Board of Trustees Meetings
October 15, 2019

30 East 7th Street
St. Paul, MN 55101

651-201-1705

REVISED SCHEDULE

Board of Trustees Meeting
October 15, 2019
Minnesota State
30 East 7th Street
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, October 15, 2019

7:30 am   Breakfast, Rooms 3304/3306
Social gathering – not a meeting
[Invited: Trustees, Chancellor, and Leadership Council]

8:45 am   Facilities Committee, Jerry Janezich, Chair
1. **Minutes of June 19, 2019**
2. **Contract Exceeding $1 Million: College Services and Library Renovation, Anoka-Ramsey Community College, Coon Rapids**

9:15 am   Finance Committee, Roger Moe, Chair
1. **Minutes of June 19, 2019**
2. **Contracts Exceeding $1 Million:**
   a. **Lease Extension, Department of Employee and Economic Development (DEED), St. Cloud Technical & Community College**
   b. **Verizon Lease, St. Cloud State University**
   c. **Local Area Network (LAN) Refresh, Rochester Community and Technical College**
3. **Contract Exceeding $1 Million: College Services and Library Renovation, Anoka-Ramsey Community College, Coon Rapids**
4. Proposed Amendment to Board Policy 5:14, Contracts and Procurements (First Reading)
5. Supplemental Budget Request

10:15 am   Human Resources Committee, Michael Vekich, Chair
1. **Minutes of the Joint Meeting of the Human Resources and Diversity, Equity, and Inclusion Committees of June 18, 2019**
2. **Minutes of June 19, 2019**
3. Report on FY19 Leadership Development Programs
4. Overview of Executive Search Process

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

11:30 am   Academic and Student Affairs Committee, Alex Cirillo, Chair
1. **Minutes of May 22, 2019**
2. **Minutes of June 18, 2019**
3. Academic and Student Affairs Work Plan
4. Transfer Pathways

12:30 pm   Luncheon, Rooms 3304/3306
Social gathering – not a meeting
[Invited: Trustees, Chancellor, and Leadership Council]

1:30 pm   Audit Committee, George Soule, Chair
1. **Minutes of June 18, 2019**
2. **New Internal Audit Charter**
3. Roles and Responsibilities of the Audit Committee Members

2:15 pm   Board of Trustees, Jay Cowles, Chair

3:30 pm   Meeting ends

5:00 pm   Dinner (Social event, not a meeting)

Bolded items indicate action is required

Human Resources
Michael Vekich, Chair
George Soule, Vice Chair
AbdulRahmane Abdul-Aziz
Dawn Erlandson
Roger Moe
Rudy Rodriguez
Cheryl Tefer

President Liaisons:
Ginny Arthur
Annette Parker

Nominating Committee
George Soule, Chair
Rudy Rodriguez, Vice Chair
Cheryl Tefer

Outreach and Engagement Committee
Dawn Erlandson, Chair
Louise Sundin, Vice Chair
AbdulRahmane Abdul-Aziz
Ashlyn Anderson
Rudy Rodriguez

President Liaisons:
Anne Blackhurst
Hara Charlier

Chancellor Review
Jay Cowles, Chair
Roger Moe, Vice Chair
Dawn Erlandson
Michael Vekich

Approved FY2020 and FY2021 Board Meeting Dates

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

Approved FY2020 Meeting Calendar

Meeting	Date	If agendas require less time, these dates will be cancelled.
Board Meeting/Combined meeting with Leadership Council *Hibbing Community College*	July 23-24, 2019	July 24, 2019
Board Retreat	September 17-18, 2019	
Executive Committee	October 2, 2019	
Committee/Board Meetings Combined meeting with Leadership Council on October 15 *No meetings on October 16.*	October 15, 2019 *ACCT Leadership Congress, October 16-19, San Francisco*	October 16, 2019
Executive Committee	November 6, 2019	
Committee / Board Meetings *Bemidji State University and Northwest Technical College*	November 19-20, 2019	November 19, 2019
No December meeting		
Executive Committee	January 8, 2020	
Committee / Board Meetings Combined meeting with Leadership Council on January 28	January 28-29, 2020	
No February meeting	*ACCT National Legislative Summit, Feb. 9-12, Washington, D.C.*	
Executive Committee	March 4, 2020	

