

MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD OF TRUSTEES STUDY SESSION MAY 15, 2012 McCORMICK ROOM 30 7TH STREET EAST ST. PAUL, MN

Trustees Present:

Chair Scott Thiss, Brett Anderson, Duane Benson, Cheryl Dickson, Jacob Englund, Clarence Hightower, Philip Krinkie, Dan McElroy, Alfredo Oliveira, David Paskach, Thomas Renier, Christine Rice, Louise Sundin, James Van Houten and Michael Vekich

Chair Scott Thiss convened the study session at 3:45 p.m. This session is a follow-up to the report and recommendations that the Task Force on Board/Committee Structure presented at the April meeting. Chair Thiss acknowledged Trustee Michael Vekich, task force chair, and members, Trustees Dan McElroy and Christine Rice, who then led the discussion.

Proposed Amendments to Board Policy 1A.2, Part 4, Officers of the Board and Part. 5 Standing Committee, Committees and Working Groups of the Board

Trustee Vekich explained that the planned discussion would focus on three areas of the proposed amendments to Policy 1A.2: clean-up and clarification, discussion and decision on the treasurer's position, and the standing committees.

Trustee Rice reported that the Task Force's recommendation was to change the treasurer position from an elected office to a responsibility assigned to the chair of the Finance and Facilities Committee. She added that the recommendation did not seem controversial to members when it was introduced last month, but she inquired if there were any concerns. Trustee Benson, the current treasurer, commented that the recommendation is appropriate. He added that it was important, however, for the board to continue to be transparent in reporting on the board's operating budget. Trustee Dickson inquired about Subpart C.2), Budget which states that: "the chair shall recommend an annual board operations budget and budget increases to the executive committee for approval." Trustee Vekich explained that the chair has the responsibility of recommending the budget and that it would still go to the Finance and Facilities Committee. Chair Thiss added that the proposed language is not in conflict with the current practice.

Trustee McElroy offered two suggestions for amending Subpart C.2. Budget on lines 22 and 23 on page one. The first suggestion was: "The chair shall recommend an annual board operations budget to the Finance and Facilities Committee," and the second suggestion was to add at the end of the sentence, "and referral to the Finance and Facilities Committee." He added that neither one of these was necessary. No motions were offered on the suggestions. Trustee McElroy commented that the policy language regarding the budget is appropriate. The formulation of the board's operations budget is the responsibility of the chair.

Trustee Rice explained that another recommendation was that the chair may call an emergency or special meeting of the board and may cancel a meeting due to certain circumstances. While this has been the practice, inserting it in the policy codifies it.

Trustee Rice asked if anyone has concerns about the language in Subpart C. 3. e. which states that “The Chair may appoint working groups composed of members of the board and/or members of the public to advise on issues of concern to the board or the committee. The term of a working group shall not exceed one year.” Trustee Hightower inquired why the need for both sections d and e. Section d, states “As needed, the chair may establish an ad hoc group to consult on topics relating to government relations and public affairs.” The members agreed to delete item d on lines 4 and 5 on page 2 of the document because it is redundant. Trustee Paskach noted that sometimes working groups have topics that extend beyond one year. For example, technology issues have taken longer. Trustee McElroy offered an amendment to Subpart C. 3. e, to include “the term of a working group shall not exceed one year, but may be renewed for an additional period of time with the approval of the board chair.”

Trustee Van Houten said that he felt that there is tremendous pressure and discomfort with the current process for the election of officers. Other members agreed. Trustee Van Houten inquired if the process could be improved by holding the elections by secret ballot. The winners would be announced immediately. Trustee Vekich explained that the elections are an issue when more than one person is running for an office. He added that he spoke about the matter with General Counsel Gail Olson who said that the board is prohibited from conducting a secret ballot, but she will do more research. Trustee Benson commented that he is sensitive to the issue raised by Trustee Van Houten, but political pressure is part of running for office. Responding to a question, General Counsel Olson commented that perhaps what is being discussed is a written ballot, where each trustee would sign his/her name. The results of the elections would be announced and the voting records would be public information. Trustee Vekich will discuss the matter with General Counsel Olson to see if there are any workable solutions.

In Part 5, Subpart A, item 4, Trustee Van Houten expressed concern about the executive committee assisting board members with ethical and legal obligations. A better approach would be for the board chair or general counsel to provide assistance. Trustee Vekich said that generally over the years the chair has assisted members with ethical issues. He will review the language with General Counsel Olson.

Trustee Rice addressed the Task Force’s recommendation to collapse three committees: Advancement, Diversity and Multiculturalism, and Technology. With respect to Advancement, the responsibility for the oversight of the foundations would move to the Finance and Facilities Committee. Public relations and legislative affairs would move to ad hoc at the call of the chair. The rationale for this recommendation is that legislative affairs are cyclical in terms of when the legislature is meeting. Legislative and public relations matters are of interest to the entire board and not just one committee. The recommendation to move the Advancement Committee to an ad hoc status allows for flexibility. Trustee Rice continued that diversity and technology are embedded in everything that we do as an organization. Technology is a tool and diversity is a value. As a value, this organization and each and every person are committed to diversity and it

should be an integral part of Academic and Student Affairs and Human Resources. Trustee Hightower spoke against merging the Diversity and Multiculturalism committee into other committees. He commented that first of all, symbolically it is the wrong thing to do at this time. He added that neither Academic and Student Affairs or Human Resources have been conditioned to house this value in the way it appropriately needs to be housed. One of his frustrations is that the Diversity Committee has not been as impactful or useful as it could be. He recommended that the transition occur over a period of time.

