MINNESOTA STATE
Board of Trustees

Board of Trustees Meetings
November 13-14, 2018

Board of Trustees Meeting Schedule
Tuesday and Wednesday, November 13 and 14, 2018
Minnesota State
30 7th Street East
St. Paul, Minnesota

Unless noticed otherwise, all meetings are in the McCormick Room on the fourth floor. Committee and board meeting times are tentative. Meetings may begin up to 45 minutes earlier than the times listed if a committee meeting concludes its business before the end of its allotted time slot. In addition to the board or committee members attending in person, some members may participate by telephone.

Tuesday, November 13, 2018

9:00 am   Facilities Committee, Jerry Janezich, Chair
1. **Minutes of October 16, 2018**
2. **Surplus Property, North Hennepin Community College**

9:30 am   Finance Committee, Roger Moe, Chair
1. **Minutes of October 16, 2018**
2. **FY2020-FY2021 Legislative Biennial Budget Request (Second Reading)**
3. **Increases to Board Established Fee Maximums**

10:30 am   Academic and Student Affairs Committee, Alex Cirillo, Chair
1. **Minutes of October 17, 2018**
2. **Approval of Mission Statement: Bemidji State University**
3. **Proposed Amendments to Policies (Second Readings)**
   a) **3.3 Assessment for Course Placement**
   b) **3.41 Education Abroad**
4. Innovation & Evolution: Shaping Our Work

12:00 pm   Luncheon, Rooms 3304/3306

1:00 pm   Ad Hoc Committee on Outreach and Advocacy, Dawn Erlandson, Chair
1. **Minutes of October 16, 2018**
2. Economic Contribution Analysis

1:30 pm   Joint Audit and Human Resources Committees, Michael Vekich and Jay Cowles, Co-Chairs
- HR-TSM Advisory Project Update

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

2:15 pm   Audit Committee, Michael Vekich, Chair
   1. **Minutes of October 16, 2018**
   2. **FY2018 and FY2017 Audited Financial Statements and Student Financial Aid Audit**
   3. Role and Responsibilities of Audit Committee Members

3:30 pm   Meeting Ends

6:00 pm   Dinner (Social event, not a meeting)

Wednesday, November 14, 2018

7:30 am   Breakfast (Social event, not a meeting) Rooms 3304/3306

8:30 am   Board of Trustees Meeting

10:30 am   Meeting Ends

Committee Roster
2018-2019

--Continued—

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

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

President Liaisons:
Ginny Arthur
Adenuga Atewologun

Nominating Committee
Members will be named later

Ad Hoc Committee on Outreach and Advocacy
Dawn Erlandson, Chair
Louise Sundin, Vice Chair
AbdulRahmane Abdul-Aziz
George Soule
Rudy Rodriguez
_____

President Liaisons:
Rassoul Dastmozd
Scott Olson

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

Approved FY2019 and FY2020 Board Meeting Dates

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

FY2019 Meeting Calendar

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

Committee / Board Meetings/ Awards for Excellence in Teaching	April 16-17, 2019	
Executive Committee	May 1, 2019	
Committee / Board Meetings	May 21-22, 2019	May 21, 2019
Executive Committee	June 5, 2019	
Committee / Annual Board Meetings	June 18-19, 2019	June 18, 2019

FY2020 Meeting Calendar

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

Committee / Board Meetings	May 19-20, 2020	May 19, 2020
Executive Committee	June 3, 2020	
Committee / Annual Board Meetings	June 16-17, 2020	June 16, 2020

![Minnesota State logo]

Facilities Committee

November 13, 2018
9:00 AM
McCormick Room

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

1. **Minutes from October 16, 2018 (pp. 1-8)**
2. **Surplus Property, North Hennepin Community College (pp. 9-17)**

<u>Committee Members:</u>
Jerry Janezich, Chair
George Soule, Vice Chair
Roger Moe
Louise Sundin
Samson Williams

_____

President Liaisons:
Faith Hensrud
Barbara McDonald

Bolded items indicate action is required.

Minnesota State Board of Trustees
Facilities Committee Meeting Minutes
October 16, 2018
Kryzsko Commons, East Hall
Winona State University

Facilities Committee members present: Jerry Janezich, Chair; George Soule, Vice Chair (by phone); Trustees Roger Moe, Louise Sundin, and Samson Williams, Chancellor Devinder Malhotra

Facilities Committee members absent: *none*

Other board members present: Trustees AbdulRahmane Abdul-Aziz, Ashlyn Anderson, Alex Cirillo, Jay Cowles, Bob Hoffman, April Nishimura, Rudy Rodriguez, Cheryl Tefer, and Board Chair Michael Vekich.

Cabinet members present: *Vice Chancellor Laura King*

Others present: Leadership Council Liaisons: Presidents Faith Hensrud, Bemidji State University and Barbara McDonald North Hennepin Community College, Associate Vice Chancellor for Facilities Brian Yolitz, System Director for Capital Development Greg Ewig, and President Carrie Brimhall, Minnesota State Community and Technical College

Committee Chair Janezich called the meeting of the Facilities Committee to order at 8:10 a.m. and indicated there was a quorum present.

He introduced Brian Yolitz, Associate Vice Chancellor for Facilities, as main presenter.

Yolitz gave a brief summary of campus events over the summer.
- Award of project design services for capital projects funded from the 2018 bonding bill at Riverland Community College and Normandale Community College to design firms Alliance and HGA Architects and Engineers respectively.
- A ribbon cutting ceremony held at Minnesota State Community and Technical College, Wadena, for their Library and Student Development Renovation, nursing training labs, and boiler replacement projects.
- Rochester Community and Technical College will host a ground breaking for the $23M Memorial and Plaza Hall replacement and renovation project, on Friday, November 2, 2018, starting at 10:30.
- Successful OSHA Consultation visit to the Moorhead campus of Minnesota State Community and Technical College in early October. There are three more consultation visits in the coming weeks.
- College, university and the system office staffs are developing candidate project predesigns for the 2020 capital budget request. Candidate projects will be scored against

the board's guidelines approved last March for the 2020 legislative session. Capital budget project scoring will inform the chancellor's recommendations to the board for consideration and approval in May and June of 2019.

1. **Capital Budget Recommendation**
   Yolitz presented a recommendation for the Board of Trustees asked to consider and approve a capital bonding request of $150 million for higher education asset preservation and replacement (HEAPR) as part of the 2019 legislative session. He noted that while the 2019 session is not considered a bonding year, it is prudent the board communicate their priorities should a bonding bill be considered as part of session's proceedings.

   As background, Yolitz shared that the 2018 bonding bill provided $129 million for capital investment at Minnesota State colleges and universities. This included $45 million for HEAPR and $84 million for 10 major projects at individual colleges and universities.   While funding for individual projects was strong (89%), HEAPR funding, the Board's #1 priority, fell far short of the requested amount and continued a trend seen over the last several biennium. This trend, coupled with aging campus facilities, has led to an increased backlog of maintenance with more major facility components, roofs, major mechanical systems, and utilities having reached or exceeded their useful lives and now in need of major repair or replacement. These conditions led to the proposed strategy for 2019.

   Chair Janezich called for a motion to approve recommendation on page 3 of the packet. Trustee Sundin made the motion. Trustee Moe seconded. The motion carried.

   2020 Recommendations
   Yolitz thanked the committee and concluded with an update on developing the 2020 capital budget recommendation. Colleges and universities are finishing predesigns for their candidate projects for 2020. Project scoring against board approved guidelines will be done in January and will inform the chancellor's deliberations and development of his recommendations.   The chancellor will seek feedback from the leadership council and other stakeholders before bringing a formal recommendation to the board in May and June next year. Legislative campus visits will follow in the fall.

2. **Acquisition of Real Property, Minnesota State Community and Technical College, Fergus Falls**
   After welcoming Carrie Brimhall, President, Minnesota State Community and Technical College and Greg Ewig, Director for Capital Development from the system office, Yolitz introduced the recommendation for the board to approve a request by Minnesota State Community and Technical College to acquire two apartment complexes located immediately adjacent to their Fergus Falls campus from the Fergus Area College Foundation. The college has leased the apartments for use as student housing for 23 years. The foundation intends to convey the apartments to the college at a cost of $1.00.

An aerial view was provided showing the proximity of the College Manor and Hillside Village complexes to the Fergus Falls campus. As context, Yolitz noted Minnesota State Community and Technical College was one of 12 Minnesota State colleges having student housing programs throughout the state. The associated facilities are owned and operated by the college, foundation owned/college operated, or operated through a public-private partnership. Today's action was driven by these key drivers:

1. The ongoing need for student housing in the community
2. The ability to consolidate control over the experience students have within student housing
3. Enable the college to reap the benefit of the revenues without a third party involved, and,
4. Make strategic reinvestments to improve the facilities on their time table.

Chair Janezich called for a motion to approve the recommendation on page 8 of the packet. Trustee Moe made the motion. Trustee Sundin seconded. The motion carried.

3. **Facilities Portfolio Orientation**
Chair Janezich noted the committee's action items were complete and asked Yolitz to provide an overview and context for the committee's future work. Yolitz shared a set of slides outlining the governance framework for the committee, highlighting key aspects of the facilities portfolio, and offering areas for consideration and shaping the committee work. Key points included:

- **Governance:** The committee's duties and responsibilities flow from state statute informed by recommendations from the Association of Governing Boards (AGB) for facilities committees, and documented in the committee charter.
  - The committee is charged with:
    - Long-term stewardship of the state's physical resources,
    - Assuring the high quality and efficient use of the system's physical resources including environmental, safety and security matters.
  - The committee is specifically charged with, but not limited to:
    - Capital budget requests
    - System's capital asset program
    - Design, construction, and maintenance
    - Environmental stewardship
    - Stewardship and management of all real estate
    - Campus housing, dining and parking services
    - Campus safety and security

- **College and university campus facilities:**
  - 54 campuses in 47 communities around the state
  - Campus buildings represent a $10.4 billion asset
  - A majority of campus buildings were built before 1980
  - Total backlog of maintenance = $1.1 billion.

- Reflects building components that have reached or exceed their useful lives
  - o Facilities Condition Index (FCI) is 0.11 or 11%
    - Generally considered 'on-par' with other public higher education facilities
  - o Estimated renewal needs in next 10 years = $1.3 billion
    - Backlog and 10-year = $2.4 billion
  - o Total building space = 28.6 million square feet
    - 22.6 million square feet (80%) classified as academic space
      - Classrooms, labs, offices, plant operations, etc.
    - 6.0 million square feet (20%) classified as auxiliary
      - Residence halls, dining facilities, student unions, and parking
    - Over the 10 year period of 2008 to 2018:
      - Gross facility space has grown by 2.5 million square feet total or 9.7%
      - Enrollment after peaking in 2011 is down 11,000 FYE or 8.1%

- **Facility utilization:**
  - o Academic space utilization is a measurement of if a classroom or lab is being used utilization for for-credit academic coursework
    - 32 hours per week is standard for 100% academic, for-credit utilization
  - o College classroom utilization (45%) is generally less than universities (61%)
  - o College lab utilization (45%) is slightly greater that universities (42%), and
  - o Metropolitan area institutions generally utilize space more than Greater Minnesota
  - o All are below the 100% standard/goal of 32-hour per week, or 6.4 hours per day

- **Facility funding and authorities:**
  - o There are five avenues to fund Minnesota State facilities:
    - <u>College or university general operating funds</u>, provided by tuition and state appropriations, provides for the day-to-day operations and maintenance of academic spaces
    - <u>General obligation bonds</u> sold by the State of Minnesota provides for major capital investment in academic buildings including new construction, major preservation, renovation, and replacement
      - The system is responsible for one-third of the debt service associated with the sale of these bonds
      - This debt serviced by state appropriation and tuition revenues
    - <u>College or universities' revenue funds</u> provides for the day-to-day operations and maintenance of their auxiliary facilities, including residence halls, dining facilities, student unions, parking lots and ramps, and some recreation and wellness facilities.
      - The revenue fund is resourced by user fees associated with the

specific program or facility.
- There are no tuition or state appropriations associated with the revenue fund.
- <u>Revenue Fund bonds</u> sold through statutory authority of the Board of Trustees are for new construction, major preservation, renovation, and replacement, of Revenue Fund and auxiliary facilities
  - The benefiting institution is responsible for the full debt service
  - There is a $405 million legislative cap on Revenue Fund outstanding debt principle
    - Current outstanding Revenue Fund debt in $262.6 million
  - This debt is serviced by user fees associated with the specific program or facility
- <u>Other sources</u> including major donations, grant proceeds or local taxes may be used for work on campus facilities and handled on handled on a case-by-case basis
- Board policy and system procedure establish contract approval thresholds:
  - Board approval is required for all contracts great than $1,000,000
  - Presidents have contract approval thresholds of:
    - $100,000 for professional/technical contracts
    - $250,000 for construction contracts
  - Chancellor has contact approval below the board approval level

- **Facilities planning, design and construction**
  - Board policy calls for colleges and universities to develop and maintain Comprehensive Facilities Plans (CFP)
    - Reflect an assessment of how campus facilities support their individual missions
    - Document both short and mid-term capital investment needs that include facility renovations, remodeling, and replacement as well as asset preservation requirements
    - Completed on a 5-year cycle, approved by the chancellor
  - Design and construction processes based on state statue and rules with focus on life cycle costs and sustainability.
  - Project design and construction management authority delegated to college and university presidents, system office provide program management support
  - Design and construction resources include:
    - Design standards
    - Project management e-Manual
    - Project management system: e-Builder
    - Master contracts for specialty consultants and commissioning
    - State building code
    - Sustainable Building 2030 (SB2030) energy standards

- ▪ Industry best practices
- ▪ Feedback/lessons learned from college/university, and consultation with general counsel

- **Energy Use Intensity and Cost environment**
  - o Minnesota State colleges and universities participate in the Minnesota's Buildings, Benchmarks and Beyond (B3) sustainability and energy programs
  - o Energy consumption and costs metrics offer insights into impact on the environment, building efficiency and cost of campus operations
    - ▪ Energy intensity as measured by KBTUs (1000 British thermal units) per square foot of facility space has declined by 15.9% from the 2009 baseline
    - ▪ Total energy cost per square foot has dropped by 6.7%

- **Regulatory and compliance environment**
  - o Minnesota State colleges and universities are subject to federal, state regulations, rules and permitting
  - o MnOSHA Alliance is a partnership between Minnesota Occupational Safety and Health Administration (MnOSHA) and Minnesota State to enhance campus staff for students and employees and general regulatory compliance
    - ▪ Includes joint MnOSHA-Minnesota State non-punitive campus tours and walk throughs and sharing of curriculum and resources
    - ▪ Provide an estimated $1.1 million in fine avoidance in CY2017

- **Workforce trends and system office facilities organization**
  - o College and university facilities staffing grew slower than overall campus staffing through 2011 and has dropped faster than overall campus staffing through 2017
  - o Reductions in facilities staffing coupled with increases in facility gross square footage has led to facilities staff being responsible for 15% more space than in 2000
  - o The average age of the college and university facilities staff member is 52 years, up by more than 4 years since 2000
  - o Roughly two- thirds of the system office facilities units staff (14 of 21) are extensions of campus staffs, providing direct support and subject matter expertise to colleges and universities

- **FY2019 Facilities Committee workplan items:**
  - o Resource recommendations:
    - ▪ 2019 Revenue fund bond refunding sale (May/Jun)
    - ▪ 2020 Capital program recommendation (May/Jun)
  - o Policy considerations:
    - ▪ Policy 5.17 Sustainability, Resources Conservation and Recovery, and Environmentally Responsible Practices (Mar/Apr)

      o   Agreements and transactions: (as needed)
          ■   Acquisitions, Surplus Property, Leases
      o   FY2020 Workplan development: (May/June)

- **Committee questions for consideration**
  - Role of facility spaces on student success and academic outcomes
  - Impact of facilities operations on college and university financial sustainability

During the orientation presentation, Chair Janezich mentioned that he has visited many campuses and they are remarkable facilities that ensure the success of students and support communities.

Trustee Abdul-Aziz asked how students recommend facility work and how are they involved in this process. Yolitz responded that each campus handles it differently, but all have avenues for student input and offer consultation on major planning and project work. President McDonald, said that at North Hennepin Community College, they meet regularly with the Student Senate and include them in their five- year master facilities planning process. President Hensrud added Bemidji State University students are very active and most recently participated in the development of their Center for Diversity, Equity, and Inclusion project.

Chair Janezich asked when the $100,000 general contract and $250,000 construction contract thresholds were establish. Yolitz responded they were based on statutory thresholds (Mn Stat. 136F.581) and Vice Chancellor King added that threshold amounts were originally established in 1991, prior to the merger by Representative Lyndon Carlson to protect campus authorities. [Note: The general contract threshold was raised to $100,000 in system procedure 5.14.5, *Purchasing*, in 2010.] Chair Janezich asked if we should adjust these numbers. Vice Chancellor King responded that there has been no call to amend the thresholds and that Marketplace is illuminating contract traffic. Campuses execute smaller contracts, mostly on the order of $25,000 to $75,000. Yolitz added he would monitor this issue.

Trustee Abdul-Aziz asked for details on how facilities projects are paid for. Yolitz responded Minnesota State is responsible for one-third of the cost of major capital projects for academic facilities funded by the state of Minnesota through bonding bills. This one-third responsibility is shared equally between the institution benefiting from the project and the system as a whole. This is paid for with general operating funds from either tuition or state appropriations. The remaining two-thirds is paid for the taxpayers of Minnesota. For Revenue Fund projects, the institution benefiting from the project is responsible for the full cost of the project. This responsibility through program and user fees associated with the facility.

Trustee Williams asked what the strategy was to reduce the $267 million in debt associated with the Revenue Fund. Yolitz explained that we pay debt service over time, much like a mortgage, with payments meeting principle and interest obligations. These payments are typically based

on a 20-year bond payment plan that is fixed. Institutions can make advance payments if they desire, in addition, we may refinance the debt as market conditions change. This typically only affects the interest rate and payment with the principal remaining the same.

Trustee Sundin asked about the decision making process for energy projects. Yolitz replied that the system office facilities staff including Emily Ziring, Sustainable Facilities Program Manager, Greg Ewig, System Director, Capital Development, as well as Laura King, Vice Chancellor for Finance, and the Office of General Counsel provide support and input to college and university decision makers including statutory and policy authorities validation, verification of contractual terms and conditions, financial modeling and pro forma development, and risk assessment. The ultimate decision resides with the college or university.

Trustee Hoffman noted he was impressed with committee's work and that of Chair Janezich in his debut as chair. Chair Janezich responded that facilities affect what we do, they provide access and help educate kids. Campus facilities affect student success, academic outcomes, and college and university financial sustainability. Chair Janezich recommends campus tours to see examples of these.

The meeting adjourned at 9:00 AM.

Respectfully submitted: Kathy Kirchoff, Recorder

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Facilities Committee   **Date:** November 13, 2018

Title: Surplus Property, North Hennepin Community College

Purpose (check one):

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

Brief Description:

North Hennepin Community College seeks to surplus approximately 6 acres of land for possible redevelopment.

Scheduled Presenter(s):

Brian Yolitz, Associate Vice Chancellor for Facilities

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD ACTION
SURPLUS PROPERTY, NORTH HENNEPIN COMMUNITY COLLEGE

REQUEST
The college seeks to surplus approximately 6.2 acres of land on the northerly side of 85th Avenue N at the North Hennepin Community College campus in Brooklyn Park that is no longer needed for college purposes. The city of Brooklyn Park has expressed interest in the parcel being used for mixed use redevelopment including affordable housing.

AUTHORITY
The Board may designate as "surplus" and offer real property for sale under its control pursuant to Minnesota Statute §136F.60, subdivision 5. Board of Trustees Policy 6.7, Real Estate Transactions provides for the board to first designate as surplus the real property that has an expected appraised value greater than $250,000. Under state statute, the board is obligated to offer the surplus property first to local jurisdictions, including the city, county and school district. The offering process is initiated with an independent appraisal which establishes the floor for the sale price.

BACKGROUND
North Hennepin Community College is located on approximately 90 acres in the city of Brooklyn Park. The campus is made up of northern and southern sections that are separated by 85th Avenue North. The site plan from the college's 2015 Comprehensive Facilities Plan shown in **Attachment A** displays the current development situation of the campus's northerly and southerly parcels. The main campus buildings and the majority of acreage is situated on the southern parcel, located south of 85th Avenue North and contains approximately 75 acres.

The northern parcel, comprised of approximately 15 acres, is currently vacant. College Parkway, which was established when the Hennepin County library was constructed on the western side of the site, further splits the northern parcel into east and west sections. The western parcel is currently vacant and abuts the Hennepin county library site (itself the product of a previous Board surplus action dating back to June 2010) and has been identified as a prospective site for a future capital project. The college is currently in the predesign/planning phase of the 2020 capital project, which includes a proposed Performing Arts Center. The eastern parcel is vacant and adjacent to a multifamily residential area. The eastern parcel is the subject of this surplus action. The site map attached as **Attachment B** identifies the easterly and westerly parcels in slightly greater detail.

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The campus and city of Brooklyn Park have been planning for the eventual construction of the Blue Line or "Bottineau" Light Rail line that is scheduled to run from downtown Minneapolis to the northern suburbs and will include a station on the main campus. The college has had high interest in the eventual outcome of the Blue Line construction and has organized their planning assumptions around the eventual siting of the light rail line to serve the campus.

SURPLUS REAL ESTATE

The college is proposing to surplus the east parcel as it is not in the college's 2015 Comprehensive Facilities Plan nor has it been in any previous planning scenarios for campus. For its part, the city has expressed interest in the land being used for redevelopment. Current city interests may include affordable, multi-family housing and/or a possible mixed use, commercial development.

The college would like the board to designate the eastern parcel as surplus and begin negotiations regarding a possible sale to a local public entity or to the general public. The college obtained a real estate appraisal, and the estimated highest and best use appraised value on the eastern parcel is at least $2.35 million. State statute requires the college to use the sale proceeds toward a capital project on campus. Depending on the outcome of the college's 2020 capital budget request, the college may use the proceeds in support of that project or toward asset preservation work on campus.

RECOMMENDED COMMITTEE MOTION:

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

The Board of Trustees designates the approximately 6.2 acres of land north of 85th Avenue N and east of College Parkway at the North Hennepin Community College as surplus and authorizes the chancellor or the chancellor's designee to offer the property for sale and execute the documents necessary to finalize the transaction.

RECOMMENDED BOARD MOTION:

The Board of Trustees designates the approximately 6.2 acres of land north of 85th Avenue N and east of College Parkway at the North Hennepin Community College as surplus and authorizes the chancellor or the chancellor's designee to offer the property for sale and execute the documents necessary to finalize the transaction.
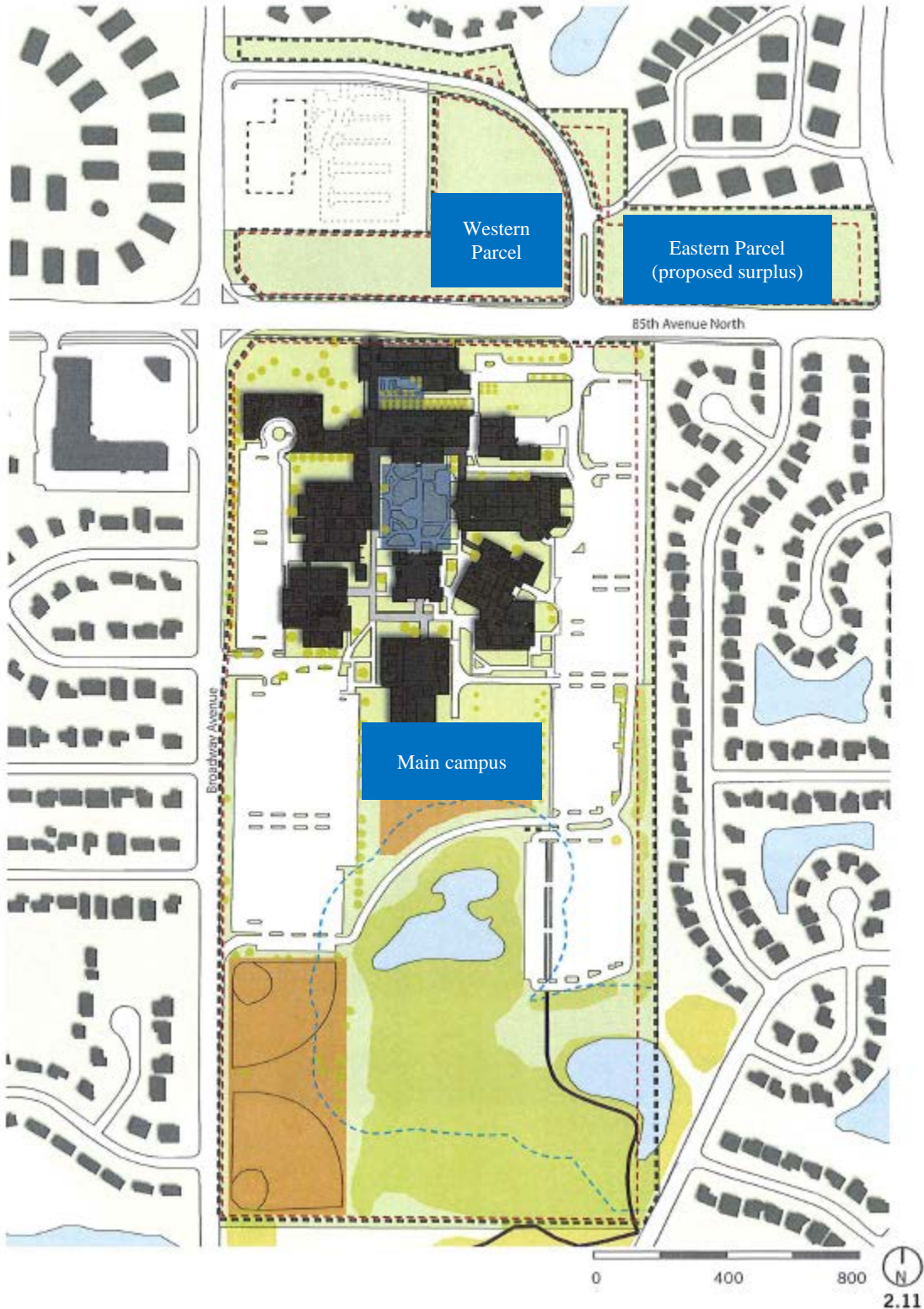
Date Presented to the Board of Trustees: *11/13/18*
Date of Implementation: *11/13/18*

Attachment A

EXISTING SITE CONDITIONS /

Western Parcel

Eastern Parcel (proposed surplus)

85th Avenue North

Broadway Avenue

Main campus

0   400   800

N

2.11

Attachment B

Surplus Parcel

SITE MAP – 17-119-21-34-0071 (EAST PARCEL)

West Parcel (for reference only)

SITE MAP – 17-119-21-34-0053 (WEST PARCEL)

November 13, 2018

Facilities Committee

Brian Yolitz
Associate Vice Chancellor – Facilities

Agenda Items

Surplus Property, North Hennepin
 Community College

November 13, 2018

Surplus Property
North Hennepin Community College

Brian Yolitz
Associate Vice Chancellor – Facilities

Orientation

EXISTING SITE CONDITIONS

Proposed surplus land

South of 85th Ave.
(Main campus buildings)

4

MINNESOTA STATE

Request

To surplus approximately 6.2 acres of land north of 85th Avenue N and east of College Parkway.

MINNESOTA STATE

Key Details

Appraised Value: **at least $2.35 million**

Zoning: **Public Institution (but abutting R4A (townhouse residential)**

MINNESOTA STATE

Recommended motion

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

The Board of Trustees designates the approximately 6.2 acres of land north of 85th Avenue N and east of College Parkway at the North Hennepin Community College as surplus and authorizes the chancellor or the chancellor's designee to offer the property for sale and execute the documents necessary to finalize the transaction.

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MINNESOTA STATE

MINNESOTA STATE

Finance Committee
November 13, 2018
9:30 am
McCormick Room
30 7th Street East
St. Paul MN

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

Finance Committee, Roger Moe, Chair

1. **Minutes of October 16, 2018 (pp. 1-12)**
2. **FY2020-FY2021 Legislative Biennial Budget Request (Second reading) (pp. 13-15)**
3. **Increases to Board Established Fee Maximums (pp. 16-21)**

Committee Members:
Roger Moe, Chair
Robert Hoffman, Vice Chair
AbdulRahmane Abdul-Aziz
Ashlyn Anderson
Jerry Janezich
April Nishimura
Samson Williams

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President Liaisons:
Richard Davenport
Joe Mulford

Bolded items indicate action is required.

Minnesota State Board of Trustees
Finance Committee Meeting Minutes
October 16, 2018
Winona State University
East Hall, Kryzsko Commons,
175 West Mark St. Winona, MN

Finance Committee members present: Roger Moe, Chair; Bob Hoffman, Vice Chair; Trustees AbdulRahmane Abdul-Aziz, Ashlyn Anderson, Jerry Janezich, April Nishimura, Samson Williams

Present by Telephone: Trustees George Soule and Dawn Erlandson.

Other Board Members Present: Trustees Alex Cirillo, Jay Cowles, Louise Sundin, and Cheryl Tefer, Rudy Rodriguez, Michael Vekich.

Cabinet Members Present: Vice Chancellor Laura M. King and Senior Vice Chancellor Ron Anderson.

Committee Chair Moe called the meeting to order at 9:17 a.m. There was a quorum.

1. **Approval of the Finance Committee Meeting Minutes**
Committee Chair Moe called for a motion to approve the Finance Committee Meeting Minutes from June 20, 2018 as written. Trustee Hoffman made the motion, Trustee Janezich seconded. The motion was adopted.

Following approval of the minutes, Vice Chancellor King was invited to provide updates:
- The Finance Committee is entering a period with several key action items. We have action items this month and next that set the stage for the upcoming legislative session. We also are working with the Facilities Committee to coordinate the hand off of agenda topics. We will work closely with the chairs to keep planning and agendas in line with the chairs' directions.
- A charter summary review is provided per the Board Chair's request. The committee charters provide a Finance committee role for:
    - Administration of financial management polices including financial reporting, scholarships, grant administration, risk management and debt management.
    - Oversight of college and university administrative programs including the areas of campus housing, dining and parking services (in cooperation with the Facilities Committee of the board).
    - Approval of all expenditure and contract actions in accordance with current board policy.
    - The charter document can be found on the board policy website attached to Board Policy 1A.2
- In preparation for the legislative session, the Marketing and Communications team has started design and production of the bi-annual budget booklet. We will have system and campus information detailing our request and framing the critical state issues that our

request is designed to address. Copies will be provided to the board when available, with the first week in January as a target. As in past "off capital bonding" years, we will also have a one page insert explaining the capital proposal, assuming it is approved today in committee and tomorrow at the full board meeting.

- We continue to closely monitor enrollment trends. FY2019 enrollment is slightly under performing the forecast year-to-date at 59,983 FYE, a decrease of 1.9% compared to fall 2018. The annual forecast was a decrease of .8%. Efforts on campuses continue to improve outlooks.

Trustee Janezich inquired as to whether or not there was pattern to the enrollment decline that we could identify. Vice Chancellor King indicated that there was no pattern evident so far. Universities continue to struggle both in the metro area and greater Minnesota. College enrollment is also not showing a rural or metro pattern. There is not a geographic pattern. Unemployment is low, lower in some out-state areas than it is in the metro area. The number of high school graduates across the state is low. Campuses are working on it. It is a concern for them and us.

- 2018 financial statement preparation and related audit work continues. Committee members received a memo from Vice Chancellor King last month briefing them on the latest changes to accounting standards and their expected impact to our presentation. We expect the final products in early November and will present to the Audit committee at its November meeting.
- Finance & Facilities staff across the system have been very engaged in the Next Gen future state business process reviews. Working teams have all met and the regional reviews began this week. Thanks to all working team members as well as staff members who have picked up additional work to support this important project.
- Steve Ernest has joined the Finance Division as the new Director of the Financial Planning and Analysis group. Steve comes to us after 14 years in the CFO role at the Minnesota Department of Agriculture. Prior to his role there, he served on the Fiscal Analysis staff at the Minnesota Senate from 1994-2004.

