



October 2022 board and committee meetings
Minnesota State Colleges and Universities
Ridgewater College, 2 Century Avenue SE, Hutchinson, MN
Oct 18, 2022 11:00 AM - Oct 19, 2022 2:15 PM CDT

Table of Contents

- I. Schedule.....3**
- II. Reference materials**
 - A. FY2023 Committee Rosters.....5**
 - B. FY2023 Board Meeting Calendar.....7**
- III. Academic and Student Affairs Committee, Cheryl Tefer, Chair.....11**
 - A. Minutes of June 21, 2022.....12**
 - B. FY2023 Committee Workplan.....15**
 - C. Academic and Student Affairs Framework.....19**
- IV. Workforce and Organizational Effectiveness Committee, George Soule, Chair.....22**
 - A. Minutes of June 21, 2022.....23**
 - B. Minutes of June 21, 2022 Joint meeting of Workforce and Organizational Effectiveness and Diversity, Equity and Inclusion Committees.....26**
 - C. FY2023 Committee Workplan.....28**
 - D. Executive Search Process Overview.....30**
- V. Lunch, Commons**
- VI. Campus tour (not a meeting)**
- VII. TigerPath Academies presentation and tour (not a meeting)**
- VIII. Activities end**
- IX. Dinner (social event, not a meeting)**
- X. Day end**
- XI. Breakfast (social event, not a meeting)**
- XII. Closed Session: Joint Meeting of Audit and Finance and Facilities Committees....34**
 - A. Project Results: Enterprise Identity Management System Audit.....35**
- XIII. Break**
- XIV. Finance and Facilities Committee, Jay Cowles, Chair.....36**
 - A. Minutes of June 22, 2022.....37**

B. FY2023 Committee Workplan.....	45
C. Contracts Requiring Board Approval.....	46
1. Student Health Services Contract, Minneapolis Community and Technical College	
2. Student Affairs Renovation Construction Contract, Minneapolis Community and Technical College	
3. Strategic Retention Tool Contract Extension, North Hennepin Community College	
4. Campus Bookstore Operation Contract, St. Cloud State University	
5. Graduate Center Lease Extension, St. Cloud State University	
6. External Auditing Services Contract – Amendment #10, System Office	
7. ISRS Hardware Platform Upgrade, System Office	
D. FY2023 Operating Budget Update.....	59
E. FY2024-2025 Biennial Budget Request (First Reading)	81
XV. Lunch, Commons	
XVI. Board of Trustees, Roger Moe, Chair	
A. Agenda.....	92
B. Minutes of the Committee of the Whole Meeting, June 22, 2022.....	94
C. Minutes of the Board of Trustees Meeting, June 22, 2022.....	95
D. Consent Agenda.....	105
XVII. Meeting ends	

**Board of Trustees
October 18 - 19, 2022
Ridgewater College, Hutchinson
Room 247**

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings. Interested parties can listen to the live stream of the proceedings from the [Board website](#).

Tuesday, October 18, 2022

- 10:45 a.m. Welcome by Craig Johnson, President
- 11:00 a.m. Academic and Student Affairs Committee, Cheryl Tefer, Chair
Other board members may be present constituting a quorum of the board.
- 1. Minutes of June 21, 2022**
 2. FY2023 Committee Workplan
 3. Academic and Student Affairs Planning Framework
- 11:45 a.m. Workforce and Organizational Effectiveness Committee, George Soule, Chair
Other board members may be present constituting a quorum of the board.
- 1. Minutes of June 21, 2022**
 - 2. Minutes of June 21, 2022 Joint Diversity, Equity and Inclusion and Workforce and Organizational Effectiveness Committees**
 3. FY2023 Committee Workplan
 4. Executive Search Process Overview
- 12:15 p.m. Lunch, Commons
- 1:00 p.m. Campus tour (not a meeting)
- 2:00 p.m. Travel to Hutchinson High School, 1200 Roberts Rd SW, Hutchinson, MN
- 2:30 p.m. TigerPath Academies presentation and tour (not a meeting)
- 3:30 p.m. Activities end
- 5:00 p.m. Dinner (Social event, not a meeting)

Wednesday, October 19, 2022

- 8:00 a.m. Breakfast (Social event, not a meeting)
- 9:00 a.m. Closed Session: Joint Meeting of Audit and Finance and Facilities Committees, Co-chairs Michael Vekich and Jay Cowles
Pursuant to Minnesota Statutes § 13D.05, subd. 3 (d), the Board of Trustees will meet in closed session to discuss an information security audit report on vulnerability management.
1. Project Results: Enterprise Identity Management System Audit
- 10:15 a.m. Finance and Facilities Committee, Jay Cowles, Chair
Other board members may be present constituting a quorum of the board.
- 1. Minutes of June 22, 2022**
 2. FY2023 Committee Workplan
 - 3. Contracts Requiring Board Approval**
 - a. Student Health Services Contract, Minneapolis Community and Technical College**
 - b. Student Affairs Renovation Construction Contract, Minneapolis Community and Technical College**
 - c. Strategic Retention Tool Contract Extension, North Hennepin Community College**
 - d. Campus Bookstore Operation Contract, St. Cloud State University**
 - e. Graduate Center Lease Extension, St. Cloud State University**
 - f. External Auditing Services Contract – Amendment #10, System Office**
 - g. ISRS Hardware Platform Upgrade, System Office**
 4. FY2023 Operating Budget Update
 5. FY2024-25 Biennial Budget Request (First Reading)
- 12:45 p.m. Lunch, Commons
- 1:15 p.m. Board of Trustees, Roger Moe, Chair
- 2:15 p.m. Meeting ends

Bolded items indicate action is required.

Committee Rosters* 2022- 2023

Executive

Roger Moe, Chair
George Soule, Vice Chair
Jay Cowles, Treasurer
Dawn Erlandson
April Nishimura
Rudy Rodriguez
Cheryl Tefer

Academic and Student Affairs

Cheryl Tefer, Chair
Alex Cirillo, Vice Chair
Victor Ayemobuwa
Jerry Janezich
Javier Morillo
Kathy Sheran
New Student Trustee 1

President Liaisons:

*Deidra Peaslee
Scott Olson*

Audit

Michael Vekich, Chair
Alex Cirillo, Vice Chair
Jay Cowles
Dawn Erlandson
April Nishimura
George Soule
New Student Trustee 2

President Liaisons:

*Lori Kloos
Anne Blackhurst*

Diversity, Equity, and Inclusion

Rudy Rodriguez, Chair
Javier Morillo, Vice Chair
Victor Ayemobuwa
April Nishimura
Kathy Sheran
George Soule
New Student Trustee 2

President Liaisons:

*Annette Parker
Ginny Arthur*

Finance and Facilities

Jay Cowles, Chair
April Nishimura, Vice Chair
Victor Ayemobuwa
Jerry Janezich
Rudy Rodriguez
Kathy Sheran
Michael Vekich

President Liaisons:

*Joe Mulford
Edward Inch*

Outreach and Engagement Committee

Dawn Erlandson, Chair
Jerry Janezich, Vice Chair
Alex Cirillo
Cheryl Tefer
Michael Vekich
*New Student Trustee 1
New Student Trustee 2*

President Liaisons:

*Michael Raich
Kumara Jayasuriya*

*Assignments are based on trustee roster as of 10/11/2022 and will be updated as needed based on forthcoming Governor trustee appointments.

Workforce and Organizational Effectiveness

George Soule, Chair
Kathy Sheran, Vice Chair
Dawn Erlandson
Javier Morillo
Rudy Rodriguez
Cheryl Tefer

New Student Trustee 1

President Liaisons:

*Carrie Brimhall
Robbyn Wacker*

Nominating Committee

Jerry Janezich, Chair
Jay Cowles, Vice Chair
Cheryl Tefer

Chancellor Performance Review

Roger Moe, Chair
George Soule, Vice Chair
Alex Cirillo
April Nishimura



FY2023 and FY2024 Board Meeting Dates

The meeting calendar is subject to change. Changes to the calendar will be publicly noticed on the board website.

Revised FY2023 Meeting Calendar

NOTE: if agendas require less time, the second date will be cancelled for joint Board and Leadership Council meetings and the first date will be cancelled for all other meetings

MEETINGS	OTHER IMPORTANT DATES
<p>July 19-20, 2022 Board Meeting/Combined meeting Leadership Council Location: System office</p>	
<p>August 2022 New Trustee Orientation – date TBD pending governor appointments</p>	
<p>September 7, 2022 Executive Committee</p> <p>September 20-21, 2022 Board Retreat Location: Riverland Community College</p>	
<p>October 5, 2022 Executive Committee</p> <p>October 18-19, 2022 Committee / Board Meetings</p>	<p><i>ACCT Leadership Congress: October 26-29, 2022, New York</i></p>
<p>November 2, 2022 Executive Committee</p> <p>November 15-16, 2022 Committee / Board Meetings Combined with Leadership Council Location: TBD</p>	

MEETINGS	OTHER IMPORTANT DATES
<p>December 2022 No meetings</p>	
<p>January 4, 2023 Executive Committee</p> <p>January 24-25, 2023 Committee/Board Meetings Combined meeting with Leadership Council Location: TBD</p>	
<p>February 2023 No meetings</p>	<p><i>ACCT National Legislative Summit: February 5-8, 2023, Washington, D.C.</i></p>
<p>March 1, 2023 Executive Committee</p> <p>March 21-22, 2023 Committee / Board Meetings</p>	
<p>April 5, 2023 Executive Committee</p> <p>April 18-19, 2023 Committee / Board Meetings</p>	<p><i>AGB National Conference on Trusteeship: April 2-4, 2023, San Diego</i></p>
<p>May 3, 2023 Executive Committee</p> <p>May 16-17, 2023 Committee / Board Meetings</p>	
<p>June 7, 2023 Executive Committee</p> <p>June 20-21, 2023 Committee / Board Meetings</p>	

Proposed FY2024 Meeting Calendar

MEETINGS	OTHER IMPORTANT DATES
<p>July 18-19, 2023 Board Meeting/Combined meeting Leadership Council Location: TBD</p>	
<p>August 2023 New Trustee Orientation – date TBD pending governor appointments</p>	
<p>September 19-20, 2023 Board Retreat Location: TBD</p>	
<p>October 4, 2023 Executive Committee</p> <p>October 17-18, 2023 Committee / Board Meetings</p>	<p><i>ACCT Leadership Congress:</i> October 9-12, 2023, Las Vegas</p>
<p>November 1, 2023 Executive Committee</p> <p>November 14-15, 2023 Committee / Board Meetings Combined with Leadership Council Location: TBD</p>	
<p>December 2023 No meetings</p>	
<p>January 3, 2024 Executive Committee</p> <p>January 23-24, 2024 Committee/Board Meetings Combined meeting with Leadership Council Location: TBD</p>	
<p>February 2024 No meetings</p>	

MEETINGS	OTHER IMPORTANT DATES
<p>March 6, 2024 Executive Committee</p> <p>March 19-20, 2024 Committee / Board Meetings</p>	
<p>April 3, 2024 Executive Committee</p> <p>April 16-17, 2024 Committee / Board Meetings</p>	
<p>May 1, 2024 Executive Committee</p> <p>May 21-22, 2024 Committee / Board Meetings</p>	
<p>June 5, 2024 Executive Committee</p> <p>June 18-19, 2024 Committee / Board Meetings</p>	

National Higher Education Conferences:

AGB is the Association of Governing Boards of Universities and College

ACCT is the Association of Community College Trustees



Academic and Student Affairs Committee
October 18, 2022
11:00 a.m.
Ridgewater College, Hutchinson
Rooms 247

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

- 1. Minutes of June 21, 2022**
2. FY23 Committee Workplan
3. Academic and Student Affairs Planning Framework

Committee Members

Cheryl Tefer, Chair
Alex Cirillo, Vice Chair
Victor Ayemobuwa
Jerry Janezich
Javier Morillo
Kathy Sheran

President Liaisons

Deidra Peaslee
Scott Olson

Bolded items indicate action required.



**Academic and Student Affairs Committee
Meeting Minutes
June 21, 2022**

A meeting of the Academic and Student Affairs Committee of the Board of Trustees was held on June 21, 2022.

Committee members present: Cheryl Tefer, Chair; Alex Cirillo, Vice Chair; Asani Ajogun, Dawn Erlandson, Javier Morillo and Kathleen Sheran

Committee members absent: None

Other board members present: Victor Ayemobuwa, Jay Cowles, Roger Moe, and George Soule

Staff present: Devinder Malhotra, Chancellor; Ron Anderson, Sr. Vice Chancellor for Academic and Student Affairs

The meeting materials for this meeting are available [here](#) starting on page 12. An audio recording of the meeting is available [here](#).

Committee Chair Tefer called the meeting to order at 9:30 a.m.

Agenda Item 1: Approval of the Meeting Minutes for May 17, 2022

Committee Chair Tefer asked if there were any changes or amendments to the minutes, then asked for a motion to approve. Trustee Cirillo made the motion and Trustee Sheran provided a second.

A roll call vote was conducted, and the minutes were approved unanimously.

Agenda Item 2: Mission Statement Change: Northland Community & Technical College

Committee Chair Tefer invited Sr. Vice Chancellor Ron Anderson along with Sandy Kiddoo, President, Northland Community & Technical College to present, Northland Community & Technical College Mission Statement Change as detailed in the meeting materials.

The meeting materials for this item begin on page 17.

Committee Chair Tefer asked committee members to consider the following recommended committee motion:

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the proposed mission statement of Northland Community & Technical College.

Trustee Erlandson made the motion and Trustee Cirillo seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Yes
Trustee Cirillo	Yes
Trustee Erlandson	Yes
Trustee Morillo	Yes
Trustee Oballa	Yes
Trustee Sheran	Yes
Trustee Tefer	Yes

The committee voted to approve the recommended motion.

Agenda Item 3-7: Proposed Policy Amendments to Board Policy (Second Reading)

Committee Chair Tefer invited Sr. Vice Chancellor Ron Anderson to present on proposed amendment to Board Policy 2.2 State Residency, Policy 3.21 Undergraduate Course Transfer and the Minnesota Transfer Curriculum, Policy 3.30 College Program Advisory, Policy 3.38 Career Information, and Policy 3.39 Transfer Rights and Responsibilities, as detailed in the meeting materials.

The meeting materials for this item begin on page 28.

Committee Chair Tefer asked committee members to consider the following recommended committee motion:

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the proposed amendment to Policy 2.2 State Residency, Policy 3.21 Undergraduate Course Transfer and the Minnesota Transfer Curriculum, Policy 3.30 College Program Advisory, Policy 3.38 Career Information, and Policy 3.39 Transfer Rights and Responsibilities.

Trustee Sheran made the motion and Trustee Cirillo seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Yes
Trustee Cirillo	Yes
Trustee Erlandson	Yes

Trustee Morillo	Yes
Trustee Oballa	Yes
Trustee Sheran	Yes
Trustee Tefer	Yes

Agenda Item 8: Credit for Prior Learning

Committee Chair Tefer invited Sr. Vice Chancellor Ron Anderson along with Mary Rothchild, Senior System Director for Workforce and Economic Development, Mary Beth Lakin, Director, Credit for Prior Learning Assessment Network, Nerita Hughes, Dean of Business Technology, Career and Workforce Development, North Hennepin Community College, Jessica Mensink, Director of Concurrent Enrollment, Southwest Minnesota State University to present, Credit for Prior Learning as detailed in the meeting materials.

The meeting materials for this item begin on page 58.

This being an informational item, there was no vote taken.

Adjournment

The committee chair adjourned the meeting at 10:51 a.m.



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Academic and Student Affairs

DATE: October 18, 2022

TITLE: FY2023 Committee Workplan

- Proposed New Policy or Amendment to Existing Policy
- Approvals Required by Policy
- Other Approvals
- Monitoring/Compliance
- Information

PRESENTERS

Satasha Green-Stephen, Senior Vice Chancellor for Academic and Student Affairs

PURPOSE

The purpose of this topic is to review the fiscal year 2023 work plan for the academic and student affairs committee.

BACKGROUND INFORMATION

Board Policy 1A.2, Part 5, Subpart D outlines the charge and scope of the academic and student affairs committee:

The Academic and Student Affairs Committee is charged with governance and oversight of the academic programs and student services provided at the system’s colleges and universities. The committee’s scope includes oversight of board policies for all system academic and student services to assure the highest possible quality of academic programming and service to students and the efficient use of the system’s academic and service resources. The committee also provides oversight to system wide academic and student service strategic planning, diversity and equity matters related to students and academic programs, and academic or student related technology matters.

Exercising these responsibilities requires the committee to make recommendations for action to the full Board of Trustees on the following topics:

1. Approval of academic and student affairs-related policies, including both the adoption of new policies and the revision of existing policies;
2. Approval of revisions to college and university mission statements, as well as institutional type; and
3. Approval or endorsement of systemwide academic strategies and initiatives.

To ensure that the committee is best positioned to fulfill these responsibilities, committee staff and the committee chair create a tentative work plan/agenda for the committee each August. This draft document is typically reviewed and discussed with the committee chair and vice chair before the plan for the year is solidified.

In addition to input from system office staff, trustees, students, and bargaining unit leaders identify topics of interest or importance for each committee to address during the coming year. The table on the following page contains both the draft plan for the meetings held during fiscal year 2023, and the topics/areas of interest identified by trustees, students, and bargaining unit leaders.

The purpose of this committee discussion is to review proposed topics for the academic and student affairs committee, identify additional topics/areas of interest, discuss the approach the committee will take in reviewing and discussing each topic/area of interest, and determine the scope of the academic and student affairs committee work plan/agenda for the year.

FY2023 Board Committee Work Plan Academic and Student Affairs Committee

	Oct 2022	Nov 2022 <i>Joint with Leadership Council</i>	Dec 2022	Jan 2023 <i>Joint with Leadership Council</i>	Feb 2023	March 2023	April 2023	May 2023	June 2023
Operational	FY23 Committee Work Plan/Agenda						Board of Trustees Award for Excellence (No committee meeting)		
Board Policy Considerations		Policy readings and approvals		Policy readings and approvals		Policy readings and approvals		Policy readings and approvals	Policy readings and approvals

Bold = action items needing committee and board approval

Blue font = joint committee presentation

Italics = tentative topic

	Oct 2022	Nov 2022 <i>Joint with Leadership Council</i>	Dec 2022	Jan 2023 <i>Joint with Leadership Council</i>	Feb 2023	March 2023	April 2023	May 2023	June 2023
Strategic	Academic and Student Affairs Planning Framework	Transfer in Minnesota State Pandemic Impact on Teaching and Learning		Higher Learning Commission and Board Governance Specialized Accreditation		Strategic Enrollment Management Minnesota State Guided Learning Pathways Basic Needs, Mental Health, and United 211		Developmental Education and Math Pathways Data Democratization	Effective Strategies for Tackling Transfer

Bold = action items needing committee and board approval

Blue font = joint committee presentation

Italics = tentative topic



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Academic and Student Affairs

DATE: October 18, 2022

TITLE: Academic and Student Affairs Planning Framework

- Proposed New Policy or Amendment to Existing Policy
- Approvals Required by Policy
- Other Approvals
- Monitoring/Compliance
- Information

PRESENTERS

Satasha Green-Stephen, Senior Vice Chancellor for Academic and Student Affairs

PURPOSE

To provide background on planning and key priorities in the Academic and Student Affairs division of the system office.

BACKGROUND INFORMATION

In 2018 Academic and Student Affairs (ASA) initiated a planning process to identify the vision, mission and guiding principles for the division. In revisiting those commitments, we have reaffirmed that vision, mission, and guiding principles continue to guide and inspire our work, and assist the division in working toward our Equity 2030 goals and supporting the imperatives and focus areas in the Chancellor/System Office Workplan.

The vision of Minnesota State Academic and Student Affairs is to be a national leader in transforming higher education systems and practices to improve student outcomes and eliminate disparities. This will require that we commit ourselves to working in a particular way and with a specific mindset:

- We will be known nationally as a system that is continually evolving and one that embraces and thrives on creating new and more effective ways to educate and serve students, our communities, and our state.
- We will pursue intentional, equity-focused, and evidence-based solutions to address the problems of today and tomorrow.
- We will sustain rigor in our work – holding high standards and expectations of our students, our partners, and ourselves.
- We will approach our work with intentionality and compassion – working with integrity, humility, and caring, accepting people where they are and moving them forward without sacrificing standards or expectations.

ASA will think and act differently to eliminate barriers that inhibit student access and student success by fostering innovation and being more strategic in our approaches to support and serve our students. ASA will implement change through the three key principles to effectively implement Minnesota State Guided Learning Pathways (the student success framework for Equity 2030) across all colleges and universities in the Minnesota State system. These principles support and align with the three strategic objectives in the Chancellor/System Office Workplan described in greater detail below: Equity 2030, Financial Sustainability, and Transformational Change.

To achieve these ends, we will re-envision and re-structure our work around three key principles and practices, and identify annual and multi-year initiatives to advance our work.

Strategic Enrollment Management

Re-envisioning and enhancing the entire student experience to improve student success and effectively manage enrollment. Strategic enrollment management encompasses the entirety of a college's or university's work to identify, recruit, enroll, retain, and graduate students in the context of the college's or university's mission and the communities they serve.

Minnesota State Guided Learning Pathways

Re-envisioning learning pathways to create multiple and equitable paths to development and credentials for lifelong success. Endorsed by the Board of Trustees Academic and Student Affairs Committee in November of 2020, Minnesota State Guided Learning Pathways is a framework that seeks to streamline a student's journey by focusing on (1) curricular and program design/delivery, (2) comprehensive orientation and first-year experience, and (3) holistic advising and comprehensive student support.

Innovation and Evolution

Re-envisioning higher education as a collective and collaborative enterprise where innovation and evolution are integral to our culture. To achieve the ambitious goal of Equity 2030 and to respond to the rapid and ongoing changes in the cultural, economic, and political context in which higher education operates, we will need to both evolve existing models and innovate to develop altogether new models to meet the needs of current and future students.

ASA Alignment with Chancellor/System Office Workplan

The Chancellor/System Office Workplan is a framework that serves as a set of guideposts for multi-year planning. The Workplan is not a comprehensive list of all the collective work that is being undertaken at the system office nor all the activities where the Chancellor is engaged, but is reflective of the top priorities as we move towards our shared Equity 2030 goal, shore up our organization to be programmatically and financially sustainable, and respond to the continual changes in higher education.