Trustee Jacob Englund commented that diversity and technology are cornerstones of everything within the system. He concurred with Trustee Hightower and suggested convening joint meetings of the Diversity and Multiculturalism Committee with Human Resources and other committees. Trustee Van Houten thought the Task Force's recommendation would put diversity into the mainstream and it would be taken more seriously. Trustee Benson noted that a tool can be blended into a lot of different venues. It is important to have a different perspective on diversity because it is a value. Eventually it can be lodged in a lot of different places. Trustee Paskach commented that he agrees with Trustee Van Houten about diversity. Its value is more likely to be embraced in Academic and Student Affairs and Human Resources. As chair of the Technology Committee, he agrees that it can reside just fine in other committees. He likes the new structure of not having too many committees. The operations of the system reside in the Academic and Student Affairs, Finance and Facilities and Human Resources Committees, while the Audit Committee has a special purpose.

Trustee Dickson concurred with Trustee Hightower's comments about diversity. She proposed keeping the committee for two or three years and transitioning it so that diversity becomes a value with measurable goals embedded in everything attached to it. She continued that she felt that the board declared diversity as an important value to the system and the state of Minnesota when it created the Diversity and Multiculturalism Committee. Trustee McElroy commented that diversity needs to be part of our culture institutionally or we are not going to change things. He agrees with the recommendation to incorporate the core value of diversity into the Academic and Student Affairs and Human Resources Committees. Trustee Van Houten suggested giving direction to the ASA committee that the board would like a working group established to give focus to diversity. This would follow the recommendations of the Task Force.

Trustee Hightower commented that he fully agrees with Trustee McElroy that diversity should be woven into the culture, but the fact of the matter is that it is not. He continued that he remembers when the board had a Finance Committee and a Technology Committee and took the Technology Committee and put it into the Finance Committee. Then, the board separated Finance from Technology with Trustee Dickson chairing technology because it was not institutionally ready to stand by itself. Diversity is not ready. The best case scenario is that we would not have a diversity committee because it would be part of our culture. He added that he is not suggesting that the committee continue to operate as it has, but to begin the process of weaving it into the culture. Trustee Benson observed that Trustee Hightower raised some important questions, not the least which is the notion of the culture. He suggested changing the name of the committee to "underserved." Trustee Anderson commented that where we are looking at in growth among students and the populations we need to serve, then we have to lean

on the diverse groups more to produce a workforce. He agreed with Trustee Hightower's recommendation for Diversity to stay as a standing committee.

Chair Thiss stated that there appears to be agreement to set a date such as one year that will force the board to review it next year. Has there been progress, have we made diversity part of the culture? Trustee Vekich added that he and his colleagues on the Task Force agree with the one-year proposal. They also suggested adding a discussion to define what success would look like.

Trustee Vekich summarized the amendments. Under Subpart C., item 2 there will be clarification about the budget. Section d in the same area will be eliminated and "d" will become "e," and the term of any working group shall be extended. Under officers, he will work with General Counsel Olson on the ballot process. In Subpart H, the treasurer will be the chair of the Finance and Facilities Committee. In Part 5, Subpart A, the wording will be changed so that board members will consult with the chair or legal counsel on ethical and legal obligations. Under Subparts C and D, the language will be changed because the Diversity and Multiculturalism Committee will remain a standing committee. The Advancement and Technology Committees would be morphed into the other committees, as discussed. Trustee McElroy inquired if the name of the Diversity and Multiculturalism Committee will be changed. Executive Director, Whitney Harris, will consult with the committee chair and members of the division and others about a name change. Trustee Sundin, chair of the Diversity and Multiculturalism, supported changing the name of the committee.

Chair Thiss thanked the task force and members for the discussion. He announced that the proposed amendments will be presented for a second reading and approval in June.

Trustee Benson referred to a memorandum from Chancellor Rosenstone to Chair Thiss summarizing a survey of other systems' governing boards. It was distributed earlier. Key findings were that:

- the MnSCU system is one of the largest in the nation;
- the size of the board with 15 members is fairly typical;
- the board has more meetings per year than others,
- the board has more board committees than others; and
- the Board Office staff is slightly smaller than a typical governing board staff.

Trustee Benson commented that he asked Chancellor Rosenstone to provide an estimate of how much staff time is related to the preparation and staffing of the meetings. An awareness of staff time would help the board do a better job of governance.

Chair Thiss commented that it would be good if board members could develop camaraderie outside of formal meetings, such as having dinners or breakfasts on the committee and board meeting days.

The study session concluded at 4:33 p.m.