go” model during the first half of fiscal year 2019. Effective July 1, 2018, campuses will be assessed fees based on average headcount of the employee groups being processed by their service center (currently MSCF and IFO employee groups.) As additional work moves to their service center, they will be charged accordingly.

In the coming weeks, the leadership team will have a discussion with the Office of Internal Auditing about continuing their engagement with the project through a status update that would occur sometime over the course of the next year as we implement Phase 2 of the project.

Deb Gehrke, Chief Human Resources Officer for Metropolitan State University, shared that she joined the university, following the payroll crisis, and had the

opportunity to be a part of the implementation of FWM and HR-TSM from the beginning.

Ms. Gehrke shared that they had bumps throughout the process but once people understood that this was the system going forward and that they needed to participate, the university moved forward. Since implementing FWM and moving to the HR-TSM, the fear factor of not having sufficient or consistent staff to manage the transactions for the campus have lessened significantly. The university is no longer in the position that if someone retires that payroll would be impacted like it was in 2013.

- Since implementing, there is assurance of more consistent application of the IFO labor contract.
- More people on campus have a deeper understanding of the labor contract requirements.
- Implementing FWM and HR-TSM were solving multiple risk management issues.
- Review of overall data is easier now that the information is electronically available. Data and information is more readily available and transparent to employees.
- The fact that the service center is now processing transactions for Metropolitan State has been predominately an invisible transition to the campus employees outside the HR office.

The meeting adjourned at 2:35 PM.

Pa Yang

**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Human Resources Committee

Date: October 17, 2018

Title: Appointment of Vice Chancellor for Human Resources

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:

It is anticipated that Chancellor Malhotra will recommend an individual to appoint as Vice Chancellor for Human Resources.

Scheduled Presenter(s):

Devinder Malhotra, Chancellor

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD ACTION
APPOINTMENT OF VICE CHANCELLOR FOR HUMAN RESOURCES

BACKGROUND

It is anticipated that Chancellor Malhotra will recommend an individual to appoint as Vice Chancellor for Human Resources.

RECOMMENDED COMMITTEE MOTION

The Human Resources Committee recommends that the Board of Trustees adopt the following motion.

RECOMMENDED BOARD MOTION

The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints _____ as Vice Chancellor for Human Resources effective _____, 2018, subject to the completion of an employment agreement. The board authorizes the chancellor, in consultation with the chair of the board and chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.

Date of Adoption: *October 17, 2018*

Date of Implementation:

**MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Human Resources Committee

Date: October 17, 2018

Title: Executive Search Process Review Update

Purpose (check one):

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

Brief Description:

Interim Vice Chancellor Appelquist will provide a summary of the 2017-18 executive search process review, particularly as it related to presidential searches.

The summary will include:

1. An overview of the five stages of the executive search process;
2. Feedback from stakeholder groups from last year's presidential searches; and
3. Recommendations to enhance the effectiveness of this year's searches.

Scheduled Presenter(s):

Sue Appelquist, Interim Vice Chancellor for Human Resources
Renée Hogoboom, System Office CHRO and Executive Search Manager



October 2018

2017-18 Executive Search Process Review

Board of Trustees

Human Resources Committee

Minnesota State is committed to hiring extraordinary leaders who meet the needs of colleges, universities, and their communities through a selection process that is broadly consultative and transparent.

Source: Board Policy 4.2 Appointment of Presidents

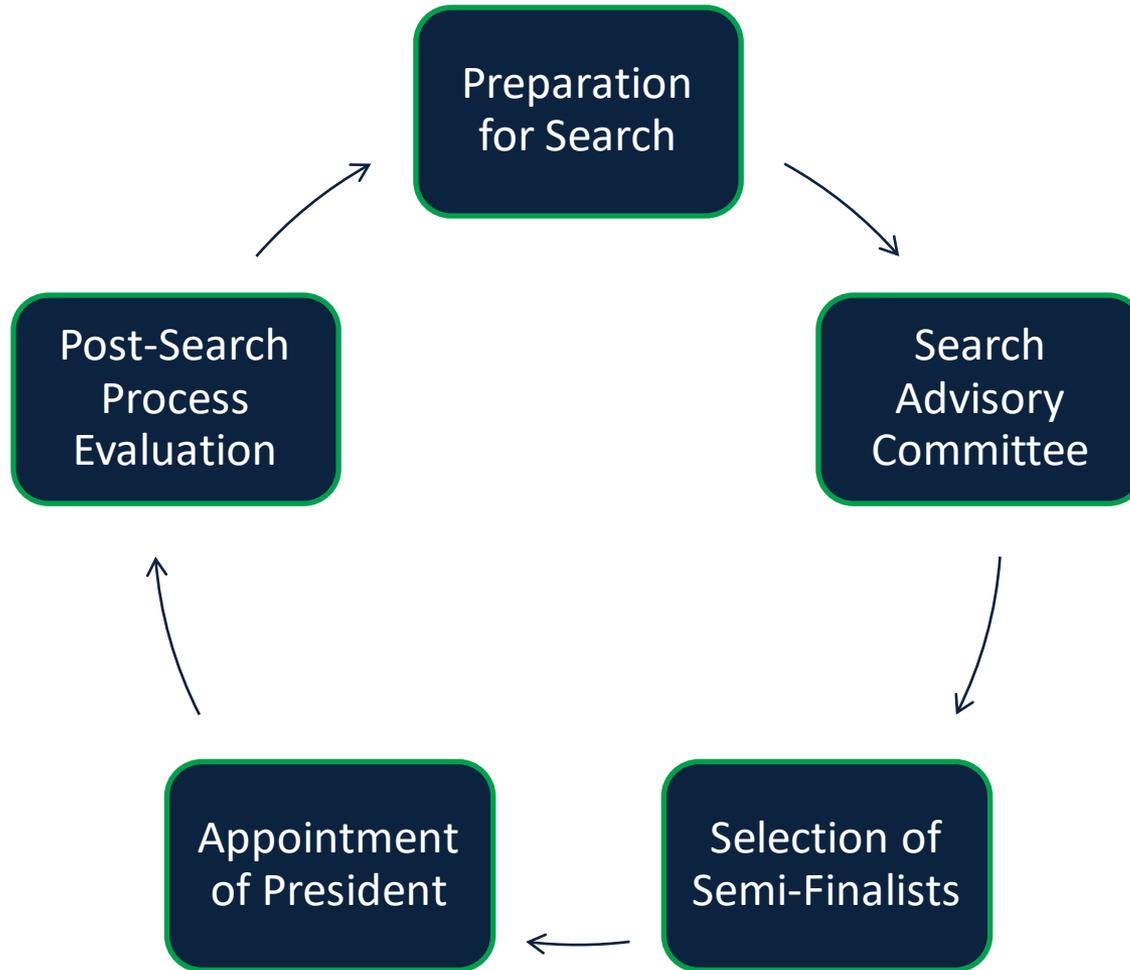


Last year, the Board of Trustees appointed eight presidents (five permanent and three interim):

1. Michael Berndt, IHCC/DCTC (interim)
2. Jeffery Boyd, RCTC
3. Carrie Brimhall, M-State
4. Annesa Cheek, SCTCC
5. Stephanie Hammitt, FDLTCC (interim)
6. Craig Johnson, Ridgewater
7. Larry Lundblad, MSC Southeast (interim)
8. Robbyn Wacker, SCSU