In the Chancellor/System Office fiscal year 2022 workplan, three strategic objectives were identified: Equity 2030, Financial Sustainability, and Transformational Change. To advance the

Equity 2030 strategic objective, the Board of Trustees endorsed the Minnesota State Guided Learning Pathways as a framework to approach our student success and equity goals in the pursuit of meeting the goal of Equity 2030: By 2030, Minnesota State will eliminate the educational equity gaps at every Minnesota State college and university.

Strategic enrollment management also supports Equity 2030 by taking a comprehensive approach to planning for and supporting the entire student lifecycle. A primary aim is to ensure that educational equity gaps are addressed at each point in a student's journey from admission to persistence to completion. As a corollary benefit, our work on both Minnesota State Guided Learning Pathways and strategic enrollment management help support the strategic objective of financial sustainability of our colleges and universities.

Finally, innovation and evolution in ASA help support the strategic objective related to transformational change. In order to make progress on our ambitious goals, we recognize that we will need to both focus and align our efforts, and innovate and evolve how we do our work. That will require incremental change to existing models and development of new models to continually respond in meeting student needs and ensure that they make progress toward their educational goals.



Workforce and Organizational Effectiveness Committee
October 18, 2022
11:45 a.m.
Ridgewater College, Hutchinson
Rooms 247

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

- 1. Minutes of June 21, 2022**
- 2. Minutes of June 21, 2022 Joint meeting of Workforce and Organizational Effectiveness and Diversity, Equity and Inclusion Committees**
3. FY2023 Committee Workplan
4. Executive Search Process Overview

Committee Members

George Soule, Chair
Kathy Sheran, Vice Chair
Dawn Erlandson
Javier Morillo
Rudy Rodriguez
Cheryl Tefer

President Liaisons

Carrie Brimhall
Robbyn Wacker

Bolded items indicate action required.





**Workforce and Organizational Effectiveness Committee
Meeting Minutes
June 21, 2022**

A meeting of the Workforce and Organizational Effectiveness Committee of the Board of Trustees was held on June 21, 2022.

Committee members present: George Soule, Chair; Rudy Rodriguez, Vice Chair; Asani Ajogun, Dawne Erlandson, Roger Moe, Kathy Sheran, Cheryl Tefer

Committee members absent: None

Other board members present: Victor Ayemobuwa, Alex Cirillo, Jay Cowles, Jerry Janezich, April Nishimura, Michael Vekich

Staff present: Devinder Malhotra, Chancellor; Eric Davis, Vice Chancellor

The meeting materials for this meeting are available [here](#), starting on page 173. An audio recording of the meeting is available [here](#).

Committee Chair Soule called the meeting to order at 2:18 p.m.

Agenda Item 1: Approval of the Meeting Minutes for May 18, 2022

Agenda Item 2: Minutes of May 18, 2022 Joint Audit and Workforce and Organizational Effectiveness Committees

Committee Chair Soule asked if there are any changes or amendments to minutes then asked for a motion to approve both sets of minutes. Trustee Moe made the motion and Trustee Ajogun provided a second.

A roll call vote was conducted, and both minutes were approved unanimously.

Agenda Item 3: Proposed Amendment to Board Policy 1A.4, System Administration, Appointment of Administrators (Second Reading)

Committee Chair Soule invited Vice Chancellor Davis to present Proposed Amendment to Board Policy 1A.4, System Administration, Appointment of Administrators (Second Reading), as detailed in the meeting materials.

The meeting materials for this item begin on page 178.

Committee Chair Soule asked committee members to consider the following recommended committee motion:

The Board of Trustees approve the proposed amendment to Policy 1A.4 System Administration, Appointment of Administrators.

Trustee Rodriguez made the motion and Trustee Asani seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Yes
Trustee Erlandson	Yes
Trustee Moe	Yes
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes
Trustee Tefer	Yes

The committee voted to approve the recommended motion.

Agenda Item 4: Proposed Amendment to Board Policy 4.2 Appointment of Presidents (Second Reading)

Committee Chair Soule invited Vice Chancellor Davis to present Proposed Amendment to Board Policy 4.2, Appointment of Presidents (Second Reading), as detailed in the meeting materials.

The meeting materials for this item begin on page 183.

Committee Chair Soule asked committee members to consider the following recommended committee motion:

The Board of Trustees approve the proposed amendment to Policy 4.2 Appointment of Presidents.

Trustee Moe made the motion and Trustee Erlandson seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Yes
Trustee Erlandson	Yes
Trustee Moe	Yes
Trustee Rodriguez	Yes

Trustee Sheran	Yes
Trustee Soule	Yes
Trustee Tefer	Yes

The committee voted to approve the recommended motion.

Adjournment

The committee chair adjourned the meeting at 2:29 p.m.



**Joint Meeting: Workforce and Organizational Effectiveness Committees and
Diversity, Equity and Inclusion
Meeting Minutes
June 21, 2022**

A joint meeting of the Diversity, Equity and Inclusion and Workforce and Organizational Effectiveness Committees of the Board of Trustees was held on June 21, 2022.

Diversity, Equity and Inclusion Committee members present: Rudy Rodriguez, Chair; George Soule, Vice Chair; Asani Ajogun, Alex Cirillo

Diversity, Equity and Inclusion Committee members absent: Javier Morillo, Oballa Oballa

Workforce and Organizational Effectiveness Committee members present: George Soule, Chair; Rudy Rodriguez, Vice Chair; Asani Ajogun, Dawn Erlandson, Robert Moe, Kathy Sheran, Cheryl Tefer

Workforce and Organizational Effectiveness Committee members absent: None

Other board members present: Victor Ayemobuwa, Jay Cowle, Jerry Janezich, April Nishimura, Michael Vekich

Staff present: Devinder Malhotra, Chancellor; Andriel Dees, Vice Chancellor for Equity and Inclusion, Eric Davis, Vice Chancellor for Human Resources, Priyank Shah, Associate Vice Chancellor for Equity and Inclusion

The meeting materials for this meeting are available [here](#), starting on page 168. An audio recording of the meeting is available [here](#).

Committee Chair Rodriguez called the meeting to order at 1:22 p.m.

Agenda Item 1: Minnesota State Climate Assessment Framework

Committee Chair Rodriguez invited Vice Chancellor Dees along with Vice Chancellor Davis and Associate Vice Chancellor Shah to present Minnesota State Climate Assessment Framework, as detailed in the meeting materials. The meeting materials for this item begin on page 169.

This being an information item, there was no vote taken.

Agenda Item 2: Competency Based Hiring at Minneapolis College

Committee Chair Rodriguez invited Vice Chancellor Davis along with Vice President of Human Resources and Workforce Equity Dianna Cusick and Human Resources Manager Bobbi Denson-Davis to present Competency Based Hiring at Minneapolis College, as detailed in the meeting materials. The meeting materials for this item begin on page 171.

This being an information item, there was no vote taken.

Adjournment

The committee chair adjourned the meeting at 2:17 p.m.



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Workforce and Organizational Effectiveness Committee

DATE: October 18, 2022

TITLE: FY2023 Committee Workplan

Proposed New Policy or
Amendment to Existing Policy

Approvals Required by
Policy

Other Approvals

Monitoring/Compliance

Information

PRESENTERS

Eric Davis, Vice Chancellor for Human Resources

PURPOSE

The Committee will review the FY2023 workplan.

BACKGROUND INFORMATION

The Committee will review and discuss the proposed workplan for FY2023. The plan is a timeline of both Operational/Board Action Items and Proposed Strategic Agenda Items to be presented at the monthly board meetings by the Workforce and Organizational Effectiveness Committee.

FY2023 Board Committee Work Plan

Workforce and Organizational Effectiveness Committee

	Oct 2022	Nov 2022 <i>Joint with Leadership Council</i>	Dec 2022	Jan 2023 <i>Joint with Leadership Council</i>	Feb 2023	March 2023	April 2023	May 2023	June 2023
Operational	Executive Search Overview WOE FY23 Workplan	Appointment of General Counsel President Emeritus 1C.0.2 Respectful Workplace Procedure				Appointment of President for Minnesota State University Moorhead	Appointment of President for Riverland Community College	<i>Appointment of President for Hennepin Technical College</i> <i>Appointment of President for St. Cloud Technical and Community College</i>	
Board Policy Considerations									
Strategic				Post-Pandemic Strategies Highlights at Jt. Leadership Council meeting with the Board				Workforce Analytics Report	Workforce Diversity Report (Jt. With DEI Committee, Annually)

Bold = action items needing committee and board approval
 Blue font = joint committee presentation
Italics = tentative topic



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Workforce and Organizational Effectiveness Committee **DATE:** October 18, 2022

TITLE: Executive Search Process Overview

- Proposed New Policy or Amendment to Existing Policy Approvals Required by Policy Other Approvals
- Monitoring/Compliance Information

PRESENTERS

Eric Davis, Vice Chancellor for Human Resources
Deb Gehrke, Human Resources Director

PURPOSE

The committee will receive an update on this year’s executive searches and strategies employed to ensure an effective search process.

BACKGROUND INFORMATION

This year we will be conducting one cabinet search and two presidential searches. Tentatively, we may also conduct an additional two presidential searches.

A cabinet search has begun for the appointment of General Counsel. Vice Chair Soule is the Search Chair.

Presidential searches have begun for Minnesota State University Moorhead and Riverland Community College. President Robbyn Wacker is the Search Chair for MSU-Moorhead and Terry Gaalswyk is the Search Chair for Riverland Community College.

Last year Interim Presidents were identified for Hennepin Technical College and St. Cloud Technical and Community College. Following listening sessions on the campuses this fall, the Chancellor will determine if searches will be conducted this year for the permanent positions.



October 2022

2022-23 Executive Search Update

Board of Trustees

Workforce and Organizational Effectiveness Committee

1

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



2

Presidential Searches:

Minnesota State University Moorhead

- Search Chair: President Robbyn Wacker

Riverland Community College

- Search Chair: President Terry Gaalswyk

Cabinet Searches:

General Counsel

- Search Chair: Trustee George Soule



3

FIVE STAGES OF THE EXECUTIVE SEARCH PROCESS



4



MINNESOTA STATE

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Closed Session: Joint Meeting: Audit and Finance and Facilities Committees
October 19, 2022
9:00 a.m.
Ridgewater College, Hutchinson Campus
Rooms 247

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

Pursuant to Minnesota Statutes § 13D.05, subd.3(d), the Board of Trustees will meet in Closed Session to discuss an information security audit report on vulnerability management.

1. Project Results – Enterprise Identity Management System Audit

Audit Committee Members

Michael Vekich, Chair
Alex Cirillo, Vice Chair
Jay Cowles
Dawn Earlandson
April Nishimura
George Soule

Finance and Facilities Committee Members:

Jay Cowles, Chair
April Nishimura, Vice Chair
Victor Ayemobuwa
Jerry Janezich
Rudy Rodriguez
Kathy Sheran
Michael Vekich

Presidents Liaisons

Lori Kloos
Anne Blackhurst

Presidential Liaisons:

Joe Mulford
Edward Inch



Bolded items indicate action required.



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Closed Session: Joint Meeting: Audit and Finance and Facilities Committees

DATE: October 19, 2022

TITLE: Project Results – Enterprise Identity Management System Audit

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

PRESENTERS

Amy Jorgenson, Chief Audit Officer
Mike Cullen, Internal Auditing (Partner, Baker Tilly)
Craig Munson, Chief Information Security Office

PURPOSE

Internal Auditing will provide an overview of the results of its recently completed Enterprise Identity Management System Audit.

BACKGROUND INFORMATION

Our audit objective was to assess the system’s enterprise identity management program, evaluate whether applicable risks are identified and controlled appropriately by the system office, and assess system office compliance with relative policies and guidance.



Finance and Facilities Committee
October 19, 2022
10:15 a.m.
Ridgewater College, Hutchinson Campus, Rooms 247

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

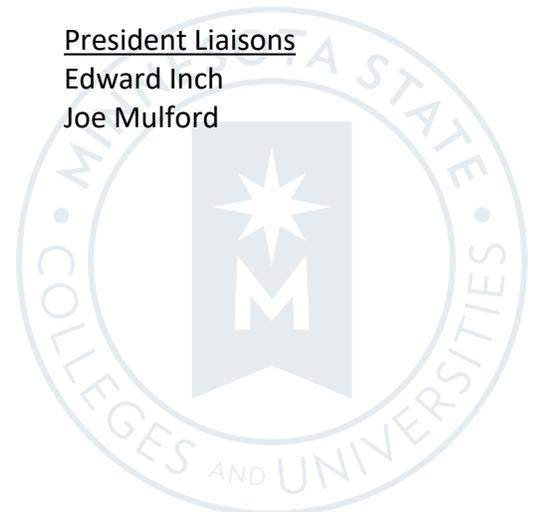
1. **Minutes of June 22, 2022**
2. FY2023 Committee Workplan
3. **Contracts Requiring Board Approval**
 - a. **Student Health Services Contract, Minneapolis Community and Technical College**
 - b. **Student Affairs Renovation Construction Contract, Minneapolis Community and Technical College**
 - c. **Strategic Retention Tool Contract Extension, North Hennepin Community College**
 - d. **Campus Bookstore Operation Contract, St. Cloud State University**
 - e. **Graduate Center Lease Extension, St. Cloud State University**
 - f. **External Auditing Services Contract – Amendment #10, System Office**
 - g. **ISRS Hardware Platform Upgrade, System Office**
4. FY2023 Operating Budget Update
5. FY2024-2025 Biennial Budget Request (First Reading)

Committee Members

Jay Cowles, Chair
April Nishimura, Vice Chair
Victor Ayemobuwa
Jerry Janezich
Rudy Rodriguez
Kathy Sheran
Michael Vekich

President Liaisons

Edward Inch
Joe Mulford



Bolded items indicate action required.



**Finance Committee
Meeting Minutes
June 22, 2022**

A meeting of the Finance Committee of the Board of Trustees was held on June 22, 2022.

Committee members present: Roger Moe, Chair; Jerry Janezich, April Nishimura, Oballa Oballa Rudy Rodriguez, Kathy Sheran, George Soule

Committee members absent: None

Other board members present: Asani Ajogun, Victor Ayemobuwa, Alex Cirillo, Jay Cowles, Dawn Erlandson, Cheryl Tefer, Michael Vekich

Staff present: Devinder Malhotra, Chancellor; Bill Maki, Vice Chancellor for Finance and Facilities; Brian Yolitz, Associate Vice Chancellor for Facilities

The meeting materials for this meeting are available [<here>](#), starting on page 221. An audio recording of the meeting is available [<here>](#).

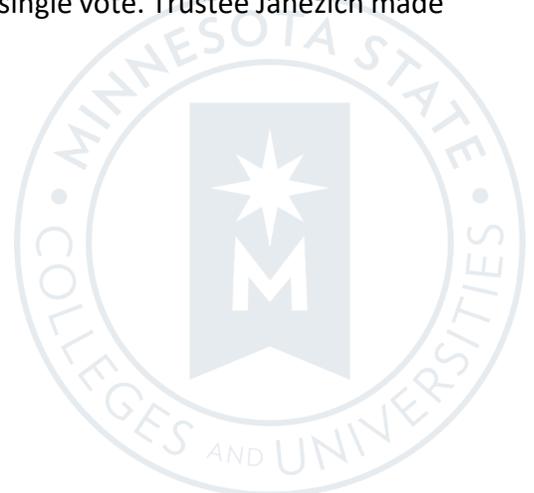
Committee Chair Moe called the meeting to order at 1:00 p.m.

Agenda Items 1-3: Approval of the Meeting Minutes for May 17, 2022; Joint Meeting of Facilities and Finance Committees of April 20, 2022; Facilities Committee of May 20, 2022

Committee Chair Moe asked if there were any changes or amendments to the minutes then asked for a motion to approve all three sets of minutes with a single vote. Trustee Janezich made the motion and Trustee Nishimura provided a second.

A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes



Agenda Item 4: Contracts Requiring Board Approval

Committee Chair Moe invited Vice Chancellor Bill Maki along with Associate Vice Chancellor Brian Yolitz to present the eight contracts that required board approval as detailed in the meeting materials. The meeting materials for this item begin on page 233.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4a: Air Handler Replacement-Automobile Shops, Lake Superior College:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter into a construction contract not to exceed \$2,200,000 to replace air handling units servicing the automotive trades spaces at Lake Superior College. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Sheran seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4b: Fixed Wing Aviation Training, Lake Superior College:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Lake Superior Helicopter (LSH), not to exceed \$5,000,000 with a term of three years and with an option for a one-time extension of two years for the purposes of providing fixed wing Instrument, Commercial, and Certified Flight Instructor pilot training. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Oballa seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4c: Campus Security Contract, Metropolitan State University:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Allied Universal, not to exceed \$5.1M and five years, for the purposes of providing contracted campus security for Metro State University. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Soule made the motion and Trustee Nishimura seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4d: HVAC Upgrades, Granite Falls Campus, Minnesota West Community and Technical College:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a construction contract not to exceed \$2,000,000 to replace air handling units and associated controls at the Granite Falls campus of Minnesota West Community

and Technical College. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Nishimura made the motion and Trustee Sheran seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4e: Economic Development Administration (EDA) Federal Grant Construction Contract, St. Cloud Technical and Community College:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter into a construction contract not to exceed \$2,800,000 to renovate and construct campus spaces and create an Advanced Manufacturing Training Lab at St. Cloud Technical & Community College. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Oballa seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes
Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4f: Cable TV for Residence Halls, Winona State University:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to execute amendment two in an existing contract with Hiawatha Broadband Communications, Inc., for a total amount of the five-year contract not to exceed \$1,350,000. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Sheran seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes
Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4g: Course Placement Master Contract, System Office:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with College Board, not to exceed \$1,250,000 over five years including two one-year options and for the purposes of providing a course placement instrument to support the needs of all Minnesota State colleges and universities. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Sheran made the motion and Trustee Nishimura seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes

Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4h: Zoom Video Conferencing and Phone Services, System Office:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Carahsoft not to exceed \$8,080,000 for four years and for the purposes of Zoom video conferencing and phone services. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Soule seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes
Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Agenda Item 5: Students United Fee Proposal (Second Reading)

Committee Chair Moe invited Emma Zellmer, the Students United State Chair, to present the second reading of the Student's United Fee Proposal as detailed in the meeting materials. The meeting materials for this item begin on page 253.

The Finance Committee recommends that the Board of Trustees accepts the increase of the Students United fee from \$0.61 to \$0.80 per credit hour beginning the fall semester of 2022.

Trustee Soule made the motion and Trustee Sheran seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	No
Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Agenda Item 6: FY2023 Annual Operating Budget (Second Reading)

Committee Chair Moe invited Vice Chancellor Bill Maki to present the second reading of the FY2023 Annual Operating Budget as detailed in the meeting materials. Steve Ernest, System Director for Financial Planning & Analysis, assisted with the presentation. The meeting materials for this item begin on page 259.

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

- *Adopt the annual total all funds operating budget for fiscal year 2023 as shown in Table 9.*
- *Approve the proposed tuition structure recommendations and differential tuition rationale for fiscal year 2023 as detailed in Attachments 1-A through 1-H.*
- *Approve continuation of the special contracted tuition rate for Alexandria Technical and Community College (ATCC) of \$150 per credit for its pilot program with the United States Naval Community College, allowing active service members to take up to 30 credits per academic year in existing courses at ATCC.*
- *Tuition rates are effective summer term or fall term 2022 at the discretion of the president. The chancellor or designee is authorized to approve any required technical adjustments, and is requested to incorporate any approvals at the time fiscal year 2024 tuition recommendations are presented to the Board of Trustees.*
- *Continue the policy of market-driven tuition for closed enrollment courses, customized training, and non-credit instruction, continuing education, and contract postsecondary enrollment option programs.*
- *Approve the Revenue Fund and related fiscal year 2023 fees for room and board, student union, wellness and recreation facilities, and parking ramps/surface lots as detailed in Attachments 2A through 2E, including any housing fees that the campuses may charge for occupancy outside the academic year.*

- *Authorize the chancellor or designee to enter into an agreement with the Learning Network of Minnesota to provide the funding appropriated to the organization in Minnesota Laws 2021, First Special Session, Chapter 2, in the amount of \$4,115,000.*

Trustee Soule made the motion and Trustee Rodriguez seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	No
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Adjournment

The committee chair adjourned the meeting at 3:40 p.m.