2. **Contract Exceeding $1 Million: Mankato, Athletic Team Physician and Athletic Training Partnership Program**
Vice Chancellor King presented a summary of the contract before the board. This item is characterized as an "income" contract since the university is being paid, rather than paying a vendor. The contract provides support and student engagement opportunities as well as services to the athletic program.

The committee's recommended motion is found on page 18.

Committee Chair Moe invited questions from the committee members.

Trustee Hoffman asked to hear from Rick Straka, Vice President for Finance and Administration at Mankato State University, for a campus perspective. Vice President Straka stated that this was an interesting and important opportunity. There has been a 40+ year partnership for in-kind services for athletic physicians and orthopedic physicians but these were a non-exclusive arrangement. There are now opportunities for more than one provider at the moment. Additionally, as athletic trainers move from bachelor's certification to master's certification, we can no longer provide trainer services from graduate assistants because they will not be certified. This contract will support the change in the workforce and staffing as well as some monetization for an exclusive provider of sports medicine and athletic training services.

Trustee Hoffman asked if there had been any final decision between the two vendors. Vice President Straka responded that what is public right now is how many people have answered the RFP. Once an agreement is fully executed, the results will be public.

Trustee Janezich asked if other universities are doing this type of thing. Vice President Straka stated that there are some partnerships occurring at other universities but not to this level. Bemidji State has a similar arrangement but on a smaller scale.

Trustee Abdul-Aziz inquired about the number of non-certified graduate assistants involved in the staffing model. Vice President Straka responded stated that he did not have those details available but would get back to the board with an answer.

Trustee Sundin wondered about the need to be certified in the activity as there was nothing in the motion providing different kinds of student involvement like in mentoring and internships and other opportunities. Seems like an opportunity wasted if we don't put these into the contract. Vice President Straka indicated that there were already non-exclusive clinical arrangements for academic programs and students that are not part of this agreement much like we do for nursing clinical placements. We would still have multiple options for the academic program and students. This focus is on services provided for the athletic department. This contract is specifically for athletic training services.

Trustee Williams asked if it was important to get our undergrads involved directly working with these physicians and trainers. Vice President Straka agreed that it was and further reiterated that they have opportunities in other areas and physicians not related to athletics. Trustee Williams stated that this should be in this document. Vice Chancellor King added that the System Office will work with the MSU, Mankato to put together a document that describes the student engagement opportunities attached to both their athletic program and their health sciences program. In this response, it is likely that there will be dozens of if not hundreds of student engagements through their teaching and learning experiences. We will send that to the Chair for circulation.

Trustee Nishimura asked what impact this agreement would have on student fees. Vice President Straka responded that there would be no impact on fees.

Trustee Abdul-Aziz asked for a clarification of the wording in the background that says that graduate assistants are no longer eligible to provide any duties before obtaining graduate degree level certifications. Vice President Straka said that there were certain activities that only certified athletic trainers can provide. Certain activities that were previously allowed to be performed by certified bachelor's degree holders can no longer be provided due to changes in the standards.

Committee Chair Moe called for a motion to approve the contract. Trustee Hoffman made the motion. Trustee Williams seconded. The motion was adopted.

3. **FY2020-FY2021 Legislative Biennial Budget Request (First Reading):**
   Senior Vice Chancellor Ron Anderson provided opening remarks on the topic. Vice Chancellor King presented key details of the proposal.

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

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

   The proposal requests $246 million in additional funding over the biennium ($96.5 million in FY2020 and $149.5 million in FY2021):
   - $169 million to keep our tuition affordable by funding inflationary costs at three percent each year of the biennium and repairing a portion of the structural funding gap from the FY2018-FY2019 biennium.
   - $37 million to support ISRS Next Gen, a mission-critical, multi-year technology infrastructure project to replace our out-of-date enterprise technology system.
   - $25 million in targeted financial support to strengthen access and help our student advance and succeed, especially diverse student groups.
   - $15 million to address the workforce gap through innovative career, technical and programming serving business and industry.

   The biennial budget proposal recognizes the statutory authority of the Board of Trustees to govern and operate Minnesota State, including setting tuition rates. If the proposed legislative

request is approved by the board and is fully funded by the legislature, the board is committed to holding undergraduate tuition rates at their current levels.

Committee Chair Moe invited questions from the committee members.

Trustee Janezich asked for the cost to provide 2 years free tuition. Vice Chancellor King stated that the modeling concludes that it would be $147M per year for colleges and $99M per year for the universities or a total of $256M per year for our colleges and universities to provide two years of free tuition. The Office of Higher Education estimate was roughly $150M for a variety of technical reasons.

Trustee Tefer asked if these were one-time per student scholarships or if they would be renewable for consecutive semesters? Vice Chancellor King stated that the scholarship would require continuous enrollment at 12 credits or more. Trustee Tefer followed up by asking if there would be a GPA minimum requirement. Senior Vice Chancellor Anderson stated that yes there would be but it had not yet been defined. However it would most likely align with current satisfactory academic progress requirements, most likely a 2.0 GPA.

Trustee Sundin, referring to slide 9 (investment in the workforce), asked how many programs there were across the state for associate degrees in construction where collaboration was taking place with apprenticeship programs in the trades. Senior Vice Chancellor Anderson stated that he would need to find that information and get it to the board. One of the components being built into the program design would be the work-based learning internship and apprenticeship opportunities.

Trustee Abdul-Aziz inquired about the total number being requested for these scholarships. Vice Chancellor King referred back to slide 11 (Strengthening Access). This shows a total request of $25M over biennium which breaks out to $9M in the first year and $5M in the second year for colleges. The university program is $5M in the first year and $6M in the second year for a total of $14M and $11M respectively.

Trustee Tefer, referring to slide 9 (Investing In Workforce Opportunity Gaps) asked how our system defines areas of high employment growth. Senior Vice Chancellor Anderson stated that there was a series of different data points used including Chancellor Maholtra's listening tour. These are data sources coming right from discussions with employers in our regions. We have historically relied on data from DEED but this data is a bit lagging. There is a newer tool that does aggregation and analysis of job postings across the state in real time. Demographic shifts are impacting the availability of workers. The changing needs of programs and the changing mix of programs are what we are focusing on. We are revising and retooling particular programs to meet both regional and statewide needs.

Trustee Tefer followed up by stating that in sectors with high employability, salaries are generally higher. Minnesota State has a hard time pulling people in as faculty because of the salary issue. We need to look at who the educators are in these very high-demand fields and what we are paying them. We won't be able to sustain those programs without these faculty.

Trustee Chair Cowles asked for a clarification on the scholarship program as to why the proposal is front end-loaded. Vice Chancellor King stated that there is a large initial year enrollment cost for the college program but that the second year is lower based on the modeling that shows that there would be fewer first year students in the second year of the program. Senior Vice Chancellor Anderson added that this program is not limited to first year students.

Committee Chair Moe stated that in his local newspaper, job vacancies used to be rare. The most current edition has a dozen or more. This budget is designed to address that. We are trying to address the back pages of the newspaper. This is exactly what the Chancellor is hearing this on his tour and meetings with the business communities.

Trustee Hoffman added that the Chancellor's tour has been tremendously successful and that this budget is a critical need in the state of Minnesota today.

4. **Proposed New Policy 5.26 Management of Enterprise System Data (First Reading)**
Vice Chancellor for Information Technology Ramon Padilla presented a brief summary of the proposed new policy. He stated that adoption of this policy is integral to the success of NextGen ERP project. The proposed policy has been reviewed by the Office of General Counsel, the Cabinet, sent out for formal consultation and received support from the presidents, employee representation groups, students and campus leadership groups.

Following the presentation, Board Chair Vekich suggested that the committee may wish to suspend the rules and pass the policy as it has already been fully vetted.

Committee Chair Moe asked for a motion to suspend the rules and pass the policy. Trustee Hoffman made the motion with Trustee Abdul-Aziz seconding. The motion to suspend the rules was adopted.

Committee Chair Moe then asked for a motion to recommend adoption of the policy. Trustee Anderson made the motion and Trustee Hoffman seconded. The motion was adopted.

5. **Fee Study Report**
Vice Chancellor King presented a summary of the results of the Fee Study.
The Minnesota State Board of Trustees requested a comprehensive review and analysis of fees charged to students at its May 2018 board meeting. This report was prepared in response to that request and is organized in three sections: 1) an overview of state statutes, board policy, and

system procedures concerning student fees; 2) an analysis of Minnesota State's fee rates and charges; and 3) a review of board-approved fee maximums as required by board policy.

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

Trustee Hoffman inquired as to why South Dakota is so different than the rest of the states with respect to the amount of fees charged at the college level. Vice Chancellor King replied that the national data does not tell us what fees are in the bundle of fees used in the data. More work will be needed to find that out.

Trustee Tefer asked why there was no comparison with the University of Minnesota. Vice Chancellor King relied that when doing this kind of work, the comparison is based on institution type. University of Minnesota is a research 1 doctoral institution. University of Iowa and University of Wisconsin used in the comparison are the regional institutions.

Following the summary presentation, Vice Chancellor King suggested that the next steps would be to get feedback from the board with respect to the completeness of the study and its responsiveness to the initial inquiry, as well as the fee maximums issue. Consultation with the

student organizations will take place over the next month with a plan to continue the discussion at the November board meeting so that campuses can plan for budgeting for FY2020.

Trustee Janezich asked if the presidents helped with the study or were part of the discussion. Vice Chancellor King responded that the CFOs helped build the data and that there was discussion with the presidents at Leadership Council about the results and about bringing up the discussion on fee maximums. There was support from the presidents to do so.

Trustee Abdul-Aziz asked if statewide student consultation was effective the way it is now. Vice Chancellor King offered that there is, in board policy, a very robust student consultation process on campus as the budgets are being developed. Student associations send a letter to the board each spring that indicates engagement with the process. There is also a relationship through the chancellor's office with statewide student associations with monthly consultation discussions on a regular basis.

Trustee Abdul-Aziz asked if there was anything to suggest that would improve the process. Vice Chancellor King stated that the current process is strong but it is demanding on the students as they try to be students. The challenge is that time presses on, while the board is looking for advice and decisions need to be made. We will keep working on this from a communication/outreach standpoint.

Chancellor Malhotra stated that he does meet regularly with Students United and LeadMN and seeks feedback from them on an ongoing basis. Associate Vice Chancellor Glass is in touch with these groups during the development of meeting agendas. At the state level it is working fairly well but there is always room for improvement. LeadMN has been talking to the chancellor's office about improvements in the process. Any suggestions from these groups or through Trustee Abdul-Aziz can be brought to the chancellor's office.

Committee Chair Moe offered that this research and documentation are invaluable to this discussion.

Trustee Anderson asked if the data on fees from the surrounding states could be further broken down for comparison. Vice Chancellor King answered that the national data set does not break down the fee information further. All states have different environments and historical relationships between state appropriations and tuition and fees. We do not have the capacity to do this kind of research. We do intend to look at the fee structure of South Dakota because it varies so much from the other data.

Trustee Janezich asked if the board needs to provide support for the next steps. Vice Chancellor King stated that she will come back in November with a discussion concerning a board action to alter fee maximums with some guidance for presidents to undertake their usual budget planning discussions.

Trustee Janezich recalled the discussion in May and recommends that the Vice Chancellor stay on this path and provide the institutions with what they need to increase the fee maximums due to the long period that has passed since the last time fee maximums were raised.

Trustee Cirillo recalled that this discussion began back in June with a proposal to raise a student fee. Are we changing the structure of fees? Vice Chancellor King replied that the board action at that time was a one year approval. The student association was advised to come back next spring to include their recommendation for their fee increase going forward. It is not expected that there would be a recommendation to restructure other fees.

Board Chair Cowles asked if it would be possible to look at surrounding regional state data and would it be accessible for a break-out that might provide some additional context. Vice Chancellor King responded by stating that this could be done but that we would do so with some reluctance because we would not know the story behind each state's fee structures.

Trustee Rodriguez noted that athletics fees, health services fees, and student activity fees vary on campuses, but technology seems to be consistent at $10 per credit. Why is this fee not covered in the overall tuition? Vice Chancellor King answered that the technology fee was established because students were looking for more support for their laptops, in their computer labs, and for longer lab hours. This was governed by student committee to support what students want for technology services. Trustee Rodriguez followed up by asking if this was the most efficient process. Should our policy fee for technology evolve given the expectations that we now have regular access to wifi, for instance? Vice Chancellor King replied that conversations with the CIO and CFOs would be initiated to see if this question could be directed into a community of interest to look at it. There is precedent for taking individual "outlier" fees and rolling them up into a base tuition adjustment and eliminated the old fees. That issue seems to relevant to this current situation with technology fees.

Trustee Williams asked about the pattern of this type of research. Had this been done in the past to make comparison so that we can agree that our fees are reasonable or higher? Vice Chancellor King stated that a fee study had not been done in roughly 10 years and that many changes have occurred in the fee environment during that time.

Trustee Williams followed up by stating that in the context of Reimagining Minnesota State, it is important to know how the board could influence how the colleges and universities determine their fees that are charged to students because this could be considered part of student success. How we are able to maintain the number of students or enrollment on a yearly basis. This should be a recommendation to the chancellor to look into as well. Vice Chancellor King responding by inviting the board to contribute to ideas about the relationship between fee policy, student success, and student persistence.

Committee Chair Moe asked for additional comments or questions. There being none, he offered that this was an excellent document that can be used in further discussions.

6. **Bachelor's Degree Partnership Program—Twin Cities Baccalaureate Pilot Tuition and Fees Program**
Vice Chancellor King gave a summary of the recommendation from the finance group attached to the TCB implementation team.

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

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

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

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

Rationale:
1. Tuition revenue supports instruction and academic services provided by university faculty and staff.   Therefore, universities should retain most tuition revenue with a small

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

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

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

Pilot timeline:
Board approval—*Oct 2018*
Model implementation at pilot partnerships—*January through Dec 2019*
Report and revaluate outcomes—*January through March 2020*
Implement to all metropolitan area colleges—*July 2020*

The committee's recommended motion is found on pages 95-96.

Trustee Hoffman asked to hear from the presidents in these partnerships. They were invited to share any strengths or concerns. MSU, Mankato President Richard Davenport stated that this is a good movement in the right direction in trying to direct the fee structure for students taking classes in the Twin Cities. It will help provide a fair model for charging student fees without being too complicated. While this is a good first step, in order to offer programs at the Twin Cities colleges, we need to take into account the cost of renting facility space for classrooms and faculty office space. The next challenge is to determine the cost of the classroom space and factor that into the formula.

Vice Chancellor King offered that there has already been some work done to capture what costs are included in the 5% fee and which costs are not. Work will continue in this area to define these costs.

Trustee Sudin stated that she did not agree with the current Twin Cities plan at all and would not support this effort. She stated that she hopes that a different solution will be entertained.

Trustee Abdul-Aziz asked for a clarification of what the program actually is. Vice Chancellor King stated that students enrolled in a university program can take instruction on a college campus. This is part of a board strategy to expand baccalaureate completion in the Twin Cities area by partnerships between our colleges and universities. This recommendation helps in solving some of the finance and facilities barriers to that strategy. Trustee Abdul-Aziz asked if replacing the standard fee with this fee was cheaper. Vice Chancellor King stated that the impact to a Metropolitan State student would be zero. This is just a restructuring of the fee so that there can be a relationship between the university and the college.

Trustee Williams asked for reasons why a student might not be able to stay within the city limits. Is there not enough space for all of the students that wish to take classes? Vice Chancellor King answered that there is much data that goes into student decision making between colleges and universities including programming, scheduling, transportation, etc. Academic and Student Affairs is looking at this. Our university system can bring programming to where the college students are and this strategy is designed to help expand access accordingly.

Chancellor Malhotra shared that the genesis of this work goes back a few years. This began under the Metro Baccalaureate Expansion program. There was a concern that many students who wanted a 4-year degree did not have the ability to go to a four year campus. Additionally, Minnesota State wanted to be where their students are. 2-year/4-year partnerships began to emerge with some 4-year institutions offering courses on 2-year campuses. Today we are seeing the operationalizing of this concept.

Chair Moe called for a motion to approve the implementation of the TCB pilot project. Trustee Hoffman made the motion. Trustee Abdul-Aziz seconded.

Trustee Janezich asked if we were moving fast enough for what we are trying to accomplish. Chancellor Malhotra stated that we are moving faster but not fast enough. Trustee Janezich suggested that if we are going to focus on enrollment and underserved populations, that maybe this should be a higher priority. Chancellor Malhotra agreed that we need to create a greater sense of urgency on this issue and move faster.

The motion was adopted.

The meeting adjourned at 11:10 a.m.
Respectfully submitted: Don Haney, Recorder

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee   **Date:** November 13, 2018

Title: FY2020-2021 Legislative Biennial Budget Request (Second Reading)

Purpose (check one):

| ☐ | Proposed New Policy or Amendment to Existing Policy | ☒ | Approvals Required by Policy | ☐ | Other Approvals |

| ☐ | Monitoring / Compliance | ☐ | Information |

Brief Description:

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

Scheduled Presenter: Laura M. King, Vice Chancellor - CFO

BOARD ACTION
FY2020-2021 LEGISLATIVE BIENNIAL BUDGET REQUEST (SECOND READING)

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

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

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

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

Campus Investments:
- $169 million to keep our tuition affordable by funding inflationary costs at three percent each year of the biennium and repairing a portion of the structural funding gap from the FY2018-FY2019 biennium.
- $37 million to support ISRS Next Gen, a mission-critical, multi-year technology infrastructure project to replace our out-of-date enterprise technology system.

Strategic Investments:
- $25 million in targeted financial support to strengthen access and help our student advance and succeed, especially diverse student groups.
- $15 million to address the workforce gap through innovative career, technical and programming serving business and industry.

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

RECOMMENDED COMMITTEE MOTION:

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

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

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

RECOMMENDED BOARD MOTION:

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

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

Date Presented to the Board of Trustees: *10/17/18*
Date of Board action: *11/14/18*

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee   **Date:** November 13, 2018

Title: Increases to Board Established Fee Maximums

Purpose (check one):

☐	Proposed New Policy or Amendment to Existing Policy	☒ x	Approvals Required by Policy	☐	Other Approvals
☐	Monitoring / Compliance	☐	Information		

Brief Description:

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

The purpose of this report is to recommend fee cap changes based on the results of the study.

Scheduled Presenter: Laura M. King, Vice Chancellor - CFO

BOARD OF TRUSTEES
MINNESOTA STATE

BOARD ACTION
INCREASES TO BOARD ESTABLISHED FEE MAXIMUMS

EXECUTIVE SUMMARY

Minnesota State staff presented the Fee Study to the October Finance committee of the Board of Trustees, and are returning with a recommendation for consideration of a board action increasing the maximums established for certain fees.

Fees concerned include: senior citizen in lieu of tuition, payment plan, late, application, student life/activity, athletics, health services, and technology fees. Recommended increases are for health services, and technology fees; no increases are recommended for senior citizen in lieu of tuition, payment plan, late, application, student life/activity, and athletics fees.

The study found that the current required fee package for Minnesota State colleges and universities was in the mid-range nationally and mid-range or lowest in the region. It further found that fee caps had not been raised in 10-18 years.

ESTABLISHING FEE MAXIMUMS

The board sets fee maximums to maintain oversight over the level of fees charged to students while allowing individual colleges and universities the ability to assess differing fee rates within those limits based on individual campus needs. The fee maximums are the same for colleges and for universities; they are not sector specific.

Fee maximums have not been increased in at least 10 years, with some unchanged in 18 years. This has created pressure on fee-supported activities, especially when combined with falling enrollment and increased demand for services. College and university staff and students at individual campuses have requested that fee maximums be increased in order to provide greater flexibility in the local budget process.

The board has established fee maximums for senior citizen in lieu of tuition, payment plan, late, application, student life/activity, athletics, health services, technology, and residential learning communities.   Current fee maximums are an attachment to system procedure 5.11.1 and are posted on the board policy webpage.

STUDENT FEE ANALYSIS
Comparative Analysis: Minnesota State vs. National Average
Based on an analysis conducted by Minnesota State System Research using fiscal year 2017 IPEDS (Integrated Postsecondary Education Data System) data, the Minnesota State package of required fee charges are lower than the national average for both public masters universities and public two-year colleges.

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

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

Current Fee Practices
Minnesota State college and university chief financial officers were surveyed to determine current fee practices as well as proximity to the fee maximum. Table A shows current fee practices at the colleges and universities, the last time each fee maximum was increased and the impact of inflation on the fee rate structure.

TABLE A
Current Campus Fee Assessment Practices and Maximums

CAMPUS REQUIRED FEES:	Senior Citizen	Payment Plan	Late
30 Colleges: # at max/# charge fee	25/30	9/29	16/29
7 Universities: # at max/# charge fee	6/7	3/7	5/7
Last year maximum was increased	FY2000	FY2003	FY2003
Current fee maximum	$20.00 per credit	$30.00 per term	$50.00 per term
Inflation adjusted maximum*	$30.00	$42.00	$70.00

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

CAMPUS DISCRETIONARY FEES:	Technology	Athletics	Health services	Student life/activity	Application
30 Colleges: # at max/# charge fee	24/30	1/4	0/12	9/30	22/22
7 Universities: # at max/# charge fee	4/7	3/6	4/7	1/7	7/7
Last year maximum was increased	FY2008	FY2009	FY2009	FY2000	FY2003
Current fee maximum	$10 per credit	$55 per term	$65 per term	$112.50 per term	$20.00 per UG application
Inflation adjusted maximum*	$12.00	$63.00	$74.50	$170.00	$28.00

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

RECOMMENDATION

Board policy directs that the system office review, report and make recommendations to the board regarding the maximum levels every two years. Because fee maximums have not been increased in a decade or more and have not kept up with inflation and student demand for services, staff is recommending increases in the maximums for health services and technology fees.

Table B displays the current fee maximums and the staff recommendations for the fees recommended for increases to the board maximum.

TABLE B
Recommended Fee Maximum Increases with Annualized Impact

	Technology	Health Services
Current fee maximum	$10 per credit	$65 per term
Recommended maximum	**$12.00**	**$75.00**
Annualized impact if campuses recommend full increase	$60.00	$20.00

Table C illustrates the annual impact the proposed fee maximum increases would have if the entire increase were to be applied. However, the chancellor has the authority to establish limits on fee rate increases that are presented to the board as part of the annual operating budget. Since 2013, the chancellor has limited the annual increase in aggregate fees charged to all students to three percent, with exceptions considered for increases supported by student governments and/or necessary to support bond-financed facilities.

TABLE C
Impact on Average Annual Required In-state Fees

	Current Annual In-state Average	Proposed Policy Maximum Increase	2020 aggregate limit
Colleges	$601	$80	$18.03/3%
Universities	$1,196	$80	$35.88/3%

The limit on aggregate fee rate increases is used in conjunction with the fee maximums established by the board. In addition, an affirmative student referendum is required by Minnesota Statute, Section 135A.0434, in order to increase the student life/activity or athletic fees by more than two percent.

CONSULTATION

System procedure 5.11.1 requires that before any increase is made in the fee maximums, the system office shall consult with the statewide student associations. Staff has shared the recommendations with the leaders of Students United and LeadMN and invited their feedback. Both organizations have also been invited to comment in person or in writing at the November Finance committee meeting.

Increasing the fee maximums does not mean that student fees assessed at colleges and universities will necessarily increase. It provides the president the option to increase fees subject to student consultation and to other constraints on fee rate increases. Local college and university consultation will continue to govern any recommended increases to any fee at the college or university level.

RECOMMENDED COMMITTEE ACTION:
The Finance Committee recommends that the Board of Trustees adopt the following motion:
The Board of Trustees establishes the fee maximums as displayed in Attachment 1.

RECOMMENDED BOARD ACTION:
The Board of Trustees establishes the fee maximums as displayed in Attachment 1.

Date of Board action:	*11/14/18*
Date of Implementation	*07/01/18*

Attachment to Procedure 5.11.1 - Fee Amounts

Required Fees	Amount
Senior Citizen in Lieu of Tuition	Maximum of $20 per credit
Parking	No maximum
Statewide Student Association	Students United: $.61 per credit
	Lead Minnesota: $.35 per credit
Payment Plan	Maximum $30 per term
Late	Maximum $50 per term

Campus Discretionary Fees	Amount
Application	$20 per undergraduate application;
	Maximum $40 masters application
	Maximum $55 doctoral application
Credit for prior learning assessment	Reflects Cost
Student life/activity	Maximum of $112.50 per term
Athletics	Maximum $55 per term
Health services	Maximum of $75 per term
Special event	No maximum
Residential learning community	Lourdes Hall (Winona) - $150 per term
	Engineering program (Itasca Community College) - $50 per term
	Residential learning community (MSU Moorhead) - $150 per term
Technology	Maximum $12 per credit

Personal property charges and service charges   Reflects cost

Revenue Fund Fees   No maximums

Date of Implementation: 07/01/19
Date of Adoption: 11/15/18

MINNESOTA STATE

ACADEMIC AND STUDENT AFFAIRS COMMITTEE
NOVEMBER 13, 2018
10:30 AM

_____

MCCORMICK ROOM
30 7TH STREET EAST
SAINT PAUL, MN

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

1. Minutes of October 17, 2018 (pp. 1-6)
2. Approval of Mission Statement: Bemidji State University (pp. 7-11)
3. Proposed Amendments to Policies (Second Readings)
        a) 3.3 Assessment for Course Placement (pp.12-14)
        b) 3.41 Education Abroad (pp. 15-17)
4. Innovation & Evolution: Shaping Our Work (pp. 18-65)

ACADEMIC AND STUDENT AFFAIRS COMMITTEE
Alex Cirillo, Chair
Cheryl Tefer, Vice Chair
Ashlyn Anderson
Dawn Erlandson
Jerry Janezich
Rudy Rodriguez
Louise Sundin

Bolded items indicate action required.

Academic and Student Affairs Committee members present: *Alex Cirillo**, Ashlyn*
Anderson, Jerry Janezich, Rudy Rodriguez, Louise Sundin, Cheryl Tefer
Academic and Student Affairs Committee members on the phone: *Dawn Erlandson*
Academic and Student Affairs Committee members absent: *none*
Other board members present: *Michael Vekich, Jay Cowles, AbdulRahmane Abdul-*
Aziz, Robert Hoffman, Roger Moe, April Nishimura, George Soule, Samson Williams,
Chancellor Devinder Malhotra

Committee Chair Alex Cirillo called meeting to order at 10:30 am.

**Approval of the June 20, 2018, *Academic and Student Affairs Committee* Meeting
Minutes**
Committee Alex Cirillo *called for a motion to approve the Academic and Student Affairs*
Committee Meeting Minutes. The minutes were approved as written.

1. **Proposed Amendment to Policy 3.4 Undergraduate Admissions (First Reading)**
2 **Proposed Amendment to Policy 3.35 Credit for Prior Learning (First Reading)**
   Repeal Policies:
   •3.15 Advanced Placement Credit
   •3.16 International Baccalaureate Credit
   •3.33 College-Level Examination Program (CLEP) Credit
3. **Proposed New Policy 3.42 Posthumous Academic Awards (First Reading)**
   Presenter: Ron Anderson, Senior Vice Chancellor for Academic and Student
   Affairs

Senior Vice Chancellor Anderson: Trustees, before you have three policies that were
originally reviewed by you in June. The first of which is the Undergraduate Admissions
Policy, Policy 3.4

This was reviewed as part of our annual five year review cycle and updated to address
recent state and federal legislative changes. Since our discussion in June there have
been no additional changes or comment on the policy so it stands as you reviewed it in
June.

The second policy is Policy 3.35, Credit for Prior Learning, this too was reviewed as part
of the five year review cycle. We recently completed a series of work across our
campuses and part of that work did a deep review of this policy. This combines a
number of prior policies. While we are asking for you to approve the new policy 3.35 we

are also asking to repeal 3.15, 3.16, and 3.33 as they have been incorporated into the single policy 3.35. As with the undergraduate admissions policy, there have been no additional changes or comments to the policy since the June discussion.

Question: What does this mean to the international baccalaureate programs and advanced placement programs at a high school from a PR standpoint?

SVC Anderson: It is much more consistent to have them under the broader umbrella of credit for prior learning. They are essentially different pathways to earn credit. It will not change anything in terms of how they are processed or how we relate to our high schools.

The third policy before you is Policy 3.42. It is a new policy on posthumous academic awards. There has been one change to the language since June in response to a discussion of the board and clarified the language.

MOTION: Move to accept all three proposed amendments as written with the change to the language in Policy 3.42.
*The motion carries.

4   **Proposed Amendment to Policy 3.3 Assessment for Course Placement (First Reading)**
         Presenter: Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

5   **Proposed Amendment to Policy 3.41 Education Abroad (First Reading)**
         Presenter: Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

Senior Vice Chancellor Anderson: Trustees, before you have before two policies amendments that are new for your review today. The first is 3.3 Assessment for Course Placement and was reviewed as part of our normal review cycle. There has been some shortening of the purpose section to be more concise and all-encompassing and few changes in regards to language. We had a previously required that colleges and universities have their own policy, and we have removed that with the understanding that the board policy supersedes all else and there is no need to have a separate policy at the campus level. In addition, we have changed the word system approved "instrument" to "instruments" meaning we are moving into a time of multiple measures in assessments and it is being changes to reflect that.

The second is amendment is to Policy 3.41 Education Abroad. This change is simply to address change in language.

Both of these will brought back to you next month for further discussion and review and adoption.

6   Academic and Student Affairs Vision and FY19 Work Plan
To be a national higher education leader in transforming systems and practices to improve student outcomes, eliminate educational disparities, and meet workforce needs.
Presenter: Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

7   Academic and Student Affairs Committee FY19 Work Plan and Meeting Agenda
Presenter: Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

Chair Cirillo: Trustees, please review the charter for the Academic and Student Affairs Committee. The committee's oversight includes Academic Programs, Academic Program Standards, Transfer Policy, Student Success Programs and Strategies, we have covered Board Recognition of Instructional Excellence, we work with institutional names and mission statements, educational strategy that proactively addresses future needs, diversity and equity matters that are related to students and academic programs, and the academic and student related matters. Is there anything that we overlooked??

Trustee Rodriguez: An opportunity to clarify where the intersection of Diversity & Equity and academic programs meet? The sentence that says, "diversity and equity matters that are related to students and academic programs" and not students?

SVC Anderson: We are working with the Equity and Inclusion office to recognize that this permeates all of our work and it is about academic programs but it is also related to how we lead and support our students in and outside the classroom.

Trustee Tefer: Would you put academic integrity anywhere there? Should it be added to the list?

Chancellor Malhotra: It is a great suggestion, we will amend it to say academic integrity and quality assurance. This is a national discussion that is going on and ties this work to the value proposition.

One other area, and this is not a suggestion to add, but more of a clarification from SVC Anderson – where exactly does the workforce issues fit into this? This is also a part of the portfolio of work of the division.

SVC Anderson: I see that sitting in the academic and program standards pieces as part of what we do. We can clarify if you'd like.

SVC Anderson: I would like to start with a discussion of our vision and work plan. As you know each fall I share ASA's annual work plan. This year we began with different discussions
.
What is the aspirational vision that we have within the system office and on the campuses?

There are five units within the Academic and Student Affairs division: Academic Affairs, Student Affairs, Educational Innovation (supporting and ceding innovative efforts in curriculum and programming and services as well as educational technology), the Workforce Development unit, and the Research unit (reporting and research, statistics and data).

There are three significant components: The first component is that of Leadership. The second area is Support. The third function is Assurance and Advocacy. We began with discussions in visioning for current work in each unit, articulating clearly and strategic priorities, what are merging issues and what are we seeing on the horizon, alignment and interconnectivity.

The fourth piece was to think about the alignment and interconnectivity within the division as well as connecting other units with ASA. As a leadership team we coupled internal work and some external themes that are emerging. Looked at high impact practices specifically in regards to student success. What are the strategic initiatives moving forward?

First we must define a long term aspirational vision for the division and our work with our campuses. The second is to establish a framework for organizing our thinking about the work and articulating it both internally and externally. Third, how do we create a work plan for FY2019 that is going to be forward leaning and feed into our discussions for FY2020 and FY2021?