FIVE STAGES OF THE EXECUTIVE SEARCH PROCESS



STAGE ONE

Preparation for Search

- Search firm selected and engaged
- Search Advisory Committee (SAC) formed
- Advertising plan developed
- Recruitment plan developed
- Leadership profile developed
- Active recruitment of candidates begins

STAGE TWO

Search Advisory Committee (SAC)

- SAC members understand:
 - their role and responsibilities
 - policies and practices pertaining to confidentiality
 - policies and practices related to diversity and inclusion
- SAC identifies candidates for confidential (airport) interviews
- SAC interviews selected candidates and makes recommendation to the chancellor

STAGE THREE

Selection of Semi-finalists

- Semi-finalists are invited for campus visits and system office interviews
- Chancellor reviews feedback from campus visits, system office interviews, and background/reference report
- Chancellor makes a recommendation to the Board of Trustees

STAGE FOUR

Appointment of President

- New president is appointed by the Board of Trustees
- Campus presentation of president-designate



STAGE FIVE

Post-Search Process Evaluation

Goal: Identify changes needed to modify and strengthen an effective search process to recruit the very best leaders for our colleges, universities, and the system office

- Collect and analyze data on the applicant pools and search expenditures
- Solicit feedback from search consultants, search chairs, search advisory committee members, and candidates
- Review current process and identify areas of strength along with areas for improvement

FY18 SEARCH PROCESS FEEDBACK

- Overall, feedback from search consultants, search chairs, search advisory committee (SAC) members, and candidates was very positive, and had constructive feedback for us to consider.
- Consultants thought our process was well laid out.
- SAC survey results were overwhelmingly satisfied or very satisfied with our search process.
- Out-of-state finalist candidates thought we had a very good process, but found it was time consuming by needing to travel to Minnesota on three separate occasions (airport interview, campus visits, and system office interviews.)

RECOMMENDATIONS FOR THIS YEAR'S SEARCHES

- Pilot the option of having electronic confidential interviews, rather than airport interviews.
- When feasible, schedule campus visits and system office interviews back-to-back to decrease costs and the amount of time candidates need to be away from their home campuses.
- Allow flexibility in the search process to ensure we do not lose outstanding candidates.



TRUSTEE PARTICIPATION IN THIS YEAR'S SEARCHES

- HR Committee Chair will distribute an electronic survey to all trustees as search schedule is developed
- Chair will name trustee interviewers based on:
 - Trustee interest
 - Campus or regional familiarity
 - Availability
 - Background
 - DEI representation
- Goals is to have all trustees participate in at least one presidential search during the year



MINNESOTA STATE

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Board of Trustees Meeting

Wednesday, October 17, 2018

2:00 PM

Note: Committee and board meeting times are tentative. Meetings may begin up to 45 minutes earlier than the times listed if a committee meeting concludes its business before the end of its allotted time slot. In addition to the board or committee members attending in person, some members may participate by telephone.

Call to Order

Chair's Report, Michael Vekich

- Update on Reimagining Minnesota State

Chancellor's Report, Devinder Malhotra

Consent Agenda

- 1. Minutes, Diversity, Equity, and Inclusion, June 19, 2018**
- 2. Minutes, Joint Meeting of the Diversity, Equity, and Inclusion and Human Resources Committees, June 19, 2018**
- 3. Minutes, Committee of the Whole, June 19, 2018**
- 4. Minutes, Special Board Meeting, August 31, 2018**
- 5. 2019 Capital Budget Recommendation**
- 6. Acquisition of Real Property, Minnesota State Community and Technical College, Fergus Falls**
- 7. Contract Exceeding \$1 Million: MSU, Mankato, Athletic Team Physician and Athletic Team Physician and Athletic Training Partnership Program**
- 8. Bachelor's Degree Partnership Program – Twin Cities Baccalaureate Pilot Tuition and Fees Program**
- 9. Approval of FY2019 Audit Plan – Part 2**

Board Policy Decisions

- 1. Proposed Amendments and Repeals to Policies (Second Readings)**
 - a) 3.4 Undergraduate Admissions**
 - b) 3.35 Credit for Prior Learning**
Repeal Policies
 - a) 3.15 Advanced Placement Credit**
 - b) 3.16 International Baccalaureate Credit**
 - c) 3.33 College-Level Examination Program (CLEP) Credit**
- 2. Proposed New Policy 3.42 Posthumous Academic Awards**

Board Standing Committee Reports

1. Human Resources Committee, Jay Cowles, Chair
 - a. **Appointment of Vice Chancellor for Human Resources**
 - b. Executive Search Process Review Update
2. Facilities Committee, Jerry Janezich, Chair
 - Facilities Program Orientation
3. Finance Committee, Roger Moe, Chair
 - a. FY2020-FY2021 Legislative Biennial Budget Request (First Reading)
 - b. Proposed New Policy 5.26 Management of Enterprise System Data (First Reading)
 - c. Fee Study Report
4. Joint Diversity, Equity, and Inclusion and Finance Committees, Rudy Rodriguez and Roger Moe, Co-Chairs
 - Procurement Program Update and Redesign
5. Ad Hoc Committee on Outreach and Advocacy, Dawn Erlandson, Chair
 - Partnership Tours
6. Committee of the Whole, Michael Vekich, Chair
 - a. NextGen Enterprise Update
 - b. Project Risk Review #2 Results
7. Audit Committee, Michael Vekich, Chair
8. Closed Session, Joint Audit and Finance Committees, Michael Vekich and Roger Moe, Co-Chairs
 - a. Information Security Update
 - b. Information Technology Risk Assessment Advisory Project Results
9. Academic and Student Affairs, Alex Cirillo, Chair
 - a. Proposed Amendment to Policy 3.3 Assessment for Course Placement (First Reading)
 - b. Proposed Amendment to Policy 3.41 Education Abroad (First Reading)
 - c. Academic and Student Affairs Vision and FY19 Work Plan
 - d. Academic and Student Affairs Committee FY19 Work Plan and Meeting Agenda

Student Associations

1. LeadMN
2. Students United

Minnesota State Colleges and Universities' Bargaining Units

1. American Federation of State, County, and Municipal Employees
2. Inter Faculty Organization
3. Middle Management Association

4. Minnesota Association of Professional Employees
5. Minnesota State College Faculty
6. Minnesota State University Association of Administrative and Service Faculty

Trustee Reports

Other Business

Adjournment

Bolded items indicate action is required



Consent Agenda

October 17, 2018

2:00 PM

Note: Committee and board meeting times are tentative. Meetings may begin up to 45 minutes earlier than the times listed if a committee meeting concludes its business before the end of its allotted time slot. In addition to the board or committee members attending in person, some members may participate by telephone.