FY2023 Board Committee Work Plan

Finance and Facilities Committee

	Oct 2022	Nov 2022 <i>Joint with Leadership Council</i>	Dec 2022	Jan 2023 <i>Joint with Leadership Council</i>	Feb 2023	March 2023	April 2023	May 2023	June 2023
Operational	FY2024-2025 Biennial Budget Request 1 st Reading FY2023 Operating Budget Update Contracts Requiring Board Approval	FY2024-2025 Biennial Budget Request 2 nd Reading FY2023 Capital Program Recommendations Approval Contracts Requiring Board Approval		College and University Financial Performance Update System Procedure 7.3.16 Financial Health Indicators Minnesota State Environmental Health & Safety Overview Contracts Requiring Board Approval		Contracts Requiring Board Approval	FY2023-FY2024 Budget Update Contracts Requiring Board Approval	FY2024 Annual Operating Budget 1 st Reading 2023 Legislative Summary FY2024 Capital Program Recommendations 1 st Reading Contracts Requiring Board Approval	FY2024 Annual Operating Budget 2nd Reading FY2024 Capital Program Recommendations 2nd Reading Contracts Requiring Board Approval
Board Policy Considerations				Board Policy 5.24 Safety and Security Compliance 1 st Reading		Board Policy 5.24 Safety and Security Compliance 2 nd Reading Board Policies 7.4 Financial Reporting 1 st Reading 6.7 Real Estate Transactions 1 st Reading	Board Policies 7.4 Financial Reporting 2 nd Reading 6.7 Real Estate Transactions 2 nd Reading		
Strategic				Long-Term Financial Trends (Training Session): Board Policy 5.11 Tuition & Fees;		Minnesota State Facilities Overview	System Procurement Strategy: Board Policy 5.14 Contracts, Procurement and Supplier Diversity		

Bold = action items needing committee and board approval

Blue font = joint committee presentation

Italics = tentative topic



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: October 19, 2022

TITLE: Contracts Requiring Board Approval

- a. Student Health Services Contract, Minneapolis Community and Technical College
- b. Student Affairs Renovation Construction Contract, Minneapolis Community and Technical College
- c. Strategic Retention Tool Contract Extension, North Hennepin Community College
- d. Campus Bookstore Operation Contract, St. Cloud State University
- e. Graduate Center Lease Extension, St. Cloud State University
- f. External Auditing Services Contract – Amendment #10, System Office
- g. ISRS Hardware Platform Upgrade, System Office

- Proposed New Policy or Amendment to Existing Policy
 Approvals Required by Policy
 Other Approvals
- Monitoring/Compliance
 Information

PRESENTERS

- Bill Maki, Vice Chancellor for Finance and Facilities
- Brian Yolitz, Associate Vice Chancellor for Facilities
- Patrick Troup, Vice President of Student Affairs, Minneapolis Community and Technical College
- Sharon Pierce, President, Minneapolis Community and Technical College
- Chris Rau, Vice President of Finance and Operations, Minneapolis Community and Technical College
- Joseph Collins, Chief Information Officer, North Hennepin Community College
- Ted Mears, Buyer Supervisor, St. Cloud State University
- Robbyn Wacker, President, St. Cloud State University
- Larry Lee, Vice President for Finance and Administration, St. Cloud State University
- Amy Jorgenson, Chief Audit Officer
- Ross Berndt, Associate Vice Chancellor for IT, Deputy CIO

PURPOSE

Board Policy 5.14, Contracts, Procurements, and Supplier Diversity, requires Board of Trustees approval of any procurement, lease agreement, or professional, technical, or consulting service

contract with a value in excess of \$1,000,000 or contract amendment that would increase the total value of a contract to more than \$1,000,000.

Contract Requiring Board Approval: Student Health Services Contract, Minneapolis Community and Technical College

BACKGROUND

Minneapolis Community and Technical College (MCTC) is asking for this contract to be approved so that the Students of MCTC will continue to receive much-needed medical services. MCTC first contracted with Boynton Health in fall of 2009. The board has previously approved two five-year contracts with Boynton Health, once in 2013 and again in 2018. Boynton Health will provide Medical Services to Minneapolis College Students four days per week during fall and spring terms (approximately 30 weeks) and 2 days per week (approximately 7 weeks) during the summer term. Services not provided on college holidays or days there are not classes. Hours of operation to include no less than 26.5 service hours/week during fall and spring weeks and no less than 13 service hours/week during summer weeks. Medical services provided/ available are outlined below:

- Take a complete medical history and lifestyle assessment of every student that requests services and can refer students to other services based on their need.
- Routine preventive health medical assessments.
- Diagnoses and treatment for injuries like sprains, strains, and fractures.
- Screenings for: Covid, sexually transmitted infections, strep, Mantoux, cholesterol, blood pressure, glucose, pregnancy, bladder infections, yeast infections, physical examinations, diabetes and age-appropriate cancer screenings.
- Standing order treatments (including prescriptions) and referrals for positive tests of the screenings listed above. Standing orders for evaluation and treatment of pharyngitis, urinary tract infection, wound care, ear lavages and immunizations.
- Vaccinations for: Covid, Flu, Hepatitis, HPV, Td, Tdap, MMR, Meningitis and Polio.
- Acute care for minor injuries and general discomfort with the ability to distribute over-the-counter medications such as Benadryl, Tylenol, Plan B and Maalox. Minor surgical procedures including limited biopsies, excisions, incision, and drainage. Pharmaceutical prescriptions within the scope of the medical provider. Limited licensed provider medication dispensing of Azithromycin. Provide common medical supplies and non-durable medical equipment (bandages, digit and joint splints, ace wraps).
- Phlebotomy for laboratory procedures completed on-site or sent off site for performance of assays.
- Orders for on-site radiologic studies. Referrals to outside specialists as necessary.
- Mental Health Services to include at least one day per week of medication management of psychiatric conditions and a minimum of four days per week (fall & spring) for diagnostic assessment and short-term psychotherapy. Brief short-term psychotherapy to assist with anxiety, depression, grief, stress management, time management, test-taking anxiety, and transition to college. Medication management for anxiety, depression, and mood disorders. ADD/ADHD management plan for applicable patients with no medications delivered to the clinic and at no additional cost to patient or Minneapolis College.

Academically Boynton will supervise student interns/trainees where appropriate, coordinate processing of all insurance claims and comply with all third-party payer contracts.

FINANCIAL TERMS

The contract will be funded by student fees not to exceed \$2,250,000 over the course of a 5-year term. The RFP was published in the State Register on Monday December 6, 2021. A committee reviewed the proposals received and completed the selection process in the end of May/early June, 2022.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor’s designee to enter a contract with Boynton Health, not to exceed \$2,250,000.00 and with a term of five (5) years for the purpose of providing health care services to students. The Finance and Facilities Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor’s designee to enter a contract with Boynton Health, not to exceed \$2,250,000.00 and with a term of five (5) years for the purpose of providing health care services to students. The Board of Trustees directs the chancellor or his designee to execute all necessary documents.

Date Presented to the Finance and Facilities Committee: 10/19/2022
Date Presented to the Board of Trustees: 10/19/2022
Date of Implementation: 10/19/2022

Contract Requiring Board Approval: Student Affairs Renovation Construction Contract, Minneapolis Community and Technical College

BACKGROUND INFORMATION

The 2017 Minneapolis Community and Technical College Comprehensive Facilities Plan (CFP) contemplated extensive renovation of Academic and Student Affairs service and associated spaces in and adjoining the T-Building. The college developed a systematic, multi-phase approach to renovate and upgrade these spaces starting in 2019. The board has approved construction contracts for four (4) previous phases totaling \$5,800,000 (Phase 1 – March 2019, \$1,200,000; Phase 2 - January 2020, \$1,700,000; Phases 3 and 4 – January 2021, \$2,900,000) all of which are now complete.

Minneapolis Community and Technical College now seeks approval of a construction contract for Phase 5 of the Academic and Student Affairs renovation project. Phase 5 renovates 2nd floor Student Affairs spaces including existing central floor segment of Student Services (T2200 Suite), student resources and support spaces, the front entrance from the parking ramp, and public safety dispatch. (See Attachment A).

The college anticipates a final phase, Phase 6, what would include constructing stairway access between floors 2 and 3 and select renovations of common areas of floors 2 and 3. Phase 6 is planned for fiscal year 2025.

FINANCIAL TERMS

This construction contract will be funded with college operating funds and not exceed \$1,650,000. Subject to board approval, the construction contract will be publicly advertised via QuestCDN, our electronic bidding system and awarded to the lowest responsible bidder.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor’s designee to enter a contract not to exceed \$1,650,000 for student affairs phase 5 renovation in the T-Building of Minneapolis Community and Technical College. The Finance and Facilities Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

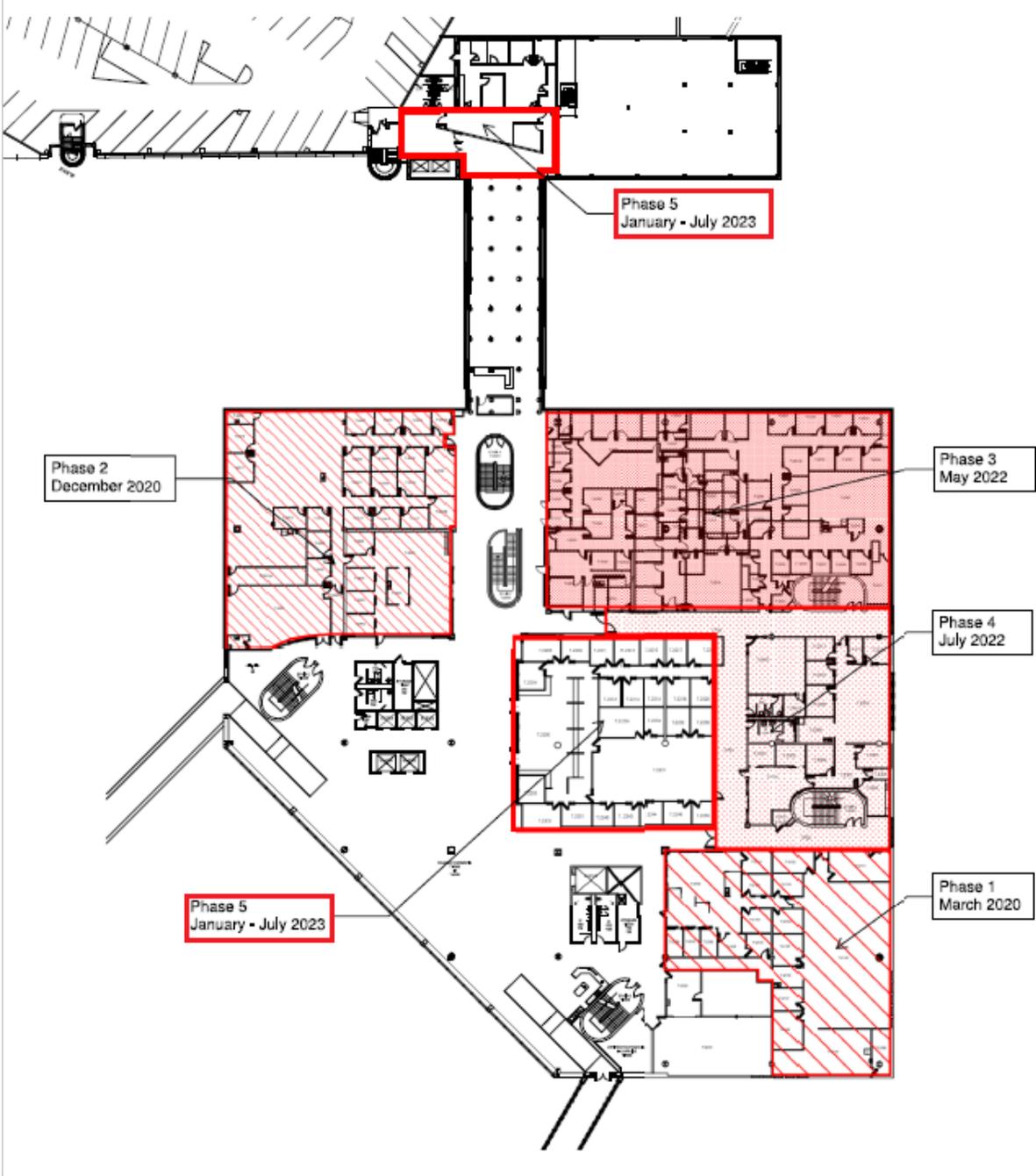
RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor’s designee to enter into a contract not to exceed \$1,650,000 for student affairs phase 5 renovation in the T-Building of Minneapolis Community and Technical College. The Board of Trustees directs the chancellor or his designee to execute all necessary documents.

<i>Date Presented to the Finance and Facilities Committee:</i>	<i>10/19/2022</i>
<i>Date Presented to the Board of Trustees:</i>	<i>10/19/2022</i>
<i>Date of Implementation:</i>	<i>10/19/2022</i>

ATTACHMENT A

**Student Affairs Renovation, Phase 5
Construction Contract
Minneapolis Community and Technical College, T-Building, 2nd Floor**



Contract Requiring Board Approval: Strategic Retention Tool Contract Extension, North Hennepin Community College

BACKGROUND INFORMATION

EAB Navigate is a strategic retention tool employed by North Hennepin Community College (NHCC) to track admitted student progress and students’ interaction with campus support resources. It is also the tool utilized by faculty to submit early alerts to the advising center. The tool allows NHCC to track students through their lifecycle, to track student interactions with all of our departments, and to keep track of notes pertaining to the students.

This contract has been in place for the last five years. The contract leveraged existing grants with Saint Paul College and Minneapolis College both procuring the tool before North Hennepin Community College (NHCC). Recently NHCC did an RFP for a Customer Resource Management (CRM) tool for admissions, but the campus has decided to extend the agreement with EAB Navigate.

FINANCIAL TERMS

The funding plan will follow the practice the campus has already been using to fund this platform for the last five years. Since this product is linked directly to retention, we have been leveraging access and opportunity funding as well as auxiliary funding to pay for this platform. We plan to continue that practice moving forward. Original contract amount was for \$793,930 and the extension amount is \$730,728. NHCC has rightsized the contract and dropped a module we are not leveraging in order to obtain a lower extension cost. Total contract value is now \$1,524,658. The original contract length was for five years with an extension of five years, for a total contract length of ten years.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor’s designee to enter a contract with EAP Navigate, not to exceed \$1,524,658 over a five (5) year extension for the purpose of providing a strategic retention tool. The Finance and Facilities Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorize the chancellor or the chancellor’s designee to enter a contract with EAP Navigate, not to exceed \$1,524,658 over a five (5) year extension for the purpose of providing a strategic retention tool. The Board of Trustees directs the chancellor or his designee to execute all necessary documents.

<i>Date Presented to the Finance and Facilities Committee:</i>	<i>10/19/2022</i>
<i>Date Presented to the Board of Trustees:</i>	<i>10/19/2022</i>
<i>Date of Implementation:</i>	<i>10/19/2022</i>

Contract Requiring Board Approval: Campus Bookstore Operation Contract, St. Cloud State University

BACKGROUND INFORMATION

SCSU is requesting an extension of its contract for Bookstore Services for one-year.

St. Cloud State University (SCSU) completed an RFP for Bookstore Services in 2011 that included a comprehensive selection process that involved students, faculty, and staff. Follett Corporation was the selected vendor. Follett Corporation is a 145-year-old company that provides K-12 Solutions, Higher Education and Campus Solutions and Library Solutions internationally. Follett serves over 1100 Higher Education campuses. In 2001 after an RFP for Bookstore Services occurred, Follett was awarded the contract from multiple bidders. In 2011, a new RFP process was completed, and Follett was once again awarded the contract from multiple bidders.

Bookstore Services refers to the package of services provided by Follett as an academic retailer on campus including:

1. To purchase, resell or rent Course Materials to the campus community in print, digital or other formats.
2. To resell St. Cloud State apparel and other general merchandise to the campus community.
3. To buyback course materials from the “student”.
4. To operate a full “store” website for the campus community to use to procure their academic needs in addition to the brick and mortar on campus Bookstore.
5. Other services normally seen in a College Campus Bookstore.

The contract received Board of Trustees approval for up to 10 years beginning July 1, 2011. An extension in 2021 for an additional two years through 2023 was approved. SCSU planned to conduct an RFP during the 2022-2023 academic year but a change in the Financial Leadership at St. Cloud State University has led to more evaluation of service to the students on campus. Considerations include extended time needed for evaluating the future footprint of Academic Retail Services on the campus of St. Cloud State and using the current 2022-2023 Academic school year to evaluate the student experience to better understand what to offer in regard to retail and food service on this campus. Discussions have also taken place around creating a more efficient and cost-effective food service operation and a more active Spirit Shop on campus.

Informing this discussion is the Atwood lower level and the possibility of moving both the food service and bookstore/spirit shop into Atwood thus consolidating space on campus, creating staffing efficiency and better space use for the Student Center. SCSU Leadership would like to explore a few options during the 2022-2023 academic year including:

1. Bookstore – stay in a traditional Brick and Mortar operation or explore a Virtual Bookstore for Course Materials with a partner like Akademos and operate a spirit shop separately.
2. Maintain a Sprit Shop or create a new a new footprint that would combine the Sprit Shop with Food Service into one campus location in the Atwood Center.
3. Relocate the dining operation from Garvey and combine this activity with the presence of the Bookstore/Spirit Shop to better activate the space in the lower level of Atwood.

SCSU is exploring an RFP for Food Service and Academic Retail Services in 2023/2024 and to have new contract(s) in place to begin July 1, 2024.

SCSU is requesting an extension of the current Bookstore contract with Follett to June 30, 2024. This would allow the university to provide the Atwood space planning for both the bookstore/spirit shop and dining thus establishing a more comprehensive plan for auxiliary operations in the student union.

The new amendment will run for one year and the terms and conditions of the new amendment will remain the same as the current contract.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor’s designee to execute an amendment to the current contract with Follett Corporation to operate the St. Cloud State University Campus Bookstore and other Academic Retail Services for up to one (1) year through June 30, 2024. The new total term will be for up to thirteen (13) years. The Finance and Facilities Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor’s designee to execute an amendment to the current contract with Follett Corporation to operate the St. Cloud State University Campus Bookstore and other Academic Retail Services for up to one (1) year through June 30, 2024. The new total term will be for up to thirteen (13) years. The Board of Trustees directs the chancellor or his designee to execute all necessary documents.

<i>Date Presented to the Finance and Facilities Committee:</i>	<i>10/19/2022</i>
<i>Date Presented to the Board of Trustees:</i>	<i>10/19/2022</i>
<i>Date of Implementation:</i>	<i>10/19/2022</i>

Contract Requiring Board Approval: Graduate Center Lease Extension, St. Cloud State University

BACKGROUND INFORMATION

In April of 2016, St. Cloud State University (SCSU) received Board approval for the lease with 918 Plymouth Partners, LLC for approximately 12,687 square feet of office space at 9750 Rockford Road, Plymouth, Minnesota for continuing their Twin Cities Metropolitan area presence for graduate programing. These programs include, Master of Business Administration (MBA), Master of Engineering Technology, master’s degree programs in Applied Clinical Research, Medical Technology Quality and Regulatory Affairs and Services, a doctoral degree program in Educational Administration and Leadership and other studies.

Prior to 2016, SCSU occupied space in Maple Grove for similar purposes going back to 2009. The April 2016 board action approved a lease for a five (5) year term (January 1, 2017, through December 31, 2021) not to exceed \$2,000,000.

In August of 2021, SCSU with system office staff assistance negotiated and executed an extension to the lease for a two (2) year term, effective January 1, 2022, as was included and provided for in the final lease agreement. Unfortunately, staff depended on the lease extension language assuming the lease extension and funding were included in the original 2016 Board action. They were not. To preclude this occurring in the future, we have amended our lease documentation process to include that all extension in terms are subject to prior approval of the Board of Trustees.

The board is asked to retroactively approve the two (2) year extension for the period of January 1, 2022, through December 31, 2023, for a cost not to exceed \$750,000 allowing St. Cloud State University to maintain their Twin Cities Graduate Center in Plymouth, Minnesota.

FINANCIAL TERMS

The proposed Lease Extension is for two (2) years for the full 12,687 square feet commencing on January 1, 2022 and ending December 31, 2023. The total cost obligation for the additional two (2) years of term is \$748,786.80. In addition, the lease agreement as written includes a provision for a 5-year extension subject to Board of Trustees approval. This lease is funded with SCSU general operating funds.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor’s designee to enter into a Lease Extension not to exceed \$750,000 with a term of two (2) years from January 1, 2022, through December 31, 2023, providing St. Cloud State University continued operation of their Twin Cities Graduate Center. The Finance and Facilities Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorize the Chancellor or the chancellor’s designee to enter into a Lease Extension not to exceed \$750,000 with a term of two (2) years from January 1, 2022, through

December 31, 2023, providing St. Cloud State University continued operation of their Twin Cities Graduate Center. The Board of Trustees directs the chancellor or his designee to execute all necessary documents.

<i>Date Presented to the Finance and Facilities Committee:</i>	<i>10/19/2022</i>
<i>Date Presented to the Board of Trustees:</i>	<i>10/19/2022</i>
<i>Date of Implementation:</i>	<i>10/19/2022</i>

Contract Requiring Board Approval: External Auditing Services Contract – Amendment #10, System Office

BACKGROUND INFORMATION

The amendment of this existing contract provides external auditing services for Minnesota State for financial statements audits, Uniform Guidance compliance audits of major federal programs, including student financial aid, “Top 5” Information Technology Security Domains Control Assessment, completion of NCAA Agreed Upon Procedures at six universities, and individual college and university Perkins Loans closeout audits as needed. Amendment #10 will increase university Perkins Loans closeout audits funding, Federal Coronavirus Response and Relief Funding audits funding and will incorporate the 2022 engagement letters.

This contract originally went through a full RFP and was approved by the board in 2017. In March 2020 the contract was extended by electing a three-year option and the total contract increased to \$2,051,700. In April 2021 the contract was increased by \$300,000 to include the Higher Education Emergency Relief Funds (HEERF) audit.

FINANCIAL TERMS

Amendment #10 will increase the contract funding an additional \$70,000 for a total contract amount of \$2,421,700. Total length of the contract is six years ending March 31st, 2023.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor’s designee to amend the contract with CliftonLarsonAllen, not to exceed \$2,421,700 and a term of six (6) years for the purpose of providing External Auditing Services. The Finance and Facilities Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor’s designee to amend the contract with CliftonLarsonAllen, not to exceed \$2,421,700 and a term of six (6) years for the purpose of providing External Auditing Services. The Board of Trustees directs the chancellor or his designee to execute all necessary documents.

<i>Date Presented to the Finance and Facilities Committee:</i>	<i>10/19/2022</i>
<i>Date Presented to the Board of Trustees:</i>	<i>10/19/2022</i>
<i>Date of Implementation:</i>	<i>10/19/2022</i>

Contract Requiring Board Approval: ISRS Hardware Platform Upgrade, System Office

BACKGROUND INFORMATION

Minnesota State's ISRS database resides on Oracle's Generation 1 (Gen 1) Oracle platform. The current contract for support and maintenance for the Gen 1 platform ends February 2023. In addition, Oracle has informed us the Gen 1 platform is reported to be at the end of service when our contract ends February 2023. Oracle has provided cost incentives to upgrade and migrate to their Gen 2 platform at a lower cost than our current contract. The new hardware will provide more computing power and storage capacity as we migrate to NextGen. The extra computing power will improve performance and decrease computing incidents.

Board approval is requested now in order to renew the contract so that there is adequate time to implement the platform upgrade. We need to keep this platform running ISRS until we shutdown ISRS when the Workday implementation is complete, and the system determines ISRS is no longer needed. The additional extensions will cover the length of the current NextGen timeline. ISRS needs to be continued through at least calendar year 2027

Oracle was competitively bid and negotiated by the Midwest Higher Education Compact (MHEC) and is on their approved contract list. Per Midwestern Higher Education Compact, Minnesota Statue § 135A.20, Minnesota State is eligible to purchase from the compact as an entity of the State of Minnesota.