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

Meeting	Date	If agendas require less time, these dates will be cancelled.
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 *AGB National Conference April 5-7, Washington, D.C.*	
Executive Committee	May 6, 2020	
Committee / Board Meetings	May 19-20, 2020	May 19, 2020
Committee / Annual Board Meetings	June 16-17, 2020	June 16, 2020

Approved FY2021 Meeting Calendar

Board Meeting/Combined meeting with Leadership Council	July 21-22, 2020	July 22, 2020
Orientation for new trustees	*August or after governor makes the appointments*	
Executive Committee	September 2, 2020	
Board Retreat	September 15-16, 2020	
Executive Committee	October 7, 2020	
Committee / Board Meetings	October 20-21, 2020 *ACCT Leadership Congress Sept. 30-Oct. 3, Chicago*	October 21, 2020
Executive Committee	November 3, 2020	
Committee / Board Meetings	November 17-18, 2020	
No December meeting		
Executive Committee	**?**	

Committee / Board Meetings Combined meeting with Leadership Council	January 26-27, 2021	
No February meeting	*ACCT National Legislative Summit, Feb. 7-10, Washington, D.C.*	
Executive Committee	March 3, 2021	
Committee / Board Meetings	March 16-17, 2021	March 16, 2021
Executive Committee	April 7, 2021	
Committee / Board Meetings	April 20-21, 2021 *AGB National Conference, Apr. 11-13, San Diego*	April 20, 2021
Executive Committee	May 5, 2021	
Committee / Board Meetings	May 18-19, 2021	May 18, 2021
Executive Committee	June 2, 2021	
Committee / Annual Board Meetings	June 15-16, 2021	June 15, 2021

National Higher Education Conferences:
AGB National Conference   April 14-16, 2019, Orlando
ACCT Leadership Congress: October 16-19, 2019, San Francisco
ACCT National Legislative Summit: February 9-12. 2020, Washington, DC
AGB National Conference: April 5-7, 2020, Washington, DC
ACCT Leadership Congress: September 30-Oct. 3, 2020, Chicago
ACCT National Legislative Summit: February 7-10, 2021, Washington, DC.
AGB National Conference: April 11-13, 2021, San Diego
ACCT Leadership Congress: October 13-16, 2021, San Diego
ACCT National Legislative Summit: February 2022 (dates not posted)
AGB National Conference: April 10-12, 2022, Orlando

AGB is the Association of Governing Boards of Universities and College
ACCT is the Association of Community College Trustees

Facilities Committee
October 15, 2019
8:45am
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.

1. **Minutes from June 19, 2019 (pp. 1-4)**
2. **Contracts Exceeding $1 Million: College Services and Library Renovation, Anoka Ramsey Community College, Coon Rapids (pp. 5-13)**

Committee Members:
Jerry Janezich, Chair
Louise Sundin, Vice Chair
Bob Hoffman
Roger Moe
Samson Williams

_____

President Liaisons:
Faith Hensrud
Kent Hanson

Bolded items indicate action is required.

Minnesota State Board of Trustees
Facilities Committee Meeting Minutes
June 19, 2019

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*Facilities Committee members presen*t: *Jerry Janezich, Chair; Trustees Roger Moe, Louise Sundin and Chancellor Devinder Malhotra*

Facilities Committee members absent: George Soule, Vice Chair, and Trustee Samson Williams

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

Cabinet members present: Laura King, Vice Chancellor

Others present: President Barbara McDonald, North Hennepin Community College, and Associate Vice Chancellor for Facilities, Brian Yolitz

Committee Chair Janezich called the meeting of the Facilities Committee to order at 9:05 AM.

1. **Approval of the Facilities Committee Meeting Minutes**

Committee Chair Janezich called for a motion to approve the Facilities Committee Meeting Minutes of May 21, 2019. A motion to approve was made by Trustee Moe, seconded by Trustee Sundin and approved as written.