Consent Agenda

- 1. Minutes, Diversity, Equity, and Inclusion, June 19, 2018 (pp. 2-7)**
- 2. Minutes, Joint Meeting of the Diversity, Equity, and Inclusion and Human Resources Committees, June 19, 2018 (pp. 8-14)**
- 3. Minutes, Committee of the Whole, June 19, 2018 (pp. 15-18)**
- 4. Minutes, Special Board Meeting, August 31, 2018 (pp. 19-20)**
- 5. 2019 Capital Budget Recommendation (pp. 1-5 of the Facilities Committee's materials)**
- 6. Acquisition of Real Property, Minnesota State Community and Technical College, Fergus Falls (pp. 6-8 of the Facilities Committee's materials)**
- 7. Contract Exceeding \$1 Million: MSU, Mankato, Athletic Team Physician and Athletic Team Physician and Athletic Training Partnership Program (pp. 16-19 of the Finance Committee's materials)**
- 8. Bachelor's Degree Partnership Program – Twin Cities Baccalaureate Pilot Tuition and Fees Program (pp. 93-103 of the Finance Committee's materials)**
- 9. Approval of FY2019 Audit Plan – Part 2 (pp. 4-9 of the Audit Committee's materials)**

Bolded items indicate action is required



**MINNESOTA STATE
BOARD OF TRUSTEES**
DIVERSITY, EQUITY, AND INCLUSION COMMITTEE
McCORMICK ROOM
30 7TH STREET EAST
ST. PAUL, MN

Committee Members Present: Chair Ann Anaya and Co-chair Dawn Erlandson, AbdulRahmane Abdul-Aziz, Basil Ajuo, Jay Cowles, Rudy Rodriguez, George Soule, Louise Sundin

Other Trustees Present: Alex Cirillo, Amanda Fredlund, Bob Hoffman, Jerry Janezich, Cheryl Tefer and Michael Vekich

Leadership Council Members Present: Chancellor Devinder Malhotra

The Minnesota State Board of Trustees Diversity, Equity, and Inclusion Committee held its meeting on June 19, 2018 in the McCormick Room, 30 East 7th Street in St. Paul, MN.

Chair Ann Anaya called the meeting to order at 1:10 p.m.

1. Minutes of May 15, 2018

Chair Anaya made a motion to approve the minutes from May 15, 2018. Trustee Janezich seconded. There were no changes, the motion carried.

2. Model Partnership Program Update: Minnesota State University, Mankato and 3M

Presenters: Dan Sachau (PhD), Director of the Organizational Effectiveness Research Group (OERG) and Professor at Minnesota State University-Mankato; Alison Miotke, Associate Consultant for the OERG and master's candidate at Minnesota State University-Mankato's Industrial and Organizational Psychology program; and Lauren Moffett, Associate Consultant for the OERG and master's candidates at Minnesota State University-Mankato's Industrial and Organizational Psychology Program.

At the invitation of Chair Anaya, Dr. Pickett introduced the representatives from Mankato to present on the partnership with 3M. The presentation focused on the organizational effectiveness, research, engagement and ongoing outreach partnership with 3M. The *Organizational Effectiveness Research Group (OERG)* and 3M have been collaborating on a project that focuses on the science of inclusion in the workplace.

Dr. Sachau provided an overview of the *Organizational Effectiveness Research Group (OERG)*. It is the on-campus consulting project model. There has been support from the campus president and Trustee Bob Hoffman. OERG is a part of the industrial organizational psychology Master's program at MSU-Mankato. There are 21 students involved in the project coming from all over

the world. The project involves helping companies review and try to find ways to match the goals of all the departments.

Upon the recommendation of a student, there was work done with the B507 technical staff on campus to develop simulations for different business areas to switch roles in order for other departments to better understand the demands of the various departments and how they operate. Students met with people from the various departments to find out what the priorities were. They use real scenarios, based on job satisfaction and productivity, which occurred in the organizations to assess what happens when mistakes are made. At the end of the project, there were scores to determine productivity and associate satisfaction.

Another connection was with a company called, Ultra Cleaning Corp, which makes many small parts. Students wanted to look into how to help people follow the rules, as there were many due to compliance. There are limited little research done on rule breaking. Dr. Sachau wrote a book using input from the team and students called "*The Psychology of Rule Breaking; Creating a Culture of Compliance*". Based on the input and research, there was a *Train the Trainer* course developed for employees and their organization including an one-hour e-course called, "*Ten Good Reasons to Break the Rules*".

Alison Miotke was invited to present on the grant that was set up for Nidec. Nidec is a Japanese-based organization that work with motors for engines on large ships and smaller items like cell phones. Nidec recently acquired several factories in the United States. The team at Mankato has been creating a cultural training for the group and the module is now in process. There has been collaboration with employees at some of the factories to develop the training. It was found that the culture of Nidec is not different from what is already in place. The team is working with a film crew based out of Mankato to record the setups and interviews with the employees.

Lauren Moffett presented on the project with 3M. The project focused on the importance of inclusion in the workplace. In collaborating with 3M, the focus was on how inclusion affects the brain and produces positive results in the workplace. 3M has a campaign called, "*Different Minds Inspire*". The idea of the project was to collaborate in a different way with the Minnesota State colleges and universities system. The project examines varying relationship opportunities by looking at innovative approaches to diversity and inclusion. In coupling, students and corporations; the model proves to be a good relationship that can be duplicated across the system and across the state. It was decided that there should be marketing and training tools for the campaign.

Some of the key findings from the project were:

- Negative things of being excluded are the psychological and physical components
- Benefits of inclusion is greater creativity, better problem-solving, and improved job satisfaction and well-being

These components are being incorporated into companywide training and finding the best results.

3M coordinated trainings this past fall and feedback was gathered which will be applied with the e-training. It was found that sometimes the language on equity and inclusion makes people shut down. The team is coming up with a new approach and language, specifically, the science behind why inclusion matters. It is hoped that the modules advanced will be used globally.

Dr. Sachau stated that there has been work with several companies globally and an opportunity for students to work with one of the agencies and the White House. Some of the benefits of the OERG model are:

- The model can be repeated across several departments across universities
- Students get hands-on experience with project management
- Businesses get access to motivated students
- Funds support the program
- Students get an opportunity to go on international trips every year and are invited to go on sales calls
- Students go to two national conferences every year
- It is a model that works really well

Chair Anaya invited questions.

- Trustee Hoffman commented that this is an appropriate presentation on successful innovative programs for the system and is internationally renowned. There are tremendous opportunities for students to experience the value. Dr. Sachau was recognized for this incredible program.
- Trustee Janezich asked how the money was raised?
 - Dr. Sachau responded that contracts were set up through the university grants and contracts office.
- Trustee Cirillo asked whether case studies are written and oral work is published from the projects?
 - Dr. Sachau responded that it depends on the organization.
- Trustee Sundin thanked Dr. Sachau for writing his book.

Chair Anaya thanked everyone for the collaborative process and work.

3. Campus Climate Framework Model

Dr. Pickett acknowledged Dr. Sanchau and the team for their presentation and Chair Anaya for inviting the team to present. He stated as we think about the work overall in equity and inclusion, the presentation is timely in framing the campus climate presentation. More importantly, it underscores how the work that is being done is impacted by equity and inclusion. The presentation pointed out a number of things that impact the work on equity and inclusion, how various cultures and businesses impact students, preparing for the global economy and how different minds inspire change. Dr. Davenport was acknowledged for his leadership at MSU-Mankato and for continuing to champion equity in the student body and community outreach.

Campus climate refers to the experience of individuals and groups on a campus and the quality and extent of the interaction between those various groups. Campus climate focuses attention

on the experiences of all constituents. The intention is reshaping and influencing policies and practices and opportunities for all constituents. It is important to include in the work creating equitable experiences, improving operations, prioritizing special engagement opportunities and improve the focus on marginalized and underserved populations.