FINANCIAL TERMS

The funds to pay for this contract will come from the ITS enterprise funds. We will use the same funding source that pays for the current annual licensing. This is not part of the NextGen implementation budget.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Oracle, not to exceed \$6,500,000 and for a term of four (4) years with an anticipated start date of January 2023 and with the option of three (3) one (1) year extensions for the purpose of continuing to provide the database platform for Minnesota State's ERP, ISRS. The Finance and Facilities Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor's designee to enter a contract with Oracle, not to exceed \$6,500,000 and for a term of four (4) years with an anticipated start date of January 2023 and with the option of three (3) one (1) year extensions for the purpose of continuing to provide the database platform for Minnesota State's ERP, ISRS. The Board of Trustees directs the chancellor or his designee to execute all necessary documents.

Date Presented to the Finance and Facilities Committee: 10/19/2022
Date Presented to the Board of Trustees: 10/19/2022
Date of Implementation: 10/19/2022



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: October 19, 2022

TITLE: FY2023 Operating Budget Update

- Proposed New Policy or Amendment to Existing Policy Approvals Required by Policy Other Approvals
- Monitoring/Compliance Information

PRESENTERS

Bill Maki, Vice Chancellor for Finance and Facilities
Steve Ernest, System Director, Financial Planning & Analysis

PURPOSE

This item provides the Board of Trustees with an update on the Fiscal Year 2023 Annual Operating Budget for the System.

The Board approved the annual operating budget at its June 22, 2022, meeting. Based on experience to date, colleges and universities have updated their budgets for the year.

BACKGROUND INFORMATION

When the System's fiscal year 2023 Annual Operating Budget was approved in June, the operating budget assumed a 2.2 percent decline in enrollment over fiscal year 2022. Now that summer term has concluded and fall term is well underway, annual enrollment for fiscal year 2023 is projected to decrease more than 2.2 percent

Colleges and universities provide updated enrollment projections three times during the fiscal year typically in October, February, and May. Our current projections for fiscal year 2023 now show a 3.8 percent decrease in enrollment over fiscal year 2022 or a decline of 1.6 percent more than projected when fiscal year 2023 operating budgets were approved last June.

This report provides the Board with updated fiscal year 2023 budget numbers for the System, including revised projections for enrollment, revenues, and expenditures. On an all-funds basis, the October revision of the fiscal year 2023 budget has a slightly more negative outlook than the budget approved by the Board in June. Specifically:

- For the System as a whole, enrollment is lagging behind where it was projected to be in the June fiscal year 2023 budget.
- Operating revenues are projected to decline more than operating expenses after updating fiscal year 2023 enrollment projections. Operating costs are relatively unchanged over what was originally budgeted in June, however inflationary pressures continue to reduce purchasing power
- Federal COVID-19 Higher Education Emergency Relief Funds (HEERF) and the use of fund balance, which are both one-time in nature, are a slightly larger portion of the overall sources than they were in the June fiscal year 2023 budget.

BUDGETS APPROVED JUNE 22, 2022

On an all-funds basis, the fiscal year 2023 operating budget approved in June (Table 1) showed revenues 8.1 percent lower than the fiscal year 2022 budget at that time. Most of the decrease was in federal HEERF revenues illustrating the colleges and universities spend down of these one-time funds. June expenditures were also budgeted 9.4 percent lower than fiscal year 2022 which is reflective of less HEERF funding in our overall operating budget. After transfers in of HEERF dollars, the all-funds budgetary balance was projected to be a positive \$11.4 million.

Table 1
Fiscal Years 2022 and 2023 All Funds Operating Budget, June 2022

<i>\$s in millions</i>	FY2022 Current Budget	FY2023 Proposed Budget	\$ Change	% Change
Sources				
General Fund	\$1,657.9	\$1,683.6	\$25.7	1.6%
Revenue Fund	\$102.5	\$108.0	\$5.5	5.3%
Other Funds	\$302.8	\$285.9	(\$16.9)	-5.6%
HEERF Funds	\$242.2	\$41.5	(\$200.7)	-82.9%
Sources Total	\$2,305.5	\$2,119.0	(\$186.5)	-8.1%
Expenses				
Compensation	\$1,353.1	\$1,366.6	\$13.5	1.0%
Operating costs	\$998.6	\$763.0	(\$235.6)	-23.6%
Expenses Total	\$2,351.7	\$2,129.6	(\$222.1)	-9.4%
Budget gap	(\$46.2)	(\$10.6)		
HEERF transfer in	\$86.8	\$22.0		
Budget balance	\$40.6	\$11.4		

As illustrated in Table 2, the General Fund operating budget approved in June showed only a 1.6 percent increase in sources from the prior budget, but all of it is of a one-time nature as \$50.2 million of programmed fund balance is being used to balance the budget or to support projects

as specific colleges or universities. In addition, after transfers in of HEERF dollars for lost revenue, the fiscal year 2023 general fund budgetary balance was projected to be a positive \$2.9 million.

Table 2
Fiscal Years 2022 and 2023 General Fund Operating Budget, June 2022

<i>\$s in millions</i>	FY 2022 Current Budget	FY 2023 Proposed Budget	\$ Change	% Change
Revenue/Sources				
State appropriation	\$792.0	\$789.5	(\$2.5)	-0.3%
Tuition	\$707.1	\$712.7	\$5.6	0.8%
Other revenues	\$140.1	\$131.2	(\$9.2)	-6.5%
Programmed fund balance	\$18.4	\$50.2	\$31.8	172.7%
Total budgeted	\$1,657.9	\$1,683.6	\$25.7	1.6%
Expenses/Uses				
Compensation	\$1,249.9	\$1,267.1	\$17.2	2.6%
Operating costs	\$454.1	\$435.3	(\$18.8)	-4.1%
Total budgeted	\$1,704.0	\$1,702.4	(\$1.6)	-0.1%
Budget gap	(\$46.1)	(\$18.8)		
HEERF transfer in	\$74.9	\$21.7		
Budget balance	\$28.7	\$2.9		

**Numbers may not add due to rounding.*

ENROLLMENT UPDATE

Enrollment continues to be a major concern for many of our colleges and universities. Since fiscal year 2011, enrollment has decreased by nearly 50,000 full year equivalent (FYE) students which equates to a 32 percent decline. During the pandemic, enrollment declined at a faster pace. Almost 30 percent or 14,449 of the 50,000 FYE decline occurred between fiscal years 2020 and 2022.

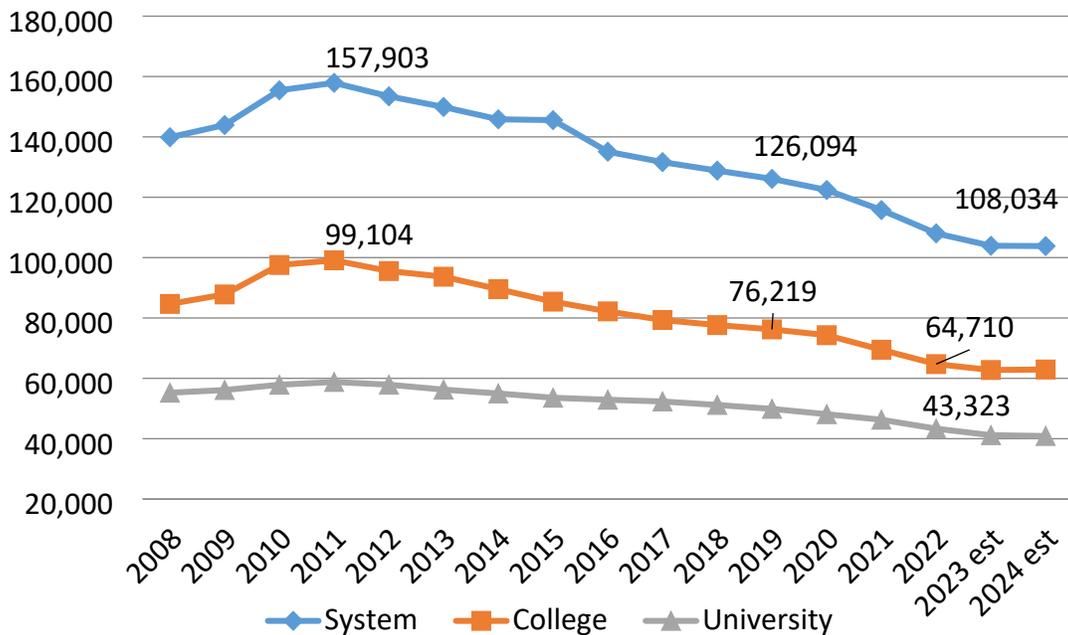
Enrollment projections for the system have weakened since the June budget was approved. Table 5 shows the system-wide enrollment change for fiscal year 2023 compared to fiscal year 2022 is now projected to be down by 3.8 percent from actual fiscal year 2022 levels compared to the 2.2 percent decline assumed when the fiscal year 2023 operating budget was approved in June. Projected college enrollment decline has gone from 2.2 percent to 3.0 percent compared to last year. Projected university enrollment decline has gone from 3.0 percent to 5.0 percent compared to last year.

Table 5
System FYE Enrollment Outlook for Fiscal Year 2023

FY2023 Compared to FY2022	June Enrollment Projections	June Enrollment FYE Projection	October Enrollment Projections	October Enrollment Projections
Colleges	-2.2%	63,430	-3.0%	62,763
Universities	-3.0%	42,039	-5.0%	41,160
System	-2.2%	105,469	-3.8%	103,923

Five of the seven universities are projecting enrollment below their June projections; over half of colleges are now projecting lower enrollment than they did in June. On the other hand, there are around ten colleges still projecting increased enrollment over fiscal year 2022 which is an improvement from the past few years. Unlike a year ago when the Delta variant of COVID-19 and the economic uncertainty involving the pandemic had a significant impact on enrollment, our continued loss of enrollment may be attributed to a strong job market where more businesses are seeking employees than the amount of people seeking employment. Potential students possibly are foregoing higher education in order to take advantage of more employment opportunities and opportunities with significant incentives businesses are using to attract new employees. In addition, demographic changes will continue to put pressure on our enrollment in the long-term.

Chart 1
Historical and Projected Enrollment for the System



Historic actual and projected enrollment by college and university is attached to this report.

REVISED FISCAL YEAR 2023 ALL FUNDS AND GENERAL FUND BUDGETS UPDATE

Fiscal Year 2023 All Funds Operating Budget

The fiscal year 2023 all funds operating budget update (Table 6) shows modest changes in revenues and expenses since June. Overall, revenue projections have decreased by \$4 million from what was reported to the Board in June which is only a 0.2 percent drop. Expenses are essentially flat compared to June. Budgetary gaps grew in all funds which increased our use of programmed fund balance and reliance on HEERF funding to cover lost revenue.

Table 6
Fiscal Year 2023 All Funds Updated Operating Budget, October 2022

<i>\$s in millions</i>	FY2023 Approved Budget	FY2023 Updated Budget	\$ Change	% Change
Revenues/Sources				
General Fund	\$1,683.6	\$1,678.8	(\$4.8)	-0.3%
Revenue Fund	\$108.0	\$106.6	(\$1.4)	-1.3%
Other Funds	\$285.9	\$290.9	\$5.0	1.7%
HEERF Funds	\$41.5	\$38.7	(\$2.8)	-6.8%
Total budgeted	\$2,119.0	\$2,115.0	(\$4.0)	-0.2%
Expenses/Uses				
Compensation	\$1,366.6	\$1,366.6	\$0.0	0.0%
Operating costs	\$763.0	\$763.5	\$0.4	0.1%
Total budgeted	\$2,129.6	\$2,130.0	\$0.4	0.0%
Budget gap	(\$10.6)	(\$15.0)		
HEERF transfer in	\$22.0	\$25.0		
Budget balance	\$11.4	\$10.0		

**Numbers may not add due to rounding.*

Updated fiscal year 2023 operating budgets by college and university are attached to this report.

Fiscal Year 2023 General Fund Operating Budget

The impact of continued enrollment decline is better illustrated by the impact it has on tuition revenue in the General Fund. Since the June Board report, the additional enrollment decline at many of our colleges and universities results in a \$9.6 million reduction in tuition revenue or a 1.4 percent decline. Some of the loss will be resolved by reductions in expenses. Personnel costs are anticipated to decrease by \$2.3 million, but due to inflationary pressures on goods and services, our operating costs increased slightly by \$1.2 million. Because the tuition loss cannot in the short-term be completely resolved by reductions in spending, colleges and universities are using more programmed fund balance and turning to HEERF funds (if they have funds remaining) to cover lost revenue due to enrollment declines (Table 7).

Table 7
Fiscal Year 2023 Updated General Fund Operating Budget, October 2022

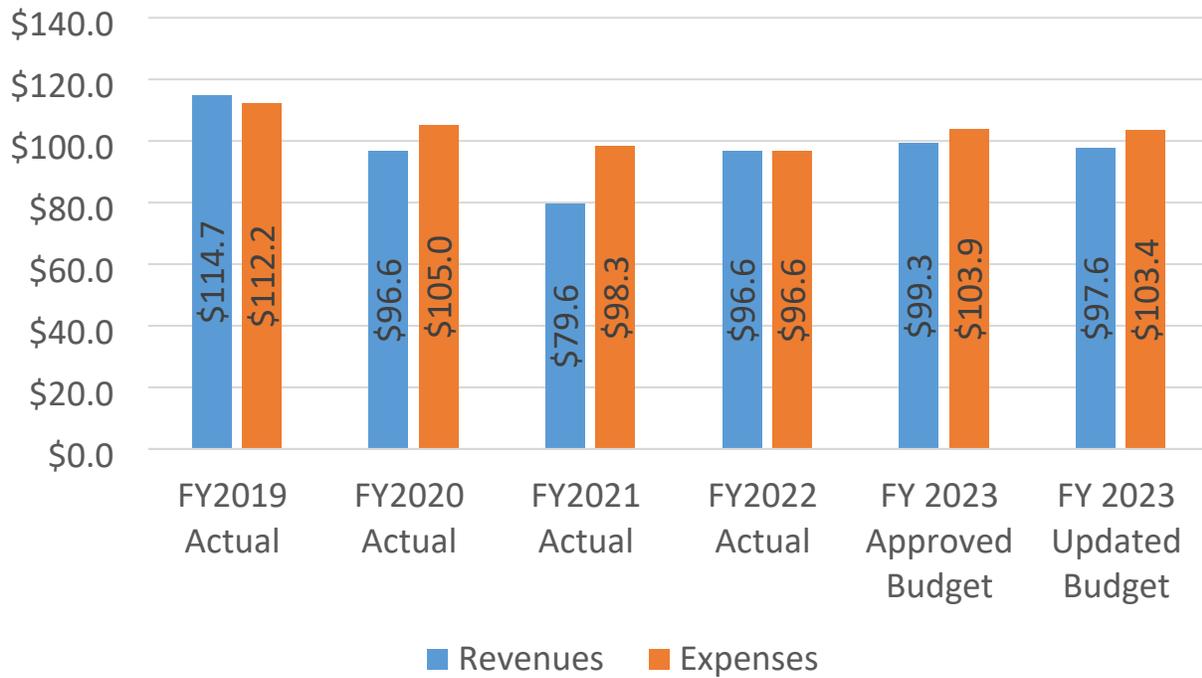
<i>\$s in millions</i>	FY 2023 Approved Budget	FY 2023 Updated Budget	\$ Change	% Change
Revenues/Sources				
State appropriation	\$789.5	\$789.5	\$0.0	0.0%
Tuition	\$712.7	\$703.0	(\$9.6)	-1.4%
Other revenues	\$131.2	\$131.1	(\$0.1)	-0.1%
Programmed fund balance	\$50.2	\$55.2	\$5.0	10.0%
Total budgeted	\$1,683.6	\$1,678.8	(\$4.8)	-0.1%
Expenses/Uses				
Compensation	\$1,267.1	\$1,264.8	(\$2.3)	-0.2%
Operating costs	\$435.3	\$436.5	\$1.2	0.3%
Total budgeted	\$1,702.4	\$1,701.3	(\$1.1)	-0.1%
Budget gap	(\$18.8)	(\$22.4)		
HEERF transfer in	\$21.7	\$24.3		
Budget balance	\$2.9	\$1.9		

**Numbers may not add due to rounding.*

REVENUE FUND

In addition to providing the Board of Trustees with an overview of the Revenue Fund budget approved in June compared to changes made this fall, Chart 2 shows the Revenue Fund revenues and expenses each year since fiscal year 2019 before the significant impact resulting from the pandemic. Although the Revenue Fund has recovered slightly in fiscal years 2022 and 2023, revenue overall is \$17 million less in fiscal year 2023 compared to fiscal year 2019. The gap between revenues and expenses were covered during this time period using HEERF funds and fund balance to offset lost revenue due to declining enrollments and occupancy in residential housing.

Chart 2
Revenue Fund Revenues and Expenses, Fiscal Years 2019-2022 Actual & 2023 Budgeted



The activities in the Revenue Fund include residential housing (room and board), wellness facilities, parking, and student unions. Residential Housing makes up 74 percent of overall Revenue Fund revenues. Between fiscal years 2019 and 2023, there was a reduction in residential beds used of 29 percent at the six state universities offering residential housing. While fiscal year 2022 saw a slight rebound from the low bed utilization in fiscal year 2021, fall 2022 bed utilization indicates an additional loss, bringing the estimated total loss in beds used between fiscal years 2019 and 2023 to 29 percent.

Continued reliance on one-time funding from the HEERF funds and fund balance, combined with enrollment declines has created a structural imbalance in the Revenue Fund that will need to be addressed soon in order to right size operations and become sustainable in the future.

FISCAL YEARS 2023 STRUCTURAL GAPS AND BUDGET STRATEGIES

Continued declining enrollments and the impact on tuition revenue increased the budgetary gap in the General Fund (Table 8). Although some of the \$9.6 million reduction in tuition revenue resulted in adjustments made in spending, most of the gap will be covered by increasing the use of programmed fund balance and using HEERF funds (if there are remaining funds) to offset revenue loss. The budgetary gap in the Revenue Fund also grew by less than \$1 million and the gap in other funds grew from a positive position in June to a \$1.4 million gap in October resulting in the loss of fee revenue sensitive to enrollment changes.

Table 8
Fiscal Year 2023 Structural Budget Gaps, October 2022

\$s in millions	General Fund	Revenue Fund	Other Funds
Revenue/Sources	\$1,623.6	\$97.6	\$287.0
Expenses/Uses	\$1,701.3	\$103.4	\$288.4
Budget gap	(\$77.6)	(\$5.7)	(\$1.4)
HEERF Transfer in	\$24.3	\$0.4	\$0.3
Programmed fund balance	\$55.2	\$8.1	\$3.9
Budget balance	\$1.9	\$2.8	\$2.8

Using one-time funds is a way for colleges and universities to address structural imbalances in the short-term, but it is not a sustainable long-term solution. In addition to using fund balance and HEERF funds, colleges and universities continue to use a variety of ways to address enrollment loss in their day-to-day operations. Examples include:

- Adjusting the number of course offerings to reflect lower enrollment
- Delay hiring or eliminating faculty, staff, and administrative positions as they become vacant
- Using Board Early Separation Incentive (BESI) programs to right-size staffing as a result of current and past enrollment changes
- Investing in student services and student success technologies to improve the tracking and retention of current students
- Developing new programs or expanding of existing programs to meet regional needs and to help stabilize enrollment

FEDERAL COVID HEERF FUNDING

Since fiscal year 2020, colleges and universities received over \$600 million of relief funding from the federal government with half of the funds given to students in the form of grants. Table 9 shows the breakdown of when HEERF funds have been spent with the majority of spending occurring during the current biennium. Many of our colleges and a few universities still have federal HEERF funds to spend with around \$64 million left to use in fiscal year 2023. The \$64 million reflects about 10.5 percent of the total HEERF funds that were available in the three primary rounds of funding.

When colleges and universities were initially awarded HEERF funding, late fiscal year 2022 was set as the deadline to spend those funds. Last spring, the federal government granted an extension of those funds until June 30, 2023. This extension provided significant relief to help offset challenges in spending due to supply chain issues, contractor delays, and continued revenue loss from declining enrollment. During these past four fiscal years, colleges and universities have become reliant on HEERF funding to cover additional expenses to mitigate the impact of COVID-19 on our campuses as well as to soften the impact declining enrollment has

had on tuition and fee revenue. In addition, many of our students have benefitted from additional resources in the form of HEERF grants to help cover the cost of their education and/or general living expenses.

Table 9
HEERF Awards for Students Grants and Institutional Needs
(dollars in millions)

Higher Education Emergency Relief Funds (HEERF)	Actual Use FY2020-21 Biennium	Estimated Use FY2022-23 Biennium*	Total Awarded in Three Rounds of HEERF
Student Grant Awards	\$92.1	\$168.3	\$260.4
Institutional Awards			
a) additional student grants	\$10.4	\$30.0	\$40.4
b) pandemic response	\$111.1	\$155.0	\$306.5
Total to Institutions	\$213.6	\$353.3	\$607.3

*additional students grants are fiscal year 2022 only and will increase when fiscal year 2023 is final

The first round of HEERF funding was distributed under the CARES (Coronavirus Aid, Relief, and Economic Security Act), 50 percent or \$46.7 million of the overall \$93.4 million in funding was reserved to provide students with financial aid grants to help cover expenses related to the disruption of campus operations due to the pandemic. The second round CRRSAA (Coronavirus Response and Relief Supplemental Appropriations Act) and third round ARP (American Rescue Plan) provided an additional \$213.7 million for student grants and \$300.2 million for institutional needs.

Around half of the \$600 million the federal government awarded to our colleges and universities went directly to students as grants. Guidance was developed at the system level regarding the development of a plan to distribute these grants. CRRSAA and ARP funding requirements directed institutions to prioritize students with exceptional need. These grants did not lessen the amount students would have received in financial aid. In other words, students received financial support above and beyond what they were eligible for in regular financial aid. Institutions also had the ability to utilize the institutional award for additional student grants. At least \$40 million was added to the \$260 million that was earmarked for student grants.