Our aspirational vision statement is *"To be a national higher education leader in transforming systems and practices to improve student outcomes, eliminate educational disparities, and meet workforce needs."*

SVC Anderson: Once we have the vision how do we link it to our work? There are three significant components:
1. Guided learning pathways.
2. Student experience and engagement
3. Innovation and evolution

How do we think about re-envisioning higher education as a collective and collaborative enterprise? Enterprise activities that we are working on: Student success strategies to include: Strategic enrollment and management, student success analytics, transfer

pathways, comprehensive workplace solutions, collaborative practice for regional planning, open educational resources.

SVC Anderson: Three organizing principles of the system: Student Success, Equity and Inclusion, and our commitment to campus and program sustainability. They are all across the strategic categories we are working on. In terms of next steps, we will take this next week to the Academic and Student Affairs Fall Conference in partnership with the Equity and Inclusion Division. They will focus on leadership and strategy.

SVC Anderson: What are your thoughts or advice to us as we move forward in regards to the committee charter and purpose, how do we frame it, what perspective, how do we focus on current ASA challenges?

Committee charter and purpose – agenda would normally be set for the year on what topics the committee would discuss at board meetings. How can these meetings be most productive to you in terms of fulfilling the work of the committee?? Three things to talk about in ways to do that:

1. We could contextualize the meetings around the guided learning pathways, student engagement, experience, and innovation and evolution. We could use those three as anchors for our discussions.

2. We could use the eight things that boards are looking at across the country in higher education: student success, enrollment, and changing student demographics, innovation and quality in curriculum programing services and operations, campus climate, disinvestment in public higher education, affordability, state and federal policy, and leadership in change.

3. Focusing on key academic and student affairs topics – those that are brought forward by the committee or by the ASA division or the chancellor – which would be more individualized.

Chair Cirillo: My sense is that organizations that are focused solely on themselves do not progress. Too much internal focus is not good for us. You can also be totally distracted by too many external items as well. We need to find a happy medium. We need to keep stories coming to the committee – to hear from campuses and other divisions to have connections.

SVC Anderson: Questions for the committee's consideration:

1. Strategic discussion questions – are there specific things I can do to engender more committee engagement and discussion.

2. Are there things that we have forgotten or that you want us to be thinking about as we are looking at laying out the course for the year? Are there specific things you may find useful?

For next steps, I would like to have further conversation with the chair and work on an agenda for the year, and bring it to the committee and chair for feedback and discussion in November.

Meeting Adjourned 11:44 am
Meeting minutes prepared by Kalae Verdeja
10/2018

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

Name: Academic and Student Affairs Committee   **Date:** November 13, 2018

Title: Mission Statement: Bemidji State University

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy   ■ Approvals Required by Policy   ☐ Other Approvals

☐ Monitoring / Compliance   ☐ Information

Brief Description:

The mission of Bemidji State University is being presented for board approval. The mission meets the criteria in Board Policy 3.24 Institution Type and Mission, and System Mission, Part 4: Approval of College or University Mission Statements.

Scheduled Presenter(s):
Satasha Green-Stephen, Associate Vice Chancellor for Academic Affairs
Faith Hensrud, President, Bemidji State University

BOARD ACTION ITEM
Mission Statement: **Bemidji State University**

BACKGROUND
Bemidji State University revised its mission and vision through a strategic planning process, which started in 2013-14 under the leadership of then-president Richard Hanson.

In 2017, following the development of a new extensive strategic plan led by President Faith Hensrud, the mission and vision were again reviewed and reaffirmed to meet the needs of the institution.

The revised mission and vision statements meet the criteria identified in Board Policy 3.24 Institution Type and Mission, and System Mission, Part 4: Approval of College or University Mission Statements.

Current Mission:
Engage. Embrace. Educate. As northern Minnesota's university, we engage in new worlds of thought, embrace responsible citizenship, and educate for a future that can only be imagined.

In order to fulfill its mission and responsibilities as a public university, Bemidji State University is committed to:
- Creating opportunities for student success through high-quality programs and services.
- Supporting and promoting community vitality through Bemidji State's commitments within our local, regional, national, and world spheres.
- Accommodating change through an organizational culture of sustainability, distinctiveness, and innovativeness.
- Effectively managing enrollment and resources in support of the university's vision and mission.

Proposed Mission: We create an innovative, interdisciplinary and highly accessible learning environment committed to student success and a sustainable future for our communities, state and planet. Through the transformative power of the liberal arts, education in the professions, and robust engagement of our students, we instill and promote service to others, preservation of the Earth, and respect and appreciation for the diverse peoples of our region and world.

The proposed mission statement is not intended to materially change Bemidji State University's core mission. Rather, the objective is to restate BSU's existing mission statement more directly and concisely.

The key elements are as follows:
1. The university's "…innovative, interdisciplinary and highly accessible learning environment…" illustrates our commitment to create new programs for our students and to explore creative ways to increase collaboration among our existing academic programs. This also speaks directly to our embodiment of the Minnesota State mission to create educational opportunities that are accessible to all Minnesotans.

2. "…student success and a sustainable future for our communities, states and planet." reflects our belief that a highly skilled and well-educated person provides immeasurable benefits to society. This also speaks to the university's Shared Fundamental Value of international and multicultural understanding, as we work to educate future citizens of an ever more interconnected global community.

3. "Through the transformative power of the liberal arts…" reflects our strong belief that a well-rounded education in all aspects of life is not only necessary, but life-changing for the student who receives it. A comprehensive university supports the development of a whole person who makes positive contributions to the world around them. A belief in the transformative power of the liberal arts is one of BSU's Shared Fundamental Values.

4. "…education in the professions" refers to the university's educational offerings in pre-professional programs.

5. "…engagement of our students…" refers not only to a student's own commitment to their education, but also in the university creating opportunities for students to become active, involved members of our local, regional and global communities.

6. "…promoting service to others" reflects the university's Shared Fundamental Value to promote civic engagement and leadership to our students.

7. "…preservation of the Earth" reflects our goal to educate our students about sustainable practices in all aspects of life and reflects our Shared Fundamental Value of environmental stewardship.

8. "…respect and appreciation for … diverse peoples" refers to Bemidji State University's strategic commitment to "create a university culture in which diversity is embraced and all people are safe, welcome and validated." This commitment reflects our Shared Fundamental Value of international and multicultural understanding.

Current Vision:
Shaping Potential, Shaping Worlds.
Bemidji State University is a catalyst for shaping the potential of those it serves, who, in turn, shape the worlds in which they live and work.

Proposed Vision: We educate people to lead inspired lives.

The new vision statement aligns with the Minnesota State vision as it speaks directly to educating people (of Minnesota) and elsewhere to create a better future for themselves, their families, and their communities. It is both inspirational and aspirational, and demonstrates the transformative nature of an education at Bemidji State University.

The university vision and mission respond to the following elements in system procedure:
1. The alignment of the proposed mission with the system mission and statewide needs;
   The revised mission and vision relies on and aligns with the system strategic framework:
   - Ensure access to an extraordinary education for all Minnesotans.
   - Be the partner of choice to meet Minnesota's workforce and community needs.
   - Deliver to students, employers, communities and taxpayers the highest value/most affordable higher education option.

   The proposed mission statement aligns directly with the Minnesota State mission. Both focus on meeting the educational goals of students and supporting local economies. BSU's proposed mission statement also aligns directly with the Minnesota State vision in that both focus on accessible and high value education.

   Likewise, BSU's proposed mission statement aligns directly with the Strategic Framework. Value and accessibility in BSU's mission statement encompass access, extraordinary education, and affordability. Meeting the needs of the community and supporting the economy in BSU's mission statement will make BSU the partner of choice for workforce and community needs within its service area.

2. The extent to which the college or university will meet expectations of statute and how it relates to other institutions of higher education;

   The proposed revision does not change the extent to which the university will meet expectations of statute or how the university relates to other institutions of higher education. Bemidji State University will remain a regional comprehensive university governed by the policies of its accreditation agency, the Higher Learning Commission, and the policies of the Minnesota State Board of Trustees.

3. The array of awards it offers;
   The proposed revision does not change the array of awards the university offers which includes certificates, associate degrees, bachelor's degrees, specialist degrees, master's degrees and graduate certificates.

4. The compliance of the college or university mission with statute, policy, and regional accreditation requirements;

   Bemidji State University will remain a regional comprehensive university governed by statutes and regulations of its accrediting agency, the Higher Learning Commission (HLC). The new Bemidji State University mission provides a strong foundation for evaluation, accountability and accreditation by the Higher Learning Commission.

5. The consultation with faculty, students, employers, and other essential stakeholders.

   In 2013-14, then-President Richard Hanson led a strategic planning process which developed the vision and mission for Bemidji State University presented before you. In addition to broad campus feedback from faculty, staff and students, the university sought input on this revised mission and vision from several groups of university constituents, including members

of the Greater Bemidji Board of Directors (economic development board for Bemidji area), educators, and general community members during various feedback/focus group conversations.

In 2017, President Hensrud led a strategic planning effort in which the mission and vision were reviewed and determined to fit the needs of the institution. No changes were recommended.

In May 2018, as our HLC Accreditation team reviewed evidence that we are meeting the criteria for accreditation, they discovered that the 2013-14 mission and vision were never presented to the Board of Trustees for approval. As such, in August and September 2018, we presented the mission and vision to our bargaining units through the meet and confer process. All bargaining units supported the mission and vision as written with the recommendation to change the lower case letter 'e' in earth to an upper case 'E' to properly signify the entire planet.

RECOMMENDED COMMITTEE ACTION
Upon the recommendation of the Chancellor, the Academic and Student Affairs Committee recommends that the Board of Trustees approve the mission and vision of Bemidji State University.

RECOMMENDED MOTION
The Board of Trustees approves the mission and vision of Bemidji State University.

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs Committee   **Date:** November 13, 2018

Title: Proposed amendment to Board Policy 3.3 Assessment for Course Placement (Second Reading)

Purpose (check one):

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

Brief Description:

> The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.
>
> The proposed amendment was reviewed by the general counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

Scheduled Presenter:
Satasha Green-Stephen, Associate Vice Chancellor for Academic Affairs

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
NEW BOARD POLICY 3.3 ASSESSMENT FOR COURSE PLACEMENT (SECOND READING)

1 **BACKGROUND**
2 The proposed amendment updates the policy language to reflect that multiple assessment
3 instruments (plural) are used in our system. The former language referenced only one
4 assessment instrument. The new writing and formatting styles were also applied to the policy.
5
6
7 **RECOMMENDED COMMITTEE MOTION**
8 The committee recommends the Board of Trustees adopt the proposed amendment to Board
9 Policy 3.3.
10
11
12 **RECOMMENDED BOARD MOTION**
13 The Board of Trustees adopt the proposed amendment to Board Policy 3.3.
14
15
16 *Date Presented to the Board of Trustees:*   *11/15/18*
17 *Date of Implementation:*   *xx/xx/xx*

BOARD POLICY – SECOND READING		
Chapter 3	Chapter Name	Educational Polices
Section 3	Policy Name	Assessment for Course Placement

1   **3.3 Assessment for Course Placement**

2

3   **Part 1. Purpose.**

4   ~~The purpose of this policy is to~~ To improve student success in college and university courses through

5   student assessment and course placement. ~~that addresses reading comprehension, written English,~~

6   ~~and mathematics knowledge and skills.~~

7   **Part 2. Course Placement Assessment.**

8   **Subpart A. College and ~~U~~university ~~P~~policy.**

9   Each college and university shall ~~develop and implement a course placement~~ ~~policy that~~ addresses

10   how student knowledge and skills ~~shall~~ will be assessed for course placement decisions according

11   to System Procedure 3.3.1 Course Placement.

12   **Subpart B. System-~~E~~endorsed ~~P~~placement ~~I~~instrument(s).**

13   The chancellor shall select the system-endorsed placement instrument(s) for assessment of reading

14   comprehension, written English, and mathematics according to System Procedure 3.3.1 Course

15   Placement.

Related Documents
- System Procedure 3.3.1 Assessment for Course Placement

To view related Minnesota statutes, go to the Revisor's Web site
(http://www.revisor.leg.state.mn.us/). You can conduct a search from this site by typing in the statute
number
- Minn. Stat. 136F.302 Regulating the Assignment of Students to Remedial Courses

1

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs Committee   **Date:** November 13, 2018

Title: Proposed amendment to Policy 3.41 Education Abroad Programs

Purpose (check one):

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

Brief Description:

Policy 3.41 Education Abroad Programs was adopted by the Board of Trustees in January of 2018. Shortly thereafter, the U.S. Department of State changed the language in their International Travel Warning System The proposed amendment reflects the new language by replacing the word "warnings" with "advisories".

The proposed amendment was reviewed by the Academic and Student Affairs Policy Council, Office of General Counsel and cabinet. An expedited review process was used since this Policy was recently adopted and the proposed amendment was merely correcting the name of the warnings provided by a federal agency.

Scheduled Presenter:
Satasha Green-Stephen, Associate Vice Chancellor for Academic Affairs

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
BOARD POLICY 3.41 EDUCATION ABROAD PROGRAMS (SECOND READING)

1 **BACKGROUND**
2 Board Policy 3.41 Education Abroad Programs was adopted by the Board of Trustees on January
3 24, 2018. Shortly after adoption, the U.S. Department of State made a change in the
4 International Travel Warning System. Their "Travel Warnings" were changed to "Travel
5 Advisories". The proposed amendment replaces the word "Warnings" with "Advisories".
6
7
8 **RECOMMENDED COMMITTEE MOTION**
9 The committee recommends the Board of Trustees adopt the proposed amendment to Board
10 Policy 3.41.
11
12
13 **RECOMMENDED BOARD MOTION**
14 The Board of Trustees adopt the proposed amendment to Board Policy 3.41.
15
16
17 *Date Presented to the Board of Trustees:*   *11/15/18*
18 *Date of Implementation:*   *xx/xx/xx*

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD POLICY – SECOND READING		
Chapter 3	Chapter Name	Educational Policies
Section 41	Policy Name	Education Abroad Programs

1 **3.41 Education Abroad Programs**
2
3 **Part 1. Policy Statement**
4 The colleges and universities of Minnesota State strive to provide students with academic and
5 experiential opportunities outside the United States to acquire cultural experiences and
6 develop global competencies.
7
8 **Part 2. Process Components**
9 Colleges and universities will have a process for approval, evaluation, quality improvement, and
10 the delivery of appropriate institutional support for education abroad programs.
11
12 **Part 3. Health and Safety of Participants**
13 Education abroad programs approved for credit by a college or university must be established
14 with sound health, safety, and security measures that minimize risks to the participant and
15 college or university.
16
17 Colleges and universities that offer education abroad programs shall request disclosures of
18 hospitalizations and deaths related to participation in the education abroad program. Upon
19 completion of the program, the college or university shall submit necessary reports to the
20 Office of Higher Education pursuant to Minn. Stat. § 5.41.
21
22 **Part 4. Risk Assessment**
23 Colleges and universities offering education abroad programs shall conduct a thorough risk
24 assessment for the program prior to and during the travel period of the program and comply
25 with the U.S. Department of State Travel Advisories ~~Warnings~~.
26
27 **Part 5. Third-Party Providers**
28 The requirements of this policy apply to education abroad programs offered by a third-party
29 provider pursuant to a contract with a college or university.
30
31 Colleges and universities shall inform students that any information students receive about
32 non-contracted third-party providers does not constitute an endorsement, approval, or
33 evidence that the college or university has vetted the third-party provider.

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs   **Date:** November 13, 2018

Title: Innovation and Evolution: Shaping Our Work

Purpose (check one):

☐ Proposed
New Policy or
Amendment to
Existing Policy

☐ Approvals
Required by
Policy

☐ Other
Approvals

☐ Monitoring /
Compliance

☒ Information

Brief Description:

The senior system director for educational innovations and innovators from three Minnesota State campuses will share how Minnesota State is making innovation and evolution integral to its culture, preparing campuses for a changing student population and workforce. The purpose of this discussion is to get feedback from the ASA committee on the level of innovation that should receive greatest attention, models or approaches the committee believes would be useful in growing innovation at our colleges and universities, and finally the committee's tolerance for failure in those efforts.

Scheduled Presenter(s):

Kim Lynch, Senior System Director for Educational Innovations, Academic and Student Affairs
J.C. Turner, Riverland Community College
Brenda Flannery, Minnesota State University, Mankato
Karen Pikula, Central Lakes College

INFORMATION ITEM
INNOVATION AND EVOLUTION: SHAPING OUR WORK

BACKGROUND

Aligned with two of the national issues and trends discussed at the September meeting, one focus area guiding Academic & Student Affairs is innovation and evolution, the capacity to "re-envision higher education as a collective and collaborative enterprise where innovation and evolution are integral to our culture." Beginning with an understanding of how current Minnesota State students have changed in the last decade, the ASA Committee will see how innovators within Minnesota State are addressing those changes. For the last three years, the Educational Innovations unit of Academic and Student Affairs has been bringing together innovators from across the state to help move great ideas to successful results.

Faculty and administrators from three campuses will join the committee to highlight two of those projects: 1) FlexPace which has evolved from a business certificate to an A.S. transfer pathway to a B.B.A. collaboration designed for working adult learners; and 2) Open educational resource (OER) development that led to a zero textbook cost degree ("Z degree") at one college and a model of OER adoption, adaption, and development that scaled successfully to the enterprise.

The purpose of this discussion is to share Minnesota State's current approach to innovation and to get feedback from the committee on the level of innovation where we should direct our attention, models or approaches the committee believes would be useful in growing innovation at our colleges and universities, and finally the committee's tolerance for failure in those efforts.

November 13, 2018

Academic & Student Affairs

Innovation & Evolution: Shaping our Work

Board of Trustees

Academic and Student Affairs Committee

Linkages to National Issues and Trends

- Student success, enrollment, and changing student demographics

- Innovation and quality in curriculum, programming, services, and operations

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Innovation and evolution

- Problem Solving

- Problem Preventing

- Continuous Improvement

- Creation of a New Future

MINNESOTA STATE
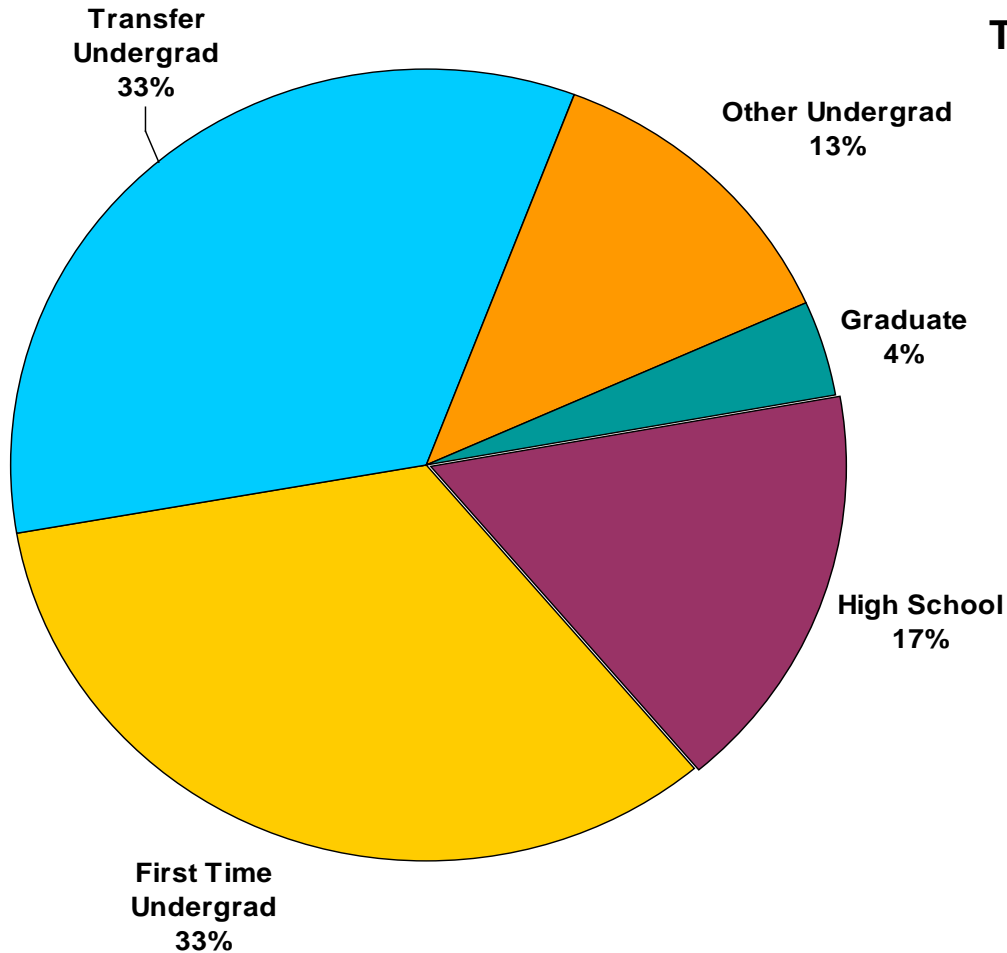
Our students are increasing demographically diverse

Credit Students	2009 (259,281)	2018 (244,825)
American Indian or students of color	18%	27%
25 or older	37%	33%
18 or younger	19%	26%
Female	55%	56%
Pell Eligible	25%	31%
First Generation MN (neither parent has any college)	19%	18%
First Generation Federal (neither parent has a Bachelor's Degree)	54%	51%

Our students are also academically diverse

Credit Students in FY 2018: 244,825

- 60% of college and 38% of university students enroll part-time

- 9% enroll at more than one college or university during the same year

- 38% of college and 17% of university entering undergraduate students take developmental courses

- 50% take one or more online course and 17% are entirely online

Only one-third of our students are traditional first-time undergraduates

Total Credit Headcount = 244,825
Fiscal Year 2018

- Transfer Undergrad 33%
- Other Undergrad 13%
- Graduate 4%
- High School 17%
- First Time Undergrad 33%

25

Innovating for our present and future

Innovators + Resources + Community

RESULTS

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Shark Tank Open

Shark Tank Open Attendance

- 2016 – 143 registrants
- 2017 – 137 registrants
- 2018 – 173 registrants

Mark Your Calendar for the next
STO: April 11, 2019

Innovation Project Pathway
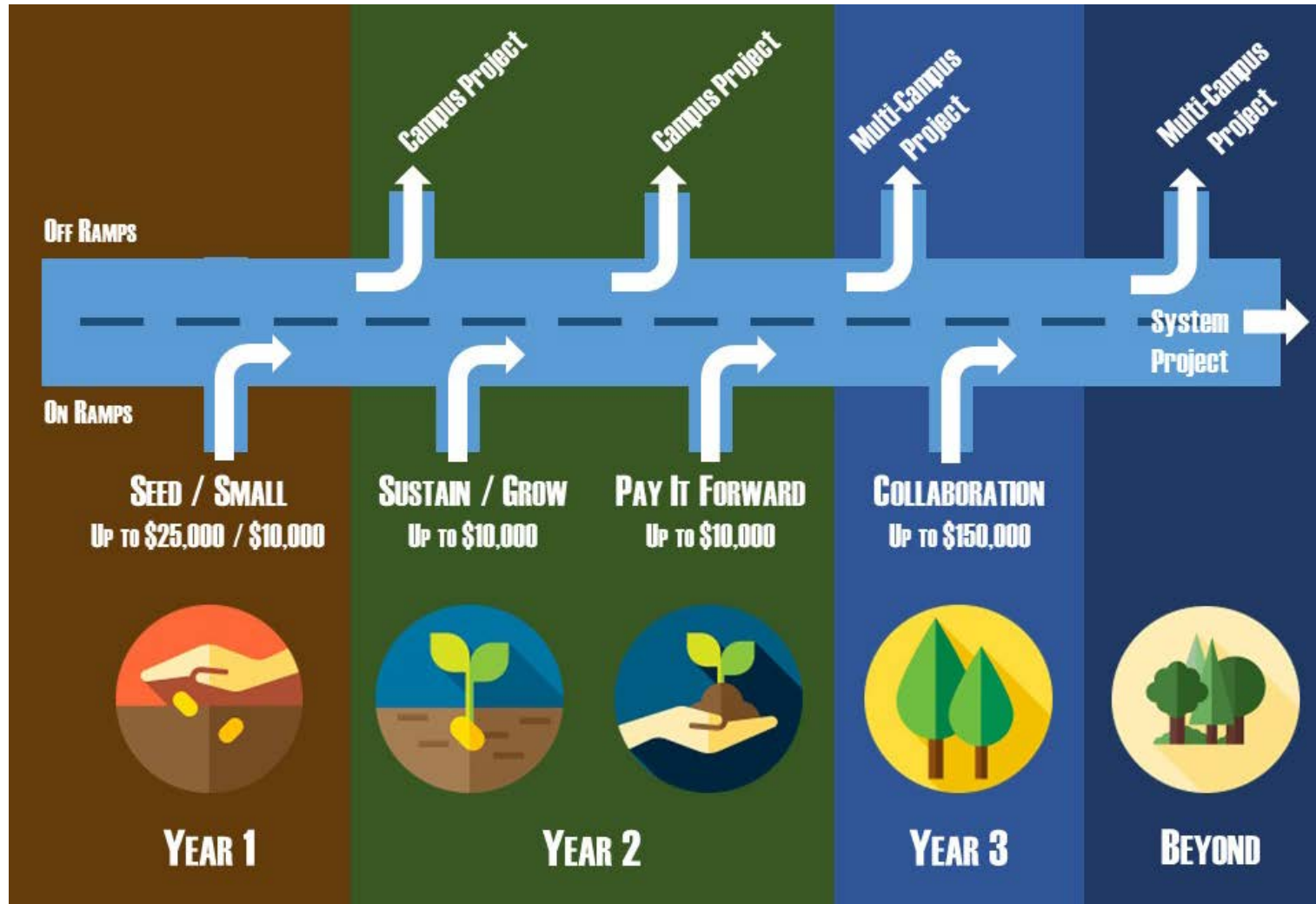
FlexPace Mastery-Based Education

- Accelerated, fully online, mastery-based awards

- Curriculum redesign to meet needs of adult learners not well served by traditional delivery models

- Strong retention, completion, and success

- Evolution from certificate to A.S. to B.B.A. (transfer pathway)

- Original $25,000 investment resulted in 814 credit hours in a two-year period

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Open Educational Resources (OER)

OER Review

OER Course Redesign

OER Authoring

- Path to Success
- OER Learning Circle model—scaled to the system
- Z degree

OER Learning Circles

31

OER Accessibility, Equity, Inclusion

Accessibility
1. Text that is screen-reader friendly
2. Captioned videos
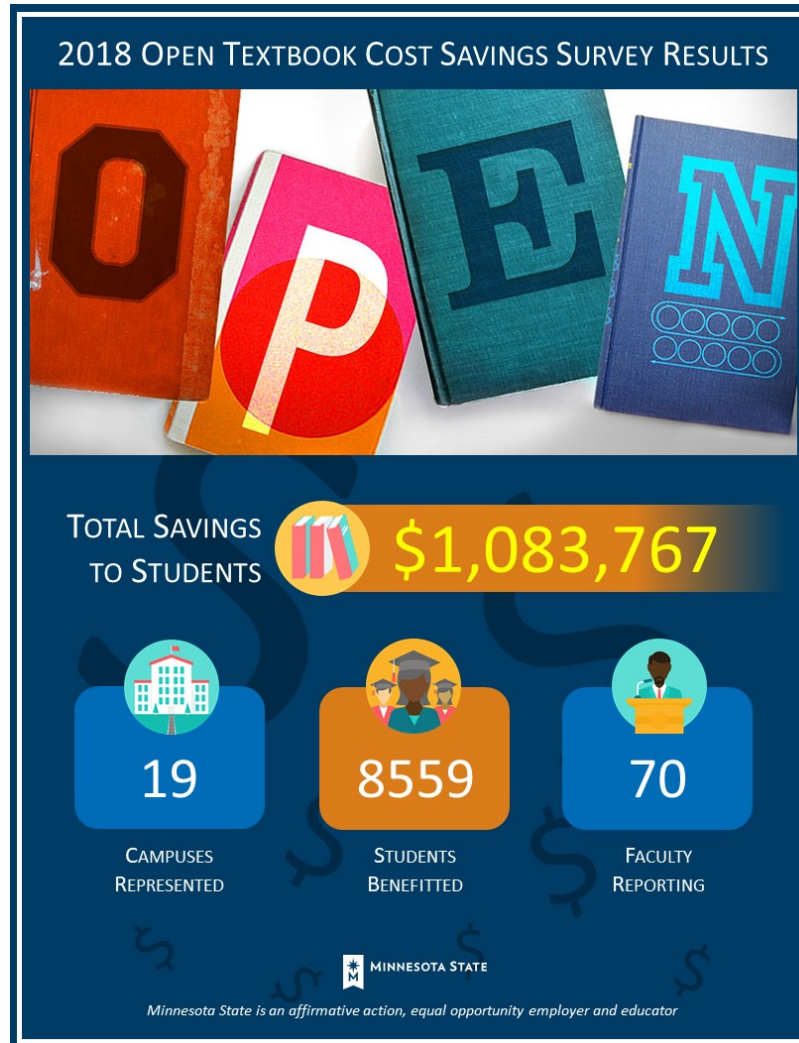3. Accessible and mobile-friendly content

Diverse perspectives
1. Inclusion of modern materials of living philosophers
2. Replacing business case studies with local examples
3. Changing research examples used to reflect the diversity and interests of the students in class

Student-generated content
1. Names changed to better reflect the students
2. Student-collected "sample speeches" from local communities
3. Students find and collect "culture in my backyard" video stories

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OER FY18 Cost Study

2018 OPEN TEXTBOOK COST SAVINGS SURVEY RESULTS

TOTAL SAVINGS TO STUDENTS $1,083,767

19
CAMPUSES REPRESENTED

8559
STUDENTS BENEFITTED

70
FACULTY REPORTING

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33

Student Learner Hub

- Regional hub for 16 and 17 year olds to gain eligibility for the Minnesota Student-Learners in Manufacturing program

- Under current Minnesota regulations, 16 and 17 year-old students are prohibited from working in many areas of advanced manufacturing

- Coordination of placement with employers

- Clear path from high school to college to full time employment (with pay and work experience along the way)

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Dreaming by degrees

- Training student producers in the art of audio storytelling and podcasting

- Learning how to craft and narrate their personal stories about college in ways that can reach and help other students.

- Embed podcasts into First Year Experience courses

- Veness

- Will

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Building a culture of innovation

- Stories of Innovation in the ASA Newsletter

- Innovation and Collaboration Expo at the ASA Conference

- Collaboration Speed Meet

- Shark Tank Open (Thursday, April 11)

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Strategic questions for discussion

1. At what level of innovation should we be directing our attention and why?

    a) Problem solving

    b) Problem prevention

    c) Continuous improvement

    d) Creation of the future

2. Based on your professional experiences outside Minnesota State, what models or approaches would be useful to us in growing innovation?

3. When it comes to innovation, what is your tolerance for failure?

Innovation/Grants Background

Minnesota State

FlexPace Overview—A Story of Innovation, Evolution, and Collaboration

Riverland Community College

The genesis of FlexPace began in Fall 2015 at Riverland Community College. One of our business majors met with her faculty advisor, and was nearly in tears. In her forties, this student works full time, and is a parent. Given all that she has going on in her life, she is only able to take one course at a time. Riverland only offered our business classes in the semester-long format, and the student realized it was going to take her nearly a decade to complete her two-year degree. She also has ambitions to get a four-year degree, but that will take her a similar amount of time. She questioned the value of completing a bachelor's degree roughly just in time to retire.