An area of priority includes research and scholarship that focus on campus climate. Educational researchers Dr. Sylvia Hurtado and Dr. Sue Rankin, who are nationally recognized as area experts, describe campus climate as a part of the institutional context that includes community members' attitudes, perceptions, behaviors, and expectations around issues of race, ethnicity, and other diversity characters.

Dr. Josefina Landrieu was invited to present on the work related to examining campus climate. Additional research study has also demonstrated the affect that a positive campus climate has on students. Higher levels with dimensions of diversity are linked to greater cognitive outcomes for students, positive academic and social self-concept, higher graduation and retention rates, growth and leadership skills and awareness, and greater college satisfaction. In examining campus climate, it not only has been affected at the level of the individual students, faculty and staff but also serves as a tool to further examine and address issues or problems on campus. A positive campus climate helps with recruitment retention, teaching and learning.

From an assessment and institutional effectiveness perspective, it allows us to evaluate our initiatives and strategies related to equity and inclusion. Evidence is gathered in order to make data informed decisions and to understand the position of members from to traditionally underrepresented and underserved groups on campuses. The purpose of the work is to address students' equity and educational outcomes while also addressing the needs of faculty and staff.

In addition to Equity by Design, the Campus Climate assessment provides an opportunity to take a deeper look at the learning environments from the perspective of those experiencing such environments. It will also position institutions to effectively serve students and reduce educational disparities. Although several national frameworks have been shared, there has been more research and work to contextualize to the Minnesota State institutions due to the uniqueness of our campuses. Utilizing frameworks is an initial and critical step in the work. Having this framework allows for better coordination of the work and provides a roadmap. It is critical to campuses because an assessment of campus climate with an overarching framework can impact strategic plans, campus and mentor your practices and provide an avenue for improvement and accountability.

Dr. Pickett spoke on the proposed Transformative Inclusion Framework for Campus Climate Model. The proposed model for examining campus climate expands the research and the benefit of the transformative or intentional inclusion model. Exhibited on the display, you will see the prioritized areas on Student Success. Our approach looks at this from a system wide viewpoint. In reviewing national research models, there is limited data and research on how systems approach climate study. This provides an opportunity to impact practice on our specific campus

and nationally. Four key areas of focus are considered and prioritized. As we look at these key areas and how the work is prioritized, we feature areas of influence help inform how each of the four quadrants of focus impact broad areas of experience and influence.

Student success

- Student retention and completion
- Sense of belonging
- Utilization of support services
- Cross-cultural interactions
- Sense or perceptions of discrimination

Equity and inclusion infrastructure

- Leadership support
- Resources and structure for equity & inclusion
- Culturally relevant curricula and pedagogy
- Community engagement and partnerships

Engagement

- Planning and goal communication
- Open communication
- Respect and civility
- Inclusive spaces
- Campus safety

Employee development

- Employee recruitment and retention
- Self-direction and empowerment
- Cultural competence and development

It is important to understand a broad assessment strategy. We have a five (5) team pilot strategy that will begin in the fall. The plan is to execute the study and move forward with the framework with five strategic campus partners. Two campuses have already opted in.

The plan will involve campus outreach, climate survey distribution and study groups, post-survey assessment, institution action plans, post survey assessment period, and implementation of a formal strategy.

Dr. Pickett had candid conversations with colleagues around the country about how a system wide approach is different in terms of looking at campus climate. In having a robust conversation with Chair Anaya, it was discussed that an important part of the work is to understand the difference between climate and culture. Students experience a certain climate on the campus

and a culture based on the community that they reside in. There is an opportunity to expand these areas in the future.

Chair Anaya invited questions.

- Trustee Janezich asked which campuses have committed already and ask that more details are provided when speaking of what is going on at the campuses and should include the name of the campus.
 - Dr. Pickett responded North Hennepin Community College and Minneapolis Community and Technical College. We would like to be intentional about different environment and are seeking participation from rural campuses. Also, stating that several campuses had already conducted a study prior to this work.
- Trustee Cirillo commented that it is a good idea to go to campuses in terms of climate as opposed to the entire organization.
- Trustee Abdul Aziz asked whether campuses have frameworks in place to meet the overall goal.
 - Dr. Landrieu responded that this framework is being used to provide support to campuses that want to embark in an overarching framework. Each campus will get its own campus climate assessment and metric.
 - Dr. Pickett commented that each campus needs to have discretion to impact their environment. From a system wide perspective, it is the goal to prioritize the areas that is a supportive climate for student success and attraction and retention for employees including faculty. As a consultative approach to leadership, it would be our responsibility to step in and provide support. This is an opportunity to directly partner with campuses as well as to improve operations and take a look at the overall assessment.
- Trusted Rodriguez commented that the model and framework looks fantastic, is comprehensive and includes best practices in the industry and includes key constituents. It is recommended that the team think about process and how inclusion is outlined specifically and addressing unconscious bias.

Chair Anaya announced that this is her last meeting as Chair of the Diversity Equity and Inclusion Committee and as a Trustee but informed Dr. Pickett that she will be available to partner on activities. Dr. Pickett thanked Chair Anaya, on behalf of himself, system office, and colleagues for the leadership and support to advance equity and inclusion forward.

The meeting adjourned at 2:06 p.m.

Respectfully submitted

Maureen Braswell, Recorder

**MINNESOTA STATE
BOARD OF TRUSTEES**

JOINT DIVERSITY, EQUITY, AND INCLUSION AND HUMAN RESOURCES COMMITTEES
McCORMICK ROOM
30 7TH STREET EAST
ST. PAUL, MN

Committee Members Present: *Chair Ann Anaya and Dawn Erlandson, Co-Chairs
AdbulRahmane Abdul-Aziz, Basil Ajuo, Alex Cirillo, Jay Cowles, Bob Hoffman, Roger Moe, Rudy
Rodriguez, George Soule, Louise Sundin, and Cheryl Tefer*

Other trustees present: *Jerry Janezich, and Michael Vekich*

Leadership Council Members Present: *Chancellor Devinder Malhotra*

The Minnesota State Board of Trustees Joint Diversity, Equity, and Inclusion and Human Resources Committees held its meeting on June 19, 2018 in the McCormick Room, 30 East 7th Street in St. Paul, MN.

Chair Ann Anaya called the meeting to order at 2:35 p.m.

- Minnesota State Faculty and Staff Diversity: Current Demographics and Strategies

Chief Diversity Officer Clyde Wilson Pickett and Interim Vice Chancellor Sue Appelquist were invited to provide an overview of employee composition including leadership at Minnesota State. Dr. Pickett stated that a central part of the discussion is the effort to recruit and retain staff and faculty of color and American Indians. For many years, the colleges and universities in the Minnesota State system have engaged a broad group of campus leaders who have been involved in this effort. There has been advanced conversations with union leaders representing faculty and staff bargaining units. The infusion of equity and the priority of diversity must serve as a model in the hiring practices system wide. A new concept has been developed, Intentional Recruitment and Retention which takes a proactive and strategic approach to workforce planning with an eye towards reaching employee diversity goals.

