

Minnesota State Colleges and Universities
Board of Trustees Meeting Minutes
June 17, 2015

Present: Chair Thomas Renier, Trustees Margaret Anderson Kelliher, Duane Benson, Kelly Charpentier-Berg, Alexander Cirillo, John Cowles, Dawn Erlandson, Robert Hoffman, Philip Krinkie, Maleah Otterson, Elise Ristau, Louise Sundin, Michael Vekich, Erma Vizenor and Chancellor Steven Rosenstone

Absent: Ann Anaya

1. Call to Order

Chair Thomas Renier called the meeting to order at 1:15 PM and announced that a quorum was present. Trustee Vizenor participated by phone. Chair Renier recognized and thanked Trustee Ristau whose term ends on June 30, 2015.

2. Chair's Report: *Thomas Renier*

a. Minutes of the May 20, 2015 Board of Trustees Meeting

The minutes were approved as written.

b. Proposed FY2017 Meeting Calendar (Second Reading)

Trustee Ristau moved that the Board of Trustees approve the FY2017 meeting calendar as presented.

The motion carried.

3. Chancellor's Report: *Steven Rosenstone*

Chancellor Rosenstone highlighted some critical elements of the proposed 2016 fiscal year operating budget. One key element is a tuition recommendation that protects affordability in FY2016 and FY2017. Although the legislature was not able to fund MnSCU's entire request, MnSCU has been able to limit the impact on students. In the next two academic years, our colleges and universities will continue to be by far the most affordable higher education option in Minnesota.

The overall FY2016 all funds operating budget of \$1.93 billion represents a 1% increase in spending over FY2015. Colleges and universities have budgeted \$36 million in reallocations for FY2016 on top of the \$43.4 million they reallocated in FY2015. In accordance with the priorities the board adopted for this biennium, the recommended FY2016 budget will enable Minnesota State Colleges and Universities to protect affordability to ensure access for all Minnesotans; protect programs in demand so our colleges and universities can meet the workforce needs of Minnesota; and provide the faculty and staff needed to deliver these programs and ensure student success.

The chancellor thanked the presidents and cabinet for their extraordinary work this past year. He expressed his gratitude to the executive committee of the leadership council: Presidents Richard Hanson, Ron Anderson, Earl Potter, and Larry Lundblad.

Chancellor Rosenstone recognized and thanked Chair Renier for his leadership and his eleven years of service, two as vice-chair and this past year as chair. He also recognized and thanked Trustee Ristau as she completes her two-year term.

The chancellor recognized and thanked five presidents who are completing their terms of service: Cecilia Cervantes, president of Hennepin Technical College; Sue Collins, president of Northeast Higher Education District; Lisa Larson, who served as acting and interim president of North Hennepin Community College; Robert Musgrove, president of Pine Technical and Community College; and Anne Temte, president of Northland Community and Technical College.

Chancellor Rosenstone concluded his remarks by thanking the board, students, faculty, staff, the presidents, the cabinet, the college and university foundations, and our community partners for doing the important work needed to ensure that our colleges and universities remain places of hope and opportunity.

4. Consent Agenda

a. Approval of Annual Audit Plan for Fiscal Year 2016

b. Approval of Contracts Exceeding \$1 M for:

- **Systemwide: College Source Vendor, PALS Agreement and Oracle Contract, Insight Public Sector – Microsoft and Related Microsoft Support, and extension of License Agreement with Augusoft, Inc.**
- **Minnesota State University, Mankato Hockey Center Lease and IT Network Equipment Purchase**
- **Inver Hills Community College Construction Contract**

c. Statewide Student Association Fee Collection Agreements

d. Minnesota State College Student Association Consideration of Fee Increase

e. Surplus Action for Real Property at Mesabi Range College

Trustee Hoffman moved approval of the Consent Agenda.

The motion carried.

5. Board Policy Decisions

**a. Proposed Amendment to Policy 1D.1 Office of Internal Auditing
(Second Reading)**

Chair Renier called the question on the following motion that was approved by the Audit Committee.

The Board of Trustees approves the recommended changes to Policy 1D.1 Office of Internal Auditing as submitted.

The motion carried.

**b. Proposed Amendment to Policy 7.7 Gifts and Grants Acceptance
(Second Reading)**

Chair Renier called the question on the following motion that was approved by the Finance and Facilities Committee.