Around this same time, the Educational Innovations unit announced the availability of innovation grants for up to $25,000. Riverland saw this as an opportunity to create an approach to classes that would cater to working adults. Riverland proposed to adapt our 22-credit online Business Certificate to a Competency Based Education (CBE) format. This certificate had been offered online for years with all courses in the certificate area Quality Matters certified, ensuring that the students receive a quality online experience. A CBE approach to the certificate would allow students to move at their own pace, demonstrating what they already know, while receiving supplemental materials to assist them with subject areas where they struggled. However, we discovered that the Higher Learning Commission uses a different set of rules for CBE (non-term) courses/programs, which requires prior approval. We also learned that there are several issues with ISRS that would present major obstacles to operating a CBE program. We instead arrived at a compromise, incorporating mastery-based elements from CBE into online courses with defined start and end dates. The courses would be offered sequentially, in an accelerated format, each lasting 5 to 6 weeks. This would allow students to focus on a single class. Each course includes the ability to test out of units or chapters if the student is already familiar with the material. Each course also provides alternative pathways, so that if a student scores less than 70 percent on any chapter or unit (our definition of mastery of the material), instead of moving on, the student works through the alternative pathway to ensure that they achieve mastery of the content.

FlexPace Phase I results:

- Riverland received notice of receiving the $25,000 grant on May 6, 2016.
- Over the summer of 2016, Riverland faculty worked to revamp the 8-course/22-credit Business Certificate for mastery-based delivery, and staff worked to change ancillary processes, such as admissions, advising, financial aid, registration, etc.
- The pilot launched in August 2016 with 20 students, turning away more than 40 additional potential students.
- By the end of the pilot in August 2017, 17 of the pilot cohort students completed the Business Certificate, generating $80,000 in tuition and fees.
- Other import metrics:
  - The number of students in the certificate program increased by 115%
  - Retention in the program increased by 73%

- o   Mastery of outcomes increased by 81%
- Riverland is now in the midst of the third cohort of the FlexPace Business Certificate. Thus far, the original $25,000 investment has brought in more than $180,000 in tuition and fees, all from students who would not be taking courses if they were not offered in the FlexPace format.

Early in the original pilot, it became apparent from discussion with students that most of them would be interested in continuing classes beyond the Certificate program. All 22 credits of the Business Certificate ladder into the Business Transfer Pathway AS degree. Subsequently, Riverland applied for and received a second innovation grant of $25,000 in spring 2017, which was used to adapt an additional 20 credits in Speech, Economics, Accounting, and Theatre to the FlexPace format. This allowed 13 students from the original pilot to continue to work toward their AS degree.

In July 2017, representatives from Riverland met with faculty, staff, and administrators at Minnesota State University, Mankato to talk about partnering in FlexPace. Many of the FlexPace students expressed interest in continuing into a four-year degree. We also talked to many students employed locally who already had a two-year degree, but who were interested in a four-year degree. From this discussion, MSU, Mankato business faculty and administrators solicited input from local business managers regarding the key soft skills needed for promotable employees with a bachelor's degree. Based on that input, the College of Business developed a Bachelor of Business Administration (BBA) degree, the first of its kind within the Minnesota State system. This degree would be designed to follow the FlexPace delivery model developed at Riverland, allowing Business Transfer Pathway AS recipients to seamlessly transition to MSU, Mankato to complete their BBA degree. The new BBA degree has been approved at the university and system office levels, and is currently under review with the Higher Learning Commission. The BBA degree program is targeted to begin Fall 2019.

Riverland and MSU, Mankato applied for a Minnesota State collaboration grant, and received $138,000 in spring 2018. This funding is being used by Riverland to adapt the remaining 19 credits of the Business Transfer Pathway AS degree (in English, Math, Philosophy, and Sociology), while funding will also allow MSU, Mankato to adapt the first courses in their BBA degree.

Additionally, in spring 2018, Minnesota State Community and Technical College (MState) connected with Riverland Community College at Shark Tank Open and saw potential for bringing FlexPace to its college. MState subsequently received $10,000 "Pay It Forward" funds to replicate this successful program for working adults and employers in its communities.

Minnesota State University, Mankato

Minnesota State University, Mankato, in partnership with Riverland Community College, has built upon the Transfer Pathway Program by creating the Business Administration degree (BBA) for working adults. This partnership will allow students who have successfully completed their Associate in Science (AS) Business Degree from Riverland Community College, to transfer to

Minnesota State Mankato, without barriers, and be able to complete their Business Administration (BBA) degree. This flexible degree will be available 100% online.

To begin in Fall 2019, the College of Business and the Management Department will be offering this new accelerated Bachelor of Business Administration (BBA) degree program. The primary advantages for these new students is to provide:

- Opportunity for new job responsibilities
- Career advancement into a new position
- Ability to use tuition assistance benefit

In partnership with Riverland Community College, Minnesota State Mankato faculty members wrote and received a collaboration innovation grant for $135,585 to begin designing the BBA courses. Conversations with industry partners in Southern Minnesota, guided the development of the proposed curriculum. There are many unique features of the FlexPace and BBA online degree programs that are designed to develop the requisite skills sought by employers. In comparison to a traditional, on-campus degree program, the BBA offers:

- Five or six week courses, one at a time
- Eight courses a year, AS degree completed in 2.5 years and BBA degree in 5 years total
- Previous coursework evaluated to apply as credit to reduce degree completion time
- Final sequence courses designed to solve a relevant problem in the workplace

Evolution of Open Educational Resources (OER) at Central Lakes College

January 2014:

- Dean of Technology and our Librarian Dave Bissonette invited David Ernst from the University of Minnesota, the creator and manager of the Open Textbook Library, Todd Digby, the OER representative from our system office at the time, and Gary Hunter, our system legal advisor, to give a presentation to our faculty on OER's.
- This presentation, the support from administration, and the drive from our librarian, led to the creation of our OER committee. Because of the presentation, many of our faculty became very interested in the concept of OER's and ultimately then participated in the system offered textbook reviews. Some faculty adopted OER's because of those reviews, but we also discovered that we had many faculty who were already using free or self-created materials in their courses. We decided to move ahead as an institution in formalizing a OER adoption initiative at Central Lakes College.
- What we really needed was money. Money to pay our faculty and to support our faculty in OER adoption. We decided to apply for one of the 25,000.00 grants our system office was offering for OER adoption. A huge part of our application proposal was the creation of faculty facilitated OER Learning Circles.
- We applied for the grant. We were awarded the grant.

Spring of 2016.

- We implemented the Learning Circle Process at our college.
- Campus OER committee also evolved from committee of a few interested people to a much more diversified and engaged group of stakeholders. A critical piece in successfully launching an OER initiative is the creation of a campus OER committee, a committee that represents all the stakeholders involved in an OER initiative. The Central Lakes OER committee members include our librarian, faculty, bookstore and IT representatives, administration, and more recently student representatives.

Economic Reasons that drove our OER initiative

    1.) Save students money
    2.) Save our college money
    3.) Save our College in the Schools partners money.

Other Reasons for promoting OER

    1.) Increase student success
    2.) Nurture academic freedom

Spring of 2018

This model scaled to System Level OER Faculty Development Learning Circles
Bonus Rewards with this scale up…

Faculty addressing issues of diversity, equity, and accessibility, and… also embracing "Open Pedagogy" by engaging students the creation learning materials.

The OER Learning Circle Process

The OER Learning Circle Process

The Learning Circle process is rooted in research conducted by the author of the process for her dissertation for her doctoral degree. She based this process on four elements identified by novice teachers as barriers to the transfer of knowledge from a learning situation to application in a real-world work setting. Four of the barriers identified were:
1.) Not enough time to learn or to do their work.
2.) No time to apply what they were learning at the time they were learning.
3.) No time to collaborate with other learners, mentors, or experts in their fields.
4.) Not enough support services: from administration, from peers, or help with organization, pedagogy and time saving measures.

Basic structure of The OER Learning Circle Process
Librarian/ faculty driven initiative
Increases faculty awareness of OER opportunity and increases adoption of OER. The structure of   the Learning Circles is based on four core components:
Faculty attend 80% of scheduled cross disciplinary Learning Circle meetings.
Each Learning Circle meeting begins with a sharing session.
Faculty create, submit, and update weekly workplans and journals.
Faculty present their final work results to colleagues.

Participants are paid a stipend for their work

The OER textbook review pathway stipend is between $200.00 - $500.00
Both the course redesign pathway and the authoring pathway recipients receive $1500.00 stipends for their work.

Participants apply to attend the Learning Circles

Learning Circles run for 10 consecutive weeks meeting for two to three hours the same day and time each week. Summer sessions run for five consecutive weeks ending just before the 4th of July using the same day and time format with each Learning Circle meeting for three face to face hours and committing to at least one hour of independent work outside of the Learning Circles.

Summary/ Conclusion

Our current CLC OER work builds on the work we have accomplished because of the system level grant our college was awarded in 2016, plus added goals to create a Z degree and create a Print on Demand process for our faculty and students to enable them to have copies of OER materials printed very inexpensively. We have the first public institution **OER Z (zero textbook cost) AA degree at Central Lakes** and we also have created a **great Print on Demand** option for our students and faculty through our Graphic Art Department.

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Innovation Funding Fact Sheet

*** Innovation Funding RFP Period is Nov. 19, 2018 through Jan. 11, 2019 ***

💰 Yearly Grant Disbursements

- FY16 - $249,840 (*Shark Tank*) / $157,136 (*Open Textbook*)
- FY17 - $210,830 (*Shark Tank*) / $240,903 (*Open Textbook*)
- FY18 - $314,659
- FY19 - $250,000 - $300,000 (*provisional*)

🏆 Shark Tank Open Event

The Shark Tank Open (STO) event represents a merger of the Shark Tank and Open Textbook funding programs.

Shark Tank Open Attendance

- 2016 – 143 registrants
- 2017 – 137 registrants
- 2018 – 173 registrants

The next STO is scheduled for April 11, 2019

♦ ♦ ♦ ❖ ♦ ♦ ♦

🧊 Types of Grants

Seed Grants (*for new projects*)

- Up to $25,000 – Compete at the Shark Tank Open
- Up to $10,000 – Competitive proposal process

Sustaining Grants (*for past funded projects*)

- Up to $10,000 – Competitive proposal process

Pay-It-Forward (*for extending projects*)*

- Up to $10,000 – Competitive proposal process

* Persons interested in bringing a past funded project to their campus may apply for Pay-It-Forward funding

🎞️ Grant Categories

Most innovation funding grants have fallen into the following categories, but new categories are always being explored!

- Open Educational Resources (24)
- Online Learning / Educational Technology (7)
- Applied Learning in Technical/Clinical Programs (8)
- Pedagogical Innovations (7)
- Student Resilience / Success (5)
- Student Services (7)
- Equity and Inclusion (2)

For more information on the Innovation Funding Program, contact Stephen Kelly, Open Education and Innovation Program Coordinator, at stephen.kelly@minnstate.edu or at 651-201-1813.

Created by Stephen Kelly
Educational Innovations - Academic and Student Affairs
Innovation Funding Fact Sheet

October 2018

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

2017 - 2019 Innovation Grant Summaries

Originally Created on 12/5/17 by: Stephen Kelly, Open Education and Innovations Program Coordinator

Updated on 6/12/18 by: Stephen Kelly

2017 Open Textbook Grants			
Institution	Grant Type	Title	Grant Amount
Bemidji State University - *summary*	2017 Open Textbook	BSU Campus Open Textbook Project	$22,768
Central Lake College - *summary*	2017 Open Textbook	Open Education Resource Accelerator	$25,000
Minneapolis Community and Technical College - *summary*	2017 Open Textbook	MCTC Open Textbook Project 2016	$25,000
Minnesota State Community and Technical College - *summary*	2017 Open Textbook	Open Source Book for Business	$10,000
Riverland Community College - *summary*	2017 Open Textbook	Creating Customized Open Educational Resources for Astronomy	$25,000
South Central College - *summary*	2017 Open Textbook	Open Textbook Institute	$24,500
Southwest Minnesota State University - *summary*	2017 Open Textbook	Understanding Writing and Research in the Disciplines	$24,868
		Total	$157,136

2017 Shark Tank Grants			
Institution	Grant Type	Title	Grant Amount
Winona State University - *summary*	2017 Shark Tank	Mobile Computing Laboratory	$12,500
Winona State University - *summary*	2017 Shark Tank	Making the Case for OpenCase – An Open Role Play Management Tool	$25,000
Minnesota State University, Mankato - *summary*	2017 Shark Tank	Apple of My Eye: Clinical Instruction with Enhanced "Bug-in-the-Eye" Technology	$12,500
Minnesota State University, Mankato - *summary*	2017 Shark Tank	Online Lessons to Help Engineering Students Transition	$25,000
Minneapolis Community and Technical College - *summary*	2017 Shark Tank	Welcome to the Agency, Again: Watering the Seed of Game-based Learning with Technological Know-How	$25,000
Normandale Community College - *summary*	2017 Shark Tank	Learn to Dose™ (L2D) Medication Administration System	$25,000
Vermillion Community College - *summary*	2017 Shark Tank	QR4U	$24,880
Lake Superior College - *summary*	2017 Shark Tank	The Burn Box	$25,000
St. Cloud State University - *summary*	2017 Shark Tank	Mobile Platform that Uses Analytics to Support Interventions	$25,000
Anoka Ramsey Community College - *summary*	2017 Shark Tank	Developing a Model for Institutional Collaboration that Promotes High Impact Teaching and Learning Practices for Community College Students	$24,960
Riverland Community College - *summary*	2017 Shark Tank	Competency-based Business Certificate Program	$25,000
		Total	$249,840

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2018 Open Textbook Grants			
Institution	Grant Type	Title	Grant Amount
Anoka Technical College / St. Paul College - *summary*	2018 Open Textbook	Implementation and Evaluation of Open Source Textbooks in General Biology courses	$23,050
Northland Community and Technical College - *summary*	2018 Open Textbook	Building of the Base: OER Development at NCTC	$23,748
Minnesota State University, Mankato - *summary*	2018 Open Textbook	Mankato OER Professional Development Certificate Program	$25,000
Minneapolis Community and Technical College - *summary*	2018 Open Textbook	Out of the Shadows of Minneapolis: The Underrepresented at a Northern Community College	$24,900
Winona State University - *summary*	2018 Open Textbook	Workshops to Increase Awareness and Deployment of Software Carpentry and Data Carpentry Open Educational Materials	$25,000
Mesabi Range College - *summary*	2018 Open Textbook	Open Textbooks: A Path to Explore	$25,000
Anoka Ramsey Community College - *summary*	2018 Open Textbook	Taking Open Educational Resources to Scale	$23,725
Ridgewater College - *summary*	2018 Open Textbook	Open Textbook Project: An Online, Responsive, Multi-Media Textbook	$20,480
Central Lakes College - *summary*	2018 Open Textbook	OER Accelerator 2017	$25,000
Hibbing Community College - *summary*	2018 Open Textbook	Open History Textbook	$25,000
		Total	$240,903

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2018 Shark Tank Grants			
Institution	Grant Type	Title	Grant Amount
Rochester Community and Technical College - *summary*	2018 Shark Tank	Virtual Reality Laboratory	$22,700
Riverland Community College - *summary*	2018 Shark Tank	Phase II: Toward a Mastery-based Business AS Degree	$25,000
Minneapolis Community and Technical College - *summary*	2018 Shark Tank	A Mindful Path to Inclusion	$24,900
St. Cloud Technical and Community College - *summary*	2018 Shark Tank	eOrientation for "Flipped Advising"	$25,000
Winona State University - *summary*	2018 Shark Tank	The Mobile Computing Laboratory (McLAB)	$15,530
South Central College - *summary*	2018 Shark Tank	The Project for Expanding & Expediting Credit for Prior Learning (CPL) at South Central College	$25,000
Century College - *summary*	2018 Shark Tank	Welcome to the Conversational economy - Let's Build a Chatbot for Minnesota State	$25,000
Lake Superior College - *summary*	2018 Shark Tank	Airtame (http://www.airtame.com) "Wireless Classrooms and Beyond Made Easy"	$25,000
Minnesota State Community and Technical College - *summary*	2018 Shark Tank	Keepin' it Cool! Utilizing state-of-the-art technology in Commercial Refrigeration.	$22,700
		Total	$210,830

4

2019 Innovation Grants			
Institution	Grant Type	Title	Grant Amount
Anoka-Ramsey Community College - *summary*	Track 1 Innovation	Minnesota State REFLECT: Research Experiences For Learning, Engaging, Connecting, and Teaching	$24,952
Bemidji State University - *summary*	Track 2 Innovation	Performance-Enhanced Biology	$9,966
Century College - *summary*	Track 1 Innovation	Developing 2D and 3D Virtual Activity Based Learning Approaches Using OER Integration with an Online Adaptive Learning Pedagogy-Based Platform	$25,000
Century College - *summary*	Track 1 Innovation	Experiential and Cross-Cultural Learning through a Simulated Columbian Coffee Exchange	$22,200
Central Lakes College - *summary*	Track 2 Innovation	OER Accelerator: Z Degree	$10,000
Inver Hills Community College - *summary*	Track 1 Innovation	An Open Invitation to Biological Anthropology	$24,900
Lake Superior College - *summary*	Track 2 Innovation	Professional Fluency in Online Courses	$7,600
Lake Superior College - *summary*	Track 2 Innovation	Burn Box 2.0, Making the Metropolis	$10,000
Mesabi Range College - *summary*	Track 2 Innovation	Expanding the Impact: Moving Toward a Complete OER AA Degree	$10,000
Metropolitan State University - *summary*	Track 1 Innovation	Building Entrepreneurial Mindset Competency: An Innovative and Inclusive Strategy for Diverse Student Success, Well-Being, and Career Readiness	$25,000
Minneapolis Community and Technical College - *summary*	Track 2 Innovation	Value of Using Multiple Assessments to Effectively Help Urban Community College Students Explore their Interests, Talents,	$10,000

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		and Values to Declare an Accurate Major/Career	
Minnesota State College Southeast - *summary*	Track 2 Innovation	Novel Application Based Program for Traditional Manufacturing Competencies	$10,000
Minnesota State College Southeast - *summary*	Track 1 Innovation	Student Learner Hub	$25,000
Minnesota State Community and Technical College - *summary*	Pay it Forward	M State's FlexPace	$10,000
Minnesota State University, Mankato - *summary*	Track 1 Innovation	Dreaming by Degrees - An Open Source Podcast for First-Year Students	$22,220
Minnesota State University, Mankato - *summary*	Track 2 Innovation	Flourish: Addressing Mental Health Needs in the Classroom	$9,546
Minnesota State University, Moorhead - *summary*	Track 2 Innovation	New Rivers PodLab	$865
Northland Community and Technical College - *summary*	Track 2 Innovation	Expanding the Base: OER Growth at Northland	$10,000
Ridgewater College - *summary*	Track 2 Innovation	Cross-Curricular Online Graphic Organizers	$7,410
Rochester Community and Technical College - *summary*	Pay it Forward	Creating a Compassionate Campus: A Mindful Path to Equity at RCTC	$10,000
St. Cloud State University - *summary*	Pay it Forward	Unleashing Credit for Prior Learning at St. Cloud State University	$10,000
St. Cloud Technical and Community College - *summary*	Track 2 Innovation	Orientacion, Janeera, or Orientation	$10,000
St. Paul College - *summary*	Track 2 Innovation	Removing Hurdles for OER: Creation, Dissemination and Evaluation of Open Source Online Assessments in Biology Courses	$10,000
		Total	$314,659

Project Summaries

Anoka Ramsey Community College

Integrating Undergraduate Research Experiences for Nurses: an Expansion of the Wolf Project

Biology faculty at Anoka-Ramsey Community College noted that many students studying for the health professions were not receiving adequate training in laboratory techniques and research, a critical component of modern healthcare practice and immunology. To address this need, external partnerships were created to bake a full-fledged research program into the Anatomy & Physiology II courses focused on wolf blood sampling and analysis. Students studying for the healthcare professions now gain professional research experience, providing them a broader understanding of how laboratories work and the important role they play in healthcare. [return to table]

Anoka Ramsey Community College

Taking Open Educational Resources to Scale

Anoka Ramsey is implementing a four phase approach to encouraging faculty adoption of open textbooks in their courses. In the first phase the college is launching a promotional campaign to raise awareness of open textbooks among faculty and staff. In the second phase, participating faculty will attend workshops that prepare them to undertake their own open textbook project. In phase three participating faculty will receive seed grants to support the creation of open textbooks. Finally, in phase four faculty will showcase their open textbook project before the college community. [return to table]

Anoka Ramsey Community College

Minnesota State REFLECT: Research Experiences For Learning, Engaging, Connecting, and Teaching

Starting in the 2016-2017 school year, Anoka-Ramsey Community College launched a Scholarship of Teaching and Learning initiative to encourage and support community college faculty in conducting research on effective teaching strategies in the community college classroom. With newly acquired innovation funding, Anoka-Ramsey will now welcome faculty from other institutions to join the program, broadening the impact of the program throughout Minnesota State. [return to table]

Bemidji State University

BSU Campus Open Textbook Project

Minnesota State is an Equal Opportunity Employer and Educator

Bemidji State University embarked upon a three phase program to increase faculty awareness and adoption of open textbooks on their campus. In phase one administrative staff explored open textbook repositories and options for faculty adoption. In phase two, information gathered in phase one was shared with faculty across the Bemidji campus, and exploration was further encouraged. In phase three faculty interested in adopting an open textbook were provided staff support and resources to make implementation possible. [return to table]

Bemidji State University
Performance-Enhanced Biology

This interdisciplinary collaboration between Bemidji State University and North Hennepin Community College will use the power of performance to enhance the teaching and learning of genetics. In addition to bringing science and theater students together for an interdisciplinary learning experience, this project will also feature participation from members of The Expression Lab, a team of professional actors and educators who coach scientists of all levels in communication skills. [return to table]

Central Lakes College
Open Education Resource Accelerator

Central Lakes College (CLC) developed a unique program known as the OER Accelerator. Within this program faculty were offered three different on ramps for engaging open educational resources based on their past experience. Beginning faculty could choose an OER review program focused on exploration. More experienced faculty had the option to either engage support staff in course redesign using OERs, or if so inclined, embark upon a project authoring their own OERs for use and sharing. [return to table]

Century College
Welcome to the Conversational economy - Let's Build a Chatbot for Minnesota State

Chatbots are already disrupting the way students/potential students interact within organizations and with each other - now is the time to start to harness this technology and help our system succeed – so let's chat! [return to table]

Century College
Developing 2D and 3D Virtual Activity Based Learning Approaches Using OER Integration with an Online Adaptive Learning Pedagogy-Based Platform

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Through a collaborative partnership with a company called LRNR, Century faculty will create one of the most interactive and fully online laboratory-based courses in Anatomy and Physiology. As an added value, the course will be created using open educational resources. [return to table]

Century College

Experiential and Cross-Cultural Learning through a Simulated Columbian Coffee Exchange

Through a partnership with faculty members at the Universidad de Mendellin in Colombia, Century College faculty are setting out to build a culturally immersive business experience for business students in both countries. Leveraging web technology and their own ingenuity, students at both institutions will perform business functions in the sale and purchase of coffee. This pilot will provide insights for future learning collaborations that can cross virtual borders. [return to table]

Hibbing Community College

Open History Textbook

Hibbing Community College is creating an open textbook to complement their American History survey courses. The college hopes to inspire faculty to emulate the successes of the project, while also making the course more accessible to students by lowering textbook costs. [return to table]

Inver Hills Community College

An Open Invitation to Biological Anthropology

Inver Hills Community College faculty, in partnership with faculty from California State University, the University of Hawaii, and Grossmont College, are collaboratively authoring an open textbook to support student learning in the field of biological anthropology. This textbook will be a first-of-its-kind creation for the discipline. [return to table]

Lake Superior College

The Burn Box

Locating appropriate burn structures and attending to the costs associated with them were ongoing challenges for the faculty of the firefighting program at Lake Superior College (LSC). In an effort to provide students a more consistent and affordable fire training experience, LSC created

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multiple burn boxes from large steel containers using innovation funding. Now firefighting students at Lake Superior College are able to go directly from the classroom to the field, providing a more seamless and applied learning experience. [return to table]

- Watch the Video

Lake Superior College

Airtame (http://www.airtame.com) "Wireless Classrooms and Beyond Made Easy"

Cutting the cord to make collaboration easy! Airtame is a wireless device that plugs into the HDMI port of any screen or projector and streams your content to the screen from a computer or mobile device. This solution provides a secure and collaborative learning experience for students at an affordable and sustainable cost. [return to table]

Lake Superior College

Professional Fluency in Online Courses

Lake Superior College has developed a system focused on "professional fluency" that helps students learn professional skills within their academic programs. However, currently the system is only adapted for a face-to-face setting. Innovation Funding will help LSC create an online version of the system so students can learn professional fluency in online courses AND face-to-face courses. [return to table]

Mesabi Range College

Open Textbooks: A Path to Explore

Mesabi Range College wants to expand their D2L/Brightspace-based Faculty Resource Room by creating a training module to assist faculty adoption of open textbooks. Ten faculty will participate in summer workshops that help them better understand how to leverage the Resource Room to identify and review open textbook alternatives for their courses. [return to table]

Metropolitan State University

Building Entrepreneurial Mindset Competency: An Innovative and Inclusive Strategy for Diverse Student Success, Well-Being, and Career Readiness

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Encouraging employees to "think like entrepreneurs" with the capacity to embrace change, display resilience, think creatively, and self-motivate are critical to inspiring performance and future success in this competitive marketplace. Faculty at Metropolitan State University are setting out to encourage all students to "think like entrepreneurs" in an effort to make everyone more competitive in their careers paths. [return to table]

Minneapolis Community and Technical College
MCTC Open Textbook Project 2016

At Minneapolis Community and Technical College (MCTC) 55% of students meet a designation of low-income. This adds urgency to efforts at lowering the cost of a higher education. MCTC created a website to help educate faculty on open textbooks and open educational resources. They then followed this up with a call out to faculty, inviting them to join a grant supported program focused on implementing open textbooks in existing courses. Faculty were asked to make a "$0 course materials pledge." [return to table]

Minneapolis Community and Technical College
Welcome to the Agency, Again: Watering the Seed of Game-based Learning w/Technological Know-How

Composition faculty at Minneapolis Technical and Community College were concerned about the low course completion rates they were seeing in online courses. To confront this problem, they envisioned a gamified online learning course based on role-playing dynamics. Employing he services of a programmer and graphic designer, they set out to create a more immersive and enticing online learning environment. [return to table]

Minneapolis Community and Technical College
Out of the Shadows of Minneapolis: The Underrepresented at a Northern Community College

Minneapolis Community and Technical College is authoring an anthology named Out of the Shadows of Minneapolis: the Underrepresented at a Northern Community College. This open text features the stories of students from diverse backgrounds, and the anthology will help faculty throughout Minnesota State teach cultural literacy in the classroom. [return to table]

Watch the Video

Minneapolis Community and Technical College
A Mindful Path to Inclusion

MCTC's Mindful Path to Equity" is innovative in that it marries mindfulness work to the cultural competence piece of equity work, specifically through training those who do the work, promoting self-awareness (a key component of cultural competence), and offering it as a resource in equity support groups. [return to table]

Minneapolis Community and Technical College

Value of Using Multiple Assessments to Effectively Help Urban Community College Students Explore their Interests, Talents, and Values to Declare an Accurate Major/Career

Minneapolis Community and Technical College (MCTC) observed an increase in the number of student who were entering college undecided. This was accompanied by an uptick in the number of students changing majors multiple times. In an effort to better assist students in identifying a right-fit career path, a new innovative program at MCTC will combine a multi-assessment approach to career advising. [return to table]

Minnesota State College Southeast

Novel Application Based Program for Traditional Manufacturing Competencies

Enrollments in traditional manufacturing programs are in decline, but in southeastern Minnesota, the need for skilled workers in manufacturing remains. Through the use of innovation funding, Minnesota State College Southeast is building a collaborative bicycle project that brings together students from computer aided design (CAD), computer numerical control (CNC) machining, welding, and fabrication. [return to table]

Minnesota State College Southeast

Student Learner Hub

Under current Minnesota regulations, 16 and 17 year old students are prohibited from working in many areas of advanced manufacturing. Through the creation of a Student Learner Hub, Minnesota State College Southeast will act as *the* hub, allowing students to enter into a bona fide written school-work training program and eventually get paired with employers around the region. [return to table]

Minnesota State Community and Technical College

Open Source Book for Business

Minnesota State Community and Technical College (MSCTC) had already been exploring the implementation of open educational resources into their business program, but they wanted to take their work to a new level for faculty and students. By leveraging affordable tablet technology for their students, MSCTC was able to expand the use of open educational resources in their business courses. [return to table]

Minnesota State Community and Technical College

Keepin' it Cool! Utilizing state-of-the-art technology in Commercial Refrigeration.