Facilities Update: Associate Vice Chancellor, Brian Yolitz

Associate Vice Chancellor Yolitz offered updates before moving to the formal agenda:

A. **Legislative Session-Bonding:** Associate Vice Chancellor Yolitz reminded the Board that in May he had shared that the global agreement between the governor and the legislative leaders for conclusion of the 2019 session included a provision for $440 million in general obligation bonding. Unfortunately, the special session closed with no bonding bill passed. The chancellor met with the Leadership Council and amended his recommendation for 2020 to account for this outcome.

B. **Items of interest in other Committees:**

a. The second reading of the revenue bond sale will be part of the agenda for the Finance Committee. We have received solid responses from our rating agencies.
b. Approval of a Guaranteed Energy Savings Contract (GESC) at Hennepin Technical College to upgrade facilities using a lease arrangement with private lenders. Other GESCs at MSU, Mankato, Riverland Community College, and Winona State University.

C. Personnel Notes: Associate Vice Chancellor Yolitz, recognized Heidi Myers, System Director, Design and Construction, who will be retiring in August of this year. She brought her leadership and management skills to then Minnesota State Colleges and Universities in 2010 where she has served admirably by overseeing over three-quarters of a billion dollars in construction at our colleges and universities, improving the efficiency and effectiveness of our design and construction processes, and being a strong advocate for the system to the industry.

Associate Vice Chancellor Yolitz thanked Laura King, Vice Chancellor for Finance and Chief Finance Officer who is also retiring for her leadership, passion, and commitment to our colleges and universities, helping our colleges and universities be successful. We are very grateful for all she has done.

2. Second Reading - FY2020 Capital Program Recommendation

Associate Vice Chancellor Yolitz thanked the college and university presidents, and their staff, for their work, and Greg Ewig and Michelle Gerner from the system office for their leadership and management of e capital development process. He followed that today is to gain committee endorsement and board approval of a capital investment program for state funding in the 2020 legislative session.

Associate Vice Chancellor Yolitz stated since there was no bonding bill in 2019, the chancellor, after consultation with Leadership Council, increased our capital program recommendation to $271.2 M, $150M for HEAPR, and $121.2 for major projects. This is an increase of $30 million for HEARP from the first reading in May. The rest of the request is unchanged**.** Funding will provide for 15 major capital projects; nine from 2018 for design and construction work, and six for design for future construction, a total of $333.3 M in design and construction over 6 years.

The 2020 recommendation for HEAPR is just over 50% of the total request over the last four bonding years, as compared to past requests where HEAPR was just over 40%. HEAPR is fully funded by the state with no debt service to our colleges and universities.

Associate Vice Chancellor Yolitz share that with June approval, the program will go to Minnesota Management and Budget (MMB) for review and inclusion with other capital requests across the state, sent to Governor, the executive branch and the legislature. A bonding book is in process as part of our advocating strategy and bonding tours will occur in late summer and early fall. In

preparation of this project, we will broadcast a webinar for campuses on how to host bonding tours for committees and engage local legislators. The legislative session for 2020 begins February 18, 2020 and we will be seeking Board guidance.

He noted that the recommended motion approves the FY2020 priorities and projects, allows the chancellor to make cost adjustments, particularly to project costs that may need to be adjusted due to MMB inflation projections, and calls on the chancellor to advise the board of any changes; and finally, delegates contracting authority to the chancellor as projects are funded.

Committee Discussion

Trustee Cowles noted that the list of projects in the Board packet for the 2022 estimate shows a significant need for future construction project funding and wondering if we may find ourselves asking for larger requests for projects separate from HEAPR. He asked for some context to the overall bonding request.

Associate Vice Chancellor Yolitz responded that we have several large, workhorse facilities reaching the end of their useful life. Institutions have done deep, life-cycle on analysis whether to renovate or replace them. Bemidji State University decided it was best to replace the Hagg Sauer building entirely with a smaller, more efficient footprint. Minnesota State University, Mankato also decided to replace one of their buildings after analyzing their class and office space needs. Another example of future construction costs is the project Academic Excellence Renovation and Renewal request by Saint Paul College where are seeking 2020 funding for design and $17M in the future for construction.