The Board of Trustees approves the changes to Policy 7.7 Gifts and Grants Acceptance.

The motion carried.

c. FY2016 Operating Budget Proposal (Second Reading)

Chair Renier called the question on the following motion that was approved by the Finance and Facilities Committee.

The Board of Trustees:

a. Adopt the annual total operating budget for fiscal year 2016 as shown in Table 4 (see www.mnscu.edu/board/materials/2015/june17/fin-05-fy16op-revised.pdf).

b. Pursuant to Board Policy 5.9, the Board of Trustees will be periodically provided systemwide budget updates for all funding sources on an exception reporting basis.

c. Approve the proposed tuition structure recommendations for fiscal year 2016 as detailed in Attachments 1A through 1E (see www.mnscu.edu/board/materials/2015/june17/fin-05-fy16op.pdf).

d. Tuition increases are effective summer term or fall term 2015 at the discretion of the president. The chancellor is authorized to approve any required technical adjustments, and is requested to incorporate any approvals at the time fiscal year 2017 tuition recommendations are presented to the Board of Trustees.

e. The Board of Trustees continues the policy of market-driven tuition for closed enrollment courses, customized training, and non-credit instruction, continuing education, and contract postsecondary enrollment option programs.

f. Approve the Revenue Fund and related fiscal year 2016 fees for room and board, student union, wellness and recreation facilities, and parking ramps/surface lots as detailed in Attachments 2A through 2D (see www.mnscu.edu/board/materials/2015/june17/fin-05-fy16op.pdf) including any housing fees that the campuses may charge for occupancy outside the academic year. Approve the fiscal year 2016 fees structure for room and board for colleges who either own or manage student housing as detailed in Attachment 2E (see www.mnscu.edu/board/materials/2015/june17/fin-05-fy16op.pdf). The chancellor is authorized to approve fee structures for any new revenue fund programs as well as any technical adjustments, and is requested to incorporate any approvals at the time fiscal year 2017 recommendations are presented to the Board of Trustees.

g. Approve a tuition waiver for courses in Northland Community and Technical College's Precision Agriculture Equipment Technician two-year program for the first cohort of students (up to 25) for fall and spring semester of the 2015-2016 and 2016-2017 academic years.

h. Approve Student Life/Activity fee (\$117.36 per term) for St. Cloud State University.

i. Authorize the chancellor or his designee to enter into an agreement with the Learning Network of Minnesota to provide the funding appropriated to the organization in Minnesota Laws Chapter 69, Article 1, Section 4, Subdivision 4, in the amount of \$4,115,000.

The motion carried with one nay from Trustee Charpentier-Berg.

d. FY2016-2020 Capital Budget Proposal (Second Reading)

Chair Renier called the question on the following motion that was approved by the Finance and Facilities Committee.

The Board of Trustees approves the 2016 capital bonding request was presented in Attachment A-Revised, specifically the projects and priorities for 2016. The chancellor is authorized to make cost and related adjustments to the request as required, and to forward the request through Minnesota Management and Budget to the governor for consideration in the state's 2016 capital budget. The chancellor shall advise the board of any subsequent changes in the capital bonding request prior to the 2016 legislative session. In addition, as funding is authorized and appropriated by the legislature and the governor, the chancellor or his designee are authorized to execute those contracting actions necessary to deliver on the project scope and intent.

The motion carried with one nay from Trustee Krinkie.

6. Board Standing Committee Reports

a. Human Resources Committee, Alex Cirillo, Chair

1. Appointment of Interim President of Century College

Committee Chair Cirillo moved that the Board of Trustees, upon the recommendation of Chancellor Rosenstone, appoint Patrick Opatz as interim president of Century College effective July 1, 2015, subject to the completion of an employment agreement. The board authorized the chancellor, in consultation with the chair of the board and chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the MnSCU Personnel Plan for Administrators.

The motion carried.

2. Appointment of President of Dakota County Technical College

Committee Chair Cirillo moved that the Board of Trustees, upon the recommendation of Chancellor Rosenstone, appoint Tim Wynes as president of Dakota County Technical College effective July 1, 2015, subject to the completion of an employment agreement. The board authorized the chancellor, in consultation with the chair of the board and chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the MnSCU Personnel Plan for Administrators.