This project is implementing state-of-the-art equipment and advanced refrigeration training in a program that will prepare students for the modern world of work in their field. [return to table]

- Watch the Video

Minnesota State Community and Technical College

M State's FlexPace

Minnesota State Community and Technical College (M State) is a distant admirer of Riverland's FlexPace program. Using innovation funding, M State will now launch their own FlexPace pilot with the helpful guidance of experts from Riverland. Through this collaborative effort, M State will build a vibrant mastery-based learning program in the northern part of the state to match Riverland's in the south. Once complete, working adults in northwest Minnesota will have a new flexible path to achieving a technical degree or certificate. [return to table]

Minnesota State University, Mankato

Online Lessons to Help Engineering Students Transition

Engineering faculty at Minnesota State University, Mankato set out to create a series of online learning modules to help at-risk students transition successfully into upper division courses. These modules focus on integral calculus, differential equations, statics, dynamics, and computer programming. [return to table]

Minnesota State University, Mankato

Apple of My Eye - Clinical Instruction w/enhanced "Bug-in-the-Eye" Technology

Counseling faculty at Minnesota State University, Mankato needed a less obtrusive means of providing feedback to counseling students during clinical exercises. The counseling program had been using "bug in the ear" audio technology to enable faculty feedback during simulations and live counseling sessions, but students indicated that the audio was too distracting both for their learning and for their patients. Through the use of Apple watches (aka "bug in the eye" technology), faculty discovered a way to provide students immediate feedback on their counseling performance while also remaining unobtrusive. [return to table]

- [Watch the Video](#)

Minnesota State University, Mankato
Mankato OER Professional Development Certificate Program

Mankato State University is creating an internal certificate program for faculty that will equip them the skills needed to implement open source materials into their courses. This cohort-based program features both information and hands-on learning sessions for participating faculty. A dedicated graduate assistant mentor is provided to both manage the program and provide one-on-one assistance. [return to table]

Minnesota State University, Mankato
Dreaming by Degrees - An Open Source Podcast for First-Year Students

In an effort to improve the retention and success of first-year college students, a team of diverse college students will be trained in the art of audio storytelling and will co-produce podcast episodes designed to make visible the hidden dimensions and potential barriers of college. Episodes will be designed to connect directly to the experiences of students who may initially feel disoriented or out-of-place: first-generation students, working-class students, students of color, LGBTQ students, and non-traditional students. [return to table]

Minnesota State University, Mankato
Flourish: Addressing Mental Health Needs in the Classroom

Taking inspiration from Boston University's Niteo program, Minnesota State University, Mankato will launch a pilot program dedicated to assisting students grappling with significant mental health challenges. Through a combination of instructional techniques and support, this new course at Minnesota State University, Mankato will be a significant step toward better serving an underserved sector of the student population. [return to table]

Minnesota State University, Moorhead
New Rivers PodLab

New Rivers Press (NRP) is unique. NRP integrates the work of undergraduate students into the process of publishing quality books of poetry, creative nonfiction, and literary fiction. With newly acquired innovation funding, students who work with NRP will create literature and book-themed podcasts to connect with readers and market books that they, the students, have worked to edit, market, and design. [return to table]

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Normandale Community College

Learn to Dose (L2D) Medication Administration System

The Learn2Dose (L2D) program at Normandale Community College teaches nursing students how to accurately administer medication in a simulated environment. Each year 160 nursing students are training using L2D. After three years of use, critical updates and improvements to the system were needs, and through an innovation funding grant, L2D became an even more effective training tool. [return to table]

Northland College

Building of the Base: OER Development at NCTC

Northland College is pursuing open textbook implementation across the college. In addition to researching use of and barriers to open textbooks at the college, Northland is also training two faculty members to be OER leaders on campus. These leaders will provide in depth training to 20 faculty members and assist them with implementing open textbooks in their courses. [return to table]

Ridgewater College

Open Textbook Project: An Online, Responsive, Multi-Media Textbook

Four Ridgewater Communications faculty are creating an open textbook for Ridgewater's introductory CMST course. The open textbook will be supplemented online material, teaching aids, and a test bank. Out of the gate this open textbook will create savings for approximately 437 students enrolled in introductory communications courses at Ridgewater College. [return to table]

Ridgewater College

Cross-Curricular Online Graphic Organizers

In an effort to tackle the reading challenges faculty witness in the classroom, Ridgewater College proposes to design and share both content-area and discipline-specific graphic organizers that faculty can alter to suit their needs. These graphic organizers help faculty teach all students to be better readers. [return to table]

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Riverland Community College

Creating Customized Open Educational Resources for Astronomy

Riverland Community College created a collection of astronomy materials to act as a full replacement for a traditional astronomy textbook. This collection of documents, modules, and interactive web tools was built within Riverland's learning management system Brightspace. This design provides easy portability and flexibility, allowing the curriculum to be easily modified, remixed, and copied forward each semester. [return to table]

Riverland Community College

Competency-based Business Certificate Program

Mastery-based education is tailored to the needs of the underemployed adult workforce. Riverland Community College identified a need in their surrounding communities for a business certificate program that was online, flexible, and did not carry the restrictions of the traditional seat-time model. Enter FlexPace – a mastery-based program that allows learners to learn at their own pace. In FlexPace, learners who master concepts on the first attempt continue on. Those who don't receive supplemental help to achieve mastery, and then they, too, move to the next concept. [return to table]

Rochester Community and Technical College

Virtual Reality Laboratory

The Virtual Reality Laboratory takes the latest in hardware and software innovations and immerses the learner into an engaging first-person learning experience that cannot otherwise be obtained in the classroom. [return to table]

- Watch the Video

Rochester Community and Technical College

Creating a Compassionate Campus: A Mindful Path to Equity at RCTC

Rochester Community and Technical College (RCTC) intends to become a full member of the Charter for Compassion, an organization that works with cities to identify issues of concern that make their communities uncomfortable places in which to live. To support this work, RCTC will undertake mindfulness in equity work pioneered by Minneapolis Community and Technical College. Through the course of academic year 2019,

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students and employees on the RCTC campus will be offered trainings and events around mindfulness practices. These trainings and events will help them learn how to apply mindfulness practices within an equity and compassion framework. [return to table]

St. Cloud State University

Mobile platform that uses analytics to support intervention

St. Cloud State University were troubled by a noticeable decline in third semester retention and were determined to address it. Using innovation funding, the university endeavored to build mobile platform software to provide support and remediation to at-risk students early and often. This software would be combined with intrusive advising approaches to increase student resilience and preparedness. [return to table]

St. Cloud State University

Unleashing Credit for Prior Learning at St. Cloud State University

Students at St. Cloud State University need more credit for prior learning (CPL) opportunities, and through South Central College's groundbreaking work, faculty and administrators see a path to expansion of CPL. Using innovation funding, St. Cloud State will provide comprehensive training to several "CPL champions" who will help lead the college to a more comprehensive use of CPL. Best practices from South Central College and other national leaders will be included. [return to table]

St. Cloud Technical and Community College

eOrientation for "Flipped Advising"

EOrientation will create a unique way to leverage technology for increased interpersonal connectedness in the advising and orientation process with new students. [return to table]

St. Cloud Technical and Community College

Orientacion, Janeera, or Orientation

St, Cloud Technical and Community College created an eOrientation program to help better serve its diverse students. This program created greater orientation access for students on the whole, but also proved challenging for some English speakers of other languages. With sustainability funding from Educational Innovations, St. Cloud Technical intends to remedy this by translating its eOrientation program into both Spanish and Somali. [return to table]

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St. Paul College / Anoka Technical College

Implementation and Evaluation of Open Source Textbooks in General Biology courses

Anoka Technical College is focusing on the use of open textbooks in Biology courses. Building on the successes that their own faculty have had implementing open texts in the biology classroom, they are now endeavoring to help other Minnesota State institutions achieve similar results. Working in partnership with other Minnesota State Biology departments, Anoka Technical will be assisting with the implementation of Biology open textbooks. [return to table]

St. Paul College

Removing Hurdles for OER: Creation, Dissemination and Evaluation of Open Source Online Assessments in Biology Courses

The lack of ancillary materials to accompany an open textbook is one of the greatest obstacles to faculty adoption of OER. To help assist health science faculty, St. Paul College aims to create and disseminate D2L-based open source assignments for use in general biology and anatomy and physiology courses. [return to table]

South Central College

Open Textbook Institute

South Central College (SCC) started upon a two phase program to encourage faculty adoption of open textbooks. The first phase provided face to face and online overviews of OERs to groups of faculty members. The second phase consisted of two summer institutes: one for exploring open textbooks, and another for actually implementing them into the curriculum. In the latter, faculty were provided support from knowledgeable SCC staff who were dedicated to the project. [return to table]

South Central College

The Project for Expanding & Expediting Credit for Prior Learning (CPL) at South Central College

By building the scaffolding for faculty to facilitate Credit for Prior Learning, South Central College will reduce the time it takes students to receive credit and the cost to the college. [return to table]

Southwest Minnesota State University

Understanding Writing and Research in the Disciplines

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The English faculty at Southwest Minnesota State University (SMSU) envisioned a website of free online resources that could replace the need for textbooks in their English 251: Writing in the Professions course. Through a collaborative effort between 18 faculty members, the group authored original materials that crosscut disciplines and programs across the campus. They then provided these materials to students via the web using a content management system. [return to table]

Watch the Video

Vermillion Community College

QR4U

Vermillion Community College's QR4U project explored the potential of QR codes within active learning environments. The QR code activities were woven into three sections ENGL 1511 and students were then required to use a mobile device to engage the learning content. Tablets were provided for use. Through the use of active learning and mobile technology, student engagement and motivation was increased. [return to table]

Winona State University

Making the Case for OpenCase-An Open Role Play Management Tool

OpenCase is a free resource for building, sharing, and integrating complex role play simulations into your courses, reducing your workload and engaging your students in the active learning of valuable professional skills. [return to table]

Winona State University

Mobile Computing

At Winona State University every student has a tablet, but there was no created space where faculty could explore new mobile-computing ideas before taking them into the classroom. With the support of innovation funding, the Mobile Computing Laboratory (McLab) was born. The McLab provides a place both virtual and physical where faculty and staff can experiment with technology on campus. Faculty at all Minnesota State institutions are able to check out the technology for testing on their campus. [return to table]

- Watch the Video

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Winona State University

Workshops to Increase Awareness and Deployment of Software Carpentry and Data Carpentry Open Educational Materials

Winona State is leveraging open source materials from Software Carpentry to supplement lessons in their scientific and mathematic courses. Software-carpentry provides on-site workshops that help teachers better understand how to properly leverage open source materials from Software Carpentry. In addition to providing these workshops on their own campus, Winona is facilitating the delivery of these workshops elsewhere in Minnesota so that faculty from multiple colleges and universities can learn to use Software Carpentry materials in their courses.
[return to table]

Winona State University

The Mobile Computing Laboratory (McLAB)

The Mobile Computing Laboratory will transform learning through increased the use of technology while minimizing the time and money invested in testing by any one school. [return to table]

MINNESOTA STATE

Ad Hoc Committee on Outreach and Advocacy
November 13, 2018
1 p.m.
McCormick Room
30 7th Street East
Saint Paul, MN

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

1. **Minutes of October 16, 2018**
2. Review the Minnesota State Economic Contribution Analysis

<u>Committee Members:</u>
Dawn Erlandson, Chair
Louise Sundin, Vice Chair
AbdulRahmane Abdul-Aziz
George Soule
Rudy Rodriguez

President Liaisons:
Rassoul Dastmozd
Scott Olson

Bolded items indicate action is required.

MINNESOTA STATE BOARD OF TRUSTEES
AD HOC COMMITTEE ON OUTREACH AND ADVOCACY
OCTOBER 17, 2018

Ad Hoc Committee on Outreach and Advocacy Members Present: *Vice Chair Louise Sundin, Trustees AbdulRahmane-Abdul-Aziz and Rudy Rodriguez. Trustee George Soule participated via phone.*

Committee members not present: *Chair Dawn Erlandson.*

Other Board Members Present: *Board of Trustees Chair Michael Vekich; Trustees Ashlyn Anderson, Alex Cirillo, Jay Cowles, Robert Hoffman, Jerry Janezich, Roger Moe, April Nishimura, Cheryl Tefer, and Samson Williams.*

Leadership Council Members Present: *Chancellor Devinder Malhotra, Chief Marketing and Communications Officer Noelle Hawton, President Scott Olson.*

The Minnesota State Colleges and Universities Ad Hoc Committee on Outreach and Advocacy held a meeting on October 17, 2018 at East Hall, Kryzsko Commons, Winona State University, Winona. Vice Chair Louise Sundin called the meeting to order at 11:52 am.

1. **Partnership Tours**

   Presenters:
   Chancellor Devinder Malhotra
   Noelle Hawton, Chief Marketing and Communications Officer
   Bill Maki, President, Northeast Higher Education District
   Patrick Johns, President, Lake Superior College

   The Board of Trustees was presented with an overview of Chancellor Malhotra's partnership tours, which started in late August. To date, there have been 14 community visits throughout northern, central and western Minnesota. More than 170 people have participated in tour meetings and events, including business, industry and chamber of commerce representatives, legislators, K-12 representatives, board trustees, and campus presidents, administrators and staff.

   Chancellor Malhotra said the tours have offered wonderful opportunities to highlight the positive impact Minnesota State colleges and universities have in their communities, as well as their regions. The stops also allow for meaningful dialogue about pressing workforce issues and needed efforts to close existing talent gaps.

   Chief Marketing and Communications Officer Noelle Hawton said the tours have been well received and feedback has been positive. While on tour, the Chancellor has sent 29 tweets which resulted in 1000 touchpoints and has met with newspaper editorial boards. There have been eight earned media stories about tour events,

including television news reports, as well as many stories and a commentary in local newspapers.

Northeast Higher Education District President Bill Maki said business partners in the northeastern part of the state are extremely invested with regional colleges and they appreciated that the Chancellor took time to personally visit their communities and talk with them. His visits help to highlight the power and capacity of the system, showing the ways seven state universities and 30 two-year colleges can help meeting meet workforce needs, he said.

Lake Superior College President Patrick Johns said meeting the talent needs of the region's healthcare and aviation industries were the focus of the visits in Duluth. The number of people participating in the stops has been impressive and business leaders appreciated an opportunity to connect directly with the Chancellor and have their voices heard.

Trustee Robert Hoffman attended tour stops in western Minnesota and called them a great success. He said the Chancellor resonated with everyone in attendance and business and industry representatives were pleased with his genuine interest in how to enhance their partnerships to meet workforce needs.

While acknowledging the tours are providing a great service, Trustee Rudy Rodriguez said he would like to include communities not typically present – for example, the Latino, African American or Hmong communities. Holding a town hall meeting could help build Minnesota State's image and reputation with key stakeholders in these communities, he said.

Partnership tours will continue in November and planned stops include Marshall, Alexandria, Moorhead, Rosemount, Mankato, Rochester and Winona. Chancellor Malhotra said these tours have been so successful that it's clear he cannot stop listening and engaging with college and university partners. He said he intends to continue visiting all 54 campuses on a rotating basis over the next few years.

The meeting adjourned at 12:25 pm.
Margie Takash, Recorder

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Ad Hoc Committee on Outreach and Advocacy   **Date:** November 13, 2018

Title: Minnesota State Economic Contribution Analysis Update

Purpose (check one):

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

Brief Description:

This session will provide the Ad Hoc Committee on Outreach and Advocacy an update about the Minnesota State Economic Contribution Analysis, and next steps.

Scheduled Presenter(s):
Noelle Hawton, Chief Marketing and Communications Officer
Nichole Philips, Principal Partner, Parker Philips
Hara Charlier, President, Central Lakes College
Kenn Dols, Key Communicator, Central Lakes College

MINNESOTA STATE

Joint Human Resources / Audit Committee
November 13, 2018
1:30 p.m.
McCormick Room

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

1. Human Resources Transactional Service Model (HR-TSM) Consultation and Project Update (1-21)

Human Resources Committee Members:
   Jay Cowles, Chair
   Cheryl Tefer, Vice Chair
   Alex Cirillo
   Dawn Erlandson
   Bob Hoffman
   Roger Moe
   Samson Williams

Audit Committee Members:
   Michael Vekich, Chair
   April Nishimura, Vice Chair
   Bob Hoffman
   George Soule
   Jerry Janezich

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Bolded items indicate action is required.

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

Name: Joint Human Resources / Audit Committees   **Date: November 13, 2018**

Title: Human Resources Transactional Service Model (HR-TSM) Consultation and Project Update

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy

☐ Approvals Required by Policy

☐ Other Approvals

☐ Monitoring / Compliance

☒ Information

Brief Description:

The Human Resources Transactional Service Model (HR-TSM) is a campus-driven, system-wide effort to migrate HR transactions and payroll services to a shared service environment to improve quality, reduce risk, drive efficiency, and allow campus HR team to better focus on the needs of their institutions.

Internal Auditing has been engaged in an advisory capacity and issued an initial report in May 2018. The report contained observations and related recommendations to assist Minnesota State with the HR-TSM implementation. Since issuing the report, Internal Auditing has continued to advise on the project.

This joint session will provide the Board an update on progress to date in areas needing attention to achieve the desired result.

Scheduled Presenter(s):
Susan Appelquist, Interim Vice Chancellor of Human Resources
Eric Wion, Interim Executive Director of Internal Auditing
Christine Smith, Director with Baker Tilly

INFORMATION ITEM
Human Resources Transactional Service Model (HR-TSM) Consultation and Project Update

BACKGROUND

The Human Resources Transactional Service Model (HR-TSM) is a campus-driven, system-wide effort to migrate HR transactions and payroll services to a shared service environment to improve quality, reduce risk, drive efficiency, and allow campus HR team to better focus on the needs of their institutions.

- From the enterprise perspective, the project strives to create consistent practices across the system, and mitigate the risk that comes from disparate practices.

- From the campus perspective, the project increases the ability to work more efficiently, and increases capacity for transformational HR work to occur such as strategic workforce planning, talent acquisition, employee engagement, and training and development.

As recommended by Internal Auditing, Phase 2 of the project is being implemented in a sequenced approach beginning with a pilot group of eight (8) client campuses. The pilot will enable effective technology adoption and process standardization.

Pilot institutions include Dakota County Technical College, Inver Hills Community College, Metropolitan State University, Minnesota State University Southwest, Normandale Community College, Northeast Higher Education District, Pine Technical and Community College, and the system office.

All other campuses will move their Phase 2 transaction work to their service center in two sequenced groups; one in late fall and the other around the beginning of the new year.

Date Presented to the Board of Trustees: November 13, 2018

November 13, 2018

HR-TSM Project Update

Board of Trustees
Joint Audit and Human Resources Committee Meeting

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PROJECT GOAL

The Human Resources Transactional Service Model (HR-TSM) is a campus-driven, system-wide effort to migrate HR transactions and payroll services to a shared service environment to improve quality, reduce risk, drive efficiency, and allow campus HR team to better focus on the needs of their institutions.

- From the *enterprise* perspective, the project strives to create consistent practices across the system, and mitigate the risk that comes from disparate practices.

- From the *campus* perspective, the project increases the ability to work more efficiently, and increases capacity for transformational HR work to occur such as strategic workforce planning, talent acquisition, employee engagement, and training and development.

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MINNESOTA STATE

Internal Auditing HR-TSM Consultation Update

HR-TSM Advisory Role of Internal Audit

Based on prior Internal Audit work– conduct activities to:

- Review Phase 1 Reset and Phase 2 project plans
- Perform Phase 2 "Progress to Date" reviews after each transition phase (Pilot, Group 1, Group 2)
- Document pilot based lessons learned
- Assist leadership team with defining milestones and accountabilities
- Advise leadership team with communication and status templates

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Key Risks Identified for HR-TSM

Leadership, oversight, advocacy and decision-making for the project

Effectiveness of the governance and operational teams, and the level of project advocacy across the colleges and universities.

Stakeholder involvement

Two-way information exchange to align modifications in HR strategy, approaches and process to expected outcomes. Understand and address unique needs of campus based leaders, processes and control owners.

Organizational change management

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

Project execution

Effectiveness of implementation activities including progress toward defined goals (e.g., mature service center capabilities and performance), timelines and required technology support enhancements.

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Internal Audit Activities Completed

- Held discussions with project sponsor and project manager on Internal Audit activities and timeline

- Presented Internal Audit's project objectives and planned activities at the August Governance Team meeting

- Highlighted key risks that could become barriers to project success

- Advised on:
  - Communication strategies
  - Key reporting items
  - Governance activities
  - Project management tools and templates

Internal Audit Activities Completed (cont'd)

- Facilitated the development of metrics to monitor project execution and institution adoption progress

- Drafted initial project high level plan/timeline with milestones

- Assessed progress to date and discussed required action for gaps in expected progress

- Facilitated project management planning session to realign project timeline, clarify key project milestones, detail activities, set activity based deadlines, and re-engage project management tools

- Revisited communication and accountability strategy and suggested refinements

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Phase 2 Pilot Key Recommendations

Project Success Factors

- Revise and monitor project timeline
- Evaluate and coach for desired service center performance
- Enhance utilization of the Governance and Operation teams
- Track and communicate institution readiness
- Frequently communicate progress to all stakeholders
- Ensure advanced communication of project deadlines
- Proactively drive project progress

MINNESOTA STATE

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10

HR-TSM Project Update

WORK COMPLETED AND UPCOMING ACTIVITIES

- Project governance
- Enhanced communication
- Improved technology functionality
- Clarifying roles and responsibilities
- Establishment of reporting and metrics
- Revising our transition plan

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PROJECT GOVERNANCE

Work Completed

- Expanded governance team to include 8 CHROs, 2 CFOs, and 2 academic deans from both colleges and universities

- Established the operations teams with similar cross-functional membership

Upcoming Activities

- Monthly governance team meetings
- Bi-weekly operations teams meetings

MINNESOTA STATE

ENHANCED COMMUNICATION

Work Completed

- Communication plan revised by Governance Team
- Regular updates to bargaining unit leaders at statewide meet and confer meetings
- Bi-weekly project updates provided to HR stakeholders

Upcoming Activities

- Campus progress dashboards will be sent to Presidents and CHROs with expected follow-through in areas needing greater attention
- Leadership Council updates
- Monthly project updates provided to stakeholders beyond HR

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MINNESOTA STATE

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HR-TSM PROJECT | Progress Dashboard

Campus Minnesota State
Report Date 11/5/2018

SAMPLE FOR REVIEW

Phase 2 Readiness Activities – Progress to Plan

TASK	DEADLINE	STATUS (Self-reported)
SEMA4 Position Data – clean-up & auditing	11/30/2018	ON TARGET
Performance Review data update and clean-up	11/30/2018	DELAYED
Provide training and resources to support use of supervisor tools	12/15/2018	DELAYED
Finalize service level agreement	11/15/2018	COMPLETE
Ensure full utilization of FWM for all instructional and non-instructional faculty transactions	11/30/2018	ON TARGET
Attend technology webinars and workshops to ensure HR team readiness	11/15/2018	ON TARGET
Communicate processing deadlines and adjust local practices as needed to meet deadlines	11/15/2018	Not Started

Faculty workload processing

	Campus		HRSC		Regional average %
Processing within FWM	#	%	#	%	
Fall 2018 Instructional Workload	0	0%	157	100%	95%
Spring 2019 Instructional Workload	0	0%	17	100%	95%
FY2019 Non-Instructional Workload	10	33%	19	66%	87%
FY2019 Workload records processed outside of FWM		44			13

Notes:

Data cleanup

SEMA4 position data errors	26	16%
Employees with missing Performance Review data	74	32%

Notes:

Active supervisor delegations*

Total active delegations	55
% delegated to HR staff	92%
Regional average: % delegated to HR staff	54%

*Institutions may choose to delegate supervisor tasks within technology portal to HR temporarily while supervisors gain proficiency in using new functionality or may choose to delegate to HR on a long term basis.

Campus HR training attendance

Phase 2 readiness workshops	No
HR-TSM technology release webinars	4 of 5
SEMA4 position management webinars	Yes

Notes:

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IMPROVED TECHNOLOGY FUNCTIONALITY

Work Completed

- Implemented new technology and enhancements in all modules:
  - Faculty Workload Management
  - Employee Home
  - HR Campus
- Training plans for campuses and service centers in place, and training activities are ongoing

Upcoming Activities

- HR-TSM reporting to provide campuses more detailed information related to personnel costs
- Credentialing for high school instructors
- Credentialing and salary placement for IFO and MSUAASF

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MINNESOTA STATE

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CLARIFYING ROLES AND RESPONSIBILITIES

Work Completed

- Phase 2 readiness checklists with target timeframe for completion, resources, and training links have been provided to each campus to ensure a successful transition

- Regular communications between and among system office staff, service center managers, and client campuses

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Upcoming Activities

- Finalizing the common service level agreement (SLA) articulating roles and responsibilities between service centers and their client campuses

- Creating a resource portal for all users to make learning more efficient and easy to access

ESTABLISHMENT OF REPORTING AND METRICS

Work Completed

- Evaluated service center and campus readiness for Phase 2 transition

- Worked closely with Internal Audit to:

  – draft a Phase 2 project timeline that includes activities, milestones and deadlines

  – develop and collect metrics to assess progress

Upcoming Activities

- Phase 2 project timeline and metrics will be regularly updated and communicated to all involved parties

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REVISING OUR TRANSITION PLAN

Work Completed

- In August, four (4) institutions participated in a pilot program to enable effective technology adoption and process standardization

- In October, four (4) additional institutions joined the pilot

Upcoming Activities

- This month, eight (8) additional colleges and universities will begin moving their non-faculty transaction work to their service center

- All other colleges and universities will move in January

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PROJECT TIMELINE – PHASE 2
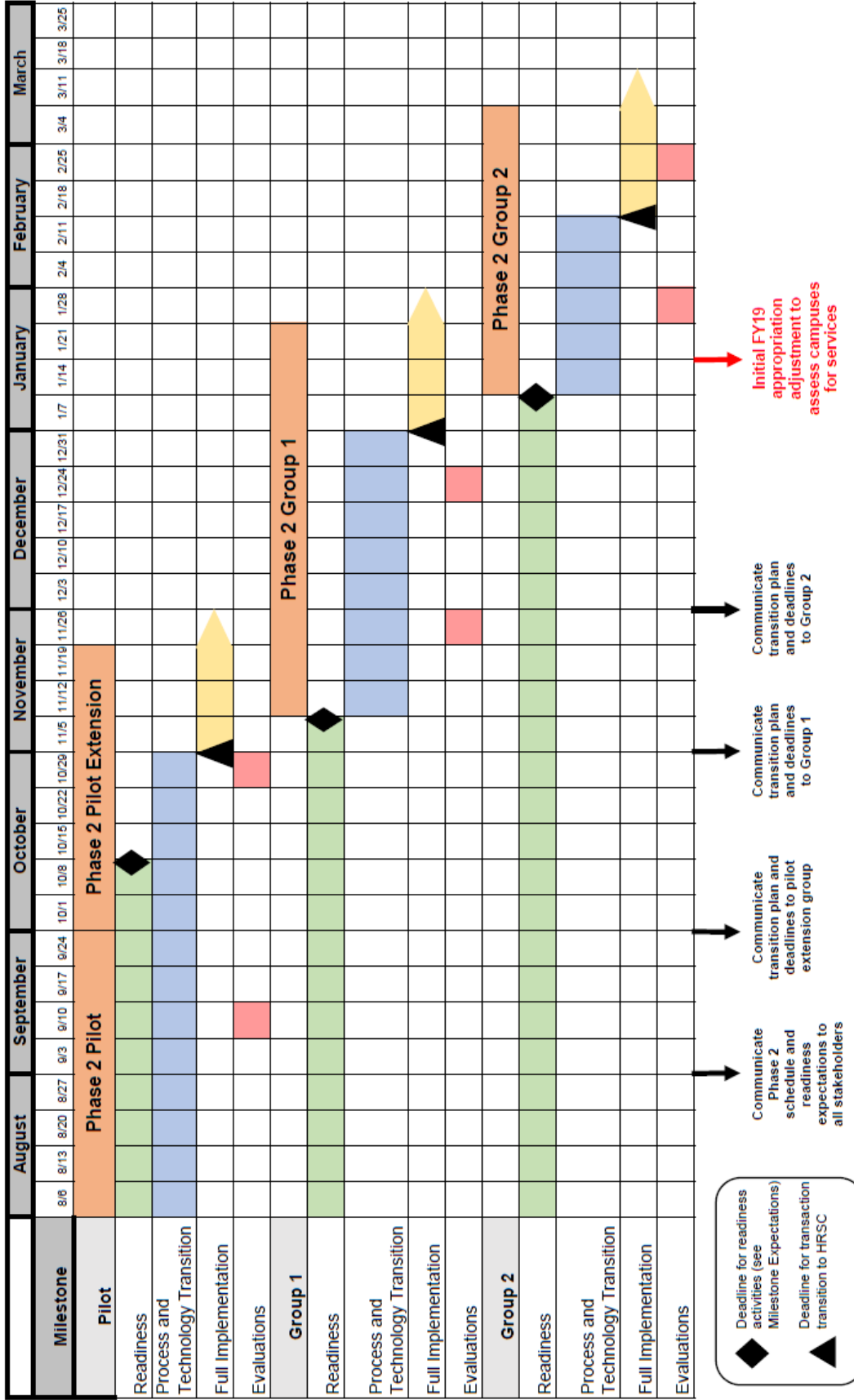
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MINNESOTA STATE

Audit Committee
November 13, 2018
2:15 p.m.
McCormick Room

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

1. **Minutes of Audit of October 16, 2018 (pages 1-3)**
2. Role and Responsibilities of Audit Committee Members (page 4-5)
3. **FY2018 and FY2017 Audited Financial Statements and Student Financial Aid Audit (pages 6-11)**

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

Bolded items indicate action is required.

MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
AUDIT COMMITTEE MEETING MINUTES
October 16, 2018

Audit Committee Members Present: Trustees Michael Vekich, April Nishimura, Robert Hoffman, and Jerry Janezich,

Audit Committee Members Absent: George Soule.

The Minnesota State Colleges and Universities Audit Committee held its meeting on October 16, 2018, in the East Hall, Kryzsko Commons, Winona State University. Trustee Vekich called the meeting to order at 2:24 p.m.

1. **Minutes of June 19, 2018**
   The minutes of the June 19, 2018 audit committee were approved as published.

2. **Approval of the FY19 Audit Plan Part 2**
   Mr. Eric Wion, Interim Executive Director for Internal Auditing, introduced Mr. Chris Jeffrey partner with Baker Tilly.

   Mr. Wion began by talking about the plan for the November Audit Committee. The external audit firm, CliftonLarsonAllen, will present the results of the financial statement audit work. CliftonLarsonAllen will give an opinion on Minnesota State's system wide financial statements as well as Minnesota State's Revenue Fund audit, St. Cloud State University financial statement audit, and Itasca Community College's Student Housing audit. In advance of that meeting, Audit Committee members will be provided with a three-ring binder containing draft financial statements, as well as a coversheet for each set of financial statements that will highlight the auditor's opinion, the financial results, and any notable financial transactions. Vice Chancellor Laura King and Executive Director Wion have reserved time the first week in November to be available to meet privately with Audit Committee members to review the draft financial statements in detail.

   Mr. Wion gave a brief update on the progress of part 1 of the Audit Plan. He stated that significant progress has been made on all of the project approved in June. Two projects have been completed.

   Mr. Wion moved on to discuss part 2 of the fiscal year 2019 Audit Plan. He explained the process for developing the Audit Plan. He highlighted the flexibility of the plan in order to allow the Audit Committee to redirect project resources throughout the year if priorities change.

Mr. Wion explained that part 2 of the audit plan would add two additional projects. The first project is the E-Procurement Controls Review. This project would review internal controls related to the new e-procurement system. This is a third-party, cloud based system that was purchased and recently implemented by Minnesota State. Mr. Wion described this as a foundational audit to review the current controls.

The second project is the Institution Financial Controls Review Project Planning and Pilot. It is important to have a periodic internal audit presence on our campuses to look at key financial internal financial controls. With 37 institutions, having that presence can be a challenge, which has been addressed in a number of ways over the years. This project would take a fresh look, and develop a multi-year audit plan that would result in key financial controls being audited at each college and university. The project would identify a set of key financial controls each college and university must have, then develop an audit methodology for reviewing the design and effectiveness of controls, and finally select a sample of college or universities to pilot the approach. Mr. Wion expressed excitement about having a solid plan in place for getting the audit coverage at every institution over a set period of time.

Trustee Rodriguez stated that he worked for an organization with a significant amount of risk control. He stated that they did training for all employees to recognize risk issues or fraud and they had anonymous and multiple ways for employees to report risk issues or fraud. He asked if Minnesota State had those options for employees or if it would be something to consider for the future. Mr. Wion stated that we do not have a fraud hotline, but allegations of fraud do get reported to the Office of Internal Audit through phone calls, emails, and word of mouth. There is currently some limited fraud training, but he added that they would like to identify a set of key controls and audit methodologies, in order to put together a tool set for the institutions so that they could self-assess how they are doing to address key risks and key controls, and many of those would get to fraud risk. In addition, Mr. Wion added that they would like to look for other opportunities to do other fraud based training.

Trustee Rodriguez added that there should be some clear training about where people can go to report instances of abuse and a fraud hotline might be helpful. It is the responsibility of every person in the system to report fraud. Trustee Vekich stated that he was in discussions about that right now and how best to handle that. He further added there are challenges with how to separate a nuance that might come in versus a real event. Mr. Wion also added that state employees are required by law to report fraud or suspicions of fraud to the Minnesota Legislative Auditor's Office. He stated that typically things get reported to the Office of Internal Auditing and we report it up to the State Auditor, however campuses can go directly to the State Auditor as well. Typically the State Auditor refers any investigative work to the Office of Internal Auditing.

Trustee Hoffman asked Mr. Chris Jeffrey what area concerns him the most. Mr. Jeffrey stated that when he thinks about risk he thinks about change. The NextGen project will certainly be a big are of change for the system and should be an area of continual monitoring. He added that it was completely appropriate to put resources to that effort.

RECOMMENDED COMMITTEE ACTION:
On October 16, 2018, the Audit Committee reviewed the Fiscal Year 2019 Internal Audit Plan – Part 2 and recommends that the Board of Trustees adopt the following motion:

RECOMMENDED BOARD MOTION:
The Board of Trustees approves the Office of Internal Auditing annual audit plan part 2 for fiscal year 2019.

The meeting adjourned at 2:43 p.m.

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

Name: Audit Committee **Date: November 13, 2018**

Title: Role and Responsibilities of Audit Committee Members

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy

☐ Approvals Required by Policy

☐ Other Approvals

☐ Monitoring / Compliance

☒ Information

Brief Description:

Board Policy 1A.2, Part 5, Subpart E states that audit committee members "receive training annually on their auditing and oversight responsibilities."

Scheduled Presenter(s):
Eric Wion, Interim Executive Director of Internal Auditing

BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES

INFORMATION ITEM
Role and Responsibilities of Audit Committee Members

BACKGROUND

Board Policy 1A.2, Part 5, Subpart E requires annual training for audit committee members to prepare them for carrying out their oversight responsibilities. The Executive Director has provided each committee member a binder of reference materials and also offering to meet individually with Audit Committee members to accomplish the training.

The Audit Committee is responsible for assisting the board in fulfilling its oversight responsibility for Minnesota State's system of internal control, the audit process, and compliance with legal and regulatory requirements. The committee provides ongoing oversight of internal and external audits.

Specific board policies that relate to the Audit Committee and the Office of Internal Auditing that members should be aware of are:

- 1A.2 Board of Trustees, Part 5, subpart E
- 1A.4 System Administration Appointment of Administrators, Part 4
- 1C.2 Fraudulent or Other Dishonest Acts
- 1D.1 Office of Internal Auditing

Board policies are located at http://www.minnstate.edu/board/policy/

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

Name: Audit Committee   **Date: November 13, 2018**

Title: FY2018 and FY2017 Audited Financial Statements and Federal Student Financial Aid Audit

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy

☒ Approvals Required by Policy

☐ Other Approvals

☐ Monitoring / Compliance

☐ Information

Brief Description:

Board Policy requires the audit committee to review and discuss the results of each audit engagement with the independent auditor and management prior to recommending that the board release the audited financial statements.