Trustee Cowles stated that North Hennepin Community College is requesting funds for a Center for the Arts, a large project within the 2022 timeframe that requires a community match of $39M. He asked Associate Vice Chancellor Yolitz to describe the terms of the project and financial support.

Associate Vice Chancellor Yolitz asked President Barbara McDonald share her work on the project and give a project update. She said this is an exciting project, involving different partners from the city of Brooklyn Park, Metro State University, North Hennepin County, and the Osseo School district with North Hennepin Community College being the lead. Several community meetings held provided input and established a core leadership committee from each of these entities. The city is very committed to moving forward matching funds of 20-25% to get us started. We are looking towards establishing an advisory team of thought leaders across state to organize a feasibility study for remaining funding. We will be meeting with legislators soon to present the project to them and discuss how to move the project forward. With this unique project, we hope to see four-year degrees delivered at this site with our partner Metropolitan State University. We are working with the city of Brooklyn Park to extend community space to them for summer youth

programming. The City of Maple Grove and Osseo have presented this project to their City Councils.

Trustee Cowles said this is a great example of how our campuses can be learning institutions and important community assets and recognized as such. President McDonald said the dream for the project is for it to be a cultural and educational destination. The light rail should be functioning by 2024 and be a great asset to help bring people to the facility. This area has a very diverse population and the project will provide an opportunity to celebrate the arts across cultures. We have a space holder for the Osseo school district to build a magnet school attached to the facility. We are looking towards a high school to four-year degree completion for this facility and encouraging the youth in the area who have also contributed to the desire to have availability to the arts.

Trustee Hoffman asked that since the State is not funding HEAPR to the necessary levels, do we need to turn to plan B and start building asset preservation funds into our operating budgets. Associate Vice Chancellor Yolitz replied not yet. He shared that that while funding in 2019 did not materialize, legislative support received during the session indicated that the message to focus on asset preservation for all state buildings is sinking in.

Trustee Tefer thanked President McDonald for taking on this complex project at North Hennepin Community College, getting all these people together and looking into the future with this great project. She asked who is going to start publishing about this project. President McDonald responded that they have been writing about it in the northeast region in publication and the news. The city assisted by putting money through their economic development council and partners to complete the predesign and feasibility study.

Trustee Cowles asked if future maintenance and improvements to the site were part of the agreement. President McDonald responded that maintenance is part of this agreement. A model for shared expenses and a Joint Powers agreement was built into the feasibility study. Project partners are committed and clear on their shared responsibilities.

Chair Janezich asked for a motion to approve the program as recommended and to give the chancellor the flexibility he needs to move this recommendation forward. Trustee Sundin made the motion and Trustee Moe seconded. The motion was approved.

Chair Janezich adjourned the meeting at 9:35 AM.

Respectfully submitted: Kathy Kirchoff, Recorder

**MINNESOTA STATE
BOARD OF TRUSTEES**

**Agenda Item Summary
Sheet**

Name: Facilities Committee   **Date:** October 15, 2019

**Contract Exceeding $1 Million: College Services and Library Renovation, Anoka
Ramsey Community College, Coon Rapids**

Purpose (check one):

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

| ☐ | Monitoring / Compliance | ☐ | Information |

Brief Description:

Board Policy 5.14, Procurement of Contracts, requires that contracts, including amendments, with values greater than $1,000,000, must be approved in advance by the Board of Trustees.

Scheduled Presenter:
Brian Yolitz, Associate Vice Chancellor – Facilities
Kent Hanson, President, Anoka-Ramsey Community College and Anoka Technical College
Lisa Harris, Dean of Student Affairs, Anoka-Ramsey Community College

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
Contract Exceeding $1 Million: College Services and Library Renovation, Anoka Ramsey Community College, Coon Rapids

AUTHORITY
Board Policy 5.14, *Contracts and Procurements,* requires advance approval by the Board of procurement contracts in excess of $1 million.

SUMMARY

Anoka-Ramsey Community College plans to renovate a portion of its Coon Rapids campus that houses key student services functions and to refurbish and modernize the college's library. As these spaces are adjacent and impact each other, this is presented as a single project impacting several contiguous spaces. Specifically, this includes Admissions and Transfer, Advising, Counseling, Equity and Inclusion offices, food pantry, and offices for Academic Deans, Dean of Student Affairs and Directors.