The motion carried with one nay from Trustee Hoffman.

3. Appointment of General Counsel

Committee Chair Cirillo moved that the Board of Trustees, upon the recommendation of Chancellor Rosenstone, appoint Gary Cunningham as general counsel effective July 1, 2015, subject to the completion of an employment agreement. The board authorized the chancellor, in consultation with the chair of the board and chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the MnSCU Personnel Plan for Administrators.

The motion carried.

4. Other

Extension of Chancellor's Performance Evaluation

Trustee Cirillo recalled that at the May meeting, the timeframe for the chancellor's annual performance evaluation was extended to be completed no later than August 1. Since then, the Chancellor Performance Review Committee has met with the chancellor and an independent consultant and determined that the August 1 date did not allow sufficient time to complete the stakeholder interviews. The committee recommends extending the timeframe to September for the evaluation to be completed. The chancellor has agreed to the extension.

Trustee Vekich moved to suspend the rules to extend the timeline to complete the evaluation.

The motion was seconded and carried.

Trustee Cirillo moved that the Board of Trustees approve extending the chancellor's annual performance evaluation to be completed in September 2015.

The motion was seconded and carried.

b. Audit Committee, Philip Krinkie, Chair

1. Results of Audit Risk Assessment

Committee Chair Krinkie reported that the committee heard a presentation on the Results of Audit Risk Assessment.

c. Academic and Student Affairs Committee, Margaret Anderson Kelliher, Chair

1. Student Pipeline Recruitment and Pathways to Higher Education

Committee Chair Anderson Kelliher reported that the committee heard a presentation on Student Pipeline Recruitment and Pathways to Higher Education.

2. Metro Baccalaureate Plan Update

Committee Chair Anderson Kelliher reported that the committee heard an update on the Metro Baccalaureate Plan.

3. Update on the Transfer of Credits

Committee Chair Anderson Kelliher reported that the committee heard an update on the Transfer of Credits.

d. Finance and Facilities Committee, Michael Vekich, Chair

**1. Proposed Amendment to Policy 7.5 Financial Institutions and Investments
(First Reading)**

Committee Chair Vekich moved to suspend the rules to waive the second reading of the Proposed Amendment to Policy 7.5 Financial Institutions and Investments. The motion was seconded and carried.

Chair Renier called the question on the following motion that was approved by the Finance and Facilities Committee.

The Board of Trustees approve the amendments to Policy 7. 5 Financial Institutions and Investments.

The motion carried.

2. Campus Service Cooperative Status Report
Committee Chair Vekich postponed the Campus Service Cooperative Status Report to the October meeting due to time constraints.

7. Joint Council of Student Associations

- a. Minnesota State University Student Association
Cara Luebke, state chair, addressed the board.
- b. Minnesota State College Student Association
Kayley Schoonmaker, president, addressed the board.

8. Minnesota State Colleges and Universities Bargaining Units

- a. Inter Faculty Organization
Jim Grabowska, president, addressed the board.
- b. Administrative and Service Faculty
Adam Klepetar, president, addressed the board.
- c. Minnesota State College Faculty
Kevin Lindstrom, president, addressed the board.
- d. Minnesota Association of Professional Employees
Jen Foley, statewide meet and confer vice president, addressed the board.
- e. American Federation of State, County, and Municipal Employees
June Clark, president AFSCME Policy Committee, addressed the board.

9. Trustee Reports

There were no trustee reports at the meeting.

10. Other Business

• Election of Officers

Chair

Chair Renier announced that Trustee Michael Vekich was a candidate for the position of chair. There were no other nominations.

Chair Renier moved the nomination of Trustee Vekich for the position of chair.

The motion carried unanimously.

Vice Chair

Chair Renier announced that Trustee Margaret Anderson Kelliher was a candidate for the position of vice chair. There were no other nominations.

Chair Renier moved the nomination of Trustee Anderson Kelliher for the position of vice chair. The motion carried unanimously.

11. Other

Vice Chair Anderson Kelliher, on behalf of the board, recognized and gave heartfelt thanks to Chair Renier for his leadership.

12. Adjournment

Chair Renier adjourned the meeting at 2:45 PM.

Ingeborg K. Chapin, Secretary to the Board