A key component of the work is the need to advance strategic succession planning as a tool to advance equity and support the priority of equity in the leadership strategy. As leadership at all levels prepares to meet challenges of tomorrow, it is understood that population shifts are a part of the work. Demographics are important components of the conversation around leadership and employee composition. Dr. Pickett provided a synopsis of the changes in demographics.

Minnesota's total population is estimated to exceed 6 million by 2032 and grow to nearly 6.8 million by 2070.

- In the coming two decades, the under 18 population will grow modestly, gaining about 32,000 between 2015 and 2035.
- Meanwhile, the states 65 and older population will grow much more rapidly adding more than a half-million people over the same years
- As a result of this growth, in 2035, the 65+ age group is expected to eclipse the under 18 population for the first time in our state's history
- The percent of Minnesota's population that is non-white or Latino is projected to grow to 25% in the same time period
- The number of Latino, Black and Asian Minnesotans are projected to more than double over the next 30 years
- The white population is projected to grow slowly and will decline in some parts of the state
- All regions of the state will become more racially and ethnically diverse as time moves forward

Another impact of the work is the growing understanding of an urban versus rural population. More than 7 in 10 Minnesotans live in an urban area with 434,000 living in remote or rural areas. This is important to think about as it pertains to attracting and retaining talent in specific areas.

Interim Vice Chancellor Appelquist stated that data compares the diversity of the Leadership Council which includes the Chancellor's cabinet and college and university presidents with all employees in the system. Approximately 12.8% of the employee population are employees of color and American Indian, while 33% of the Leadership Council are employees of color and American Indian. The executive leadership profile reflects successful and intentional efforts in hiring diverse leadership and will continue to serve as a best practice model for colleges and universities. The workforce is 56% female and 44% male, and leadership is 44% female; 56% male.

Demographics in comparison to last year shows the head count is at 15,600 compared to 16,100. Full-time equivalency is now at 14.5%. The percentage at colleges and universities, faculty and staff as well as system office has remained stable. There is improvement in the percentage of employees of color and American Indian. Last year 11.9% was reported while this year, 12.8% was reported. Over the past decade, the composition workforce has become more diverse. In comparing 2017 and 2018, Minnesota State colleges and universities have continued to be more diverse with the administrators' role continuing to lead the way. The manager and supervisor role took a slight step back.

Trustee Erlandson asked about the data in comparison to student body. Interim Vice Chancellor Appelquist responded that the student population is more diverse than faculty and staff. There has been progress. A majority of Minnesota's population growth tends to be among Asians,

Blacks and Latinos and will continue that way for the near distant future. In 2008, Black, Hispanic and Asian, students comprised 13% of the student body of Minnesota State. Today, they make up 23% of the student body. This is an important comparison for monitoring and trying to impact the student body and communities.

There is a larger imbalance between the percentage of students of color and percentage of faculty of color at the two-year colleges rather than the four-year universities. Overall, the diversity of Minnesota State's faculty continues to become more diverse with major strides being made in the probationary tenure track faculty.

Dr. Pickett presented on recruitment, retention and growth of employees. Part of the effort to advance a broad equity agenda and the ability to shape and influence efforts revolve around recruitment. In fall of 2016, a full-time faculty and degree granting post-secondary institutions was 41% white males; 35% white females; 6% Asian Pacific Islander males; 4% Asian-Pacific Islander females; 3% percent black males, females and Hispanic males; and 2% Hispanic females. American Indian and Alaska native; and two or more races made up 1% or less full-time faculty and these institutions.

In thinking about the importance of the national challenges that impact the ability to diversify, the priority must be to continue advancing efforts that have a system wide approach to impact the work. In recent years, several strategies have been implemented by colleges and universities around the country including institutions in our system to grow faculty diversity. Most of these efforts have focused on increasing the numbers of persons from traditionally marginalized groups. Diversity in the workplace fosters innovation and competition in business. Colleges and universities also operate as businesses.

With the increase in recruitment and retention of diverse students, colleges will benefit from having faculty that promote and are more diverse. Prospective students looking for diverse colleges will be enticed by a college or universities that have diverse population in the faculty as well. The college or university can appear more welcoming when diversity of the student body is also represented in the faculty. Diverse representation and the employee base are essential components in the work. Universities on the forefront of research are sure to incorporate diverse faculty throughout the processes and transition towards involving them in leadership. Research supports the idea and there is compelling evidence that understands that diverse learning environments benefits not only for traditionally underrepresented student populations, but student populations of all backgrounds.

In an effort to work towards the goal of meeting diverse representation in faculty ranks, colleges and universities have and continue to advance the following initiatives:

- Identifying institutional goals

- Establishing the importance of qualified applicant pools
- Partnership with specific bargaining units
- Relationships with national organizations
- Proactively attend and participate in national conferences
- Partnerships and importance of connections with department chairs
- Embed information in the recruitment process

Additional tools that the system can utilize to attract more faculty of color and diverse faculty constituents include:

- Future faculty exploration programs
- Educating colleagues including deans, presidents, department chairs and provost and chairs on the recruitment of diversity goals
- Grow your own strategies

Minnesota State has a purposeful approach to increase diversity by continuing to ensure that the hiring work focuses on attracting well-qualified people of color and American Indian and make sure it is higher ranked than the existing composition. Over time, we need to continue to exercise this model to increase the impact on diversity in the workforce as a whole.

In thinking about broader recruitment strategies, it is important to partner with human resources and include how we look at hiring practices, policy strategy, and exercising search advisory committee training progress. A key component is unconscious bias training to understand and underscore how human interaction also shapes the work. The key idea to think about for attracting faculty of diverse backgrounds is an understanding that all positions matter and has to be approached as a priority to advance equity and inclusion.

In thinking about the efforts to continue to expand recruitment, there must also be focus on retaining employees. In order for the framework on the global economy to work, inclusion has to be a priority. This work is a national race to attract the best talent. There must be an effort in place to retain employees. A component of the work is the ability to exercise the power of employee resources groups. A number of business and industry partners that we work with have employee resource groups in place. These institutions sponsored entities represent historically underrepresented groups. Potential employee resource groups and process includes emerging professionals, individuals who are identified or part of the LGBTQIA community, women's council, or gender specific groups, Latino, African-American, multicultural and many others. These groups provide the opportunity for us to think comprehensively about how we work to retain employees, examine morale and campus experience to impact the campus, division, and system. Also, the ability to provide a toolkit on how employees can be successful.

An important component of the campus climate framework outlines how employee retention is impacted and how experience including engagement in employee development is essential components of the work. Campus climate studies can be used to impact retention. In the work

to retain diverse employees, we must work to understand employee turnover, trends in environment and the impact on various subpopulations.

In terms of employee turnover, there has been a gap in white employees and employees of color and American Indian in recent years. The turnover rate for all employees is heavily influenced by the turnover by white employees. The number of white employees that turnover is greater than the number of employees of color and American Indian. Overall, employee turnover is a paramount issue for the entire system.

Dr. Pickett stated that as equity and leadership is advanced we must prioritize broader understanding for key areas of identity with attention to intersectionality. Areas of priority for employees and include the following:

- race and ethnicity
- gender identity
- LGBTQIA
- veteran status
- ability status and other identity status

In working to attract and retain employees of various backgrounds, it is important to take into consideration their identity and be mindful of how it impacts our system and leadership in the system.