This project will address and remedy student wayfinding, promote hospitality, support enhanced services pertaining to academic advising, and promote an accessible, confidential and safe environment for student/counselor exchanges, as well as provide physical space to house the Dean of Student Affairs, Directors and additional services that directly support student success. In addition, this project will impact space adjacent to College Services and seeks to modernize the library by enhancing technology, creating collaborative group study spaces, and positioning the physical space within the library to serve contemporary student academic resource needs. The library has not undergone any significant changes in over 30 years.

The college seeks approval of a construction contract for the project with a contract value not to exceed $5 million. The project will be funded from the college's reserves.

BACKGROUND
Anoka-Ramsey Community College, in conjunction with Anoka Technical College, updated their Comprehensive Facilities Plan (CFP) in 2018. A renovation of College Services and the modernization of the library were identified as near-term priorities in the CFP.

The college administration has been discussing the need to improve College Services and the library since 2010. Beginning in 2014, these conversations included a plan to build a sufficient fund balance so the opportunity to self-fund the project from college reserves could be possible.

Commencing in 2018, the college undertook a collaborative design process which had input from faculty, library staff, administration, student services staff and students. The current design and project has the support of the college community.

The college now seeks to initiate construction of this project. The construction will be undertaken as one integrated project in two major parts. In the first, the project will update approximately 15,500 square feet of the campus library. In part two, the college will renovate approximately 14,900 square feet of College Services space located across the hall. Lastly, the main "visitor entrance" on campus (an area immediately adjacent to both the library and College Services) will undergo updates to support access, hospitality, and wayfinding for students, particularly first-time students coming on to campus. This entryway and its functional layout are in need of upgrading and reorganization to better serve students.

SCOPE OF LIBRARY AND COLLEGE SERVICES RENOVATION
This project will be completed in its entirety under one construction contract. Total project duration will be approximately 12 months. Although construction will be undertaken as one integral project the construction work will be phased to minimize the impact on the academic calendar. Construction will commence with a focus on the library area, followed by College Services and the entryway. A general overview of the impacted areas is shown in **Attachment A.**

Library. Library renovation work will right-size the space to support its collection, adding much needed technology upgrades and providing designated areas for small and mid-size collaboration areas, quiet study spaces, and easy accessibility to circulation, reference and library support personnel. In addition, the right-sizing of the library will enable the repurposing of space to accommodate offices and support areas for academic administration. Academic deans will be physically located in space contiguous to the library – connecting classroom scholarship and research scholarship, as well as promoting accessibility and navigation within academic administration. (See **Attachment B**).

College Services. The refurbishment of College Services will open up the area and improve accessibility and wayfinding for students needing admission, advising and counseling services. Currently this area is a maze of hallways and tucked-away offices, which has proven to be a major point of frustration for students attempting to locate a particular office. The refurbished College Services area will house Admissions and Transfer offices immediately adjacent to the main entrance to the campus. This will facilitate ease of locating the Admissions Office for those new (or potential) students who are unfamiliar with the campus. The area will also revamp Academic Advising and create an environment that is more hospitable to students and allows for more hands-on work and interaction. This area will also address the current physical limitations of the counseling offices.

At Anoka-Ramsey Community College, Academic Advisors work with the students to help navigate their course loads, degree requirements, transfer opportunities, and academic concerns. Counselors work with the students facing other issues including food insecurity, mental health concerns, personal finances, and other factors outside the academic realm that may impact student success. While allowing for greater transparency and accessibility to counselors, the proposed configuration for counselor offices will provide greater confidentiality. Finally, the

refurbished area will allow for the inclusion of dedicated spaces for other student services – such as the food pantry and Equity and Inclusion offices.   (See **Attachment C**).