Following fiscal year 2023, HEERF funds will no longer be available to support our students and operating budgets.

CONCLUSION

Enrollment and inflationary pressures continue to cause challenges for college and university budgets. In addition, the significant amount of federal support from the HEERF funds provided our colleges, universities, and our students with additional resources to use during the pandemic. Those are one-time funds, but the majority of needs the funds supported are not one-time in nature. We must look at ways to continue to support some of the activities that came out of the pandemic by aligning to what we may seek in the fiscal years 2024-2025 biennial budget request; examples include System stabilization funds, student basic needs, and additional financial support to students. The revised fiscal year 2023 all funds operating budget illustrates continued deterioration in enrollment and ongoing structural budget issues. Long-term enrollment trends, shifting educational interests, inflation, and state support at a rate less than annual cost increases remain significant budgetary concerns.

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

Alexandria Technical & Community College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	12,096,755	0	0	0	12,096,755	11,912,092	0	0	0	11,912,092
Tuition	9,340,996	0	0	0	9,340,996	9,477,413	0	0	0	9,477,413
Other	3,756,635	142,992	4,703,534	150,000	8,753,161	4,806,858	142,992	4,981,743	190,585	10,122,178
Fund Balance	1,251,019	21,558	0	0	1,272,577	796,244	21,558	0	0	817,802
Total Sources	26,445,405	164,550	4,703,534	150,000	31,463,489	26,992,607	164,550	4,981,743	190,585	32,329,485
Uses										
Personnel	19,677,936	0	511,777	0	20,189,713	20,683,894	0	735,456	147,920	21,567,270
Other Operating Costs	6,767,469	164,550	4,158,382	150,000	11,240,401	6,308,713	164,550	4,210,312	42,665	10,726,240
Total Uses	26,445,405	164,550	4,670,159	150,000	31,430,114	26,992,607	164,550	4,945,768	190,585	32,293,510
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	0	56,483	0	33,375	0	0	35,975	0	35,975

Anoka Ramsey Community College - Anoka Technical College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	34,800,000	0	0	0	34,800,000	34,871,762	0	0	0	34,871,762
Tuition	29,051,985	0	0	0	29,051,985	27,798,482	0	0	0	27,798,482
Other	4,572,921	732,038	33,913,088	7,113,748	46,331,795	4,166,658	732,038	33,913,088	7,352,862	46,164,646
Fund Balance	0	0	0	0	0	369,254	0	0	0	369,254
Total Sources	68,424,906	732,038	33,913,088	7,113,748	110,183,780	67,206,156	732,038	33,913,088	7,352,862	109,204,144
Uses										
Personnel	57,029,775	197,358	2,530,755	0	59,757,888	56,427,633	197,358	2,530,755	0	59,155,746
Other Operating Costs	14,200,000	512,959	29,948,728	1,719,275	46,380,962	14,541,702	512,959	29,948,728	1,905,391	46,908,780
Total Uses	71,229,775	710,317	32,479,483	1,719,275	106,138,850	70,969,335	710,317	32,479,483	1,905,391	106,064,526
HEERF I, II & III Loss Rev Transfers In	5,187,599	153,411	53,463	0	5,394,473	5,240,597	153,411	53,463	0	5,447,471
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	5,394,473	5,394,473	0	0	0	5,447,471	5,447,471
Sources/Uses/Transfers	2,382,730	175,132	1,487,068	0	4,044,930	1,477,418	175,132	1,487,068	0	3,139,618

Bemidji State University/Northwest Technical College - Bemidji

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	27,739,934	0	0	0	27,739,934	28,008,073	0	0	0	28,008,073
Tuition	32,405,268	0	0	0	32,405,268	30,914,669	0	0	0	30,914,669
Other	4,714,952	8,378,980	17,326,882	0	30,420,814	3,405,033	8,923,951	18,473,231	35,450	30,837,665
Fund Balance	7,017,549	0	331,999	0	7,349,548	8,196,219	0	29,337	0	8,225,556
Total Sources	71,877,703	8,378,980	17,658,881	0	97,915,564	70,523,994	8,923,951	18,502,568	35,450	97,985,963
Uses										
Personnel	54,496,203	2,836,726	2,351,637	0	59,684,566	53,476,195	2,562,801	2,893,770	0	58,932,766
Other Operating Costs	17,381,500	4,991,746	15,307,244	0	37,680,490	17,047,799	5,995,661	15,608,798	131,140	38,783,398
Total Uses	71,877,703	7,828,472	17,658,881	0	97,365,056	70,523,994	8,558,462	18,502,568	131,140	97,716,164
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	550,508	0	0	550,508	0	365,489	0	0	365,489

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

Central Lakes College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	17,851,239	0	0	0	17,851,239	17,851,239	0	0	0	17,851,239
Tuition	10,969,209	0	0	0	10,969,209	10,969,209	0	0	0	10,969,209
Other	5,007,972	0	13,610,731	791,056	19,409,759	5,758,467	0	13,704,889	1,560,340	21,023,696
Fund Balance	264,427	0	249,984	0	514,411	594,304	0	471,462	0	1,065,766
Total Sources	34,092,847	0	13,860,715	791,056	48,744,618	35,173,219	0	14,176,351	1,560,340	50,909,910
Uses										
Personnel	25,128,053	0	2,914,003	75,000	28,117,056	25,094,702	0	3,043,256	52,700	28,190,658
Other Operating Costs	8,964,794	0	10,946,712	716,056	20,627,562	10,078,517	0	11,133,095	1,507,640	22,719,252
Total Uses	34,092,847	0	13,860,715	791,056	48,744,618	35,173,219	0	14,176,351	1,560,340	50,909,910
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Century College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	28,888,292	0	0	0	28,888,292	28,893,595	0	0	0	28,893,595
Tuition	26,106,744	0	0	0	26,106,744	26,153,355	0	0	0	26,153,355
Other	3,511,315	216,100	24,200,000	7,690,169	35,617,584	3,511,315	240,000	28,372,000	3,100,000	35,223,315
Fund Balance	2,308,231	0	0	0	2,308,231	0	0	0	0	0
Total Sources	60,814,582	216,100	24,200,000	7,690,169	92,920,851	58,558,265	240,000	28,372,000	3,100,000	90,270,265
Uses										
Personnel	51,232,500	0	4,353,200	0	55,585,700	50,763,222	0	6,683,000	0	57,446,222
Other Operating Costs	10,095,043	216,100	19,846,800	7,177,208	37,335,151	10,095,043	240,000	21,689,000	800,000	32,824,043
Total Uses	61,327,543	216,100	24,200,000	7,177,208	92,920,851	60,858,265	240,000	28,372,000	800,000	90,270,265
HEERF I, II & III Loss Rev Transfers In	512,961	0	0	0	512,961	2,300,000	0	0	0	2,300,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	512,961	512,961	0	0	0	2,300,000	2,300,000
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Dakota County Technical College - Inver Hills Community College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	27,582,141	0	0	0	27,582,141	27,582,141	0	0	0	27,582,141
Tuition	21,482,144	0	0	0	21,482,144	21,482,144	0	0	0	21,482,144
Other	5,468,577	0	12,900,275	2,262,113	20,630,965	5,468,577	0	12,900,275	2,262,113	20,630,965
Fund Balance	984,708	0	459,109	0	1,443,817	3,384,708	0	459,109	0	3,843,817
Total Sources	55,517,570	0	13,359,384	2,262,113	71,139,067	57,917,570	0	13,359,384	2,262,113	73,539,067
Uses										
Personnel	43,050,452	0	1,801,128	42,105	44,893,685	45,450,452	0	1,801,128	42,105	47,293,685
Other Operating Costs	13,561,232	0	11,558,256	1,125,894	26,245,382	13,561,232	0	11,558,256	1,125,894	26,245,382
Total Uses	56,611,684	0	13,359,384	1,167,999	71,139,067	59,011,684	0	13,359,384	1,167,999	73,539,067
HEERF I, II & III Loss Rev Transfers In	1,094,114	0	0	0	1,094,114	1,094,114	0	0	0	1,094,114
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	1,094,114	1,094,114	0	0	0	1,094,114	1,094,114
Sources/Uses/Transfers	0	0	0	0	0	900,000	0	0	0	0

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

Fond du Lac Tribal & Community College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	5,980,019	0	0	0	5,980,019	5,980,019	0	0	0	5,980,019
Tuition	2,365,500	0	0	0	2,365,500	2,365,500	0	0	0	2,365,500
Other	1,064,500	0	4,800,000	517,143	6,381,643	1,064,500	0	4,800,000	517,143	6,381,643
Fund Balance	791,161	0	0	0	791,161	791,161	0	0	0	791,161
Total Sources	10,201,180	0	4,800,000	517,143	15,518,323	10,201,180	0	4,800,000	517,143	15,518,323
Uses										
Personnel	8,163,000	0	1,200,000	0	9,363,000	8,163,000	0	1,200,000	0	9,363,000
Other Operating Costs	2,038,180	0	3,649,943	67,200	5,755,323	2,038,180	0	3,649,943	67,200	5,755,323
Total Uses	10,201,180	0	4,849,943	67,200	15,118,323	10,201,180	0	4,849,943	67,200	15,118,323
HEERF I, II & III Loss Rev Transfers In	400,000	0	49,943	0	449,943	400,000	0	49,943	0	449,943
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	449,943	449,943	0	0	0	449,943	449,943
Sources/Uses/Transfers	400,000	0	0	0	400,000	400,000	0	0	0	400,000

Hennepin Technical College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	20,743,702	0	0	0	20,743,702	20,743,702	0	0	0	20,743,702
Tuition	13,838,137	0	0	0	13,838,137	13,426,484	0	0	0	13,426,484
Other	3,175,597	0	9,915,391	6,037,622	19,128,610	3,137,324	0	9,915,391	6,037,622	19,090,337
Fund Balance	0	0	0	0	0	282,133	0	0	0	282,133
Total Sources	37,757,436	0	9,915,391	6,037,622	53,710,449	37,589,643	0	9,915,391	6,037,622	53,542,656
Uses										
Personnel	31,413,985	0	1,303,497	0	32,717,482	31,744,732	0	0	0	31,744,732
Other Operating Costs	8,307,131	0	8,611,894	4,073,942	20,992,967	8,044,911	0	9,915,391	3,837,622	21,797,924
Total Uses	39,721,116	0	9,915,391	4,073,942	53,710,449	39,789,643	0	9,915,391	3,837,622	53,542,656
HEERF I, II & III Loss Rev Transfers In	1,963,680	0	0	0	1,963,680	2,200,000	0	0	0	2,200,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	1,963,680	1,963,680	0	0	0	2,200,000	2,200,000
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Lake Superior College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	18,450,051	0	0	0	18,450,051	18,450,051	0	0	0	18,450,051
Tuition	11,927,972	0	0	0	11,927,972	11,697,376	0	0	0	11,697,376
Other	5,859,769	0	14,022,224	2,324,200	22,206,193	5,559,769	0	14,022,224	2,324,200	21,906,193
Fund Balance	0	0	0	0	0	0	0	0	0	0
Total Sources	36,237,792	0	14,022,224	2,324,200	52,584,216	35,707,196	0	14,022,224	2,324,200	52,053,620
Uses										
Personnel	25,531,621	0	1,074,691	0	26,606,312	25,049,579	0	1,074,691	0	26,124,270
Other Operating Costs	10,676,375	0	12,668,224	0	23,344,599	10,657,616	0	12,668,224	0	23,325,840
Total Uses	36,207,996	0	13,742,915	0	49,950,911	35,707,195	0	13,742,915	0	49,450,110
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	29,796	0	279,309	2,324,200	2,633,305	1	0	279,309	2,324,200	2,603,510

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

Metropolitan State University

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	35,968,770	0	0	0	35,968,770	35,968,770	0	0	0	35,968,770
Tuition	43,842,183	0	0	0	43,842,183	43,842,183	0	0	0	43,842,183
Other	1,819,429	3,214,037	26,108,285	2,179,000	33,320,751	1,819,429	3,214,037	26,108,285	2,179,000	33,320,751
Fund Balance	5,117,949	932,141	0	0	6,050,090	5,117,949	932,141	0	0	6,050,090
Total Sources	86,748,331	4,146,178	26,108,285	2,179,000	119,181,794	86,748,331	4,146,178	26,108,285	2,179,000	119,181,794
Uses										
Personnel	64,674,346	0	0	40,000	64,714,346	64,674,346	0	0	40,000	64,714,346
Other Operating Costs	23,101,985	4,146,178	26,108,285	1,111,000	54,467,448	23,101,985	4,146,178	26,108,285	1,111,000	54,467,448
Total Uses	87,776,331	4,146,178	26,108,285	1,151,000	119,181,794	87,776,331	4,146,178	26,108,285	1,151,000	119,181,794
HEERF I, II & III Loss Rev Transfers In	1,028,000	0	0	0	1,028,000	1,028,000	0	0	0	1,028,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	1,028,000	1,028,000	0	0	0	1,028,000	1,028,000
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Minneapolis Community & Technical College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	25,140,239	0	0	0	25,140,239	25,140,239	0	0	0	25,140,239
Tuition	21,278,903	0	0	0	21,278,903	20,823,974	0	0	0	20,823,974
Other	2,668,847	1,660,250	32,000,550	5,925,000	42,254,647	2,467,040	1,575,000	32,000,550	5,925,000	41,967,590
Fund Balance	1,153,206	0	0	0	1,153,206	1,390,807	71,725	0	0	1,462,532
Total Sources	50,241,195	1,660,250	32,000,550	5,925,000	89,826,995	49,822,060	1,646,725	32,000,550	5,925,000	89,394,335
Uses										
Personnel	41,855,603	636,725	3,422,920	150,000	46,065,248	40,951,749	636,725	3,422,920	150,000	45,161,394
Other Operating Costs	8,385,592	1,022,266	28,577,630	5,775,000	43,760,488	8,870,311	1,010,000	28,577,630	5,775,000	44,232,941
Total Uses	50,241,195	1,658,991	32,000,550	5,925,000	89,825,736	49,822,060	1,646,725	32,000,550	5,925,000	89,394,335
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	1,259	0	0	1,259	0	0	0	0	0

Minnesota North College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	20,642,269	0	0	0	20,642,269	20,781,305	0	0	0	20,781,305
Tuition	13,961,147	0	0	0	13,961,147	13,460,290	0	0	0	13,460,290
Other	1,328,000	1,133,000	6,000,000	3,300,000	11,761,000	1,328,000	1,133,000	6,000,000	3,300,000	11,761,000
Fund Balance	0	0	0	0	0	550,000	0	0	0	550,000
Total Sources	35,931,416	1,133,000	6,000,000	3,300,000	46,364,416	36,119,595	1,133,000	6,000,000	3,300,000	46,552,595
Uses										
Personnel	27,209,482	300,000	2,000,000	0	29,509,482	27,250,000	300,000	2,000,000	0	29,550,000
Other Operating Costs	8,663,200	806,000	4,000,000	3,300,000	16,769,200	8,863,200	806,000	4,000,000	3,300,000	16,969,200
Total Uses	35,872,682	1,106,000	6,000,000	3,300,000	46,278,682	36,113,200	1,106,000	6,000,000	3,300,000	46,519,200
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	58,734	27,000	0	0	85,734	6,395	27,000	0	0	33,395

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

Minnesota State College - Southeast

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	8,826,000	0	0	0	8,826,000	8,826,000	0	0	0	8,826,000
Tuition	5,491,000	0	0	0	5,491,000	5,491,000	0	0	0	5,491,000
Other	3,845,000	0	3,800,000	0	7,645,000	3,845,000	0	3,800,000	0	7,645,000
Fund Balance	800,000	0	0	0	800,000	800,000	0	0	0	800,000
Total Sources	18,962,000	0	3,800,000	0	22,762,000	18,962,000	0	3,800,000	0	22,762,000
Uses										
Personnel	14,210,000	0	200,000	0	14,410,000	14,210,000	0	200,000	0	14,410,000
Other Operating Costs	4,752,000	0	3,600,000	0	8,352,000	4,752,000	0	3,600,000	0	8,352,000
Total Uses	18,962,000	0	3,800,000	0	22,762,000	18,962,000	0	3,800,000	0	22,762,000
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Minnesota State Community & Technical College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	22,145,804	0	0	0	22,145,804	22,135,696	0	0	0	22,135,696
Tuition	15,112,986	0	0	0	15,112,986	15,231,969	0	0	0	15,231,969
Other	4,914,097	159,880	12,772,901	2,631,319	20,478,197	5,432,404	159,880	12,772,901	3,598,815	21,964,000
Fund Balance	0	0	38,211	0	38,211	0	0	38,211	0	38,211
Total Sources	42,172,887	159,880	12,811,112	2,631,319	57,775,198	42,800,069	159,880	12,811,112	3,598,815	59,369,876
Uses										
Personnel	34,691,518	76,607	1,078,638	0	35,846,763	35,528,380	76,607	1,078,638	0	36,683,625
Other Operating Costs	8,810,126	128,619	11,732,474	1,246,769	21,917,988	8,899,896	128,619	11,732,474	1,914,815	22,675,804
Total Uses	43,501,644	205,226	12,811,112	1,246,769	57,764,751	44,428,276	205,226	12,811,112	1,914,815	59,359,429
HEERF I, II & III Loss Rev Transfers In	1,328,757	55,793	0	0	1,384,550	1,628,207	55,793	0	0	1,684,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	1,384,550	1,384,550	0	0	0	1,684,000	1,684,000
Sources/Uses/Transfers	0	10,447	0	0	10,447	0	10,447	0	0	10,447

Minnesota State University Moorhead

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	28,055,421	0	0	0	28,055,421	28,055,421	0	0	0	28,055,421
Tuition	40,813,063	0	0	0	40,813,063	37,725,408	0	0	0	37,725,408
Other	2,548,030	11,733,429	20,986,598	10,000	35,278,057	2,528,019	11,470,569	20,986,598	10,000	34,995,186
Fund Balance	497,247	767,984	0	0	1,265,231	3,385,276	1,028,676	0	0	4,413,952
Total Sources	71,913,761	12,501,413	20,986,598	10,000	105,411,772	71,694,124	12,499,245	20,986,598	10,000	105,189,967
Uses										
Personnel	54,723,559	2,765,835	3,079,086	0	60,568,480	54,723,559	2,765,835	3,079,086	0	60,568,480
Other Operating Costs	17,190,202	9,733,410	17,907,512	10,000	44,841,124	16,970,565	9,733,410	17,907,512	10,000	44,621,487
Total Uses	71,913,761	12,499,245	20,986,598	10,000	105,409,604	71,694,124	12,499,245	20,986,598	10,000	105,189,967
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	2,168	0	0	2,168	0	0	0	0	0

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

Minnesota State University, Mankato

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	59,802,387	0	0	0	59,802,387	59,802,387	0	0	0	59,802,387
Tuition	127,040,000	0	0	0	127,040,000	126,040,000	0	0	0	126,040,000
Other	21,885,000	30,519,672	51,142,000	0	103,546,672	21,885,000	30,519,672	51,142,000	0	103,546,672
Fund Balance	0	0	0	0	0	1,000,000	0	0	0	1,000,000
Total Sources	208,727,387	30,519,672	51,142,000	0	290,389,059	208,727,387	30,519,672	51,142,000	0	290,389,059
Uses										
Personnel	150,960,000	8,049,975	9,483,500	0	168,493,475	150,960,000	8,049,975	9,483,500	0	168,493,475
Other Operating Costs	57,767,387	20,845,889	41,658,500	0	120,271,776	57,767,387	20,845,889	41,658,500	0	120,271,776
Total Uses	208,727,387	28,895,864	51,142,000	0	288,765,251	208,727,387	28,895,864	51,142,000	0	288,765,251
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	1,623,808	0	0	1,623,808	0	1,623,808	0	0	1,623,808

Minnesota West Community & Technical College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	15,151,643	0	0	0	15,151,643	15,151,643	0	0	0	15,151,643
Tuition	10,386,084	0	0	0	10,386,084	10,386,084	0	0	0	10,386,084
Other	2,566,658	0	6,006,872	1,650,316	10,223,846	2,566,658	0	6,006,872	1,650,316	10,223,846
Fund Balance	679,760	0	575	0	680,335	679,760	0	575	0	680,335
Total Sources	28,784,145	0	6,007,447	1,650,316	36,441,908	28,784,145	0	6,007,447	1,650,316	36,441,908
Uses										
Personnel	20,901,961	0	676,874	0	21,578,835	20,901,961	0	676,874	0	21,578,835
Other Operating Costs	7,882,184	0	5,330,573	1,650,316	14,863,073	7,882,184	0	5,330,573	1,650,316	14,863,073
Total Uses	28,784,145	0	6,007,447	1,650,316	36,441,908	28,784,145	0	6,007,447	1,650,316	36,441,908
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Normandale Community College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	31,134,148	0	0	0	31,134,148	31,374,109	0	0	0	31,374,109
Tuition	32,652,178	0	0	0	32,652,178	33,257,665	0	0	0	33,257,665
Other	6,519,827	3,532,320	23,287,263	1,450,278	34,789,688	6,374,250	3,532,320	24,072,804	1,514,423	35,493,797
Fund Balance	2,124,078	1,374,073	0	0	3,498,151	2,475,000	1,374,073	0	0	3,849,073
Total Sources	72,430,231	4,906,393	23,287,263	1,450,278	102,074,165	73,481,024	4,906,393	24,072,804	1,514,423	103,974,644
Uses										
Personnel	52,785,432	536,905	3,029,562	0	56,351,899	53,036,401	520,936	3,830,388	0	57,387,725
Other Operating Costs	19,644,799	3,424,845	20,149,360	1,450,278	44,669,282	20,444,623	3,806,318	20,242,416	1,514,423	46,007,780
Total Uses	72,430,231	3,961,750	23,178,922	1,450,278	101,021,181	73,481,024	4,327,254	24,072,804	1,514,423	103,395,505
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	944,643	108,341	0	1,052,984	0	579,139	0	0	579,139