Interim Vice Chancellor Appelquist presented on *Grow Your Own* strategy. In addition to attracting and retaining top talent from the diverse and national pools, Minnesota State is committed to developing its own staff, faculty and leaders to augment capacity of the colleges and universities. Some of the leadership programs include:

- The Luoma Leadership Academy - this is an 18 month leadership development program designed to nurture leadership for Minnesota State
- Advanced Development for Deans Pilot Program - this is a new pilot program working in conjunction with academic and student affairs that is designed to assist deans accelerate their development so that they are competitive in a candidate pool for CAO/CSA positions within one to three years. Twenty nominations have been received for this pilot program

Trustee Janezich asked what the actual percentage of faculty is as it relates to the goal of 30%. Interim Vice Chancellor Appelquist responded that the percentage is pretty close to the 30% goal.

Trustee Cirillo asked whether there is any placement data yet.

Interim Vice Chancellor Appelquist responded that there is data for the Executive Leader Development Program but not for Luoma.

- Executive Leader Development Program - this is a year-long program designed to strengthen the executive leadership pipeline particularly for presidential positions

Chancellor Malhotra pointed out in addition to himself, Presidents Scott Olson, Connie Gores, Barbara McDonald and Kent Hanson were also successful due to the Executive Leader Development Program.

Dr. Pickett commented that Interim Vice Chancellor Appelquist underscored success for the three initiatives to grow capacity and opportunities for employees in the system. As it relates to expanding the role of the diversity officers, it is important to be mindful of growing skills and competencies in diversity officers at all levels. There have been monthly competencies series to support to support these professionals and annual retreats to expand exposure to the appropriate support. These are boarding in their current roles as they extend the capacity to grow into new roles.

Interim Vice Chancellor Appelquist stated in relation to HR-TSM, as the HR community moves to the shared services environment, we want to make sure CHROs and their teams are well prepared to proactively advance holistically and strategic HR practices to meet the needs of their institution. A system wide development program was created this year for CHROs and their assistant directors for leveraging regional relationships. The focus this past year was to identify the top four professional development priorities that aligned with strategic plans of their college and universities. The group decided to focus on: diversity, equity and inclusion; organizational development; employee engagement and change management. There have been trainings with the Office of Equity and Inclusion and HR to find strategies to advance institutional goals around recruitment and retention.

Dr. Pickett concluded the presentation stating that we are encouraged by system wide efforts to impact the recruitment and retention of employees from various backgrounds and continue to underscore the importance of diversity, equity and inclusion.

Chair Anaya commented that based on the Minnesota State website data in 2015 there is work to do as it relates to Hispanic and African American faculty member recruitment and retention. There should be additional focus to better understand the success and accomplishments with the African-American community and to promote better engagement and outreach.

Dr. Pickett responded as we look at national best practices, institutions have to be mindful of how they approach different sub communities and the work to retract and retain them. A number of campuses have been creative in their outreach to communities. The approach to take is how to replicate that outreach and be culturally responsive to the sub communities. Given the population, there needs to be a *Grow-Our-Own* approach and be more attentive to that work.

Chair Anya commented that unconscious bias training is under review nationally. For those with highly stereotypical behavior, unconscious bias training exacerbates and has the effect of legitimizing bias behavior. She recommends training that is more action oriented and focused on inclusive behavior. It is important to be mindful of the language that is being used.

Trustee Rodriguez commented that there is a lot of diversity fatigue in different institutions and part of it, is the history of how diversity and inclusion has been treated. One approach that would be effective is instead of focusing on buyers, focus on the positive aspects of self-awareness and key competencies in a way that people are more receptive.

Dr. Pickett responded that these suggestions are taken into consideration as the work advance. There is awareness around diversity fatigue and as practitioners, the expansion and language is targeted. There has been broad conversation around intersectionality and the impact on all constituents.

Chair Erlandson commented that younger people in the system are more diverse and asked whether some of the colleges and universities are doing better than others in terms of the data on the segregating retention. Interim Vice Chancellor Appelquist responded that the trend was not seen until three years ago and the market plays a factor in this data. Dr. Pickett commented that a stronger market economy and the ability to transition to industry for some professionals might be impacting the numbers.

Trustee Hoffman asked what the percent of turnover for the system is. Interim Vice Chancellor Appelquist responded that looking at the percentage for all employees, we are just below the percentage.

Chancellor Malhotra commented that what needs to be done is to not only look at turnover but take a look at demographics by institutions and add functionalities. This would help determine the competitive markets.

Trustee Rodriguez asked whether adding a statement of inclusion would work for Minnesota State.

Trustee Erlandson asked in terms of turnover, it would be good to know that someone retired, got another job or are disgruntled. Interim Vice Chancellor Appelquist commented that there are generic separation codes.

There were no further questions, the meeting adjourned.

The meeting adjourned at 3:20 p.m.

Respectfully submitted

Maureen Braswell, Recorder

**MINNESOTA STATE
BOARD OF TRUSTEES
COMMITTEE OF THE WHOLE
JUNE 19, 2018
McCORMICK ROOM
30 7TH STREET EAST
ST. PAUL, MN**

Committee Members Present: Chair Michael Vekich and Trustees AbdulRahmane Abdul-Aziz, Ann Anaya, Basil Ajuo, Alex Cirillo, Jay Cowles, Dawn Erlandson, Amanda Fredlund, Bob Hoffman, Jerry Janezich, Roger Moe, Rudy Rodriguez, George Soule, Louise Sundin, Cheryl Tefer, and Chancellor Devinder Malhotra

Committee Members Absent:

Leadership Council Members Present: Senior Vice Chancellor Ron Anderson, Vice Chancellors Laura King, and Ramon Padilla, President Angela Millender, and Interim Executive Director of Internal Auditing Eric Wion

Guests: Mike Cullen, Baker Tilly

The Minnesota State Board of Trustees Committee of the Whole held its meeting on June 19, 2018 in the McCormick Room, 30 East 7th Street in St. Paul, MN.

Chair Michael Vekich called the meeting to order at 3:53 p.m.

NextGen Project Update

Chair Vekich introduced the Next Gen Update.

Vice Chancellor Padilla introduced some of the members of the NextGen steering committee. Vice Chancellor King, President Millender, and Senior Vice Chancellor Anderson who participated presenting the project status update on phase 1 of the NextGen Project and a review of upcoming milestones.

- Phase 1 of the project continues to be on track, on time and on budget.
- The working teams are currently finishing work on the current state and are transitioning to future state work.

The NextGen steering committee board members presented information on the communication plan and the development of the change management strategy. The board members expressed appreciation for the communication plan. The change management strategy plan is shown at risk because the working teams are in process of reviewing the revised process. The board will revive the revised strategy via email and discuss it on a later date.

To support the future state work, three Vendor Showcases will be held via video conferencing in late June and into July. This will allow everyone to see what is available and provide a framework of what a modern ERP looks like. The sessions will be recorded and available to those who cannot attend. The recordings will be archived for a year. It is important to note that these presentations are not a request for proposal (RFP) this is a Request for Information

(RFI) to show what is available. The RFP will not be released until the finance plan is approved sometime in the middle of FY19.

Trustee Janezich stated that the technology fee has not increased and requested that it be revisited and increased. Vice Chancellor King reported that a study on the fees including the policy, and rules that govern this topic is underway and will be presented to the board.