Auditors with the firm CliftonLarsonAllen, LLP will discuss the results of four recently completed financial statement audits: Systemwide, Revenue Fund, St. Cloud State University, and Itasca Community College Student Housing Funds, Itasca Hall and Wenger Hall (ICCSH). These audits provide the Board and other users of the financial statements with reasonable assurance that the information is materially accurate and reliable. Auditing standards also require the audit firm to convey certain required communications, including any significant deficiencies or material weaknesses in internal controls, to the Audit Committee.

Auditors with the firm CliftonLarsonAllen, LLP will also discuss the results of its recently completed federal student financial aid compliance audit. Federal law requires an annual audit of major federal financial assistance programs, including the student financial aid programs.

Scheduled Presenter(s):
Eric Wion, Interim Executive Director of Internal Auditing
Laura King, Vice Chancellor - Chief Financial Officer
Don Loberg, Managing Principal with CliftonLarsonAllen, LLP
Brenda Scherer, Manager with CliftonLarsonAllen, LLP
Chris Knopik, Principal with CliftonLarsonAllen, LLP

ACTION ITEM
FY2018 and FY2017 Audited Financial Statements and Federal Student Financial Aid Audit

BACKGROUND
Board Policy 1A.2, part 5, subpart E requires the audit committee to "review and discuss the results of each audit engagement with the independent auditor and management prior to recommending that the board release the audited financial statements."

FINANCIAL STATEMENTS
CliftonLarsonAllen,LLP has audited the following financial statements as of and for the years ended June 30, 2018 and 2017:

- Systemwide
- Revenue Fund
- St. Cloud State University
- Itasca Community College Student Housing Funds, Itasca Hall and Wenger Hall (ICCSH)

Copies of the audited financial statements were provided to members of the Audit Committee for review prior to the November committee meeting. Public copies of reports will be available on Minnesota State's financial reporting website.

STUDENT FINANCIAL AID AUDIT
CliftonLarsonAllen has conducted, as required, a compliance audit of Minnesota State's federal student financial aid programs for the year ended June 30, 2018.

Copies of Minnesota State Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2018 will be provided to committee members. The report is prepared by CliftonLarsonAllen, LLP as part of its responsibilities as the system auditor for Minnesota State. The results of this report will be incorporated into the State of Minnesota's Single Audit report that will be released in late March and available on the Minnesota Management and Budget website. Copies of the State of Minnesota's Single Audit report will also be available on Minnesota State's financial reporting website.

RECOMMENDED COMMITTEE ACTION:
The Audit Committee has reviewed the fiscal year 2018 audited financial statements and discussed them with representatives of management and the system external auditing firm. The committee recommends that the Board of Trustees adopt the following motion:

RECOMMENDED MOTION:
Based on the review and recommendation of the Audit Committee, the Board of Trustees approves the release of the fiscal year 2018 audited financial statements as submitted.

Date Presented to the Board of Trustees: November 13, 2018

External Auditor Communications

Category	Comments
Audit opinion	Unqualified/Unmodified
Material weaknesses	None
Significant deficiencies	None

Financial Statements Measures and Trends

	2018	2017
Unrestricted Cash	$ 1,006.5 mil	$ 926.1 mil
Unadjusted Operating Margin *	$ 10.2 mil	$ (17.0) mil
Compensation Expense Change Due To GASB 68/75	(179.1) mil	(238.4) mil
Operating Margin	$ (168.9) mil	$ (255.4) mil
Unadjusted Change in Net Position	$ 38.8 mil	$ 18.5 mil
Compensation Expense Change Due To GASB 68/75	(179.1) mil	(238.4) mil
Change in Net Position	$ (140.3) mil	$ (219.9) mil
Unadjusted Unrestricted Net Position	$ 666.7 mil	$ 601.5 mil
GASB 68 effect on Unrestricted Net Position	(947.1) mil	(768.0) mil
Unrestricted Net Position	$ (280.4) mil	$ (166.5) mil

Per Full Year Equivalent Student Data

	2018	2017
Student FYE	128,800	131,640
Total Operating Expenses excluding GASB 68/75 Adjustments to Compensation per Student FYE	$ 15,245	$ 14,682
Total Revenue per Student FYE	$ 15,812	$ 15,074
Income before Other Revenues, Expenses, Gains & (Losses) excluding GASB 68/75 Adjustment to Compensation per Student FYE	$ 80	$ (129)

Critical Note Disclosures

Category	Comments
Contingent liabilities from litigation	See Footnote 17 for additional information.
Related party transactions	Seven foundations were included and reported separately (not part of the consolidated statements), as component units based on an assessment of relative significance and materiality of the foundation to the related university or college. See Footnotes 1 and 19 for additional detail. Foundations' Statements of Financial Position are included after the System's Statements of Net Position and Foundations' Statements of Activities are included after the System's Statements of Revenues, Expenses and Changes in Net Position.
Segment information	Summary financial information is included in Footnote 15 for the Revenue Fund along with housing operations at Itasca Community College. The Revenue Fund is by far the most significant segment with a reported change in adjusted net position of $1.9 mil and $5.5 mil in fiscal years 2018 and 2017, respectively.
Commitments	See Footnote 16 for significant commitments.

* Operating Margin also known as "Gain (Loss) Before Other Revenues, Expenses, Gains, or Losses" on Statements of Revenues, Expenses, and Changes in Net Position

The "Unadjusted" financial information presented above represent results without any associated GASB 68 or GASB 75 adjustments.

Revenue Fund
Summary of Fiscal Year 2018 and 2017 Audit and Financial Reports

Auditor Communications

Category	Comments
Audit opinion	Unqualified/Unmodified
Material weaknesses	None
Significant deficiencies	None

Financial Statements Measures and Trends

	2018	2017
Unrestricted Cash	$ 91.0 mil	$ 88.5 mil
Unadjusted Operating Margin *	$ 4.3 mil	$ 8.8 mil
Compensation Expense Change Due To GASB 68/75	(3.2) mil	(4.4) mil
Operating Margin	$ 1.1 mil	$ 4.4 mil
Unadjusted Change in Net Position	$ 5.1 mil	$ 9.9 mil
Compensation Expense Change Due To GASB 68/75	(3.2) mil	(4.4) mil
Change in Net Position	$ 1.9 mil	$ 5.5 mil
Unadjusted Unrestricted Net Position	$ 82.6 mil	$ 80.0 mil
GASB 68/75 effect on Unrestricted Net Position	(14.5) mil	(11.7) mil
Unrestricted Net Position	$ 68.1 mil	$ 68.3 mil

Per Full Year Equivalent Student Data

Revenue and expense data by student is unable to be calculated reliably due to the wide variety of programs in the Revenue Fund (Residence Halls, Student Unions, Wellness Centers and Parking Facilities). Some fees are user based while others are charged to the entire student population.

Critical Note Disclosures

Category	Comments
Contingent liabilities from litigation	None.
Employee pension plans	See Footnote 8.
Related party transactions	See Footnote 10.
Commitments	See Footnote 12.

* Operating Margin also known as "Gain (Loss) Before Other Revenues, Expenses, Gains, or Losses" on Statements of Revenues, Expenses, and Changes in Net Position.

The "Unadjusted" financial information presented above represent results without any associated GASB 68 or GASB 75 adjustments.

St. Cloud State University
Summary of Fiscal Year 2018 and 2017 Audit and Financial Reports

External Auditor Communications

Category	Comments
Audit opinion	Unqualified/Unmodified
Material weaknesses	None
Significant deficiencies	None

Financial Statements Measures and Trends

	2018	2017
Unrestricted Cash	$ 70.5 mil	$ 58.3 mil
Unadjusted Operating Margin *	$ 2.8 mil	$ (0.7) mil
Compensation Expense Change Due To GASB 68/75	(14.8) mil	(21.2) mil
Operating Margin	$ (12.0) mil	$ (21.9) mil
Unadjusted Change in Net Position	$ 5.7 mil	$ 1.1 mil
Compensation Expense Change Due To GASB 68/75	(14.8) mil	(21.2) mil
Change in Net Position	$ (9.1) mil	$ (20.1) mil
Unadjusted Unrestricted Net Position	$ 31.7 mil	$ 22.3 mil
GASB 68/75 effect on Unrestricted Net Position	(82.6) mil	(67.7) mil
Unrestricted Net Position	$ (50.9) mil	$ (45.4) mil

Per Full Year Equivalent Student Data

	2018	2017
Student FYE	11,116	11,480
Total Operating Expenses excluding GASB 68/75 Adjustment to Compensation per Student FYE	$ 17,472	$ 17,021
Total Revenue per Student FYE	$ 18,307	$ 17,482
Income before Other Revenues, Expenses, Gains & (Losses) excluding GASB 68/75 Adjustment to Compensation per Student FYE	$ 250	$ (57)

Critical Note Disclosures

Category	Comments
Contingent liabilities from litigation	See Footnote 16 for additional information (pending AG letter).
Employee pension plans	See Footnote 14 for additional information.
Related party transactions	Foundation related-party transactions are disclosed in Footnote 18.
Segment information	See Footnote 15 for Revenue Fund segment data. The Change in Net Position for this segment was $(1.6) mil and $(1.1) mil in fiscal years 2018 and 2017, respectively.
Commitments	See Footnote 16 for significant commitments.

* Operating Margin also known as "Gain (Loss) Before Other Revenues, Expenses, Gains, or Losses" on Statements of Revenues, Expenses, and Changes in Net Position

The "Unadjusted" financial information presented above represent results without any associated GASB 68 and 75 adjustments

Auditor Communications

Category	Comments
Audit opinion	Unqualified/Unmodified
Material weaknesses	None
Significant deficiencies	None

Itasca Community College Student Housing is an Enterprise Fund of Itasca Community College, a member of Minnesota State Colleges and Universities, an agency of the State of Minnesota, established to provide housing for college students in Grand Rapids, Minnesota area.

Financial Statements Measures and Trends

	2018	2017	2016
Unrestricted cash	$506.0k	$424.4k	$351.1k
Operating Margin ("Change in Net Position")	$ 64.6k	$ 89.2k	$125.3k

Per Full Year Equivalent Student Data

	2018	2017	2016
Student FYE	108	110	100
Total Operating Expenses per Student FYE	$3,507	$3,313	$3,282
Total Revenue per Student FYE	$4,498	$4,528	$4,998
Income before Other Revenues, Expenses, Gains & Losses per Student FYE	$599	$811	$1,253

Board of Trustees Meeting

Minnesota State
McCormick Room
Wednesday, November 14, 2018
8:30 AM

In addition to the board attending in person, some members may participate by telephone.

Call to Order

Chair's Report, Michael Vekich
1. **Resolution for Gov. Dayton and Lt. Gov. Fischbach**
2. Update on Reimagining Minnesota State

Chancellor's Report, Devinder Malhotra

Consent Agenda
1. **Minutes, Board of Trustees Retreat, September 18-19, 2018**
2. **Minutes, Committee of the Whole, October 16, 2018**
3. **Minutes, Board of Trustees, October 17, 2018**
4. **Surplus Property, North Hennepin Community College**
5. **Increases to Board Established Fee Maximums**
6. **Approval of Mission Statement: Bemidji State University**
7. **FY2018 and FY2017 Audited Financial Statements and Student Financial Aid Audit**

Board Policy Decisions
1. **Proposed Amendments to Policy 3.3 Assessment for Course Placement**
2. **Proposed Amendments to Policy 3.41 Education Abroad**

Board Standing Committee Reports
1. Facilities Committee, Jerry Janezich, Chair

2. Finance Committee, Roger Moe, Chair
   - **FY2020-FY2021 Legislative Biennial Budget Request**

3. Academic and Student Affairs, Alex Cirillo, Chair
   - Innovation and Evolution: Shaping Our Work

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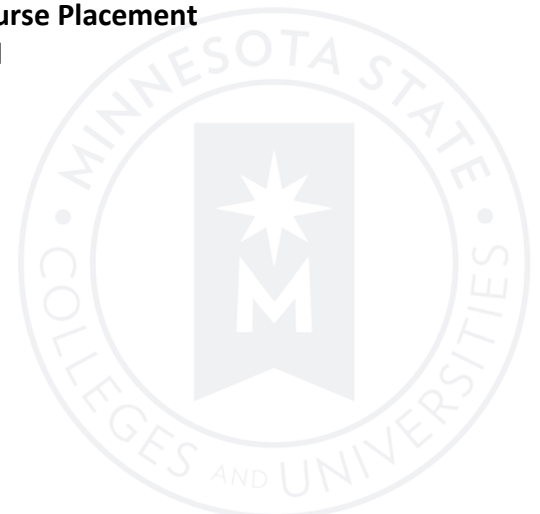
4. Ad Hoc Committee on Outreach and Advocacy
   - Economic Contribution Analysis

5. Joint Audit and Human Resources Committees, Michael Vekich and Jay Cowles, Co-chairs
   - HR-TSM Advisory Project Update

6. Audit Committee, Michael Vekich, Chair
   - Role and Responsibilities of Audit Committee Members

Student Associations
1. LeadMN
2. Students United

Minnesota State Colleges and Universities Bargaining Units
1. American Federation of State, County, and Municipal Employees
2. Inter Faculty Organization
3. Middle Management Association
4. Minnesota Association of Professional Employees
5. Minnesota State College Faculty
6. Minnesota State University Association of Administrative and Service Faculty

Trustee Reports

Other Business

Adjournment

Bolded items indicate action is required

Board of Trustees Meeting
Minnesota State
McCormick Room
Wednesday, November 14, 2018
8:30 AM

In addition to the board attending in person, some members may participate by telephone.

Consent Agenda
1. **Minutes, Board of Trustees Retreat, September 18-19, 2018 (pp. 2-26)**
2. **Minutes, Committee of the Whole, October 16, 2018 (pp. 27-32)**
3. **Minutes, Board of Trustees, October 17, 2018 (pp. 34-41)**
4. **Surplus Property, North Hennepin Community College (pp. 9-17 of the Facilities Committee's materials)**
5. **Increases to Board Established Fee Maximums (pp. 16-21 of the Finance Committee's materials)**
6. **Approval of Mission Statement: Bemidji State University (pp. 7-11 of the Academic and Student Affairs Committee's materials)**
7. **FY2018 and FY2017 Audited Financial Statements and Student Financial Aid Audit (pp. 6-11 of the Audit Committee's materials)**

Bolded items indicate action is required

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Board of Trustees
Retreat Notes
Fitger's Inn, Duluth
September 18-19, 2018

Present: Chair Michael Vekich, Vice Chair Jay Cowles, Treasurer Roger Moe, and Trustees AbdulRahmane Abdul-Aziz, Ashlyn Anderson, Alex Cirillo, Dawn Erlandson, Bob Hoffman, Jerry Janezich, April Nishimura, Rudy Rodriguez, George Soule, Louise Sundin, Cheryl Tefer, and Samson Williams and Chancellor Devinder Malhotra

Tuesday, September 18
Welcome, Introductions, and Opening Remarks

Chair Michael Vekich
Chair Vekich welcomed the board members, Chancellor Malhotra, presidents and guests to the retreat. Following introductions, Chair Vekich made the following comments.

> It is great to be back together in Duluth and to have the opportunity to think and plan together about the priority work we must do together to lead Minnesota State - this vital educational and civic asset of the state of Minnesota that we are charged with governing and guiding.

> We have a very full agenda to cover over the next two days. In a few moments, I will ask Terry MacTaggart, who will facilitate our retreat again this year, to walk through the agenda in more detail, including the outcomes we expect to achieve in each session. But before I turn it over to Terry, I want to say a few words about what I hope we accomplish over the next two days.

> The agenda represents our dual responsibilities of guiding Minnesota State for success in both the near and long-term. We will spend time on the immediate decisions and actions that we must take as a board to keep the system moving forward.

> Over the course of the next few days…
> - We will work to align our priorities and committee work plans to ensure that we stay focused on addressing critical issues for this year.
> - We will discuss our biennial budget request and tuition outlook so we can act as effective advocates as we seek the financial support from the legislature to appropriately fund our colleges and universities
> - We will discuss progress on NextGen – our significant undertaking to create the enterprise and information architecture that we need to drive our operations and support our students in the future.

- And we must do our due diligence and discuss how we are managing risk across the system.

These are all critical agenda topics and I look forward to your thoughtful engagement and conversation. But we also must take time to engage in conversations about our long-term vision and direction for Minnesota State and how we will govern and guide the system in delivering on our most important outcomes and our value proposition to the state of Minnesota.

I don't think I need to remind anyone in this room that higher education in this state and country is under tremendous pressure to change. Demographic shifts, economic trends, advances in technology and artificial intelligence, and changing work force needs and employer expectations are forcing higher education systems across the country to reconsider how they will live into their mission and position their institutions and students for success in the future.

Some are bemoaning this change and are fighting against it – hoping against hope that we will revert back to a time of increasing enrollments and state investments as the solution. Some are refusing to even recognize that a fundamental shift is occurring in the world of higher education and believe that no change is even necessary. These two view points on change remind me of a children's book that a colleague of mine shared with me recently that captures quite simply this human phenomenon – in a way only children's books can do. I like the lesson so much that I bought copies for all of you!

The book is called "There's NO Such Thing as a Dragon" by Jack Kent. It's a story of a small boy by the name of Billy Bixby who one day wakes up to find a very small dragon in his room. It is small – about the size of a kitten – and he befriends it. But when he tells his mother about his new friend, she tells him quite firmly that there is "no such thing as dragons!" He was confused by the fact that she couldn't see the very real dragon that was right in front of her. But like any good boy, he listened to his mother and ignored the dragon. But as the story goes on and the more he ignores the dragon, the larger and more disruptive it becomes to the point where it has completely consumed their house! The story resolves when the mother finally recognizes the dragon– after much pleading from the son and much disruption in their lives. But interestingly enough, once they stop ignoring the dragon and begin attending to it, it shrinks dramatically in size and becomes a welcome member of their family.

So why am I talking about dragons at our Board meeting? The basic moral of the story is that simply ignoring something doesn't make it go away. And if you ignore that something long enough it can grow to a point where it will disrupt everything you do. It's not until you recognize the change and embrace it that you can learn to move forward together toward a positive future.

This same idea was recognized by Socrates a very long time ago. He observed that: *"The secret of change is to focus all of your energy not on fighting the old, but on the building the new."*

This idea is at the heart of Reimagining Minnesota State. We will be spending the better part of today on this topic, and I will have more focused comments about Reimagining when we begin that section of the agenda. But I wanted to invite you, as we move through all of our agenda topics, to keep the words of Socrates and the lesson we learned from Billy's dragon in front of you.

We can no longer ignore the very real challenges and disruptive forces that are impacting higher education but instead must focus all of our energy not on fighting the old but on building the new. How powerful would it be if our entire system – our board, our leadership council, our system office, our faculty and staff and our students – would focus our energy on reimagining Minnesota State with the sole purpose of enhancing the success of our students and the economic and social vibrancy of our communities?

Not in positioning to protect yesterday or debating if change is necessary. But on creating an innovation eco-system that empowers our leadership, faculty, staff, and students to create the innovative solutions that will deliver on our promise of student success and on our value proposition to the State of Minnesota. I believe it would be very powerful indeed and am looking forward to this year as we engage together in our Reimagining work.

But before we dive into the agenda, I want to remind you of the social event this evening. I hope you are all looking forward to our visit to Fond du Lac Tribal and Community College. Fond du Lac is a wonderful example of the power and diversity of our system and how committed we are to serve the diversity of communities and students in the state of Minnesota.

We will be joined by former trustees, tribal government leaders and leadership from our bargaining unit and statewide student associations. It will provide an opportunity for us to connect as board members and leadership and continue to build community and camaraderie in a more social setting. I believe these opportunities to connect outside of our formal meetings are very important in building a stronger board and leadership team. I hope you will join us. With that, I will invite Chancellor Malhotra to say a few words of welcome as well.

Chancellor Devinder Malhotra

Chair Vekich, members of the board, I know the major item on this year's retreat is Reimagining Minnesota State. Given all the innovative and creative work taking place at our colleges and universities, I suggest that Reimagining work has actually been

occurring on our campuses for some time now, and a tremendous amount has been accomplished in that regard.

However, as innovative as many of our activities are, they are hampered in three ways: the work is being done in individual pockets, without the ability to diffuse beyond its place of origin to the rest of the system; it is not integral to the overarching operational and strategic structures; and it lacks the needed intentionality and sense of urgency. As we embark on this journey to secure our future, we have to recognize that we will be successful only if we live into our full potential as a system. Over the last year, I have often been confronted by the question - What is a system? The complexity of our work makes this a difficult question to answer, because it defies an unequivocal and unambiguous answer. Let me offer the board and the broader Minnesota State community an imperfect but working definition for operational purposes:

We are an interdependent network of vibrant institutions that by working together are committed to nurture, sustain, and enhance a civically engaged, socially mobile, and economically productive society. In short, we will be a system when each college and university is working toward the success of all students no matter where they are enrolled.

To make good on our commitment, we will truly have to work together –whether in the system office or at our colleges and universities, and take full responsibility for the success of all our students, no matter where they are enrolled. In short, we are a system when each college and university is working towards the success of both students enrolled at their institution and also students enrolled at other institutions within the system.

If we live into the promise of a vision embedded in this working definition of the system, it is clear that the boundaries of individual institutions will become porous, and we will increasingly make efforts to connect a myriad of existing operational structures across our colleges and universities in an intentional, cohesive, and unified manner where the whole is greater than sum of its parts. This inevitably leads us to a question we have been struggling for some time now, namely: What work should be at the enterprise level and when is something best left at the institutional level?

Our focus over the past year has been on three organizing principles: the success of our students, particularly those who learn differently from students in previous generations; our efforts around diversity, equity, and inclusion as we respond to a demographic shift and welcome an increasing number of students from populations traditionally underserved by higher education; and ensuring the programmatic and financial sustainability of our campuses.

In one way or another, the major system-level initiatives we took to the execution phase last year were aligned to those principles. This includes HR-TSM, NextGen, Comprehensive Workforce Solutions, Transfer Pathways, Developmental Education redesign, and baccalaureate expansion, particularly in the metro area.

As I started my tenure last year, all of these initiatives were at different stages of implementation, and in some cases, we needed to do some foundational/organizational work. For example, in Comprehensive Workforce Solutions, we executed a regional strategy that will allow us to pool programmatic portfolios for customized training and continuing education at the state level and meet the needs of any employer anywhere in the state.

In the months that followed, we used Internal Audit to evaluate and assess the effectiveness of the governance and implementation structures for these initiatives at different stages, and we made tactical adjustments and created some feedback loops where there was learning from the earlier stages of the projects to help them move forward in an appropriate manner.

These tactical adjustments took various forms, such as capacity building or paying additional attention to change management in order to gain the buy-in of our colleges and universities. The desired outcome of all of these midcourse corrections was that the initiatives would proceed in an orderly manner and live into their potential once they are completed.

The three organizing principles – student success, diversity equity and inclusion, and programmatic and financial sustainability – will continue to be our guideposts for the upcoming year, during which three areas in particular will need our attention:

First, Reimagining Minnesota State, which I will speak more about later today. Second, completion of a system-level assessment of Career and Technical Education, followed by the development of strategies to expand and strengthen CTE in order to align ourselves better with Minnesota's workforce challenges and then develop an overarching strategy for workforce development. Components of a workforce development strategy will include: non-credit comprehensive workforce training; credit career and technical education; creating feedback input from businesses; and positioning ourselves in the policy discourse so that we can shape the agenda and lead the work at the state level.

The third and final matter that needs new attention is how we will position ourselves in such a way that we convey our value proposition as a system and thereby establish the imperative for Higher Education as a public enterprise.

This value proposition will be anchored in the overall value proposition of public higher education, but it will also convey the value proposition of having a <u>system</u> of public higher education. In other words, our value proposition must answer two questions:

First: How does having a system of public Higher Education advantage the state of Minnesota and its people? And second: How does having a system of public Higher Education increase the ability of our colleges and universities to be more effective? Again, is whole greater than its parts?

Moving forward on this value proposition will require us to rethink the role of the system office. Traditionally, that role has been anchored in the oversight and advocacy needed to assure the board and the legislature that we are good stewards of the resources entrusted to us. But now, in this time of disruptive change, we need to broaden the scope of our work, focusing more on becoming a clearinghouse of information, engaging in coordination of the enterprise, and facilitating the augmentation of the capacity of our colleges and universities to ensure that they can do the work we are asking them to do.

This is precisely the reason I am excited about the Reimagining work, because it will help the system office become a more mature organization, broadening our scope and reach to serve all Minnesotans and become a national leader in innovative work. Simply put, our advocacy for our colleges and universities needs to be anchored in our advocacy for students no matter where they are enrolled, and in providing the talent Minnesota needs today and tomorrow.

In short, we will make sure that we as a system are ready to deliver on our stewardship of not just our students but also the general public, including the taxpayers of Minnesota. Thank you.

Set Tone, Review Agenda, and Anticipated Outcomes
Dr. Terry MacTaggart
Dr. MacTaggart reviewed the agenda. Outcomes for the retreat are greater clarity regarding Reimagining Minnesota State updates on NextGen, enterprise risk management, committees' priorities, and the biennial legislative budget request. These items are not unrelated blocks of activity. Innovative questions that will be discussed during the retreat range from the board's governance role to how the system can improve student outcomes and success.

Noting that the focus is on the Reimagining Minnesota State project, Dr. MacTaggart shared comments from several people that he and Dr. Lisa Foss had consulted with over the past several weeks. Comments include:
- People are positive, but skeptical about the project.
- People recognize the need for change, but the direction is not clear.

- One board member said *"It's essential that we do it, and it is important that we do it right."*
- Would like to hear from our constituent groups on what they think about the Reimagining project.

During discussion, the trustees made the following comments:
- Besides the mission, Minnesota State's website should list clearly defined objectives, strategies, and goals on one page.
- Our processes for learning in the system are not fast enough, focused enough, and do not tolerate the kind of continuous learning that we all need to recognize we are going to be embarking on.
- We will succeed to the extent that we build relationships that are in alignment with what we are building.
- Find ways to tolerate ambiguity as change occurs.
- There was a request to display the chancellor's definition of a system on a flipchart.

Reflections of our work: Leadership Council Executive Committee
President Ginny Arthur, Metropolitan State University
President Arthur commented that the Leadership Council met in a retreat at Vermilion Community College in Ely last week. The Executive Committee of the Leadership Council has been asked to share with you what the presidents are thinking about and will be working on during the year ahead. President Arthur provided an overview of the retreat discussions and themes for the year ahead. She commented that the presidents embrace the chancellor's positioning of our system as the primary supporter of workforce development for the State of Minnesota. The presidents see that expansively, as incorporating the higher level critical thinking, communicating, problem solving and interpersonal skills that make people good workers and good citizens and community members. Presidents also think that one of the advantages of the system is that a person can start at a technical and community college with a diploma or certificate and go on to earn an associate's degree, bachelor's, masters and doctorate from system colleges and universities and come back periodically for new skill development through continuing education and customized training (CE/CT). President Arthur added that there is an alumnus of Metropolitan State who did just that ‑‑ starting with a certificate in auto mechanics from what was then NE Metro Technical College, then getting an associate's degree from (then) Lakewood College, completing bachelor's and master's at Metropolitan State. This student recently received a doctorate, which he got from outside of our system, only because we didn't offer a doctoral degree in engineering.

President Arthur continued that we live in a world where a young person maturing today can expect to have several careers. The alumnus she mentioned earlier started as an auto mechanic and is now in a senior leadership role at a Fortune 500 company. It is an important advantage that we can and want to develop lifelong educational relationships with our students. The presidents agree that we need to be innovative and collaborative and remain

focused on student access and success, which also means, given the demographic changes, creating inclusive campuses.

Turning to her colleagues, President Arthur explained that they are going to highlight a few examples of the innovative and collaborative work that is already underway and will be continuing on campuses throughout the year.

President Bill Maki, Northeast Higher Education District
President Maki provided examples of collaborations and initiatives of the Comprehensive Workplace Solutions (CWS). Eight regions across the state that involve all colleges and universities are working towards statewide operational consistencies, but with regional flexibility and latitude to meet the systemwide objectives.

Systemwide Operational Objectives:
- Increase market share across the state and solidify Minnesota State's position as the preferred provider of comprehensive workplace solutions through programs and services that build employee skills and solve real-world problems for communities and businesses across the state.
- Leverage regional and enterprise-wide resources to deliver comprehensive workforce training solutions to businesses and industries across the state of Minnesota and contiguous states.
- Redesign current sales structures, processes and procedures, and expand the breadth of workforce solutions portfolios to enhance continuing education and customized training growth.
- Share talent within regions to drive financial results and long-term financial sustainability.

Iron Range Engineering
- Minnesota State University, Mankato's Iron Range Engineering program, located on the Mesabi Range College campus in Virginia, MN, and delivered by a university-college partnership between Minnesota State University, Mankato and Itasca Community College, was recognized as one of the top 10 emerging world leaders in engineering education in a recently published Massachusetts Institute of Technology research study.
- The 170-page study is titled "The global state of the art in engineering education," and was published in March. It is the result of a benchmarking study commissioned by MIT in June 2016 to provide a rapid overview of the cutting edge of engineering education globally and a horizon scan of how the state of the art is likely to develop in the future.
- The study draws on interviews with 178 global opinion leaders in engineering education located in 18 countries. As part of the study, thought leaders in engineering education from around the world identified two sets of university programs. The two sets are the current leaders in engineering education and the emerging leaders in engineering education.

- The report indicates that the top 10 emerging leaders of innovation, in order, are:
    - Singapore University of Technology and Design (Singapore)
    - Olin College (United States)
    - University College London (UK)
    - Pontifical University of Chile (Chile)
    - Iron Range Engineering (United States)
    - National University of Singapore (Singapore)
    - Technical University Delft (Netherlands)
    - Charles Sturt University (Australia)
    - Tsinghua University (China)
    - Arizona State University (United States)

- Excerpts from the study indicate how Iron Range Engineering (IRE) was described: "Catering largely to the community college student market, Iron Range Engineering (IRE) is an upper-division program, comprising the final two years of a four-year engineering bachelor's degree. Although based on a Community College campus, IRE degrees are [awarded] by Minnesota State University, Mankato. The program first opened its doors to students in 2009 and its annual intake is currently fixed at 25. The two-year program is entirely structured around semester-long industry-sponsored projects using a Project Based Learning approach. At the start of each semester, students are expected to define their own learning goals and outcomes relating to each project as well as determine how these will be achieved. At the close of each project, students are asked to submit a design report. All exams are conducted orally, before a mixed panel. Self-directed learning is a critical element of IRE, which is supported by a significant focus on student self-reflection. Indeed, students are asked to document and submit around 150 structured self-reflections during the two-year program. With a strong program focus on 'supporting the unique trajectory of every student,' the continuous process of self-reflection also helps to guide and inform student decision making in their choice of projects, competencies, specialisms and ways of working. Professional expectations are also strongly emphasized in the IRE program, with a dress code, a professional code of conduct relating to student and staff communication and a learning environment that 'emulates professional practice.'"

    A number of interviewees commented that IRE was 'a truly innovative model, based on good scholarly work, that doesn't get the press and the accolades that it deserves.' The Northeast Higher Education District's Iron Range Engineering program is seeking to capitalize on its project based learning model and recent success of being named one of the top five emerging world leaders in engineering education by developing and delivering a hybrid version of Iron Range Engineering known as the IRE Bell Program. This innovative new initiative partners with pre-engineering schools across the country and brings groups of students from other states to the Iron Range for five months of intensive training in project based learning and professional skill development. Students

then return to their home state for engineering internships returning periodically to the Iron Range for evaluations. The development of the Bell Program not only increases the visibility of northeast Minnesota on a national level but the creation of a number of well-paid positions and the infusion of out of state tuition dollars into the region make it an economic development investment as well. The program is requesting an investment of up to $5,000,000 disbursed over four years based on enrollment and program success.