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

North Hennepin Community College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	21,037,719	0	0	0	21,037,719	21,037,719	0	0	0	21,037,719
Tuition	15,666,966	0	0	0	15,666,966	15,362,802	0	0	0	15,362,802
Other	1,600,000	0	16,000,000	7,757,578	25,357,578	1,600,000	0	16,000,000	7,757,578	25,357,578
Fund Balance	0	0	0	0	0	304,164	0	0	0	304,164
Total Sources	38,304,685	0	16,000,000	7,757,578	62,062,263	38,304,685	0	16,000,000	7,757,578	62,062,263
Uses										
Personnel	35,695,384	0	2,592,913	0	38,288,297	35,695,384	0	2,592,913	0	38,288,297
Other Operating Costs	8,609,301	0	13,407,087	1,757,578	23,773,966	8,609,301	0	13,407,087	1,757,578	23,773,966
Total Uses	44,304,685	0	16,000,000	1,757,578	62,062,263	44,304,685	0	16,000,000	1,757,578	62,062,263
HEERF I, II & III Loss Rev Transfers In	6,000,000	0	0	0	6,000,000	6,000,000	0	0	0	6,000,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	6,000,000	6,000,000	0	0	0	6,000,000	6,000,000
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Northland Community & Technical College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	14,258,548	0	0	0	14,258,548	14,250,159	0	0	0	14,250,159
Tuition	8,880,823	0	0	0	8,880,823	8,727,677	0	0	0	8,727,677
Other	2,291,560	0	6,630,000	0	8,921,560	2,131,407	0	6,275,000	276,000	8,682,407
Fund Balance	2,481,600	0	41,500	0	2,523,100	2,186,121	0	0	0	2,186,121
Total Sources	27,912,531	0	6,671,500	0	34,584,031	27,295,364	0	6,275,000	276,000	33,846,364
Uses										
Personnel	20,994,548	0	1,066,500	0	22,061,048	21,174,548	0	1,039,000	0	22,213,548
Other Operating Costs	6,917,983	0	5,605,000	0	12,522,983	6,240,816	0	5,236,000	156,000	11,632,816
Total Uses	27,912,531	0	6,671,500	0	34,584,031	27,415,364	0	6,275,000	156,000	33,846,364
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	120,000	0	0	0	120,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	120,000	120,000
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Pine Technical & Community College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	6,038,163	0	0	0	6,038,163	6,038,163	0	0	0	6,038,163
Tuition	3,338,152	0	0	0	3,338,152	3,338,152	0	0	0	3,338,152
Other	2,400,000	0	4,900,000	1,765,640	9,065,640	2,400,000	0	4,900,000	1,765,640	9,065,640
Fund Balance	0	0	0	0	0	0	0	0	0	0
Total Sources	11,776,315	0	4,900,000	1,765,640	18,441,955	11,776,315	0	4,900,000	1,765,640	18,441,955
Uses										
Personnel	8,781,452	0	219,306	0	9,000,758	8,781,452	0	219,306	0	9,000,758
Other Operating Costs	3,374,863	0	4,680,694	1,022,119	9,077,676	3,199,863	0	4,680,694	1,197,119	9,077,676
Total Uses	12,156,315	0	4,900,000	1,022,119	18,078,434	11,981,315	0	4,900,000	1,197,119	18,078,434
HEERF I, II & III Loss Rev Transfers In	400,000	0	4,000	0	404,000	225,000	0	4,000	0	229,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	404,000	404,000	0	0	0	229,000	229,000
Sources/Uses/Transfers	20,000	0	4,000	339,521	363,521	20,000	0	4,000	339,521	363,521

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

Ridgewater College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	17,436,616	0	0	0	17,436,616	17,669,595	0	0	0	17,669,595
Tuition	12,393,497	0	0	0	12,393,497	12,267,411	0	0	0	12,267,411
Other	3,865,688	0	9,570,251	398,596	13,834,535	3,840,688	0	9,570,251	1,383,445	14,794,384
Fund Balance	3,357,560	0	96,914	0	3,454,474	2,228,147	0	96,914	0	2,325,061
Total Sources	37,053,361	0	9,667,165	398,596	47,119,122	36,005,841	0	9,667,165	1,383,445	47,056,451
Uses										
Personnel	28,657,674	0	1,356,144	0	30,013,818	27,164,598	0	1,356,144	0	28,520,742
Other Operating Costs	8,794,283	0	8,311,021	0	17,105,304	8,841,243	0	8,311,021	1,383,445	18,535,709
Total Uses	37,451,957	0	9,667,165	0	47,119,122	36,005,841	0	9,667,165	1,383,445	47,056,451
HEERF I, II & III Loss Rev Transfers In	398,596	0	0	0	398,596	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	398,596	398,596	0	0	0	0	0
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Riverland Community College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	13,353,499	0	0	0	13,353,499	13,353,499	0	0	0	13,353,499
Tuition	11,304,723	0	0	0	11,304,723	11,304,723	0	0	0	11,304,723
Other	1,868,460	0	8,750,000	479,092	11,097,552	1,868,460	0	8,750,000	685,363	11,303,823
Fund Balance	575,000	0	0	0	575,000	947,320	0	0	0	947,320
Total Sources	27,101,682	0	8,750,000	479,092	36,330,774	27,474,002	0	8,750,000	685,363	36,909,365
Uses										
Personnel	21,910,458	0	800,000	200,000	22,910,458	21,910,458	0	800,000	229,900	22,940,358
Other Operating Costs	5,191,224	0	7,950,000	279,092	13,420,316	5,563,544	0	7,950,000	455,463	13,969,007
Total Uses	27,101,682	0	8,750,000	479,092	36,330,774	27,474,002	0	8,750,000	685,363	36,909,365
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Rochester Community & Technical College

	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	19,773,379	0	0	0	19,773,379	19,773,379	0	0	0	19,773,379
Tuition	16,620,287	0	0	0	16,620,287	16,514,313	0	0	0	16,514,313
Other	2,774,894	0	15,934,895	1,496,240	20,206,029	2,768,954	0	16,091,555	1,496,240	20,356,749
Fund Balance	607,046	0	158,353	0	765,399	78,216	0	158,353	0	236,569
Total Sources	39,775,606	0	16,093,248	1,496,240	57,365,094	39,134,862	0	16,249,908	1,496,240	56,881,010
Uses										
Personnel	31,460,400	0	2,903,532	0	34,363,932	30,819,656	0	2,666,276	0	33,485,932
Other Operating Costs	8,315,206	0	12,993,791	1,496,240	22,805,237	8,315,206	0	13,073,354	1,496,240	22,884,800
Total Uses	39,775,606	0	15,897,323	1,496,240	57,169,169	39,134,862	0	15,739,630	1,496,240	56,370,732
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	0	195,925	0	195,925	0	0	510,278	0	510,278

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

Saint Paul College

	FY2022 Updated Budget May/June				FY2023 Proposed Budget					
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	22,532,932	0	0	0	22,532,932	22,532,932	0	0	0	22,532,932
Tuition	20,142,009	0	0	0	20,142,009	20,142,009	0	0	0	20,142,009
Other	1,923,651	1,140,000	23,500,000	4,075,000	30,638,651	1,923,651	1,140,000	23,500,000	4,075,000	30,638,651
Fund Balance	1,955,542	0	0	0	1,955,542	1,955,542	0	0	0	1,955,542
Total Sources	46,554,134	1,140,000	23,500,000	4,075,000	75,269,134	46,554,134	1,140,000	23,500,000	4,075,000	75,269,134
Uses										
Personnel	39,890,514	110,000	3,000,000	0	43,000,514	39,890,514	110,000	3,000,000	0	43,000,514
Other Operating Costs	9,163,620	1,030,000	20,500,000	1,575,000	32,268,620	9,163,620	1,030,000	20,500,000	1,575,000	32,268,620
Total Uses	49,054,134	1,140,000	23,500,000	1,575,000	75,269,134	49,054,134	1,140,000	23,500,000	1,575,000	75,269,134
HEERF I, II & III Loss Rev Transfers In	2,500,000	0	0	0	2,500,000	2,500,000	0	0	0	2,500,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	2,500,000	2,500,000	0	0	0	2,500,000	2,500,000
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

St. Cloud State University

	FY2023 Proposed Budget June 2022				FY2023 Budget Update 2023					
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	52,513,000	0	0	0	52,513,000	52,513,000	0	0	0	52,513,000
Tuition	66,881,000	0	0	0	66,881,000	67,381,000	0	0	0	67,381,000
Other	8,169,000	13,973,493	42,250,612	0	64,393,105	8,169,000	12,621,000	42,250,612	0	63,040,612
Fund Balance	11,701,000	1,260,066	350,000	0	13,311,066	11,701,000	1,143,000	350,000	0	13,194,000
Total Sources	139,264,000	15,233,559	42,600,612	0	197,098,171	139,764,000	13,764,000	42,600,612	0	196,128,612
Uses										
Personnel	111,654,000	4,314,120	5,347,650	0	121,315,770	111,654,000	4,314,120	5,347,650	0	121,315,770
Other Operating Costs	27,610,000	10,919,439	37,252,962	0	75,782,401	28,110,000	9,449,880	37,252,962	0	74,812,842
Total Uses	139,264,000	15,233,559	42,600,612	0	197,098,171	139,764,000	13,764,000	42,600,612	0	196,128,612
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

St. Cloud Technical & Community College

	FY2023 Proposed Budget June 2022				FY2023 Budget Update 2023					
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
Sources										
State Appropriation	17,053,534	0	0	0	17,053,534	17,381,503	0	0	0	17,381,503
Tuition	13,655,113	0	0	0	13,655,113	13,382,011	0	0	0	13,382,011
Other	2,609,565	0	10,535,597	603,600	13,748,762	2,609,565	0	10,535,597	1,634,916	14,780,078
Fund Balance	1,308,745	0	783,662	0	2,092,407	250,398	0	632,511	0	882,909
Total Sources	34,626,957	0	11,319,259	603,600	46,549,816	33,623,477	0	11,168,108	1,634,916	46,426,501
Uses										
Personnel	27,940,500	0	1,282,164	40,000	29,262,664	27,237,020	0	1,282,164	35,000	28,554,184
Other Operating Costs	6,686,457	0	10,037,095	563,600	17,287,152	6,686,457	0	10,037,095	1,148,765	17,872,317
Total Uses	34,626,957	0	11,319,259	603,600	46,549,816	33,923,477	0	11,319,259	1,183,765	46,426,501
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	300,000	0	151,151	0	451,151
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	451,151	451,151
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Minnesota State
College and University FY2023 Operating Budgets - October Update
(Gross Before Net of Financial Aid)

South Central College

Sources	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
State Appropriation	14,360,499	0	0	0	14,360,499	14,360,499	0	0	0	14,360,499
Tuition	9,738,000	0	0	0	9,738,000	9,800,000	0	0	0	9,800,000
Other	2,600,000	0	11,700,000	1,154,000	15,454,000	2,750,000	0	11,700,000	1,358,000	15,808,000
Fund Balance	55,791	0	0	0	55,791	164,501	0	0	0	164,501
Total Sources	26,754,290	0	11,700,000	1,154,000	39,608,290	27,075,000	0	11,700,000	1,358,000	40,133,000
Uses										
Personnel	22,626,290	0	650,000	65,000	23,341,290	22,675,000	0	650,000	20,000	23,345,000
Other Operating Costs	4,967,000	0	11,050,000	250,000	16,267,000	5,700,000	0	11,050,000	38,000	16,788,000
Total Uses	27,593,290	0	11,700,000	315,000	39,608,290	28,375,000	0	11,700,000	58,000	40,133,000
HEERF I, II & III Loss Rev Transfers In	839,000	0	0	0	839,000	1,300,000	0	0	0	1,300,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	839,000	839,000	0	0	0	1,300,000	1,300,000
Sources/Uses/Transfers	0	0	0	0	0	0	0	0	0	0

Southwest Minnesota State University

Sources	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
State Appropriation	20,417,341	0	0	0	20,417,341	20,417,341	0	0	0	20,417,341
Tuition	21,303,255	0	0	0	21,303,255	20,403,255	0	0	0	20,403,255
Other	2,358,558	6,044,250	14,260,820	1,695,574	24,359,202	2,358,558	5,444,250	14,360,820	1,695,574	23,859,202
Fund Balance	989,550	0	0	0	989,550	1,389,550	171,311	0	0	1,560,861
Total Sources	45,068,704	6,044,250	14,260,820	1,695,574	67,069,348	44,568,704	5,615,561	14,360,820	1,695,574	66,240,659
Uses										
Personnel	35,502,510	1,600,000	1,149,492	0	38,252,002	35,102,510	1,600,000	1,157,492	0	37,860,002
Other Operating Costs	9,566,193	4,415,561	13,111,328	1,695,574	28,788,656	9,466,194	4,215,561	13,111,328	1,495,574	28,288,657
Total Uses	45,068,703	6,015,561	14,260,820	1,695,574	67,040,658	44,568,704	5,815,561	14,268,820	1,495,574	66,148,659
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	200,000	0	0	200,000
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	200,000	200,000
Sources/Uses/Transfers	0	28,689	0	0	28,689	0	0	92,000	0	92,000

Winona State University

Sources	FY2023 Proposed Budget June 2022					FY2023 Budget Update 2023				
	General Fund	Revenue Fund	Other Funds	HEERF	Total	General Fund	Revenue Fund	Other Funds	HEERF	Total
State Appropriation	40,002,135	0	0	0	40,002,135	39,934,832	0	0	0	39,934,832
Tuition	44,706,599	0	0	0	44,706,599	43,883,025	0	0	0	43,883,025
Other	13,549,871	16,756,274	24,119,972	0	54,426,117	13,549,871	16,756,274	24,119,972	0	54,426,117
Fund Balance	4,134,129	3,378,527	1,654,156	0	9,166,812	4,134,129	3,378,527	1,654,156	0	9,166,812
Total Sources	102,392,734	20,134,801	25,774,128	0	148,301,663	101,501,857	20,134,801	25,774,128	0	147,410,786
Uses										
Personnel	77,682,202	5,467,882	4,600,824	0	87,750,908	77,056,286	5,467,882	4,600,824	0	87,124,992
Other Operating Costs	24,710,532	14,666,919	20,844,311	0	60,221,762	24,445,571	14,666,919	20,844,311	0	59,956,801
Total Uses	102,392,734	20,134,801	25,445,135	0	147,972,670	101,501,857	20,134,801	25,445,135	0	147,081,793
HEERF I, II & III Loss Rev Transfers In	0	0	0	0	0	0	0	0	0	0
HEERF I, II, & III Loss Rev Transfers Out	0	0	0	0	0	0	0	0	0	0
Sources/Uses/Transfers	0	0	328,993	0	328,993	0	0	328,993	0	328,993

Minnesota State

Student Full Year Equivalent (FYE) FY2008-2025

Institution	Actual FY2008	Actual FY2009	Actual FY2010	Actual FY2011	Actual FY2012	Actual FY2013	Actual FY2014	Actual FY2015	Actual FY2016	Actual FY2017	Actual FY2018	Actual FY2019	Actual FY2020	Actual FY2021	Actual FY2022	Projected FY 2023 (Oct 22)	Projected FY 2024 (Oct 22)	Projected FY2025 (Oct 22)
Colleges																		
Alexandria Technical & Community College	2,110	2,063	2,270	2,290	2,268	2,324	2,170	2,046	1,993	1,944	1,925	1,783	1,729	1,690	1,696	1,810	1,845	1,885
Anoka Colleges	6,640	6,982	8,070	8,203	7,740	7,520	7,213	7,124	7,071	6,709	6,809	6,592	6,668	6,313	5,861	5,521	5,521	5,521
Anoka-Ramsey Community College	5,113	5,339	6,174	6,327	6,048	5,918	5,684	5,654	5,683	5,409	5,479	5,322	5,322	5,100	4,617	4,383	4,383	4,383
Anoka Technical College	1,527	1,643	1,896	1,876	1,692	1,602	1,530	1,469	1,387	1,300	1,331	1,270	1,346	1,213	1,244	1,138	1,138	1,138
Central Lakes College	2,645	3,020	3,384	3,558	3,434	3,371	3,206	2,993	2,710	2,612	2,562	2,633	2,646	2,547	2,464	2,514	2,565	2,616
Century College	6,287	6,714	7,650	7,879	7,662	7,393	6,955	6,410	6,204	5,978	5,983	5,984	5,910	5,558	5,140	4,623	4,530	4,530
Dakota County Technical College	2,104	2,206	2,484	2,549	2,475	2,478	2,235	2,069	2,004	1,884	1,938	1,900	1,903	1,818	1,845	1,804	1,839	1,885
Fond du Lac Tribal and Community College	1,268	1,242	1,376	1,421	1,388	1,301	1,251	1,223	1,188	1,121	1,025	989	865	786	706	814	850	795
Hennepin Technical College	3,781	3,889	4,493	4,779	4,678	4,515	4,214	3,927	3,739	3,505	3,368	3,214	2,946	2,712	2,625	2,385	2,385	2,385
Inver Hills Community College	3,656	3,784	4,284	4,329	4,140	4,049	3,944	3,809	3,550	3,263	3,018	2,844	2,669	2,621	2,314	2,052	1,949	2,046
Lake Superior College	3,415	3,549	3,679	3,675	3,749	3,768	3,603	3,431	3,292	3,160	3,146	3,122	3,096	2,775	2,551	2,388	2,292	2,255
Minneapolis College	6,252	6,538	7,405	7,302	6,963	6,726	6,484	6,026	5,658	5,074	4,792	4,620	4,536	4,219	3,819	3,776	3,850	3,850
Minnesota North College (Northeast Higher Education District)	4,273	4,314	4,525	4,630	4,399	4,208	4,034	3,742	3,589	3,586	3,466	3,299	3,085	2,669	2,635	2,450	2,500	2,575
Hibbing Community College	1,207	1,315	1,370	1,346	1,246	1,129	1,115	1,042	1,014	1,041	922	840	806	693	663			
Itasca Community College	999	969	1,073	1,118	1,074	1,028	1,016	975	931	944	938	871	821	740	702			
Mesabi Range College	1,148	1,194	1,186	1,216	1,128	1,087	1,043	897	873	829	797	810	755	652	647			
Rainy River Community College	304	261	296	307	302	318	267	278	270	244	236	216	177	152	153			
Vermilion Community College	615	575	600	643	649	646	593	552	501	528	573	563	526	433	470			
Minnesota State College Southeast	1,552	1,660	1,988	1,985	1,796	1,701	1,597	1,454	1,316	1,286	1,220	1,145	1,157	1,110	1,069	1,117	1,173	1,231
Minnesota State Community and Technical College	4,595	4,584	4,884	5,116	5,056	4,863	4,527	4,398	4,319	4,202	4,059	3,915	3,714	3,433	3,204	3,172	3,140	3,140
Minnesota West Community & Technical College	2,062	2,088	2,360	2,469	2,287	2,225	2,099	1,948	1,858	1,895	1,917	1,965	1,975	1,837	1,889	1,892	1,930	1,968
Normandale Community College	6,648	6,869	7,405	7,426	7,131	7,048	6,740	6,799	6,837	6,915	6,843	6,809	6,776	6,565	6,012	6,232	6,263	6,294
North Hennepin Community College	4,314	4,625	5,110	5,058	4,928	4,957	4,813	4,644	4,446	4,198	4,154	4,041	3,830	3,563	3,089	2,730	2,521	2,967
Northland Community & Technical College	2,814	2,788	2,938	2,828	2,659	2,717	2,558	2,299	2,220	2,227	2,101	2,123	1,968	1,763	1,563	1,438	1,475	1,550
Northwest Technical College	870	831	943	918	848	783	723	679	648	575	558	588	564	508	512	500	510	525
Pine Technical & Community College	479	516	619	651	633	667	702	723	728	742	772	820	798	735	765	783	802	822
Ridgewater College	3,304	3,306	3,514	3,537	3,381	3,288	3,077	2,860	2,737	2,754	2,619	2,490	2,484	2,356	2,155	2,155	2,177	2,177
Riverland Community College	2,329	2,274	2,599	2,562	2,406	2,321	2,200	2,078	1,998	2,019	2,009	2,066	2,164	2,098	1,997	2,000	2,025	2,050
Rochester Community and Technical College	4,270	4,410	4,714	4,582	4,438	4,444	4,296	4,134	3,948	3,682	3,548	3,498	3,363	3,365	3,053	2,930	2,950	2,950
St. Cloud Technical and Community College	2,983	3,046	3,484	3,668	3,447	3,493	3,483	3,462	3,373	3,202	3,116	3,131	3,065	2,819	2,568	2,396	2,420	2,420
Saint Paul College	3,499	3,785	4,383	4,590	4,729	4,778	4,825	4,642	4,546	4,637	4,557	4,509	4,255	3,683	3,394	3,481	3,618	3,638
South Central College	2,504	2,714	2,989	3,099	2,912	2,726	2,590	2,490	2,212	2,159	2,141	2,138	2,095	1,929	1,785	1,800	1,800	1,800
Subtotal: Colleges	84,654	87,797	97,550	99,104	95,547	93,664	89,541	85,410	82,185	79,329	77,648	76,219	74,260	69,472	64,710	62,763	62,930	63,875



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: October 19, 2022

TITLE: FY2024-2025 Biennial Budget Request (First Reading)

- | | | |
|---|---|--|
| <input type="checkbox"/> Proposed New Policy /
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 | |

PRESENTERS

Bill Maki, Vice Chancellor for Finance and Facilities
Steve Ernest, System Director, Financial Planning & Analysis
Satasha Green-Stephen, Senior Vice Chancellor for Academic and Student Affairs
Larry Lundblad, Executive Director for Workforce and Economic Development

PURPOSE

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. Board Policy 5.9, *Biennial and Annual Operating Budget Planning and Approval*, requires the Board of Trustees to approve the system's biennial request. This is the first reading of the request for the FY2024-FY2025 biennium.