SCHEDULE

The college intends to use the construction manager at risk (CM@R) delivery method for this project. Initial work has already transpired by the CM@R to determine overall project costs and timing, as well as the identification of possible contractors. Pending Board approval, bidding and securing construction contractors will commence immediately, and construction anticipated to commence in December 2019. The tentative schedule is as follows:

Library

Commence construction:	December 23, 2019
Substantial completion:	June 2020
Occupy space, move in and punch list items completed:	August 1, 2020

College Services

Prepare temporary office/work spaces for College Services staff:	March 2020
Relocate staff and commence construction staging:	May 18, 2020
Commence construction:	May 25, 2020
Substantial completion:	November 2020
Move-in and punch list items:	December 2020
	January 2021

FUNDING AND COSTS

The total project cost is estimated to be $6 million. This figure includes construction costs, design, engineering and soft costs, furniture and fixtures, technology, and contingency. Of this $6 million, only one contract will exceed the $1 million threshold requiring board approval, that being the construction contract. The construction contract will not exceed $5 million. The college is requesting Board action to approve this one contract.

In anticipation of this work, the college has been intentional in budgeting and building their reserves to enhance access and better serve students. Tuition and fees will not be impacted by this project. The college elected to pursue the project outside of a capital bonding request due to the pressing need to improve student services, the ability to control the timing of the project, and to avoid interference with other college projects seeking funding through the bonding process. The college has intentionally built its fund balance in order to entertain this type of project. Between 2013 and 2018, the college increased its fund balance by a little over $11 million. In 2019, the college added an additional $1 million to the fund balance. Currently the college's fund balance is about 53% of prior years' revenues.

The college expects that renovation costs will only nominally impact the college's Composite Financial Index (CFI). The college has maintained a healthy CFI with a 2018 rating of 4.99. Internal calculations indicate that the CFI will drop to 4.33 (without GASB 68 & 75) following this project; still positioning the college within solid financial health.

STUDENT CONSULTATION

College administration briefed the Coon Rapids Student Senate on several occasions in early fall 2018 and again in late spring 2019. In addition, this project was overseen by the college's Facility Advisory Committee, which has student representation. As part of the design process, students were surveyed regarding usage of the library and suggestions for what services should be contained therein. Additional conversations with the Coon Rapids Student Senate were accomplished in September.

RECOMMENDED COMMITTEE MOTION

The Facilities Committee recommends the Board adopt the following motion:

The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a construction contract not to exceed $5 million for purposes of construction of the College Services renovation and the library refurbishment at Anoka-Ramsey Community College, Coon Rapids campus.

RECOMMENDED BOARD ACTION

The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a construction contract not to exceed $5 million for purposes of construction of the College Services renovation and the library refurbishment at Anoka-Ramsey Community College, Coon Rapids campus.

Date Presented to the Board of Trustees: October 15, 2019
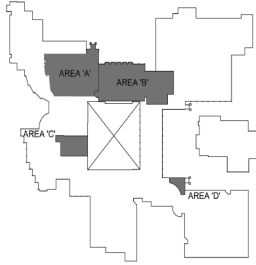Date of Implementation: October 15, 2019