Trustee Cowles expressed concern about the budget request for NextGen Vice Chancellor King responded that the first discussion about the NextGen budget will take place in September, with a presentation of the first reading of the request in October, and a second reading scheduled for November.

Trustee Cirillo inquired if consideration has been given to the issues other state agencies experienced with large technology projects. Vice Chancellor Padilla stated that past presentations included a slide on what makes this work different from other migrations from legacy products. This slide can be presented again.

President Millender presented information on the NextGen communication plan. This ERP Steering Committee reviews each and every message that is sent out to the students, faculty and staff. Slide eleven shows the many different points of collaboration that are used to develop and distribute communication. The ERP Steering committee is dedicated to providing advice on this project and reviews all messages before distribution. The frequency, form and delivery vary to match the needs for this project. SharePoint site is an archive for reviewing the information. The committee respects the work, while honoring the stakeholders.

Chair Vekich inquired about how responses on the NextGen communication site are distributed to the proper committees, and if the recipient receives a response. Vice Chancellor Padilla responded that the program manager monitors and distributes the feedback, by adding it to the issue log and/or distributing it as needed. Generally, there is a response to the individual if they identify themselves.

Vice Chancellor King expressed appreciation; the presidents have leaned into this process and provided valuable and proper responses promptly.

Vice Chancellor King presented the information on the change management plan. This strategy is designed to speak to the individual employee and the leadership. This process is built around change management. This will help the employee understand why the process needs to change, and hopefully, what is good about the changes to the programs. As stated earlier, this part of the project is yellow because of modifications to the strategy document that needed to take place. The teams are working on the tactical plan to execute the strategy; this is expected to go to the leadership council in the summer. The key design element that needed attention was how to roll out a communication plan that includes outreach, training, and the resources needed for training.

Senior Vice Chancellor Anderson stated that the ERP Steering Committee knows that this project is more than just a transition of an ERP system. It will change how students, faculty and staff interact. Large changes like this include a psychological change; slide eighteen depicts the

process of change. The goal is not to eliminate stages, but to help people move through the stages.

Senior Vice Chancellor Anderson presented the stages of change management as well as the upcoming milestones.

Chair Vekich asked if the board members were comfortable with the definition of change management as presented. Trustee Erlandson stated discomfort with the phrase “managing people,” Trustee Tefer explained that this is saying, “...to managing the people side of change”, not managing people. Chair Vekich asked that an effort be made to clean up the language if possible.

Trustee Cowles stated that it is difficult to create single slides from a larger body. The success of change management is in how well the why becomes self-evident and does not rely on a top down approach.

Internal Audit Summary Report

Chair Vekich introduced Interim Executive Director of Internal Auditing Eric Wion and Mike Cullen from Baker Tilly to present the NextGen Audit update.

Interim Executive Director of Internal Auditing Wion stated that the project risk reviews were selected as a part of the overall Audit work plan. The reviews provide independent and objective assessments to provide the board and steering committee assurance that project risks are being properly managed as well as with advisory guidance to the committee on project risks leading practices.

One of the major considerations when looking for an internal audit partner was not only experience in higher education, but also the firms experience in working with large ERP implementations. Baker Tilly had significant experience in both. Mike Cullen has fifteen years’ experience in cyber security, and IT Risk management in higher education.

Mike Cullen presented the NextGen Audit update, which included a project risk review of the NextGen project as part of the work on project risk management. Specifically, the audit team looked at:

- Project Governance and Management
- Stakeholder Involvement
- Organizational Change Management
- Project Execution (in future repots)

Mike Cullen reported that overall, the risks are managed. The current stage of NextGen is primarily information gathering; at this time, the overall risk is low of not achieving project success, not meeting timeline, and not staying within budget. The project team is already covering things like the change management strategy, the data governance strategy, things that other institutions wait to address until the implementation phase. This shows the foresight of the team to manage this throughout the entire lifecycle of the project. There is a very low risk that Phase one will not be completed on time.

Trustee Cirillo stated that the goal is that the implementation will not include customizations; the software will be used as it is delivered and the system will not customize it. Mike Cullen responded that the need for customization depends on the requirements, and what a vendor can deliver. Chair Vekich stated that the objective is to implement the software as is.

Chancellor Devinder Malhotra stated that as Vice Chancellor Padilla has said, when the stakeholders are engaged around the future state, a gap analysis would also take place. This will mitigate the risk for the need for changes. Vice Chancellor Padilla stated that the choice of a product is based on the requirements; there is never an exact match. The future state desires define the requirements for the RFP. The vendors will provide the options available. In the review process, a gap analysis will take place, which will help inform the decisions on which provider best meets the requirements.

Vice Chancellor Padilla stated that customization would be strongly discouraged because the solution will be a software as a service configuration, options will be available, but it will not allow customization.

Trustee Erlandson stated that in choosing a provider, selecting the one that can meet the system's needs but is the lowest cost might be what is chosen. What are the ranges of the cost of these products? Vice Chancellor Padilla stated that while selecting the low bidder is one criterion, there are other requirements that are important and need to be considered. One-hundred fifty million is a bargain for a system of this size. Information on the breakdown of the cost will be presented at the board meetings.

Trustee Moe inquired if there is anyone in the system that does not know the why Minnesota State is working to replace ISRS. Vice Chancellor Padilla is sure there are people who still need to know why. People will consume information at their own pace. That is why the message is repeated over and over again and we will still have people who do not see why. Until this becomes real to them, people will not pay attention to the NextGen project.

Trustee Moe stated that this must be adequately funded, and it cannot have artificial deadlines.

Trustee Cowles requested talking points on why this is an efficient spend so that the board can help increase awareness and support for the NextGen Project.

The meeting adjourned at 4:55 p.m.

Respectfully submitted

Christine Benner, Recorder

Minnesota State Colleges and Universities

Special Meeting of the Board of Trustees

St. Paul, MN

Friday, August 31, 2018

Present: Chair Michael Vekich, Vice Chair Jay Cowles, Treasurer Roger Moe, and Trustees AbdulRahmane Abdul-Aziz, Ashlyn Anderson, Alex Cirillo, Dawn Erlandson, Bob Hoffman, Jerry Janezich, Roger Moe, April Nishimura, Rudy Rodriguez, George Soule, Louise Sundin, Cheryl Tefer, and Chancellor Devinder Malhotra

Absent: Trustees Jerry Janezich and Samson Williams

Call to Order and Roll Call Attendance

Chair Michael Vekich called the special meeting of the Board of Trustees to order at 9:00 am. To ascertain a quorum was present, Chair Vekich called for a roll call to take attendance. Trustees Alex Cirillo and Louise Sundin and Chancellor Devinder Malhotra were present. Participating by phone were: Chair Vekich, Vice Chair Jay Cowles, Treasurer Roger Moe, and Trustees AbdulRahmane Abdul-Aziz, Ashlyn Anderson, Dawn Erlandson, Bob Hoffman, April Nishimura, Rudy Rodriguez, George Soule, and Cheryl Tefer.

Chair Vekich explained that because this is a special meeting, only the items listed on the agenda can be discussed.

Consent Agenda

- 1. Minutes, Board of Trustees Meeting, June 20, 2018**
- 2. Minutes, Joint Leadership Council and Board of Trustees Study Session, July 25, 2018**
- 3. Minutes, Executive Committee Meeting, August 21, 2018**

Chair Vekich asked for a motion to approve the Consent Agenda. The motion was made by Trustee Alex Cirillo, seconded by Trustee Rudy Rodriguez and carried.