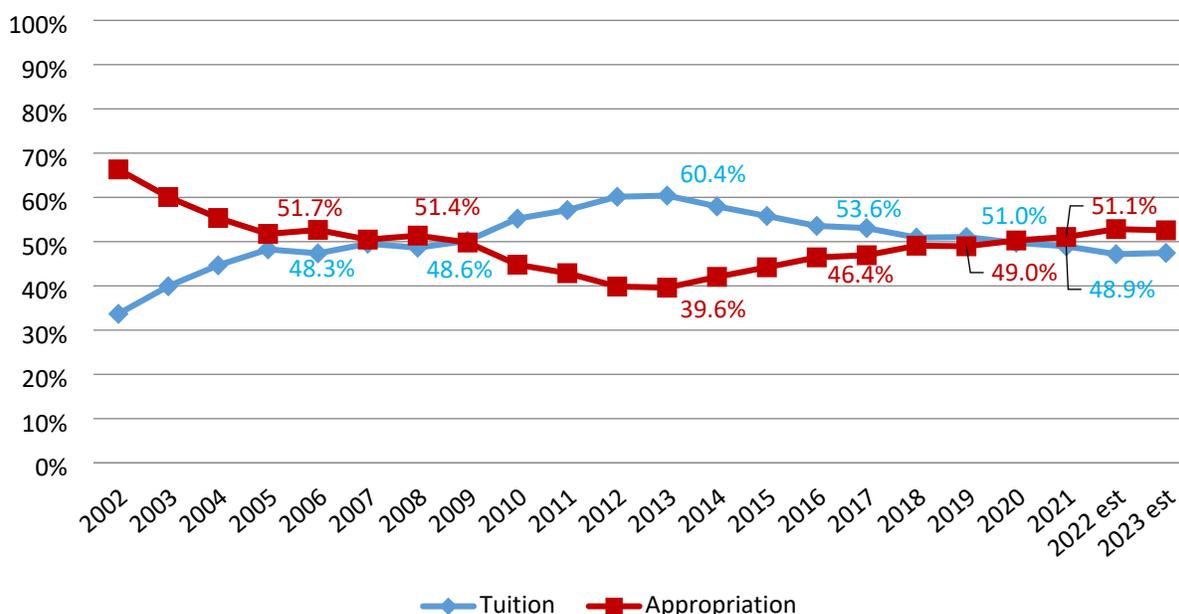
CONTEXT AND HISTORY

Minnesota State is the nation's third largest system of colleges and universities, with 54 campuses in 47 communities across the state. Roughly 300,000 students are provided credit and non-credit education each year, which includes roughly 63 percent of all Minnesota residents pursuing an undergraduate credential. The seven universities and 26 colleges offer over 4,000 academic programs and provide the bulk of the state's health care workers, law enforcement professionals, teachers, welders, plumbers, etc., by awarding over 36,000 degrees, certificates, and diplomas each year. The system's workforce of 14,000 faculty and staff across the state account for over a third of all State of Minnesota employees, and actively partner with local business and industry to provide educational opportunities that fit the community, including almost 10,000 customized training, occupational, and professional classes.

State appropriation is one of two primary sources of funding for our colleges and universities, the other main source being tuition. At the system level, the relationship between tuition and appropriation was nearly a 1/3 tuition and 2/3 appropriation split in fiscal year 2002, which is the goal set by the legislature in Minnesota Statute. In recent years, the relationship has generally

been around 50 percent tuition and 50 percent appropriation. Currently, the relationship is roughly 47 percent tuition to 53 percent state appropriation. The mix of tuition and appropriation differs at individual colleges and universities, with colleges generally more reliant on state appropriation and universities generally more reliant on tuition revenues. Appropriation percentages of total funding have decreased as the higher education portion of the overall state budget has decreased. When Minnesota State was created in 1995, higher education’s share (including the University of Minnesota and the Office of Higher Education with the state grant program) totaled over 12 percent of the state’s general fund budget. Since 1995, higher education’s share has been cut nearly in half (to 6.5 percent) due to competing priorities such as health and human services and E-12 education.

Chart 1: Appropriation and Tuition Relationship



Tuition revenues have also experienced downward trends as system enrollment has decreased over many years. Fiscal year 2011 was the apex in the system’s enrollment of 157,903 full-year equivalent (FYE) credit students. Since that peak, the system has over 53,000 (34 percent) fewer FYE in fiscal year 2023 budgets compared to fiscal year 2011. This decline has negatively affected the tuition revenue at our colleges and universities.

Further complicating the relationship between appropriation and tuition have been legislative limitations and freezes on tuition rate increases. While appropriation amounts have received increases over the years, those increases have not always offset tuition rate limitations that have been included in legislation since fiscal year 2014. For institutions that rely more on tuition or have historically low tuition rates, these limitations make financial planning more difficult.

Comparing the amounts the system has requested for campus operations and strategic initiatives to the amounts ultimately allocated, the average success is around 13.5 percent of the requested amounts. Most recently, for the FY2022-FY2023 biennium, the amount requested totaled \$120

million (\$75 million for campus support; \$45 million for equity and affordability), and the amount appropriated totaled \$56.4 million. For FY2020-FY2021, \$246 million was requested and \$80.3 million was appropriated. For FY2018-FY2019, \$178 million was requested and \$106.2 million was appropriated.

LISTENING SESSIONS

During the month of September 2022, the Chancellor, Board of Trustees Chair, and the Chairs of the Academic and Student Affairs, Audit, and Finance Committees participated in a series of listening sessions held across the state. A total of twelve listening sessions were held on campuses of the Minnesota State system. Locations and dates included:

Alexandria Technical and Community College, September 14th
Minnesota State University Moorhead, September 14th
Bemidji State University, September 15th
Minnesota North College, Itasca, September 15th
Minnesota State University, Mankato, September 19th
Rochester Technical and Community College, September 19th
Metropolitan State University, St. Paul, September 22nd
Minneapolis College, September 22nd
Anoka-Ramsey Community College, Coon Rapids, September 28th
Hennepin Technical College, Eden Prairie, September 28th
Minnesota West Community and Technical College, Worthington, September 29th
Ridgewater College, Willmar, September 29th

The goal of these consultations was to engage campus leaders, stakeholders and communities on key initiatives to inform the Minnesota State FY2024-FY2025 biennial budget request. More than 550 students, faculty, staff, business and community leaders, including 14 legislators, attended the listening sessions. Participants provided valuable insights and specific ideas for the biennial budget request.

Conversations began with a financial overview that included context and history of biennial budget requests. The majority of the 90-minute listening sessions was spent listening to participants offering opinions and ideas on the key issues and needs that should be addressed in the biennial budget request. Three priority areas were identified to help structure the conversation. These include student success and equity, workforce and economic development, and Minnesota State system stabilization (covering operating cost increases due to inflation).

On student success and equity, participants talked about the crucial need for financial support directly to students, including additional student scholarships; additional student emergency grants; increasing student worker wages; and making all required internships, practicums, student teaching, and other non-classroom activities paid experiences. Support for basic student needs was another strong theme. Significant numbers of today's students face basic economic challenges and in order to get them across the finish line and into the workforce, help in basic needs is critical. Specifically, participants identified funding needs to address additional funding for food pantries, housing insecurity, childcare, transportation, and campus coordinators. We also heard about the need for additional student services in the form of mental health resources,

social workers, community resource connectors, and additional college and university staffing to provide services, including campus counselors.

Regarding workforce and economic development, participants talked about increasing collaboration and partnerships with E-12 and business and industry, including more career pathway and pipeline programs and expanding of the number of internships and apprenticeships offered. Participants also spoke about expanding career, technical, and professional programs, including funding for equipment, additional supplies, and for competitive salaries to be able to recruit and retain faculty. In addition to existing programs, participants talked about the need to fund new, innovative programs, including non-credit training opportunities and adult learning opportunities. We also heard about the need to remove or reduce financial barriers in materials and other costs outside of tuition.

Minnesota State stabilization was recognized as a fundamental need area as well. Participants supported direct campus support to cover inflation to address local cost pressures. The statement was made that campuses can no longer do more with less. Funding for a tuition freeze was also high on participants’ minds, as was faculty and staff compensation not keeping up with the market and inflation. Participants talked about key needs in asset preservation to take care of building upkeep long delayed by budget limitations. Technology funding was mentioned by participants as another important area of need, including additional mobile devices for students and digital literacy efforts. Another concern identified was the need for state funding to replace mission-critical positions added during the pandemic with federal Higher Education Emergency Relief (HEERF) dollars.

LEGISLATIVE BIENNIAL OPERATING BUDGET REQUEST

The proposed FY2024-FY2025 legislative operating budget request focuses on protecting Minnesota State’s commitment to inclusive excellence and ensuring all Minnesotans receive an extraordinary, affordable, accessible education and provide our businesses the workforce they need. The proposed request totals \$350 million in additional funding over the biennium, with \$140 million in FY2024 and \$210 million in FY2025. The request includes \$125 million over the biennium for student support investments, \$125 million over the biennium for Minnesota State stabilization, and \$100 million over the biennium for workforce and economic development investments. Table 1 provides a summary of the components of the request by year.

Table 1: Proposed FY2024-25 Biennial Budget Request

Proposed 2024-25 Biennial Budget Request	FY2024	FY2025	Biennium
Student Support	\$50	\$75	\$125
Minnesota State Stabilization	\$40	\$85	\$125
Workforce & Economic Development	\$50	\$50	\$100
Total	\$140	\$210	\$350
	<i>(dollars in millions)</i>		

The request is designed to support students, support workforce and economic development, and provide the system resources necessary to maintain programs and services to support the success of the first two areas.

STUDENT SUPPORT

In this area we will focus on access, student success, and equitable outcomes. Our students have challenges outside the classroom that can be barriers to completion even if they are progressing in the classroom. Minnesotans of all backgrounds, abilities, and education levels are having to and will continue to need to adjust to changing conditions.

This request focuses on four priority areas to support students:

- (1) Freezing tuition and reducing cost of attendance (\$77 million)
- (2) Expanding student support services (\$26 million)
- (3) Transfer scholarships (\$12 million)
- (4) Emergency grants (\$10 million)

Tuition Freeze and Cost of Attendance Reductions (\$77 million)

This request would allow colleges and universities to freeze tuition rates where they currently are. Freezing tuition costs provides an across-the-board cost reduction to students by replacing the revenue that would have come from normal tuition rate changes with state appropriation dollars. According to provisions of the FY2022-FY2023 biennial appropriation law, the assumption is that tuition rates would increase by 3.5 percent without this funding.

Also included in this proposal is funding to reduce students' out-of-pocket costs by seeking out and expanding free offerings for a wide range of course materials and resources. Additional open educational resources (OERs) would be provided or developed for high-demand fields of study, transfer pathways, and gaps in the existing marketplace. Extending OERs to Z-degrees, degrees that have zero costs for textbooks, would be expanded.

Expanded Student Support Services (\$26 million)

One broad need expressed by students is for support in figuring out how they can fit their educational goals within the broader complexities of their lives. Students do not just come to our campuses right after finishing high school, but at many different ages, different points in their personal and professional lives, with different family needs, with different financial needs, with different emotional and mental health needs. Student support services help students plan how their educational efforts will fit into their other life activities, coordinate educational concerns with other concerns, navigate requirements, take advantage of opportunities, and manage complex activities made more difficult by a student's personal challenges. This initiative would provide funding directly to campuses for services such as student advisors, social workers, basic needs coordinators, community resource connectors, and mental health support staff. Each college or university will have different specific needs based on the makeup of its student body and existing staffing and programming. Each campus will have the flexibility to apply these funds as needed.

Electronic connections for peer support and professional clinical support for mental health would be enhanced. These electronic platforms would be available online, via phone and text, 24 hours a day, seven days a week. They are customized for each college and university to include campus-specific information, including crisis response as well as referrals to campus-based and community-based mental health providers and resources, supplemental clinical therapy resources, and telepsychiatry. Inclusive and culturally relevant support for Black and Indigenous students, students of color, students in the LGBTQIA+ community, international students, and students with other underrepresented identities would be incorporated. Data reporting from the platform, including trend data, would be available for each institution to use to help improve local conditions.

Mental Health Education and Training is another component of this request. Experiential education and training opportunities would be provided, focusing on mental health and wellbeing, including mental health first aid and other evidence-based training. Training would be available to students, faculty, and staff, designed to increase understanding of mental health concerns, health and wellness support resources, and techniques for promoting positive mental health and wellbeing. Experiential training components would include bystander intervention training.

Access to the Basic Needs Resource Hub would be expanded and sustained. This hub has been established through a partnership with United Way 211 to provide students with access to basic needs resources on their campus and in their community, available via text and phone 24 hours a day and 7 days a week. The system became available on August 22, 2022, as classes began on our campuses this fall, and within the first two weeks received 50-75 calls. Basic needs resources may assist with challenges in areas such as housing and food insecurity, child and family care, transportation, and access to technology.

All of the above activities would continue to be coordinated at the system-wide level, facilitating use of the various assessment tools, assuring the data is being used to improve programs and address local needs in the best way possible, and promote additional related collaboration to continue to improve value to students and efficiency at the same time.

Transfer scholarships (\$12 million)

Transfer scholarships help students continue towards completion of their educational goals when they might otherwise have to cut their education shorter than they wanted or at least delay it, often making eventual completion more difficult. These scholarships would support students with financial need who transfer from any Minnesota State college to a Minnesota State university. Annually, over 5,000 students have transferred from a system college to a system university in recent years.

Emergency grants (\$10 million)

In fiscal year 2024, federal Higher Education Emergency Relief Fund (HEERF) grants to students will no longer be available. Unexpected emergency needs, though, will not go away. Based on

specific evidence, emergency grant application processes have been developed that are administratively streamlined, easy to use, customized by each college and university, and focused on need and equity in decision making. A mobile application can be used that includes the entire application process. Access to live support functionality for students who require assistance navigating the mobile application is also available. And regular data reports are provided to institutions to indicate utilization, student needs, requested and awarded amounts, and other relevant data.

MINNESOTA STATE STABILIZATION

Our colleges and universities rely on state appropriation to cover a significant portion of their general fund operating budgets. An increase in state appropriation is needed for Minnesota State colleges and universities to continue to provide an exceptional education and ensure there are adequate programs and services to serve our students. Without increases in general fund revenues, campuses will need to reduce the breadth of academic programs and student services that are available to students at the same time that demands have increased. Past biennial appropriations have often provided a smaller increase or even a decrease in the second year of the biennium, as shown in Table 2. This structural imbalance makes it more difficult for colleges and universities to plan for the second year of the biennium.

Table 2: State Appropriation History

fiscal year	appropriation in \$millions	change from previous year
2014*	587.9	7.7%
2015*	622.1	5.8%
2016**	672.9	8.2%
2017	673.5	0.1%
2018**	731.0	8.5%
2019	721.9	-1.2%
2020	758.7	5.1%
2021	765.7	0.9%
2022	792.0	3.4%
2023	789.5	-0.3%

*colleges and universities received funding for tuition freezes

**colleges received funding for tuition freezes

Among the side effects of the pandemic have been a resurgence of inflation due to supply and demand issues and increases in labor costs due to shifts and shortages in labor market participation. Colleges and universities reassess and reallocate spending on a continual basis to maintain focus on student success and other priorities while preserving affordability. In order to maintain academic programs and keep tuition affordable, however, additional resources are required. This portion of the request includes \$125 million, \$40 million in fiscal year 2024 and \$85 million in fiscal year 2025, to address these needs. This would provide for a similar increase of roughly 5 percent each year to address inflationary needs.

WORKFORCE AND ECONOMIC DEVELOPMENT

The proposal includes \$100 million to address the challenges in addressing current and future workforce needs for Minnesota. All \$100 million of the state funds requested will be matched one-to-one with \$100 million of non-state funds in-kind or cash. Performance metrics will be established to clearly show the return on investment from the state and partners in business and industry in strengthening the workforce. These strategic investments will provide Minnesota with the talent it needs.

This request focuses on three priority areas:

- (1) Upgrade college and university equipment and learning environments (\$49 million)
- (2) Increase workforce development scholarships (\$25.5 million)
- (3) Develop and expand industry sector programming (\$25.5 million)

Upgrade college and university equipment and learning environments (\$49 million)

Minnesota State will enhance state-of-the-art skill and applied research laboratories using interactive, hands-on, and multi-disciplinary approaches in science, technology, and career or technical programs. State-of-the-art equipment and learning environments are defined as those that are the best available because they represent the most modern techniques and technology. Minnesota is at risk of falling behind investments made by neighboring states in learning environments that attract and retain students and workers.

Solving complex problems in the modern world requires collaboration across many fields, including social, behavioral sciences, and technical fields. Colleges and universities will utilize funding to enhance stand-alone equipment, technologies or learning environments, such as: labs for applied research, data visualization spaces, and spaces for collaboration. For example, this program would permit sharing equipment across our institutions, such as highly-technical and high-powered tractors equipped with precision ag software and equipment that can be used by our agricultural programs. Shared spaces would be encouraged; for example, regionally-based simulation “hubs” for nursing and allied health programs. Simulation laboratories are an essential part of student learning that provide a foundation for critical reasoning, synthesis, and analysis of increasingly complex health care situations. Labs are complete with simulated patient care equipment and video cameras for analysis of student learning.

Technical fields may focus on artificial intelligence, automation/mechanization, and data sciences to enhance students’ preparation for the future. Faculty and industry, in partnership, will enhance our capacity and support for expertise and exposure to new technologies. Whether plant or water sciences, advanced construction or energy production, Minnesota State’s laboratories and equipment are where students become the scientists, engineers, technicians, makers and builders of the future.

Increase workforce development scholarships (\$25.5 million)

This request is to expand the Workforce Development Scholarship program to increase affordability for college and university students and to encourage enrollment in high-demand

fields to meet the state's workforce needs.

The program is currently funded with \$4,500,000 annually, with a 10 percent hold-back of funds matched 1:1 with private dollars. Scholarships may be awarded in the following areas: healthcare, information technology, agriculture, transportation, manufacturing, and early childhood education. Colleges may also select an additional area based on regional workforce needs.

Additional funding of \$25,500,000 over the biennium is requested to:

- Add three new degree fields for scholarship eligibility: construction, education, and law enforcement and public safety.
- Expand eligibility to state university students for the first two years of their education either as 1st year freshman or as a transfer student in all eligible degree fields. Increase annual award amount to \$3,500 for students in university programs (college students will be eligible for \$2,500 per year in line with the current program). This difference is in recognition of the difference in tuition and fees paid at a college versus a university.
- Add select credit and non-credit certificates and short-term stackable credentials for full cost of instruction (up to \$1,500) and eligible credit-for-prior learning (CPL) fees. Completion must result in a certificate per federal Workforce Innovation and Opportunity Act (WIOA) guidelines.
- Funding would be provided to colleges and universities on a basis that is proportional to enrollment in the eligible programs.

This funding would more than triple the current number of approximately 1,600 students receiving scholarships.

Develop and expand industry sector programming (\$25.5 million)

Industry sector program development will focus on high-demand occupations that are experiencing extraordinary changes in occupational skills due to technological changes in Minnesota's increasingly advanced and diverse economy. Focusing on industry partnerships, these program developments will build capacity and adequate support for new and re-designed curricular options. As a growing number of students pursue certificates or industry-recognized credentials, engaging with students over their career by addressing emerging skills, rather than solely focusing on traditional degrees, is vital to the relevance of our college and university programs.

Many of the exciting new fields of study are inherently multi-disciplinary, and often do not fit neatly into past models of 2+2 pathways. New programs or curricular changes must address education and career pathways that overlap occupations and allow students to build a resume of degrees, certificates, licenses, and other skill-based credentials. Industry research reflects that students value customization to prepare for the hybrid jobs of the future – the ability to design an education that fits an individual's unique career goals.

With a focus on Minnesota’s key industry sectors in healthcare, information technology, agri-business/agri-science, transportation, manufacturing, engineering and energy, this request will support development of new or multi-disciplinary programs at colleges and universities. In addition, funding preference will be given to programs that include work-place experiences, such as “earn & learn”; micro-credentials; internships; or applied research.

Examples include:

- Manufacturing and cyber-physical systems credential (credit or non-credit). Cyber-physical systems integrate sensing, computation, control and networking into physical objects and infrastructure, connecting them to the Internet and to each other to protect computer-controlled manufacturing processes.
- Regenerative precision agriculture. Today’s agriculture is about building soil health, water quality, and carbon sequestration while using precision technology to support producer financial viability. This sophisticated balance requires graduates who are well-trained in all aspects of environmental impact and efficient food production from the crop planning phase to the store shelf and beyond.
- The transportation industry has seen recent and rapid changes to vehicle technology in autonomous (self-driving), connected, computer controlled, and electric drive technology. This program would add non-credit and credit options for certifications to address each of these emerging technologies.
- Development of a solar photovoltaic technician certificate through a unique schedule and a customized learning environment and offered to all electrical program students in the Minnesota State system.

Minnesota State’s eight Centers of Excellence (Northern Agriculture, Southern Agriculture Energy, Engineering, HealthForce, Information Technology, Advanced Manufacturing, and Transportation) play an important role with program development to fulfill the state’s goal to support a diverse workforce and that offers equitable employment outcomes for our students. Centers partner with industry, secondary schools, community, and our colleges and universities to carry out three strategies: (1) guide students to meaningfully expand their knowledge and selection of careers, (2) engage industry to create informed and up-to-date college programs, and (3) ensure college and university programs offer innovative and high-quality education and training. This request would seek funding to support two additional Centers of Excellence in: (1) Public Safety (law enforcement, first responders, and firefighting) and (2) Construction/Building Trades.

NEXT STEPS

Ongoing consultation, including budget-specific conversations with the statewide college and university student associations, all statewide bargaining units, and the presidents’ Leadership Council will continue between now and the second reading of the proposed biennial budget request. This consultation will be informed by local campus discussions, including conversations with students, faculty, staff, and campus leadership. These consultations and on-campus discussions will help to strengthen the final request, which will be presented to the Board of Trustees in November for approval.

RECOMMENDED COMMITTEE MOTION (FIRST READING DRAFT)

Under development

RECOMMENDED BOARD MOTION (FIRST READING DRAFT)

Under development

Date Presented to the Finance and Facilities Committee: 10/19/2022

Date Presented to the Board of Trustees: First reading – no action taken.

Date of Implementation: TBD



**Board of Trustees Meeting
October 19, 2022
1:15 p.m.
Ridgewater College, Hutchinson
Rooms 247**

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings. Interested parties can listen to the live stream of the proceedings from the [Board website](#).