Career and Technical Education – Minnesota West Community and Technical College and Northeast Higher Education District
- a construction trades program in collaboration with Pipestone area school district, the Pipestone EDA and Minnesota West addressing blighted neighborhoods through remodel of homes
- LYFT (Launch Your Future Today) – rural career and technical education pathway initiative to rebuild CTE in southwest and west central Minnesota
- Applied Learning Institute
- Founded in 2006 as a Renewal of Secondary Technical Education in NE MN?
- Concurrent Enrollment/Colleges in the Schools for Career & Technical Education
- 24 high schools – mostly small and rural?
- 5 NHED Colleges?

President Faith Hensrud, Bemidji State University and Northwest Technical College
President Hensrud's remarks focused on collaborations and partnerships for funding from private or foundations resources to fill gaps that result from lack of appropriate state funding.

Southwest Minnesota State University, Collaborations:
The Teacher Pathway Pipeline Project involves the Worthington School District 518, Minnesota West, and Southwest Minnesota State University (SMSU) as it prepares students of color to be elementary school teachers. The intent of the Teacher Pathway Pipeline Project is to provide support services for these future teachers in high school, provide seamless transition to Minnesota West and to complete their degree and licensure in SMSU's university teacher preparation program. The collaborative partners are creating an intentional, reciprocal, and sustainable Teacher of Color Pipeline Project that begins in high school and continues through matriculation at SMSU, with a completed Minnesota teaching license. The Southwest Initiative Foundation (SWIF) is supporting this project as is the McKnight Foundation.

Workforce Development
Neilson Foundation contracted with Bemidji State University's MARS program to conduct research on the skills gap in the Bemidji region. Northwest Technical College (NTC) was then invited to review the survey results, meet with the Foundation and determine where best to develop programs to meet the workforce needs. They were then asked to present a proposal for funding to the Foundation.

Northwest Technical College has received a $185,000 grant from Bemidji's George W. Neilson Foundation to fund equipment, faculty support, and professional development for the college's new Commercial Refrigeration/HVAC program, which begins this fall. The grant will provide a $150,000 match for equipment purchases, and $35,000 for faculty support and professional development. The $150,000 designated for equipment has an additional benefit: it opens a possibility for matching funds through the Minnesota State's Leveraged Equipment Fund. The leveraged equipment program requires a donation or contribution to be obtained by the college and then those dollars are matched through that program. So the $150,000 from the Neilson Foundation for equipment will be matched with $150,000 from the state leveraged equipment funding program. That means we'll have $300,000 of new equipment to ensure our technical instruction in commercial refrigeration is up to date and technically sound.

The college will first purchase technical training platforms which will teach students how to monitor processes in and performance of commercial refrigeration systems, while also offering opportunities for troubleshooting. NTC created its Commercial Refrigeration/HVAC program in direct response to feedback from north-central Minnesota commercial refrigeration employers. They reported a shortage of skilled employees in the field during a December listening session at the college. We listened to business and industry in December, and by March we've got approval for a new program. The program will offer a 60-credit diploma combining courses from the college's current Plumbing/HVAC and Electrical Construction & Maintenance programs with a 15-credit block of new Commercial Refrigeration courses, along with general education requirements. The program will provide training and coursework that directly correlates to business and industry requests. Initially, about 60 percent of its instruction will be in classrooms with the rest occurring in hands-on training and field experience. Students will take courses in electrical theory and advanced electronics and motor controls along with specialized coursework exploring commercial refrigeration systems and equipment.

St. Cloud State University, Collaborations
St. Cloud State University initiated an innovative partnership model that unites community colleges and universities to collaboratively develop and deliver in-demand disciplinary-related academic programs at multiple institutions while replacing unnecessary competition with a collaborative utilization of physical, intellectual and spatial resources and advantages. The North Metro Computing Education Alliance (NMCEA) is the first implementation of the new model. NMCEA is a consortium designed to meet the needs of students and respond to the demands of the workforce marketplace for talent in Software Engineering, Information Systems, and Cybersecurity. It includes partnerships among Minnesota State institutions—St. Cloud State University, Anoka-Ramsey Community College, Century College, and North Hennepin Community College as well as active engagements and consultations with external/industrial advisory councils. The NMCEA promotes higher efficiency and quality in the development and delivery of the curriculum by utilizing the cumulative talent of faculty and staff from the consortium members, eliminating redundancies and using industry expertise and capacity in the Twin Cities.

President Joe Mulford, Pine Technical and Community College

President Mulford commented that Pine Technical and Community College (PTCC) and others are opening up portals for academic pathways and student support. Former Trustee Amanda Fredlund pursued this as a student at PTCC enrolled at Southwest Minnesota State University. Some students like the experience of a small school. PTCC has the lowest higher education attainment rate in his area. The Power of You is a partnership program in the Twin Cities with Saint Paul College that provides support for low-income students. PTCC is working with a private donor who paid for students in Pine City to go to college tuition free. This is the first year of the program.

Discussion
During discussion, President Maki shared that St. Louis County awarded money out of its county budget to three colleges to retrain people in high skills jobs in our county to stop the brain drain. Discussion centered on finding ways to support innovation; allocate innovation funds to each campus; do more to reward collaboration; need to find different strategies for our different areas/regions; and engage the Centers of Excellence to help facilitate collaboration.

Following a break, Dr. MacTaggart invited the leaders of the bargaining units to comment on the presidents' comments and the subsequent discussion.

Bargaining Unit Leaders
Brent Jeffers, President, Inter Faculty Organization
Southwest Minnesota State University has experienced declines for a long time. The Twin Cities Baccalaureate program that is delivered on two campuses has had some challenges. For example, there are financial aid challenges for students enrolled on two different campuses. In faculty meetings concerns about the Reimagining Minnesota State project have been expressed, such as:
- Who is going to control the curriculum?
- Preserve critical thinking and problem solving skills?
- Innovation for what end, purpose, outcome?
- Will it increase our enrollment?
- What is the threshold that will make the system sustainable?

Tracy Rahim, President, Minnesota State University Association of Administrative and Service Faculty
The MSUAASF members are discussing the Reimagining project and want to be included in the process. President Rahim echoed President Jeffers comments - what is the end game? What do we mean by innovation and to what benefit – campus or system-based? There are major concerns among members as enrollment has declined, tuition and fees have increased, and there have been layoffs. There are fewer MSUAASF members who struggle with serving more students who arrive on campus with higher needs.

Kevin Lindstrom, President, Minnesota State College Faculty

President Lindstrom had several suggestions.

- Define the dragon very clearly as there is uncertainty on the campuses.
- Find a way to bridge the gap and acknowledge the oversight role of the board to the people on the campuses.
- The answer is the college and university presidents.
- MSCF relies on its two-year college presidents.

President Lindstrom complimented the board on its recent presidential hires and he urged the trustees to engage with them conversationally. One challenge for the board is to evaluate everything you hear against your established values. There is a huge distinction between first and last dollar scholarship programs. The second challenge is in the spirit of looking for progress and the premises on innovation, change, and doing things differently.

Tom Torgerud, Representative, AFSCME
Mr. Torgerud commented that if there is not a strong foundation, we will crumble. Obstacle is the need to have everybody on board. We need everybody on board. He believes we have to make some changes.

Jerry Jeffries, Minnesota Association of Professional Employees
Mr. Jeffries commented that we cooperate on some things and compete on others. He would like to see some more shared services. Employees want to be sure they are not working themselves out of a job. If a program is successful, why not replicate it or share it with other campuses. One of the best ways to keep a student on a campus is help them develop personal relationships with counselors, faculty, and other staff.

National and State Trends in Public Higher Education
Dr. MacTaggart listed several national and state trends in higher education.

Consolidations and mergers: Connecticut has been the richest state in the country. They have a cost driven program to bring two and four years together. Its accrediting body said they could not do it and the Connecticut system has been set back several years. Georgia had higher functionality with changes that were mandated by its powerful board. Fourteen institutions have been reduced to seven.

Agility versus control: North Dakota has a new governor who chairs a blue-ribbon commission on higher education. He would like to reduce the authority of the system so that the institutions can compete.

Oregon got rid of its system. It has a coordinating board. Michigan has not had a system, and neither has New Jersey.

Stronger executive: Missouri has a strong head of its system. Rutgers has the same thing. Maine has advertised itself using the term "one university. "

Dr. MacTaggart commented that Minnesota State is set apart because it is unique. Minnesota State is ahead of all of the other systems. The Reimagining Minnesota State project is a future-looking, systematic approach that will include all of the stakeholders, and it is realistic.

Reimagining Higher Education: Minnesota State
Part I: Updates, approach, and engagement strategy
Chair Vekich's comments:

> I have been looking forward to this agenda item for some time. Since we first began our conversations about engaging in the Reimagining Minnesota State initiative last spring – even before we had an official name or structured process -- I have been eager to engage in the critical questions that we must ask ourselves as a Board if we are to lead Minnesota State into the future.

> Over the course of the next four hours, Terry MacTaggart and Lisa Foss will guide us through a discussion of the current thinking about Reimagining Minnesota State initiative and to seek guidance from the Board on Phase 1 activities, including the topics that will be the focus of our Forum Sessions and our approach to engaging our Minnesota State community in these deliberations.

> It is my understanding is that Reimagining Minnesota State was on the agenda of the Leadership Council retreat last week and that the Presidents and Vice Chancellors had the opportunity to provide input and ask questions about the Reimagining Minnesota State initiative. It also is my understanding that their conversation has led to increased clarity and purpose to the Reimagining Minnesota State initiative and process that will be shared with you later in this session. I am very pleased that our Leadership Council provided such insightful feedback. I believe the ongoing engagement with our leadership team and our bargaining unit and student leaders is and will continue to be important to the success of our effort. I have been clear that transparency, communication and engagement must be important pillars of our collective work to Reimagine Minnesota State.

> Since our last conversation about this topic at the July Board meeting, we have more clearly articulated the goals of the initiative. While Reimagining Minnesota State is an effort to build our capacity to be more responsive and nimble through ongoing innovation, we are not advocating for innovation for innovations sake. In fact, we are challenging our entire system – the Board of Trustees, the system office, our campuses and our faculty, staff and students -- to seek out and be more open to promising innovations that will result in improved outcomes for our students and state.

> Through the Reimagining Minnesota State initiative, as Board Chair, I am challenging all of us to set a goal for ourselves that we will lead the country on key outcomes of

student success and economic and social mobility. I recognize that this goal is a bit audacious. Jim Collins, author of Good to Great, might even call it a BHAG… A Big Hairy Audacious Goal! But I believe that as the 4th largest public higher education system in the country, we have the leadership, the resiliency, the creativity, and the commitment to student success to achieve it.

We will only be able to achieve this goal be embracing innovation and change and continually seeking out new methods and approaches to improve the education and experience of all our students. That is the purpose of Reimagining Minnesota State.

Not to create a tactical plan that will identify point solutions for single challenges. But to create a culture of evidence-based innovation across our system, campuses and employees and to empower our people to identify innovative, evidence-based solutions to our most difficult challenges. If we do this work and we do this work well, I am confident we will become recognized as the most innovative and student success driven higher education system in the country.

And what is most exciting about that possibility is that it will be a great achievement for the board and the chancellor and the presidents and our campuses. But the real winners if we achieve our goals will be our students and the people of Minnesota. At that point, our value proposition will no longer be in question. We will be the unquestioned catalyst for social and economic vibrancy and mobility and a valued partner for the State of Minnesota.

The work of Phase 1 is to bring clarity to that value proposition and to create an organized approach to innovation – or what we've begun calling an innovation eco-system -- that creates the expectations, environment, support structures, processes and policies that will drive progress on our goals.

In the Board packet, there were a few background readings and even a few TedTalks that were to spark the Board's thinking about 'innovation'. I want to draw your attention to one reading in particular. It was an article by AGB on Innovation. At the end of the article, the author poses a series of questions that Board's should ask themselves about how they are encouraging and supporting innovation in their institutions. A few of these questions were:
- Is the culture of the board supportive of innovation?
- Does the board have the right composition and committee structure to foster innovation?
- Are innovative ideas recognized and rewarded at your institutions?
- Do your Board and Presidents support and encourage innovation on the part of your faculty?
- How has the Board signaled to your campus community its commitment to support innovation?

These are important questions that we need to ask ourselves as a Board as we move through Phase 1 of Reimagining Minnesota State and to keep in front of us as we engage in the session today.

Before I turn the remainder of the session over to Terry and Lisa, I am excited to share with you the names of our confirmed members of the Forum on Reimagining Higher Education Advisory Group. We are very fortunate to have leaders of this caliber and experience agree to dedicate time and energy to thinking with us about the future of Minnesota State. The Forum Advisory Group members are:

Neel Kashkari, President and Chief Executive Officer, Federal Reserve Bank of Minneapolis
Kenneth Holmen, Chief Executive Officer and President, Centracare Health
RT Rybak, President and CEO, The Minneapolis Foundation
MayKao Hang, President and CEO, Amherst H. Wilder Foundation
David Mortenson, Chairman, Mortenson Construction

Joining the external members of the Forum Advisory Group will be myself serving as a co-chair with Mr. Kashkari, Chancellor Devinder Malhotra, Trustee Roger Moe and Trustee Alex Cirillo. We are anticipating one more business leader to be added to the Forum Advisory Group in the next few weeks. We will officially announce the final membership when we launch the first Forum Session later this fall.

This is a powerful group of thought leaders and their willingness to serve Minnesota State in this advisory role is a testament to the important role we play in this state. Now we need to challenge ourselves to be bold in our thinking and our action as together we Reimagine Minnesota State.

Chancellor Malhotra's Comments

Chair Vekich, members of the board, as our work to reimagine Minnesota State gets underway, I would like to share a quote about higher education that I have already shared with Leadership Council. It comes from a 1972 article by Michael D. Cohen, James G. March, and Johan P. Olsen:

> "An American college or university is a prototypical organized anarchy. It doesn't know what it's doing. Its goals are either vague or in dispute. Its technology is familiar but not understood. Its major participants wander in and out of the organization. These factors don't make a college or university a bad organization or a disorganized one; but they do make it a problem to describe, understand, and lead."

If our reimagining work is to succeed, it must permeate all through the organization, and every single corner of the organization must do this reimagining, including the board and the system office. In that regard, the reimagining that takes shape at our colleges and universities will occur in 37 different ways, because different institutions are at different levels of organizational maturation. They have different contexts and different histories, and their communities have different needs.

As we reimagine our work at the system office, I believe there are critical questions that need to be answered:

- How do we make creative and innovative work integral to our operational structures?
- How do we create a more facilitative and supportive environment to ensure that this work can permeate throughout the system?
- And how do we support our people in taking risks that sometimes pay off and sometimes result in failure – failure that is viewed as an opportunity to learn and adjust?

The authors of the quote about colleges and universities being organized anarchy also argue that such organizations operate in a high degree of uncertainty and ambiguity. There is ambiguity of purpose. In a system as large and varied as ours, it is difficult to develop a shared vision and goals that will be applicate throughout the system and the colleges and universities.

There is also ambiguity of power. This emanates from a lack of clarity of roles, and thus a lack of clarity around domains of power. The authority our positions at the system level supposedly grant us is illusory. The reality is, our ability to move the system forward depends less on using authority and more on building networks and coalitions and developing consensus. And then there is ambiguity of experience. We continue to struggle to determine what should be done at the enterprise level and what is to be left for the colleges and universities. Given the complexity of the environment in which we operate and the uncertainties we face, the notion that our past experience and actions will hold us in good stead in the future is no longer true.

In order to navigate this complex environment, we will need very different kinds of leadership traits. Leaders will be called to fully engage all stakeholders, both internal and external, to develop a shared understanding of how we will align our work to changing circumstances. In other words, we will need leaders who engage and align.

We will also need leaders who can facilitate very difficult conversations and challenge us, our colleagues, and our organization to rise above short-term existential threats and focus instead on long-term sustainability. This understanding might explain why we are embarking on this reimagining at this point in time, and answer the question, Why now?

If we fail to engage in this important conversation and readjust to current disruptions, we are putting our colleges and universities and our system as a whole on an increasingly unsustainable path. This is a threat to our very existence. But more importantly, this is a threat to every Minnesotan. If we don't ensure student success, if we don't address disparities, our students will not have a brighter future and our state will not prosper.

Chancellor Malhotra introduced Dr. Lisa Foss, Chancellor's Fellow, who is the lead on the Reimagining Minnesota State project.

Updates, Approach, and Engagement Strategy
Dr. Lisa Foss said that Reimagining Minnesota State began with a challenge from the chair: "How does the Minnesota State Board of Trustee enable a large, complex, and risk and change-averse organization to transition itself into a more dynamic enterprise centered on enhancing student success?"

Practices that worked yesterday will not work tomorrow. Changing demographics, shifting enrollment patterns, increased competition, technology, financial sustainability, and the public's perception are all challenging higher education. Traditional models do not serve underrepresented and non-traditional students well. The goals of Reimagining Minnesota State are to:
- Lead the country on key outcomes of student success and economic and social mobility.
- Become recognized as the nation's most innovative and student success driven higher education system.

The outcomes of Reimagining Minnesota State are to:
- Create a culture of evidence-based innovation across the system
- Empower our people to identify innovative, evidence-based solutions to challenges, and
- Create structures, policies, procedures, and funding models to support

Dr. Foss explained that there are two phases to this initiative. Phase One will run through April 2018. During this phase we will learn together how industries and organizations in Minnesota and around the country are meeting the demands of the rapidly changing environments within which they operate.

Phase Two, beginning in May 2019, is when the work begins to create an innovative ecosystem for Minnesota State that will engage leaders from all levels within the system in identifying the organizational and operational changes that are needed to build and sustain a culture of innovation.

During discussion, trustees expressed a need for clarification of the purpose and goals. There is ambiguity at this point in the initiative, yet there is also a sense of urgency. Trustees also discussed messaging and communications around the Forums.

Convening Topics

Dr. Foss explained the format for the Forum sessions. First, they are open to the public. There will be a briefing paper, public presentations on each topic, and a public report after each session. There will be broad conversations across the system. There will be updates at the Board of Trustees meetings, meet and confers with the bargaining units, and meetings with the student associations. In addition, the materials will be available on the Forum's website. The Forum sessions can be accessed in real time. The tentative topics for the Forum sessions are:

- Forum Session 1: Forces for change around the country
- Forum Session 2: The Digital Age/ opens the door for NextGen
- Forum Session 3: Nature of work, future as machines take over
- Forum Session 4: The World: Competition, emerging markets and global competency
- Forum Session 5: Emerging Business Models

Frameworks for Innovation

Dr. Foss explained that there are many definitions of innovation. It is a localized definition influenced by industry type. She summarized approaches to innovation systems in business and industry, health care, and social and education organizations. Innovation can come from leveraging existing business and technical competencies or requiring new ones. The investment of time and resources depends on what kind of risk your organization is willing to take.

Dr. Foss highlighted innovation systems at the Institute for Healthcare Improvement, the Carnegie Foundation for the Advancement of Teaching, and the Collective Impact Forum.

Principles of practice in innovation include:

- Design and implement the initiative with a priority on equity
- Include community members in the collaborative
- Recruit and co-create with cross-sector partners
- Use data to continuously learn, adapt, and improve
- Build a culture that fosters relationships, trust, and respect
- Customize for local context
- Cultivate leaders with unique system leadership skills

Dr. Foss noted that similarities in Peter Senge's key capabilities of system leaders:

- Commitment to the health of the whole
- Ability to see reality through the eyes of people different from themselves
- Build relationships based on deep listening and networks of trust and collaboration
- Do not wait for a fully developed plan
- Encourage learning by doing
- See intractable problems as opportunities for innovation

Align Priorities with Committees' Work Plans

Senior Vice Chancellor Ron Anderson talked with the board about the national issues and trending themes in higher education, and the potential use of these themes as an organizing

framework for building FY19 committee work plans/agendas. He listed eight themes and asked trustees if they are the right ones, and if they can think of any others. He also asked them to consider where there are opportunities to advance equity and inclusion across the themes?

- Value and purpose of higher education
- Student success, enrollment, and changing student demographics
- Innovation and quality in curriculum, programming, services and operations
- Campus climate
- Disinvestment in public higher education
- Affordability and student debt
- State and federal policy, and
- Leadership and change

Trustees commented that they were not sure that the names of the committees and their charters accurately reflect their work. Progress has been made on reducing the number of PowerPoint presentations to allow more time for strategic discussions to occur. The presentations need to clearly state the key points that the trustees need to know. Some trustees, especially the newer members, do not have the background on all of the information that is presented. Regarding leadership and change, a suggestion was made to develop a workforce development training session for staff. There was also consensus on developing a common definition of change management.

Dr. MacTaggart recommended letting the board's new committees get settled before looking at changing their names and charges. Day one of the retreat concluded and the topic of aligning priorities with the committees' work plans will continue in the morning.

Wednesday, September 19
Retreat Continues, Recap of Day One
Dr. MacTaggart recited take-aways from day one:

1. Heard a strong go ahead on Reimagining
2. Communications on all fronts
3. More participation built around and in addition to the forums
4. Greater awareness of campus innovation; particularly for the board
5. Art and science of change leadership

The goal is to be the most innovative system in the nation. Minnesota State has a lead on this because no one else is going it. There were concerns about Reimagining following on the heels of Charting the Future. There is also a need to consider the reactions of faculty and staff who need to be supportive of the initiative.

Continued discussion - Align Priorities with Committees' Work Plans
Sr. Vice Chancellor Anderson and Dr. MacTaggart presented several discussion questions:

- How to align committee work with reimagining?
- How do you spend your time in committee meetings?

- Communications within committees? Can you use technology? Communicate with the board?
- Input, getting information, hearings?
- Working relationship with staff?
- Name and charge of the committee?

Trustee Cirillo suggested spending times in each of the committees on the Reimagining work. It can be a standing item on the agenda and the purpose of this is to change the board. By doing this in committees, we can bring the rest of the system along. Trustee Cowles suggested inviting all stakeholders in a non-formal but structured way to participate in the committee work. Trustee Rodriguez said there is a lot of good work going on and would love input from all of the stakeholders.

Chair Vekich commented that the Audit Committee is the most compliance oriented of all of the committees. Baker Tilly has been engaged as part of the audit team and it has been working very well. The Audit Committee is taking independent views of NextGen and thinking about how Reimagining gets integrated into NextGen.

Trustee Janezich commented that a separate committee for facilities makes sense. He has consulted with Trustee Soule who is the vice chair of the Facilities Committee. One goal is to share thoughts with Trustee Moe who is the chair of Finance. Trustee Sundin added that there is a need on almost every campus for spaces for food banks, clothing banks and other services to help students.

Trustee Moe said that he is not sure that the Finance Committees needs a new name. There is a need to be thoughtful on NextGen and how the narrative around it is framed, as well as the budget in general. There ought to be creative ways to pursue sources of revenue and to be strong supporters of increasing the budget. He suggested putting workforce centers on campuses where they can make a difference, instead of having them on all campuses. What distinguishes a community apart in this state is the college or university campus within its area. Consider some structure to find a way for a tax as students spend money in the community. Dr. MacTaggart noted that there are a lot of institutions around the country that get tax support.

Trustees Cowles, chair, Human Resources Committee, said that compliance is also a function of his committee. It is also the committee that deals with organizational development. One area to explore is how to understand the ability of the employees and the leadership to get the work done. Perhaps that can be done by conducting a climate survey. He supports bringing stakeholders to committee discussions.

Trustee Erlandson, chair of the Ad Hoc Committee on Outreach and Advocacy, said the committee has two members so far. The full board does not often get to hear about our external effort such as marketing and stakeholder engagement. She suggested that we should

think about marketing to Generation Z, as they are still in school. Trustee Abdul-Aziz suggested marketing to students. Other ideas are partnerships, working with communities, unions; and building trades. Trustee Sundin added visiting campuses because that is the best way for the board to find out what is going on so that we have stories to share about what is happening on our system.

Trustee Cowles commented that instead of looking at this as a project, we should actually consider this as our normal work expectations. We need to keep up, be relevant, and take care of our students.

Chair Vekich explained that the Chancellor Performance Review Committee will be convened in the next month or so, and that the Nominating Committee members will be selected in 2019.

Sr. Vice Chancellor Anderson commented that the changes in how the committees interact will add value to their work. He thanked the trustees for a good discussion.

Biennial Budget and Tuition Outlook
Chancellor Malhotra said that this will be Vice Chancellor Laura King's 12th biennial legislative request, and his first! The focus of this biennial budget request is on fiscal stability, managing our operational expenses with our budget, and student success. We heard again and again to ask for what we need for campus investments, inflationary increases, cost?, compensation, and closing some of the structural deficits because of the way the state's appropriation has been awarded over the years.

Vice Chancellor King said that this is the Board of Trustees' formal request to the governor and the legislature for two years of funding. During the 2018 legislative session, the board had a capital program request and a FY2019 supplemental budget request. There was no legislative support for the supplemental budget request.

Vice Chancellor King reviewed a timeline for the FY202020-FY2021 budget request. It began with consultations with bargaining units and student associations in April and will conclude with a first reading at the October board meeting, a second reading and approval at the November meeting. The FY202020-FY2021 budget request will be submitted to Minnesota Management and Budget on November 15, 2018.

State funding has been erratic over the past several years. There is no relationship in our funding levels with enrollment levels. At one time, the state funded two-thirds, and the students' portion was one-third. Since 2002, that has declined. Since 2013, there is a consensual relationship on funding level since the board agreed to not increase tuition. Current funding level is 50/50. Minnesota's higher education funding trails the U.S.; Minnesota's investment has declined more than twice the national average since 2007.

Enrollment has declined one percent from FY19 and FY18. Every year for the last six years, our campuses have faced budget shortfalls. The state appropriation has been trending in such a way that it leaves us with a gap in the second year of the biennium.

The three organizing principles shaping the legislative request are:
- Student success/new learners;
- Diversity, equity, and inclusion/ new demographics; and
- Programmatic and financial sustainability/ new budget realities

This is our opportunity to make the case that adequately funding higher education is critical to nurture and sustain Minnesota's economy. Two new scholarship programs targeting enrollment and completion would help student success: the MN State College Promise Program (tuition and fee scholarship for new and continuing college students), and the MN State University Transfer Scholarship (for transfer students from our colleges to our universities). The first year would be paid for, the second year would be their contribution

Vice Chancellor King said that the budget request is for $246 million in new funding over the biennium.
- $37 Million to support ISRS NextGen
- $169 Million to provide high quality programs
- $25 Million for targeted financial support to strengthen access
- $15 Million for address the workforce gap

Trustees offered suggestions for making a persuasive case before the legislature. The compelling argument is educating Minnesota's talent with campus investments and strategic investments.

NextGen Update
Vice Chancellor Ramon Padilla said that NextGen is Minnesota State's next great technology investment. The urgency is the technology piece – we are running on a legacy system that is very old. What sells it is that this system is the core around which everything revolves around. It is making us look at our business processes, better management, and governance processes.

NextGen will provide an enhanced student experience by improving registration, degree planning, credit transfer, online advising. NextGen is the next generation because this is what your students need.

Vice Chancellor Padilla said that NextGen is not a legacy rewrite. We are not writing anything. We are going to lease the software. We are not even going to run it ourselves, we are going to be on the same platform as other software programs. Software is a service and as we invest in it, and it will be continuously modified as it meets changing needs. Second plus, is that no customization is allowed. There is a difference between customization and configuration. Configuration is tweaking the software to fit the model to meet our needs.

NextGen will change how faculty and staff support our students and administrative processes. Two hundred people are working on the business processes. Students, faculty, and staff will have an opportunity to review the process maps starting on October 8 through November 16. They can provide feedback online, through a virtual Q/A session, or in person at a regional review site.

The change management strategy is in place and the board, chancellor, and presidents all have a role to sponsor and enable the program. The project timeline has been revised. There will be an update at the October board meeting.

Enterprise Risk Management
Chancellor Malhotra listed Minnesota State's strategic objectives: student success, diversity, equity, and inclusion, and programmatic and financial sustainability.

Interim Executive Director Eric Wion gave an overview of the ERM process. The Steering Committee felt there was an opportunity for a robust discussion and feedback. All of the presidents were surveyed and asked to rank risks identified by the system office and additional risk areas. The risks were sorted in areas of emphasis and ranked. Individual risk owners were identified and then were asked to put together a risk mitigation plan. Twenty-six presidents participated in WebEx discussions and 21 presidents completed the survey. Out of ten risks, the presidents' selected three - financial sustainability, change management, and enrollment management - as the number one risks from both a system and institution level. Following the presidents' feedback affordability was added as a strength and state and federal government policy and public support were added as risks.

Ms. Rose Tagle, Baker Tilly, reviewed areas of emphasis. The last time it was all about the process. This time it is all about the risk. Compared to other systems, Minnesota State is pretty far in front of risk identification. Chancellor Malhotra added that reviewing and evaluating past change efforts has resulted in lessons learned from the past. He cited the HR-TSM as an example. A suggestion was made to evaluate current change efforts as well.

Vice Chancellor Padilla reviewed information security/privacy and IT systems. He explained there are two modes of mitigation from an IT security standpoint: policy/ procedure and governance. The IT risk assessment has been completed and is in the process of being reviewed, and relevant board policies have been reviewed and updated since February 2017.

Associate Vice Chancellor Brian Yolitz discussed risks associated with safety issues. The campuses routinely have drills covering a variety of emergencies including campus shootings, fires, tornadoes, etc.

Vice Chancellor King reviewed the financial sustainability risks that include ensuring that the system can continue to operate in the short-term as well as the long-term. Mitigation plans

include financial performance oversight, implementing predictive analytics for enrollment management, and implementing collaborative planning for academic programs, along with government relations efforts. A suggestion was made to include retention and graduation to implementing predictive analytics for enrollment management.

Chief Marketing and Communications Officer Noelle Hawton summarized risks in managing legislative and public support. The mitigation plan includes practicing robust government relations efforts, gaining public awareness and support through paid and earned media. For example, she is working on developing a content strategy on alumni, and the companies they work for, to promote the value proposition of public education.

Senior Vice Chancellor Anderson reviewed risks in academic and student affairs. Mitigation plans for technological disruptions include continuing to explore new learning technologies, enhancing enterprise opportunities (NextGen, for example), and supporting institutions in implementing online education strategies. Mitigation plans for enrollment management include re-envisioning the processes for recruitment, orientation, and placement testing, and strengthening partnerships with local communities, high schools, industry, and diverse organizations. The next steps are to continue working with the Steering Committee. The Leadership Council had a similar discussion last week.
Campus Tools & templates will be developed for presidents after this year.

Final thoughts and take-aways
Dr. MacTaggart commented that trustees will receive a copy of Chancellor Malhotra's working definition of a system. Chair Vekich asked trustees for their thoughts on two questions:
Did we accomplish what we wanted to accomplish, and what would be helpful to know, what did we miss? In general, trustees concurred that the conversations over the past two days were a good start. They also commented on:
- the importance of building trust in the entire system;
- the board's role in helping the team (system staff) be successful;
- staying connected with the Reimagining Minnesota State project;
- wanting to know the reasons why students chose Minnesota State, and reasons why they go elsewhere;
- interested in knowing how other institutions are growing their market share; and
- how will learning change in 10 years

Chancellor Malhotra invited trustees to join him at any of the second round of Partnership Tours on October 4 and 5, starting with Anoka Technical College, Pine Technical and Community College, Lake Superior College, Bemidji State University, and Itasca Community College.

Chair Vekich thanked everyone for their participation. The retreat ended at 2:30 pm.

Committee Members Present*: Chair Michael Vekich and Trustees AdbulRahmane Abdul-Aziz, Ashlyn Anderson, Alex Cirillo, Jay Cowles, Dawn Erlandson, Bob Hoffman, Jerry Janezich, Roger Moe, April Nishimura, Rudy Rodriguez, Louise Sundin, Cheryl Tefer, Samson Williams, and Chancellor Devinder Malhotra*

Committee Members Absent*: George Soule*

Leadership Council Members Present: *Senior Vice Chancellor Ron Anderson, Vice Chancellors Laura King, and Ramon Padilla, President Scott Olson, President Angela Millender, and Interim Executive Director of Internal Auditing Eric Wion*

Guests: *Mike Cullen, Baker Tilly*

The Minnesota State Board of Trustees Committee of the Whole held its meeting on October 16, 2018 in the East Hall, Kryzsko Commons, Winona State University; Winona, MN.