Proposed Amendments to Board Policy 1A.2 Board of Trustees and Draft Committee Charters for the Facilities Committee, Finance Committee, Nominating Committee, and Ad Hoc Committee on Outreach and Advocacy (Second Reading)

Chair Vekich summarized the proposed amendments to Policy 1A.2. The process for the election of officers in Part 4, Officers of the Board, Subpart E was amended to create a Nominating Committee that is charged with preparing a list of candidates for chair and vice chair. During discussion, this section was further amended to vote by secret ballot rather than roll call if there are two or more nominees. In Subpart H the chair of the Finance Committee shall also serve as the treasurer.

In Part 5, Standing Committees, Committees, and Working Groups of the Board, the Finance Committee's charge in Subpart B. The Facilities Committee was added in Subpart G. Chair Vekich encouraged the chairs of the Facilities and Finance Committees to consider holding

public hearings on the capital and operating budgets. The Nominating Committee was added as Subpart H, and Subpart I was amended to include ad hoc committees.

Trustee Rudy Rodriguez, the chair of the Diversity, Equity, and Inclusion Committee, commented that the committee's charge as described in Subpart F needs to be updated. Chair Vekich agreed, and asked Trustee Rodriguez to add this to the committee's work plan.

Chair Vekich reviewed the charges for each of the committees. The Ad Hoc Committee on Outreach and Advocacy is scheduled to sunset in two years, unless the board sees a need to make it a standing committee. Trustees were interested in having greater clarity on how this committee will support marketing efforts.

Chair Vekich called for a roll call vote to suspend the rules to take action on the proposed Amendment to Policy 1A.2 and the committee charters. A motion was made by Vice Chair Jay Cowles, seconded by Trustee Cheryl Tefer. Board Secretary Inge Chapin took the roll call and the motion carried unanimously.

Chair Vekich called for a roll call vote to approve the proposed amendment to Policy 1A.2, as amended during discussion, and the committee charters. A motion was made by Trustee Roger Moe and seconded by Vice Chair Cowles. Board Secretary Chapin took the roll call and the motion carried unanimously.

Adjournment

There being no further business, the meeting adjourned at 9:40 am.



Board of Trustees Meeting

Wednesday, October 17, 2018

2:00 PM

Note: Committee and board meeting times are tentative. Meetings may begin up to 45 minutes earlier than the times listed if a committee meeting concludes its business before the end of its allotted time slot. In addition to the board or committee members attending in person, some members may participate by telephone.

Board Policy Decisions (Second Readings)

1. Proposed Amendments and Repeals to Policies

- a) **3.4 Undergraduate Admissions (pp, 7-12 of Academic and Student Affairs Committee's materials)**
- b) **3.35 Credit for Prior Learning (pp. 13-19 of Academic and Student Affairs Committee's materials)**

Repeal Policies

- a) **3.15 Advanced Placement Credit**
- b) **3.16 International Baccalaureate Credit**
- c) **3.33 College-Level Examination Program (CLEP) Credit**
- c) **2. Proposed New Policy 3.42 Posthumous Academic Awards (pp.20-22 of Academic and Student Affairs Committee's materials)**

Bolded items indicate action is required



Minnesota State Acronyms

AACC	American Association of Community Colleges
AASCU	American Association of State Colleges and Universities
ACCT	Association of Community College Trustees
ACE	American Council on Education
AFSCME	American Federation of State/County/Municipal Employees
AGB	Association of Governing Boards of Universities and Colleges
API	Application Programming Interface
AQIP	Academic Quality Improvement Program
ASA	Academic and Student Affairs
BPAC	Business Practices Alignment Committee
CAG	Cross-functional Advisory Group
CAS	Course Applicability System
CASE	Council for the Advancement and Support of Education
CCSSE	Community College Survey of Student Engagement
CFI	Composite Financial Index
CIP	Classification of Instructional Programs
COE	Centers of Excellence <ul style="list-style-type: none">• Advance IT Minnesota• 360° Manufacturing and Applied Engineering Center of Excellence• HealthForce Minnesota• Minnesota Center for Engineering and Manufacturing Excellence (MNCEME)• Center for Agriculture - Southern Minnesota• Minnesota Agriculture Center for Excellence – North – AgCentric• Minnesota Energy Center• Minnesota Transportation Center

CRM	Constituent Relationship Management
CSC	Campus Service Cooperative
CST	Collaborative Sourcing Team
CTF	Charting the Future
CTL	Center for Teaching and Learning
CUPA	College and University Personnel Association
DARS	Degree Audit Reporting System
DEED	Department of Employment and Economic Development
DOA	Department of Administration
DOER	Department of Employee Relations (merged with MN Management and Budget)
EEOC	Equal Employment Opportunity Commission
EIC	Enterprise Investment Committee
ERP	Enterprise Resource Planning
FERPA	Family and Educational Rights and Privacy Act
FIN	Finance
FTE	Full Time Equivalent
FUG	Financial User Group
FY	Fiscal Year (July 1 – June 30)
FYE	Full Year Equivalent
HEAC	Higher Education Advisory Council
HEAPR	Higher Education Asset Preservation
HLC	Higher Learning Commission
HR	Human Resources
HR-TSM	Human Resources Transactional Service Model

IAM	Identity and Access Management
IDM	Identity Management (Old term)
IFO	Inter Faculty Organization
iPASS	Integrated Planning and Advising for Student Success
IPEDS	Integrated Postsecondary Education Data System
ISEEK	CareerWise Education
ISRS	Integrated Statewide Records System
IT	Information Technology
ITS	Information Technology Services
LTFS	Long-term Financial Sustainability
MAPE	Minnesota Association of Professional Employees
MDOE	Minnesota Department of Education
MDVA	Minnesota Department of Veterans Affairs
MHEC	Midwestern Higher Education Compact
MMA	Middle Management Association
MMB	Minnesota Management and Budget
MnCCECT	Minnesota Council for Continuing Education and Customized Training
MMEP	Minnesota Minority Education Partnership
MNA	Minnesota Nurses Association
MOU	Memorandum of Understanding
MSCF	Minnesota State College Faculty
MSCSA	Minnesota State College Student Association
MSUAASF	Minnesota State University Association of Administrative and Service Faculty
MSUSA	Students United (previously known as MSUSA or Minnesota State University Student Association)

NASH	National Association of System Heads
NCAA	National Collegiate Athletic Association
NCHEMS	National Center for Higher Education Management Systems
NSSE	National Survey of Student Engagement
OCR	Office for Civil Rights
OET	Office of Enterprise Technology
OHE	Minnesota Office of Higher Education
OLA	Office of the Legislative Auditor
PEAQ	Program to Evaluate and Advance Quality
PM	Project Manager
PSEO	Post-Secondary Enrollment Options
RFP	Request for Proposal
SAG	Services Advisory Group
SCUPPS	State College and University Personnel/Payroll System
SEMA4	Statewide Employee Management System
SER	Subcommittee on Employee Relations
SHEEO	State Higher Education Executive Officers
SME	Subject Matter Experts
USDOE	United States Department of Education
USDOL	United State Department of Labor