Call to Order, Roger Moe, Chair

Chancellor’s Report, Devinder Malhotra

Chair’s Report, Roger Moe

Consent Agenda

- 1. Minutes of the Committee of the Whole Meeting, June 22, 2022**
- 2. Minutes of the Board of Trustees Meeting, June 22, 2022**
- 3. Contracts Requiring Board Approval**
 - a. Student Health Services Contract, Minneapolis Community and Technical College**
 - b. Student Affairs Renovation Construction Contract, Minneapolis Community and Technical College**
 - c. Strategic Retention Tool Contract Extension, North Hennepin Community College**
 - d. Campus Bookstore Operation Contract, St. Cloud State University**
 - e. Graduate Center Lease Extension, St. Cloud State University**
 - f. External Auditing Services Contract – Amendment #10, System Office**
 - g. ISRS Hardware Platform Upgrade, System Office**

Academic and Student Affairs Committee, Cheryl Tefer, Chair

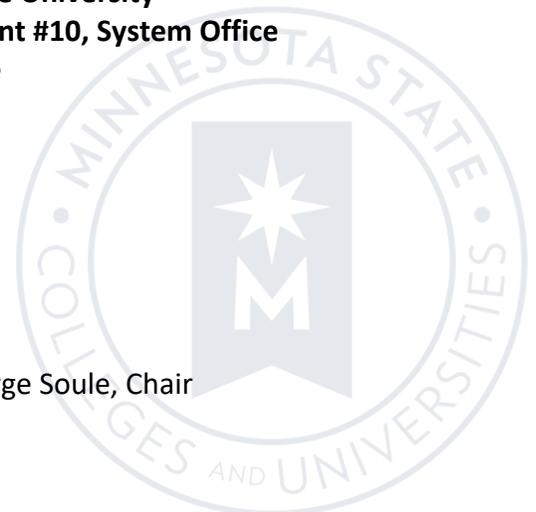
- Report of the Committee

Finance and Facilities Committee, Jay Cowles, Chair

- Report of the Committee

Workforce and Organizational Effectiveness Committee, George Soule, Chair

- Report of the Committee



Joint Meeting: Audit and Finance and Facilities Committees, Co-Chairs Michael Vekich and Jay Cowles

- Report of the Committees

Student Associations

1. Lead MN, Ali Tomashek, President
2. Students United, Kaileigh Weber, State Chair

Minnesota State Colleges and Universities Bargaining Units

1. American Federation of State, County, and Municipal Employees Council 5, Minnesota State Policy Committee, Jennifer Erwin, President
2. Inter Faculty Organization, Jenna Chernega, President
3. Middle Management Association, Gary Kloos, Executive Director
4. Minnesota Association of Professional Employees, Nicole Emerson, Regional Director
5. Minnesota State College Faculty, Matt Dempsey, Acting President
6. Minnesota State University Association of Administrative and Service Faculty, Alex Kromminga, President

Trustee Reports

Adjournment

Bolded items indicate action is required.



**Committee of the Whole
Meeting Minutes
June 22, 2011**

A meeting of the Committee of the Whole of the Board of Trustees was held on June 22, 2011.

Trustees present: Jay Cowles, Chair; Rudy Rodriguez, Vice Chair; Asani Ajogun, Victor Ayemobuwa, Alex Cirillo, Dawn Erlandson, Jerry Janezich, Roger Moe, April Nishimura, Kathy Sheran, George Soule, Cheryl Tefer, Michael Vekich

Trustees absent: Javier Morillo, Oballa Oballa

Staff present: Devinder Malhotra, Chancellor; Satasha Green-Stephen, Senior Vice Chancellor for Academic and Student Affairs

The meeting materials for this meeting are available [here](#), starting on page 195. An audio recording of the meeting is available [here](#).

Chair Cowles called the meeting to order at 9:40 a.m.

Chair Cowles' Remarks

This morning's meeting includes an information update on our law enforcement education reform effort, which we kicked-off about two years ago. We previously received updates on this effort, and this morning we will be reviewing two of the five items that were called out in that reform effort. Let me welcome Satasha Green-Stephen and Ron Anderson from Academic and Student Affairs.

Agenda Item 1: Law Enforcement Education Reform Update

Chair Cowles invited Senior Vice Chancellor Satasha Green-Stephen and outgoing Senior Vice Chancellor Ron Anderson to begin the presentation.

This being an informational item, there was no vote taken.

Adjournment

Chair Cowles adjourned the meeting at 10:35 a.m.





**Board of Trustees
Meeting Minutes
June 22, 2022**

A meeting of the Board of Trustees was held on June 22, 2022.

Trustees present: Jay Cowles, Chair; Rudy Rodriguez, Vice Chair; Asani Ajogun, Victor Ayemobuwa, Alex Cirillo, Dawn Erlandson, Jerry Janezich, Roger Moe, April Nishimura, Kathy Sheran, George Soule, Cheryl Tefer, Michael Vekich

Trustees absent: Javier Morillo, Oballa Oballa

Staff present: Devinder Malhotra, Chancellor

The meeting materials for this meeting are available [here](#), starting on page 438. An audio recording of the meeting is available [here](#).

Chair Cowles called the meeting to order at 3:53 p.m.

Chancellor's Report, Devinder Malhotra

Chair Cowles, Vice Chair Rodriguez, and trustees:

First off, as this is the final board meeting of this fiscal year, I would like to take a moment to express my deep appreciation and gratitude to this board – my 15 bosses – for your willingness to serve in these volunteer roles. Each of you bring to Minnesota State a deep commitment to higher education and the deeply understands and appreciates the transformative power of higher education and the difference that our 33 colleges and universities make for the state of Minnesota.

Chair Cowles and Vice Chair Rodriguez – thank you specifically for your leadership of the board and the advice and support that you have provided to me and my team over the last year.

Chair Cowles – let me take a moment to thank you. Over the last three years, we have accomplished some great work together. I know that neither of us ever expected to navigate a global pandemic together but with your steady guidance our colleges and universities continued to serve students and are ready to apply the lessons learned in the post-pandemic landscape.

Leadership Transitions

This time of the year brings about leadership transitions not only at the board level but across Minnesota State.

First, I know we've recognized their leadership in prior meetings. I think you call this the Minnesota good-bye – thank you to our statewide leaders. Brent Jeffers, Tracy Rahim, Matt Williams, Axel Kylander, and Emma Zellmer who have provided leadership to their membership during some challenging times. We may not always agree on every point, but we do align on the importance of the work we do as Minnesota State.

Thank you also to Jennifer Erwin and Jerry Jeffries who will be continuing in their respective roles at the state level with AFSCME and MAPE.

In addition, St. Cloud Technical & Community College President Annesa Cheek and Bemidji State University and Northwest Technical College President Faith Hensrud are completing their final weeks of their leadership serving their institutions and surrounding regions.

We wish President Cheek well as she moves onto a new challenge as president at Frederick Community College where she will continue to bring front and center her commitment to student-centered learning and the equitable success of all students.

President Hensrud has been a tremendous leader and has helped to advance the institutions commitment to serving indigenous students and that they become a preferred destination for serving indigenous students. She will be close by and will trade balancing meetings with grandparent duties for little Alice.

At the cabinet level – we are also experiencing our own transitions.

First, an official welcome to Amy Jorgenson, Chief Audit Officer, on her first official day! Nothing like starting work on a slow day.

Her predecessor, Eric Wion, will be helping with Amy's transition over the next few weeks and then I know will be looking forward to serving as the captain of his new home on the lake. Eric, thank you for your leadership and maturation of the Minnesota State Office of Internal Audit.

Ron Anderson has completed his last official board meeting as the senior vice chancellor – a major event that he gets to check-off the list I've been told. Ron, thank you for your leadership of academic and student affairs and for your years of service to the students, faculty, and staff of Minnesota State.

The good news is that Ron isn't done quite yet – and in fact, he will be closer to the board as he begins moving his office down to the 4th floor at the end of the week. Ron will continue through September serving as the special advisor to the chancellor. Over

the course of the next few months, Ron will assist with the onboarding and transition of our new senior vice chancellor – Satasha Green-Stephen; assist in standing up the Center for Data Access and Analytics; and continue to identify opportunities for the system to support our colleges and universities enrollment management efforts.

I look forward to our July meeting where the newest members of the system leadership will be joining us:

- John Hoffman, President of Bemidji State University and Northwest Technical college
- Joy Bodin, interim president of Hennepin Technical College
- Lori Kloos, interim president of St. Cloud Technical & Community College

Legislative Update

I truly wish my legislative update had a bit more length or any length for that matter. As we all know the legislative session adjourned without agreement on major tax and spend issues or the capital investment bill. We continue to be in conversations with policymakers particularly in regard to Minnesota State's infrastructure needs and as we all know we cannot wish HEAPR projects away. Please know we will continue to press our case for a robust bonding bill.

50th Anniversary

In closing, tomorrow marks the 50th anniversary of the signing of the Education Amendment Act of 1972, by President Richard Nixon. These amendments made historical changes for education.

First, the passage of Title IX changed the landscape of education. Just thirty-seven words in that amendment eliminated sex-based discrimination to ensure all students – both male and female – had access and equality in education. This act dramatically increased the number of women participating in athletics at all levels.

Second, these amendments created the Basic Educational Opportunity Grant, later named the Pell Grant in honor of its sponsor Senator Claiborne Pell. Since 1972 the Pell Grant program has helped over 80 million American students access higher education.

Last year, over 50,000 Minnesota State students were awarded more than \$187 million in Pell Grants.

Pell Grants are critical investments for our students. Minnesota State has continued to support the doubling of the Pell Grant investments at the federal level, expansion to include short-term programs, and the expansion of the second chance Pell grant program to provide access to individuals who are incarcerated.

I understand that I will be tweeting tomorrow celebrating this special anniversary.

And with that, Chair Cowles, for the final time, that concludes my remarks.

Chair's Report

Thank you, Chancellor Malhotra. As we gather for our final meeting of FY2022, I can't help but look back on the past year of meetings. While we spent the first half of the year in remote meeting mode, I am thankful that we were able to resume in-person meetings in March. I am also grateful to trustees and presenters for their flexibility and patience as we made a shift to a hybrid approach to board meetings.

As shared during past meetings, Trustee Vekich, Chair of the Audit Committee, and I have conducted a thorough review of our workplace policies and related procedures since early March. An internal review of Board Policy 1B.1 Equal Opportunity and Nondiscrimination in Employment and Education had already been launched by the Chancellor last fall, and Trustee Vekich and I added the perspectives of trustees to the process, working with the Office of General Counsel, the Office of Internal Auditing, and the Office of Equity and Inclusion. This work revealed some recommendations for improvement which have been incorporated in several policies, procedures and practices. Proposed amendments to Board Policy 1B.1 have been forwarded by the DEI Committee for board approval after a second reading today. The related System Procedure 1B.1.1 Report/Complaint of Discrimination/Harassment Investigation and Resolution is currently being reviewed and earlier today the DEI Committee received an update on the progress of this work. We continue to encourage all within the Minnesota State system to review the changes and offer feedback. In addition, the related Respectful Workplace procedure is currently being reviewed, both for updating and improvement, and the resulting work will be shared widely for input throughout Minnesota State.

We have also worked with the chancellor to codify the necessary communication protocols which will be used going forward for contract extensions for presidents and vice chancellors which is required in Board Policy 1A.4, System Administration, Appointment of Administrators. To better align policy, similar language has been proposed to Board Policy 4.2 Appointment of Presidents. Proposed amendments to both policies received a second reading at yesterday's Workforce and Organizational Effectiveness Committee and will come in front of the full board for approval shortly.

Finally, we initiated a national survey by Baker Tilly of similar higher ed institutions about their employment contracts and practices with regards to our presidents and vice chancellors. The survey results are due this summer. Our goal is to ensure we are attracting the best possible talent for these positions while utilizing terms and practices that are best practices for Minnesota State.

We are confident that the action steps the board has taken to move forward, along with work by the chancellor and staff, will serve to advance our policies to ensure they reflect the vision and values of Minnesota State.

I turn now to the topic of the legislative session. Over the past several months Minnesota State campuses have appreciated the opportunity to host capital investment committees, as well as members of the Walz administration, to see our infrastructure needs firsthand. The Chancellor and several of my colleagues on the board have attended these important visits. On behalf of Minnesota State, I would like to call on the legislature and the governor to engage in a special session in order to -- at a minimum -- pass a robust bonding bill that invests in mission-critical infrastructure at Minnesota State, which needs immediate attention.

And, as we look at the year ahead, I want to note a few things. We will hold a joint meeting with the Leadership Council in mid-July and will also gather for the annual board retreat on September 20-21. After two years of holding our retreat virtually due to the pandemic, I am looking forward to meeting in-person this year. I am also thankful that after two attempts to plan a retreat at Riverland Community College in Austin, President Atewologun has invited us back to hold our retreat in Austin...surely the third time will be the charm! We will resume regular board meetings in October.

And lastly, I want to take a moment to recognize and extend our gratitude to Trustee Asani Ajogun and Trustee Oballa Oballa, whose appointments as student trustees conclude this summer. On behalf of the Board of Trustees and Minnesota State, I thank both of them for their valuable contributions and service. I personally have appreciated their genuine care for the system and the Board's work, and the insightful questions and comments they have brought, reflecting the student experience. They have been a clear example of the fact that the diverse voices that make up Minnesota State are essential to effective governance and a strong and vibrant education system.

Resolution Honoring Ron Anderson

Trustees Cirillo and Tefer honored outgoing Senior Vice Chancellor for Academic and Student Affairs Ron Anderson with brief remarks and with the introduction of a resolution honoring his service to Minnesota State.

Trustee Tefer made the motion to approve the resolution and Trustee Moe seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Yes
Trustee Ayemobuwa	Yes
Trustee Cirillo	Yes
Trustee Cowles	Yes
Trustee Erlandson	Yes
Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Morillo	Absent
Trustee Nishimura	Yes
Trustee Oballa	Yes
Trustee Rodriguez	Yes

Trustee Sheran	Yes
Trustee Soule	Yes
Trustee Tefer	Yes
Trustee Vekich	Yes

The board voted to approve the recommended motion.

Consent Agenda

Chair Cowles asked if anyone wanted to remove an item from the Consent Agenda. Trustee Vekich made the motion to approve the consent agenda and Trustee Moe seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Yes
Trustee Ayemobuwa	Yes
Trustee Cirillo	Yes
Trustee Cowles	Yes
Trustee Erlandson	Yes
Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Morillo	Absent
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes
Trustee Tefer	Yes
Trustee Vekich	Yes

The board voted to approve the consent agenda as follows:

- 1. Minutes of the Board of Trustees Meeting, May 18, 2022**
- 2. Proposed Committee Charter Revisions (Second Reading)**
 - a. Finance and Facilities Committee**
 - b. Outreach and Engagement Committee**
 - c. Workforce and Organizational Effectiveness Committee**
- 3. Revised FY2023 and Proposed FY2024 meeting calendar (Second Reading)**
- 4. Proposed Amendment to Board Policy 1A.2 Board of Trustees***
- 5. Mission Statement Change: Northland Community & Technical College**
- 6. Proposed Amendment to Board Policy 2.2 State Residency (Second Reading)**
- 7. Proposed Amendment to Board Policy 3.21 Undergraduate Course and Credit Transfer and the Minnesota Transfer Curriculum (Second Reading)**
- 8. Proposed Amendment to Board Policy 3.30 College Program Advisory Committees (Second Reading)**
- 9. Proposed Amendment to Board Policy 3.38 Career Information (Second Reading)**
- 10. Proposed Amendment to Board Policy 3.39 Transfer Rights and Responsibilities (Second Reading)**

- 11. Review and Approve Fiscal Year 2023 Internal Auditing Plan**
- 12. Proposed Amendment to Board Policy 1A.4, System Administration, Appointment of Administrators (Second Reading)**
- 13. Proposed Amendment to Board Policy 4.2 Appointment of Presidents (Second Reading)**
- 14. Proposed Amendment to Board Policy 1B.1 Equal Opportunity and Nondiscrimination in Employment and Education (Second Reading)**
- 15. Contracts Requiring Board Approval**
 - a. Air Handler Replacement-Automobile Shops, Lake Superior College
 - b. Fixed Wing Aviation Training, Lake Superior College
 - c. Campus Security Contract, Metropolitan State University
 - d. HVAC Upgrades, Granite Falls Campus, Minnesota West Community and Technical College
 - e. Economic Development Administration (EDA) Federal Grant Construction Contract, St. Cloud Technical and Community College
 - f. Cable TV for Residence Halls, Winona State University
 - g. Course Placement Master Contract, System Office
 - h. Zoom Video Conferencing and Phone Services, System Office
- 16. Students United Fee Proposal (Second Reading)**

Board Standing Committee Reports

Finance Committee, Roger Moe, Chair

For the benefit of meeting attendees, Committee Chair Moe read aloud the entire motion to approve FY23 annual operating budget.

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

FY2023 Annual Operating Budget Update-Finance Committee

The Board of Trustees adopts the following motion:

- *Adopt the annual total all funds operating budget for fiscal year 2023 as shown in Table 9.*
- *Approve the proposed tuition structure recommendations and differential tuition rationale for fiscal year 2023 as detailed in Attachments 1A through 1H.*
- *Approve continuation of the special contracted tuition rate for Alexandria Technical and Community College (ATCC) of \$150 per credit for its pilot program with the United States Naval Community College, allowing active service members to take up to 30 credits per academic year in existing courses at ATCC.*
- *Tuition rates are effective summer term or fall term 2022 at the discretion of the president. The chancellor or designee is authorized to approve any required technical adjustments, and is requested to incorporate any approvals at the time fiscal year 2024 tuition recommendations are presented to the Board of Trustees.*

- *Continue the policy of market-driven tuition for closed enrollment courses, customized training, and non-credit instruction, continuing education, and contract postsecondary enrollment option programs.*
- *Approve the Revenue Fund and related fiscal year 2023 fees for room and board, student union, wellness and recreation facilities, and parking ramps/surface lots as detailed in Attachments 2A through 2E, including any housing fees that the campuses may charge for occupancy outside the academic year.*
- *Authorize the chancellor or designee to enter into an agreement with the Learning Network of Minnesota to provide the funding appropriated to the organization in Minnesota Laws 2021, First Special Session, Chapter 2, in the amount of \$4,115,000.*

Recommendations of a committee do not require a second. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Yes
Trustee Ayemobuwa	Yes
Trustee Cirillo	Yes
Trustee Cowles	Yes
Trustee Erlandson	Yes
Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Morillo	Absent
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes
Trustee Tefer	Yes
Trustee Vekich	Yes

The board voted to approve the recommended motion.

The board also received reports from June meetings of the following committees:

- Committee of the Whole, Jay Cowles, Chair
- Academic and Student Affairs Committee, Cheryl Tefer, Chair
- Audit Committee, Mike Vekich, Chair
- Diversity, Equity, and Inclusion Committee, Rudy Rodriguez, Chair
- Outreach and Engagement Committee, Dawn Erlandson, Chair
- Workforce and Organizational Effectiveness Committee, George Soule, Chair
- Joint Meeting: Diversity, Equity, and Inclusion and Workforce and Organizational Effectiveness Committees, Co-Chair Rudy Rodriguez
- Nominating Committee, Mike Vekich, Chair

Other Business, Election of Officers

Nominating Committee Chair Mike Vekich recommended Roger Moe as the new Chair of the Board of Trustees. He then called for any other nominations, of which there were none. He then declared nominations closed. Recommendations of a committee do not require a second. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Yes
Trustee Ayemobuwa	Yes
Trustee Cirillo	Yes
Trustee Cowles	Yes
Trustee Erlandson	Yes
Trustee Janezich	Yes
Trustee Moe	Abstain
Trustee Morillo	Absent
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes
Trustee Tefer	Yes
Trustee Vekich	Yes

The board voted to approve the recommended motion. Incoming Chair Roger Moe shared brief comments.

Nominating Committee Chair Mike Vekich recommended George Soule as the new Vice Chair of the Board of Trustees. He then called for any other nominations, of which there were none. He then declared nominations closed. Recommendations of a committee do not require a second. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Yes
Trustee Ayemobuwa	Yes
Trustee Cirillo	Yes
Trustee Cowles	Yes
Trustee Erlandson	Yes
Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Morillo	Absent
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Abstain
Trustee Tefer	Yes
Trustee Vekich	Yes

The board voted to approve the recommended motion. Incoming Vice Chair George Soule shared brief comments.

Comments from Outgoing Chair Cowles

Outgoing Chair Cowles shared some reflections on his tenure as board chair and acknowledged his appreciation of his peers.

Student Associations and Bargaining Units

Student associations and bargaining units were invited to submit written remarks and were given the opportunity to address the board in person. Written remarks were provided by LeadMN, Students United AFSCME, IFO, Minnesota State University Association of Administrative and Service Faculty, and the Equity 2030 Coalition and have been posted to the board website.

In person remarks were provided by:

- LeadMN: Alex Kylander, President
- Students United: Emma Zellmer, Outgoing State Chair; Kylie Weber, Incoming State Chair
- Inter Faculty Organization: Brent Jeffers, President
- Minnesota State College Faculty: Matt Dempsey, President
- Minnesota State University Association of Administrative and Service Faculty: Alex Kromminga, President

Trustee Reports

Trustee Erlandson noted that she recently attended a Foundation event at Minneapolis College President's Giving Circle. There were no additional remarks by any others Trustees this month.

The next board meetings are scheduled for October 18-19, 2022.

Adjournment

Chair Cowles adjourned the meeting at 5:47p.m.



Consent Agenda
October 19, 2022

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- 1. Minutes of the Committee of the Whole Meeting, June 22, 2022**
 - 2. Minutes of the Board of Trustees Meeting, June 22, 2022**
 - 3. Contracts Requiring Board Approval**
 - a. Student Health Services Contract, Minneapolis Community and Technical College**
 - b. Student Affairs Renovation Construction Contract, Minneapolis Community and Technical College**
 - c. Strategic Retention Tool Contract Extension, North Hennepin Community College**
 - d. Campus Bookstore Operation Contract, St. Cloud State University**
 - e. Graduate Center Lease Extension, St. Cloud State University**
 - f. External Auditing Services Contract – Amendment #10, System Office**
 - g. ISRS Hardware Platform Upgrade, System Office**