Chair Michael Vekich called the meeting to order at 1:30 p.m.

NextGen Project Update
Chair Vekich called the committee of whole to order and introduced the Next Gen Update, Vice Chancellor Padilla and President Scott Olson. Chair Vekich took the opportunity to thank those that planned the lunch and appreciated the chance to spend time with students.

Vice Chancellor Padilla stated that the theme for today is project assurance. There are two topics in this presentation, the NextGen update and the Internal Audit risk review.

Vice Chancellor Padilla's presentation included a reminder on why this project is important. This project "will provide an enhanced student experience and future-proof our technology investment to support student success."

Vice Chancellor Padilla stated that at a previous meeting the board members asked to be equipped with information on how the NextGen project is different from the legacy rewrites that have been in the news. The main point is that Minnesota State is committed to buying a commercially available piece of software and will not customize or host it.

The overall status of the NextGen project is that it remains on track. The resource project health measurement is listed as "at risk" due to the communications lead vacancy. That said, the communications position posting closed a week ago, resumes were reviewed, and interviews should begin shortly. Other than that, the project is moving along swimmingly. Right

now, teams are in the process of tying up Future State work. The Future State teams are doing regional reviews.

. In In November, the work teams will finalize the future state processes based on feedback and kick off the RFP team who will start writing the Request for Proposal (RFP).

In May 2018, Baker Tilly presented to the Board the HRTSM report summary results and in that conversation, the board members asked, "Can we take these results and lessons learned and map them back to NextGen?" This was to make sure that any lessons learned were applied to the NextGen project.

A considerable amount of time was spent going through the report that the board was provided and the findings were mapped back to NextGen actions. Vice Chancellor Padilla provided the board with the highlights of the exercise and from the standpoint of the project, most of the findings in HR-TSM had already been included in planning. The few items that had not been included previously have since been added. This project includes strong project management, planning and execution. From the beginning, this project has included a dedicated project manager, development of a communication plan, project governance, and management processes. From that standpoint, NextGen has been leveraging the HR-TSM, findings to make sure that the lessons are learned and that best practices are followed. This is something that is a part of the ERP steering committee's continual process improvement.

Vice Chancellor Padilla expressed happiness with the project governance that has been established. The governance is a strength of the NextGen project at this particular point in time. The credit for this should be given to the board with its insistence in ensuring that strong project governance is in place. The board's engagement and active participation in making sure the project ensures that lessons learned have all been accounted for and have been completed or are a part of the ongoing processes.

Trustee Hoffman inquired if the RFP would be awarded to one vendor. Vice Chancellor Padilla replied the RFP would be awarded to a vendor and that probably the implementation would be awarded to a partner. Trustee Hoffman asked if there is someone who has equal expertise in business administration and student success. Vice Chancellor Padilla responded that in terms of the vendor, the solution selected would more than likely be 100% focused on higher education so their expertise will be in both areas. They will bring the administrative side because they have built those components, but equally they will bring in the student side because that is what makes a higher education ERP special. There are vendors who specialize in higher education.

Trustee Erlandson inquired if the new system would be able to help simplify the registration process for students across institutions. Most higher education organizations are not as complex as Minnesota State, they only have one institution and Minnesota State has many institutions. During lunch, Trustee Erlandson met a student who needed a course for her major that was not offered frequently on campus. The student attempted to sign up for the course at

another institution, but the application process became too complex, and they were not able to take the course. The student now will have a minor in the area rather than a major. Vice Chancellor Padilla responded from a technology system standpoint, the hope is that the product chosen would help make search capabilities easier and that the software would act as an enterprise solution. Development of the future state and current state should result in a better student experience. President Olson responded that what the student might have encountered might not have been an IT problem or a logistical thing. It could have been that Winona State has certain requirements for the major that the course at another institution did not fulfill and therefore it led to what happened. Most of the systems in place have been designed to make it easier for the situation that Trustee Erlandson described.

Chancellor Malhotra stated that in past conversations Vice Chancellor Padilla has emphasized that only a few providers will be able to handle the scope and scale of this work. Therefore, the responses to the RFP would be from a finite group. Asked to name some of the major players in this field, Vice Chancellor Padilla replied that the providers that come to mind now are Workday, Ellusian, Oracle (which has a newer cloud product), and there is a new company, at least in the US, they are a bigger player in Europe called Unit 4. There may be others who respond.

Trustee Williams inquired if they will build and manage the program. Vice Chancellor Padilla responded, yes, the software is already built so it is a matter of consuming the service and the provider will run the infrastructure behind it. Minnesota State will configure the program to meet Minnesota State's specifications. Trustee Williams inquired where the students come in. While on a tour with the chancellor in St Cloud, Trustee Williams saw great computer programs that were done by students and listened to a testimony from a former student who had great contribution in the work that was done in providing a camera system for the whole city of Minneapolis during the Super Bowl. The students in St Cloud that designed the program were hired by the city of Minneapolis to build the program and manage it. So is there a vendor out there that can train Minnesota State students how to manage the software or the program?

Chancellor Malhotra responded as a clarification for Vice Chancellor Padilla's benefit. The program Trustee Williams was referring to is between St Cloud State and GeoCom, which specializes in GIS related activities. Their work with the Super Bowl and US Bank Stadium is pinpointing the location for emergency services. Vice Chancellor Padilla responded that he could not speak to that particular application. The scope and scale of an enterprise resource planning software is of such magnitude that it is too large for even the staff at Minnesota State to handle. The vendors who are going to respond have hundreds if not thousands of people coding for them to build these applications and support them. This does not take away anything from anybody that has the ability to code, but this is not a small operation type of endeavor. This endeavor is going to take a multimillion-dollar organization in order to support the complexities of Minnesota State.

President Olson thanked the Board of Trustees for the support the board provides. The learning that goes on would not be possible without the board members volunteer support to the campuses and the state of Minnesota.

President Olson then shared a summary of the article *The Role of Governance in ERP System Implementation* by Lois Fitz-Gerald and Jennie Carroll from the University of Melbourne (2003). This meta-study looked at lots of different research into what makes an ERP implementation successful. There are seven key factors in a successful implementation. The first is top management support, project championing, and an executive sponsor, which is the role of the Board of Trustees. The board's support of this project and willingness to add this to the legislative budget request are significant contributions to the success of this project. Second, the implementation project needs a balanced team that is focused on the project. This means that folks are pulled away from the regular duties allowing time to contribute to this project. There is an incredible amount of IT talent in this system. President Olson could not be prouder of the quality of IT professionals at Winona State University. Ken Janz is leading the transition team for Winona State University. Third is empowered decision makers, this means that the project leaders have the authority to make critical decisions at the right time. This is also, why the Board of Trustees is updated on the progress of this project on a regular base. Fourth is to eliminate customizations, which keep the cost down. To accomplish this, Minnesota State is developing a clear image of the requirements and will be developing common business practices that support the product selected. Fifth, sound project management principles must be in place. The sixth factor are involved users, which is why the regional sessions are taking place across the state as well as online, so that users may provide input and feedback on the description of the future state requirements. It is important to listen to the users. In addition to this, each campus has formed a campus transition team, to make sure that the campus users' perspective is heard. The seventh is the ERP selected needs to be a good fit for the organizational culture. Some of the solutions available may not be a good fit, because the product may require dramatic changes to how Minnesota State does business.

President Olson stated "that as a campus president and someone who serves on the NextGen ERP steering committee, this research tells me that we are doing this project the way it needs to be done. I feel confident that Vice Chancellor Padilla's team is leading Minnesota State in the direction needed."

Trustee Nishimura, expressed appreciation to Vice Chancellor Padilla, having lived through the process of changing ERPs, the due diligence the project team has shown is magnificent. The acknowledgment that this will involve people who still have full time jobs being mobilized to contribute to this project is appreciated.

Trustee Rodriguez expressed appreciation for the benchmarking, but stated that this article is a little bit older. Will research and benchmarking continue, as technology changes so quickly? Vice Chancellor Padilla thanked Trustee Rodriguez for the question. Another article was shared with the ERP Steering Committee, which is newer. However, that document is a much more difficult read. This article came up with the same key factors for critical success. Both articles

really boil down to the devotion of the organization to get it right, by providing top management support and project champions, good project management, and the lack of customization (this is often the critical downfall of this type of project), and getting the users involved in the project. The newer article can be made available to the board.

Chair Vekich stated that in addition to this, the National Association of Corporate Directors just completed a study of best practices and they line up pretty close to these articles.

Internal Audit Summary Report

Chair Vekich introduced Interim Executive Director of Internal Auditing Eric Wion and Mike Cullen from Baker Tilly to present the NextGen Audit update.

Interim Executive Director of Internal Auditing Wion stated that with the help of Mike Cullen from Baker Tilly, the NextGen Audit Update continues the theme of assurance. This is the second project risk review of the Next Gen ERP Project as a part of the board approved 2018 Internal Audit plan. The purpose of the reviews is to provide the NextGen Steering Committee advice and recommendations in terms of the project execution, and provide the Board with assurance that project risks are being properly managed.

Mike Cullen from Baker Tilly to presented the summary of the NextGen Audit update. This report includes information in four areas, Project Governance and Management, Stakeholder Involvement, Organizational Change Management, and Project Execution. Current stage of NextGen Phase 1 is defining the future state business processes; at this time, the overall risk of not achieving success, not meeting the revised timeline, and not staying within budget for Phase 1 is still low.

In the area of organizational change management, there are two recommendations. The first recommendation is to fill the communication lead role, the person who was in this role left. The team is in the process of filling this vacancy. The second recommendation is to begin the process of establishing and filling the role of change management lead. This position will be critical in the next phase of the project as the person will be responsible for managing and leading the change management process across the system during the implementation phase.

There were two recommendations in the project execution area. The first is that the project team needs to make sure that the internal control activities are identified and documented prior to implementation. It is easier to implement controls before starting a new process than to add them during the implementation phase. An example is to make sure that the proper approval process is in place for transactions before building the new business practices. The final recommendation is to make sure that the linkage to statutes, regulations, and board policies are identified and documented. This will make phase two of the project easier.

The majority of the findings from the last report have been addressed; the remaining findings are in the process of being addressed. Many of the items that are open will remain so as they are ongoing processes that need to be monitored as they are of great importance.

The next steps for this NextGen ERP audit are to continue to work with the project team to implement recommended improvements and serve as ex-officio member of ERP steering committee. Checkpoint 3activities will take place in November and December with a report in January.

Chair Vekich expressed appreciation for the thorough update and said he is satisfied with the progress.

The meeting adjourned at 2:19 p.m.

Respectfully submitted

Christine Benner, Recorder

Minnesota State Colleges and Universities
Board of Trustees
Winona State University
October 17, 2018

Present: Chair Michael Vekich, Vice Chair Jay Cowles, Treasurer Roger Moe, and Trustees AbdulRahmane Abdul-Aziz, Ashlyn Anderson, Alex Cirillo, Bob Hoffman, Jerry Janezich, Roger Moe, April Nishimura, Rudy Rodriguez, George Soule, Louise Sundin, Cheryl Tefer, Samson Williams, and Chancellor Devinder Malhotra

Absent: Trustee Dawn Erlandson

Call to Order
Chair Vekich called the meeting to order at 2:15 pm, at Winona State University. He read the following statement before proceeding with the agenda.

> We would like to recognize that Winona State University is situated on ancestral lands of the Dakota People. Please take a moment to acknowledge and honor the Dakota Nations and the sacred lands of all indigenous and First Nations people.

After a moment of silence, Chair Vekich commented that it has been a pleasure to meet on the Winona State University campus and to go on a tour of Minnesota State College Southeast. There was a luncheon today with business and community members and elected officials.

He invited President Scott Olson and Interim President Larry Lundblad to make some comments. President Olson thanked the trustees and chancellor for coming to Winona. The campus community was honored to host the Board of Trustees meetings. President Olson also thanked all of the Winona State University folks who worked on making this a wonderful experience. Interim President Lundblad commented that the board's and chancellor's visit to the college was energizing. It was great to have the board in the community.

Chair Vekich revised the order of the agenda so that the reports of the Facilities Committee and the Finance Committees could be heard first.

Board Standing Committee Reports
Facilities Committee, Jerry Janezich, Chair
Committee Chair Jerry Janezich reported that the committee approved the 2019 Capital Budget Recommendation and acquisition of real property at Minnesota State Community and Technical College in Fergus Falls. Both items are on the board's consent agenda. The committee also had an orientation on the facilities assets and associated programs.

Finance Committee, Roger Moe, Chair
Committee Chair Roger Moe reported that two of the Finance Committee's agenda items are on the Consent Agenda: Contract Exceeding $1 Million for MSU, Mankato and the Bachelor's

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Degree Partnership Program. A proposed new policy, 5.26 Management of Enterprise System Data was presented as a first reading, but the committee decided to suspend the rules to approve it.

Committee Chair Moe asked for a motion to suspend the rules so that the board could consider adopting Policy 5.26. Trustee Hoffman made the motion, it was seconded and carried unanimously. Chair Vekich declared that the two-thirds majority to approve the suspension prevailed.

Trustee Moe moved that the Board of Trustees approves the proposed Policy 5.26 Management of Enterprise System Data. The motion carried unanimously.

Trustee Moe reported on the other agenda items. He received a letter from the president of LeadMN regarding the Fee Study Report. The letter has been provided to each trustee and he encouraged them to read it. The most important discussion was the biennial budget request of $246 million dollars. The request is focused on student financial aid, student affordability, retention programs, efforts on NextGen, and career and technical education. It will be presented for approval at the November board meeting.

Chair's Report, Michael Vekich
Reimagining Minnesota State

Informed by the discussion at the September Board retreat, we have been moving forward with organizing the Reimagining Minnesota State initiative. I have asked Lisa Foss, Chancellor's Fellow for Reimagining Minnesota State, to provide a project update, but before I ask her to speak, I wanted to add my own comments and observations about the project to date.

First, I'm pleased to announce that we have added our final member to Reimagining Minnesota State Advisory Group. Dr. Kathy Annette, President and CEO of the Blandin Foundation in Grand Rapids, MN, has agreed to join the group of thoughtful Minnesota leaders who have agreed to give of their time, talent and wisdom to assist us in our visioning work.

Last week, we held an Orientation session for the Advisory Group. The original intent of the session was to provide them with an overview of the scale and scope of the tremendous work Minnesota State does across Minnesota, a sense of the challenges and opportunities facing Minnesota State as we plan for our future, and an overview of the Reimagining Minnesota State initiative and their role as the Advisory Group to the initiative. That was the plan, anyway.

After initial introductions, the conversation turned to their observations of the importance of Minnesota State to the people and communities in Minnesota and how

the Advisory Group could add value to our efforts to position Minnesota State for the future through strategic innovation.

Informed by their own experiences they reminded us that we do not start with innovation…. That as a system, they challenged us to be clear about the answers to three questions that must be addressed as a result of Reimagining Minnesota State: What one Advisory Group member said were: "The Why?" "The What?" "And The How?.

For Reimagining Minnesota State initiative, this means having clarity and agreement on:
- *Our unique value proposition* to the people of the State of Minnesota – The Why question.
- *Our key outcomes* of student success and social vitality and economic prosperity for Minnesota – The What question.
- *How we will foster and support a culture of innovation across our system* that empowers our people to collaborate on innovative approaches to move the needle on our key outcomes – The How question.

It was an engaging conversation, and we too quickly reached the end of the planned orientation session time before we were half-way through the agenda. Because of this, I have decided to schedule a second orientation session with the Advisory Group to complete the agenda so they are well-informed about the important work of Minnesota State and are comfortable engaging with Minnesota State as we complete Phase I of our effort. You have received a copy of the agenda and the background materials they received.

We had tentatively discussed having our first Forum Session on November 5. We will instead use that time to complete the Advisory Group orientation and host our first Forum Session on December 10. We have scheduled an additional date in April to complete the fifth Forum Session.

As I said to the Forum Advisory Group, we are at an important crossroads for higher education in general and Minnesota State specifically. How should a system formed 20 years ago respond to the forces of tomorrow and improve on our key outcomes of student success and economic vibrancy for Minnesota? These are the key questions at the heart of Reimagining Minnesota State. I will now ask Lisa to provide a project update.

Lisa Foss, the Chancellor's Fellow, reported that the work to date has been around planning and scaling up the project. First is developing a communication strategy, as communication and transparency are really important. The public website will be available soon. A second area of focus is seeking ways to engage the campuses throughout the process. One idea is to have them invite a member of the staff to answer questions. Presidents are also invited to host

discussions on their campuses. Campuses have been asked to share examples of innovations, especially examples of innovation that are best practices. Also seeking recommendations for forum topics. The first public forum session is on December 10 at Minneapolis College. The materials for the session will be available in advance on the website. During a forum session, the public can see the materials and ask questions.

Chancellor's Report, Devinder Malhotra

Chair Vekich, Vice Chair Cowles, and members of the board, I would like to begin my report by thanking Winona State President Scott Olson and Minnesota State College Southeast Interim President Larry Lundblad for hosting the board meeting this week and sharing their campuses with us. Spending time on a campus and interacting with faculty, students, and staff reminds us all why we are committed to the work we do.

President Olson, President Lundblad, thank you – to you and to all of your staff who have made yesterday and today possible.

Partnership Tour Update

Yesterday in the Ad Hoc Committee on Outreach and Advocacy, we provided an update on our partnership tours. Today I would like to offer some reflections on what I have heard and seen so far in the course of the 1,000 miles I have traveled since the tours began in August. Each stop has been a collaboration with our presidents and local business and industry in communities like St. Cloud, Anoka, Pine, Duluth, Grand Rapids, Bemidji, Granite Falls, Willmar, and Hutchinson.

In our discussions with community partners, the presidents and I have been in listening mode in order to understand the extent of current partnerships our colleges and universities have with businesses, non-profits, and the K-12 sector. We heard what is working and what challenges exist.

There is, as you might expect, a certain amount of concern around the current workforce shortage and the uncertainty around where companies will find employees. One issue that surfaced at every visit was how difficult it has become to find workers with technical skills. That means we will need to ramp up career and technical education to meet workforce needs now and into future.

Local legislators also took part in the discussions, which made the visits an ideal opportunity for us to demonstrate the strong relationships Minnesota State has in their communities, as well as our willingness and desire to build on current relationships and sustains our partnerships. Minnesota State is fortunate to also have highly productive partnerships with our legislators, and one of our greatest assets is their commitment to the success of their local campuses and the students they serve. At every stop on the tour, it has been crystal clear that our campuses advance the economic, social, and cultural vitality in communities across the state. That is why everyone I spoke with in

every sector was passionate about the work they do jointly with us. Therefore, it is critically important for us to harness this good will and translate it into authentic advocacy on our behalf with legislators and other policy makers.

Foundation Partnerships
In the spirit of partnership, I would like to share with you one example from a campus. As you may recall, last spring the Frandsen Family Foundation announced that it would provide two years of tuition and fees at Pine Technical and Community College to every student completing their senior year at Rush City High School or through home-schooling. Out of the 60 seniors last year at Rush City High School, 26 are now students at Pine.

That sparked another partnership with a local family foundation, benefiting an additional five area high schools for students who will graduate this spring. The Kick Start scholarship will cover one year of free tuition plus a $1,000 stipend for those graduates on free or reduced lunch. This kind of partnership has been replicated in Austin, Minnesota. Earlier this month, the Hormel Foundation, Austin Public Schools, Pacelli Catholic Schools, and Riverland Community College announced the Hormel Foundation Austin Assurance Scholarship.

The scholarship will cover tuition and some fees for two years for all qualifying Austin Public and Pacelli Catholic Schools graduates at any Riverland Community College campus. As Riverland President Atewologun has described the importance of this partnership, the scholarship "is … going to be a game changer for the Austin community and for Riverland students. Postsecondary education is a very big piece of a stable community." I am confident that these kinds of partnerships are only the beginning, and I look forward to sharing similar stories with the board as they come to fruition.

The Year Ahead
My final topic for this month's report is the system office agenda that we have been developing on the heels of the Leadership Council Retreat and the Board Retreat last month. Our three organizing principles – student success, diversity equity and inclusion, and programmatic and financial sustainability – will continue to be our guideposts for the upcoming year, during which three areas in particular will need our attention:

The first area is, of course, Reimagining Minnesota State, and the importance of having reimagining conversations throughout our community – including with Leadership Council and with students, faculty, and staff.

The second of focus is completion of a system-level assessment of Career and Technical Education to align ourselves better with Minnesota's workforce challenges and then develop an overarching strategy for workforce development. This assessment will look at the larger umbrella of workforce, which spans everything from non-credit

comprehensive workforce training; credit-bearing career and technical education at our colleges; and professional degree programs at our universities.

Following the assessment, we will develop strategies to expand and strengthen our workforce programs. Components will include: non-credit comprehensive workforce training; credit-bearing career and technical education; seeking feedback and input from businesses to align our programs; and positioning ourselves in the policy discourse in this arena so that we can shape the agenda and lead the work at the state level.

The third and final matter that needs renewed attention is how we will position ourselves in such a way that we convey our value proposition as a system and thereby establish the imperative for Higher Education as a public enterprise. Although our value proposition is anchored in the overall value proposition of public higher education, but it ought to also convey the value proposition of having a system of public higher education.

As we develop the narrative for our value proposition and the assurance argument, the point of departure will be that Minnesota State is an interdependent network of vibrant colleges and universities committed to working together to nurture, sustain, and enhance a civically engaged, socially mobile, and economically productive society.

Our value proposition needs to answers two central questions: First, *how does having a system of public Higher Education advantage the state of Minnesota and its people?* And second, *how does having a system of public Higher Education increase the ability of our colleges and universities to be more effective?*

Closing
Chair Vekich, Vice Chair Cowles, that concludes my report.

Consent Agenda
Chair Vekich called for a motion to approve the Consent Agenda. It was approved unanimously.
1. **Minutes, Diversity, Equity, and Inclusion, June 19, 2018**
2. **Minutes, Joint Meeting of the Diversity, Equity, and Inclusion and Human Resources Committees, June 19, 2018**
3. **Minutes, Committee of the Whole, June 19, 2018**
4. **Minutes, Special Board Meeting, August 31, 2018**
5. **2019 Capital Budget Recommendation**
6. **Acquisition of Real Property, Minnesota State Community and Technical College, Fergus Falls**
7. **Contract Exceeding $1 Million: MSU, Mankato, Athletic Team Physician and Athletic Team Physician and Athletic Training Partnership Program**
8. **Bachelor's Degree Partnership Program – Twin Cities Baccalaureate Pilot Tuition and Fees Program**
9. **Approval of FY2019 Audit Plan – Part 2**

Board Policy Decisions
Chair Vekich called for a motion to approve the Board Policy Decisions. The motion carried unanimously.
1. **Proposed Amendments and Repeals to Policies (Second Readings)**
   a) **3.4 Undergraduate Admissions**
   b) **3.35 Credit for Prior Learning**
      Repeal Policies
      a) **3.15 Advanced Placement Credit**
      b) **3.16 International Baccalaureate Credit**
      c) **3.33 College-Level Examination Program (CLEP) Credit**
2. Proposed New Policy 3.42 Posthumous Academic Awards

Academic and Student Affairs, Alex Cirillo, Chair
   a. Proposed Amendment to Policy 3.3 Assessment for Course Placement (First Reading)
   b. Proposed Amendment to Policy 3.41 Education Abroad (First Reading)
   c. Academic and Student Affairs Vision and FY19 Work Plan
   d. Academic and Student Affairs Committee FY19 Work Plan and Meeting Agenda

Human Resources Committee, Jay Cowles, Chair
Appointment of Vice Chancellor for Human Resources
Committee Chair Jay Cowles moved that the Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Eric Davis as vice chancellor for human resources effective January 7, 2019, subject to the completion of an employment agreement. The board authorizes the chancellor, in consultation with the chair of the board and the chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators. The motion was seconded and carried unanimously.

Chancellor Malhotra read a prepared statement from Mr. Davis, who was unable to attend the meeting due to a long-ago planned event. Mr. Davis thanked the Board of Trustees and the chancellor and said he is looking forward to joining Minnesota State.

Updates on Leadership Programs and Executive Search Process Review
Committee Chair Cowles reported that the Human Resources Committee received information on the number of participants in this year's Executive Leadership Program, the Advanced Development Program for Deans, and the Luoma Leadership Academy. The committee also heard an update on the executive search review process.

Joint Diversity, Equity, and Inclusion and Finance Committees, Rudy Rodriguez and Roger Moe, Co-Chairs
Diversity, Equity, and Inclusion Committee Chair Rudy Rodriguez reported on the procurement program update and redesign. Minnesota State is one of nine state entities that participated in a survey. There is a significant disparity gap for women and minority owned businesses in the procurement process. Minnesota State has created a comprehensive plan that is more

intentional with respect to closing the disparity gap. The committee will receive an update in January 2019.

Ad Hoc Committee on Outreach and Advocacy, Louise Sundin, Vice Chair
Committee Vice Chair Louise Sundin reported that the Ad Hoc Committee heard about Chancellor Malhotra's Partnership Tours. She thanked the chancellor for setting the pace and being a role model around the state, and encouraged the trustees to take him up on his invitation to join the tours.

Committee of the Whole, Michael Vekich, Chair
Chair Vekich reported that Vice Chancellor Ramon Padilla and President Scott Olson on behalf of the ERP Steering Committee provided an update on the NextGen project and Assurance Study Session. The project status remains on track, with major activities currently focused on finalizing future state discussions and socializing those results to the greater community for feedback. Upcoming activities in phase 1 involve the creation of an RFP for a new system which is anticipated to be released early summer 2019.

The assurance portion of the presentation involved mapping lessons learned from Internal Audit's May 2018 HR-TSM report to the NextGen project and a review of a meta-study of ERP best practices and how those critical success factors have been incorporated into the NextGen project planning and management. In both cases, the board was assured that these learnings have been captured and incorporated into the NextGen project. The board will receive its next update at the January 2019 meeting.

Audit Committee, Michael Vekich, Chair
Closed Session, Joint Audit and Finance Committees, Michael Vekich and Roger Moe, Co-Chairs
Chair Vekich reported that there was a closed meeting of the Audit and Finance Committees to hear an update on information security and the results of the information technology risk assessment advisory project.

Student Associations
Students United
Christina Melecio, Students United Board member, and Winona State University's Student Senate President, addressed the Board of Trustees. She introduced Carlee Diggins, the executive director of Students United.

Ms. Melecio reviewed Students United four objectives for four objectives for 2018-2019. A copy was distributed to the board:
- Fully-funded tuition freeze
- Campus-wide textbook task forces
- Point of contact for undocumented student legal services, and
- Excused absence request forms

Minnesota State Colleges and Universities' Bargaining Units
Inter Faculty Organization
Brent Jeffers, president, Inter Faculty Organization addressed the Board of Trustees. He commented that as we think about reimagining – Minnesota State is the institution of choice of working class families, underrepresented people, and people that are marginalized. Online courses are an option, but students deserve an opportunity to be on a residential campus, with traditional face-to-face education. It can be a transformative experience. He encouraged the board to try to figure out a way to subsidize that part of our portfolio so that working class families can send students to a residential university.

Minnesota State University Association of Administrative and Service Faculty
Tracy Rahim, president, Minnesota State University Association of Administrative and Service Faculty commented that is has been a pleasure to host the board meeting for the past two days. She considers Winona State University as the crown jewel of Minnesota State. Twenty years ago, she enrolled in Winona State University as a first-generation college freshman. Winona State University has been a very special part of her life.

Adjournment
Chair Vekich thanked the many people who worked to make the meetings a success.
The meeting adjourned at 3:33 pm.

Recording Secretary
Inge Chapin, Secretary to the Board

MINNESOTA STATE
Board of Trustees

Board of Trustees Meeting
Minnesota State
McCormick Room
Wednesday, November 14, 2018
8:30 AM

In addition to the board attending in person, some members may participate by telephone.

Board Policy Decisions
1. **Proposed Amendments to Policy 3.3 Assessment for Course Placement (pp. 12-14 of the Academic and Student Affairs Committee's materials)**
2. **Proposed Amendments to Policy 3.41 Education Abroad (pp. 15-17 of the Academic and Student Affairs Committee's materials)**

Bolded items indicate action is required

Minnesota State Acronyms

AACC   American Association of Community Colleges

AASCU   American Association of State Colleges and Universities

ACCT   Association of Community College Trustees

ACE   American Council on Education

AFSCME   American Federation of State/County/Municipal Employees

AGB   Association of Governing Boards of Universities and Colleges

API   Application Programming Interface

AQIP   Academic Quality Improvement Program

ASA   Academic and Student Affairs

BPAC   Business Practices Alignment Committee

CAG   Cross-functional Advisory Group

CAS   Course Applicability System

CASE   Council for the Advancement and Support of Education

CCSSE   Community College Survey of Student Engagement

CFI   Composite Financial Index

CIP   Classification of Instructional Programs

COE   Centers of Excellence

- Advance IT Minnesota
- 360° Manufacturing and Applied Engineering Center of Excellence
- HealthForce Minnesota
- Minnesota Center for Engineering and Manufacturing Excellence (MNCEME)
- Center for Agriculture - Southern Minnesota
- Minnesota Agriculture Center for Excellence – North – AgCentric
- Minnesota Energy Center
- Minnesota Transportation Center

CRM	Constituent Relationship Management
CSC	Campus Service Cooperative
CST	Collaborative Sourcing Team
CTF	Charting the Future
CTL	Center for Teaching and Learning
CUPA	College and University Personnel Association
DARS	Degree Audit Reporting System
DEED	Department of Employment and Economic Development
DOA	Department of Administration
DOER	Department of Employee Relations (merged with MN Management and Budget)
EEOC	Equal Employment Opportunity Commission
EIC	Enterprise Investment Committee
ERP	Enterprise Resource Planning
FERPA	Family and Educational Rights and Privacy Act
FIN	Finance
FTE	Full Time Equivalent
FUG	Financial User Group
FY	Fiscal Year (July 1 – June 30)
FYE	Full Year Equivalent
HEAC	Higher Education Advisory Council
HEAPR	Higher Education Asset Preservation
HLC	Higher Learning Commission
HR	Human Resources
HR-TSM	Human Resources Transactional Service Model

IAM	Identity and Access Management
IDM	Identity Management (Old term)
IFO	Inter Faculty Organization
iPASS	Integrated Planning and Advising for Student Success
IPEDS	Integrated Postsecondary Education Data System
ISEEK	CareerWise Education
ISRS	Integrated Statewide Records System
IT	Information Technology
ITS	Information Technology Services
LTFS	Long-term Financial Sustainability
MAPE	Minnesota Association of Professional Employees
MDOE	Minnesota Department of Education
MDVA	Minnesota Department of Veterans Affairs
MHEC	Midwestern Higher Education Compact
MMA	Middle Management Association
MMB	Minnesota Management and Budget
MnCCECT	Minnesota Council for Continuing Education and Customized Training
MMEP	Minnesota Minority Education Partnership
MNA	Minnesota Nurses Association
MOU	Memorandum of Understanding
MSCF	Minnesota State College Faculty
MSCSA	Minnesota State College Student Association
MSUAASF	Minnesota State University Association of Administrative and Service Faculty
MSUSA	Students United (previously known as MSUSA or Minnesota State University Student Association)

NASH	National Association of System Heads
NCAA	National Collegiate Athletic Association
NCHEMS	National Center for Higher Education Management Systems
NSSE	National Survey of Student Engagement
OCR	Office for Civil Rights
OET	Office of Enterprise Technology
OHE	Minnesota Office of Higher Education
OLA	Office of the Legislative Auditor
PEAQ	Program to Evaluate and Advance Quality
PM	Project Manager
PSEO	Post-Secondary Enrollment Options
RFP	Request for Proposal
SAG	Services Advisory Group
SCUPPS	State College and University Personnel/Payroll System
SEMA4	Statewide Employee Management System
SER	Subcommittee on Employee Relations
SHEEO	State Higher Education Executive Officers
SME	Subject Matter Experts
USDOE	United States Department of Education
USDOL	United State Department of Labor