Key Plan - *Excerpts from Comprehensive Facilities Plan (2018)*

Existing Overall Plan
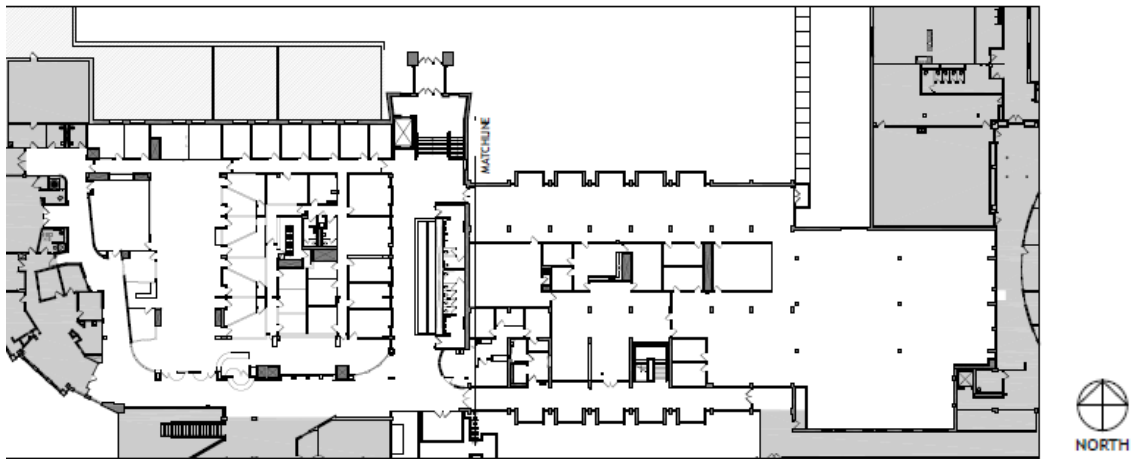
Area 'A' College Services
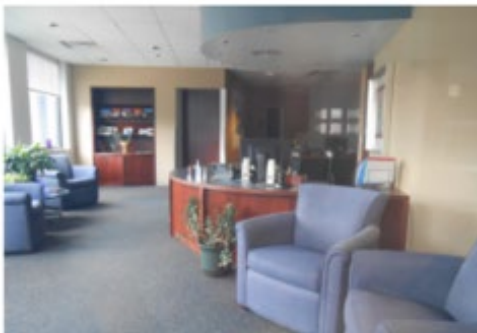
Area 'B' Library
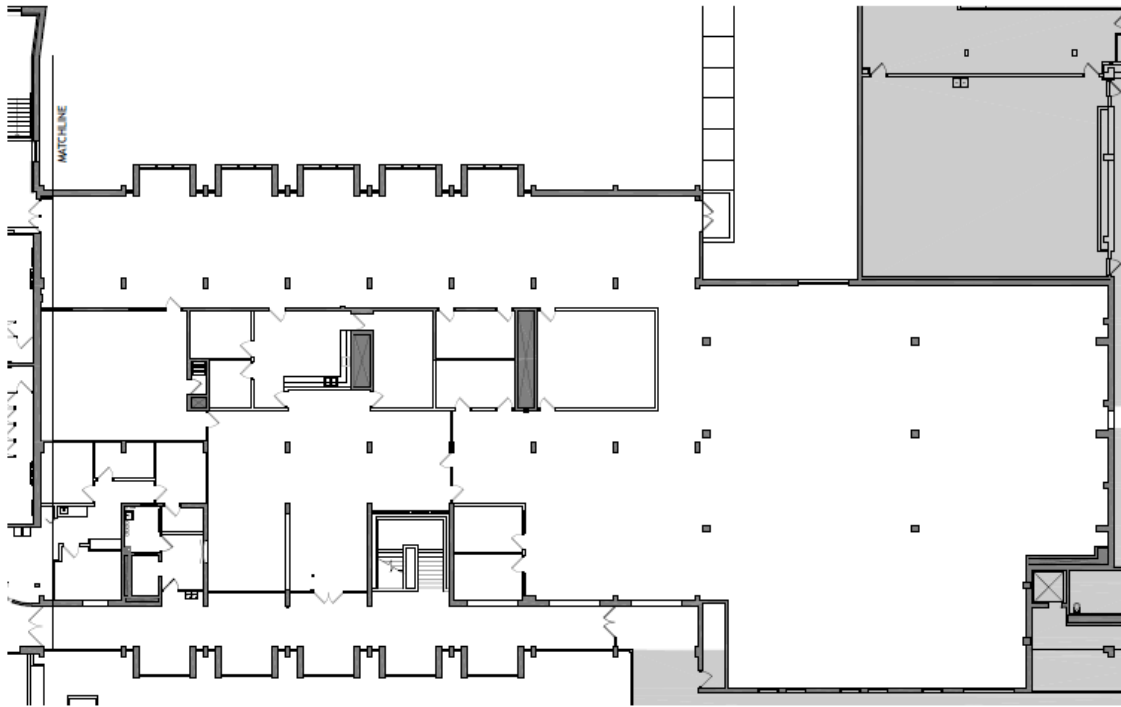
Existing Plan - Area B: Library

NORTH

CIRCULATION

OFFICE

CONFERENCE/
COLLAB

STUDENT
RESOURCES

BUILDING SUPPORT

Proposed Plan - Area B: Library

NORTH

11

Design Opt. 1 - Library Entry/ Info Desk

Design Opt. 1 - Library Looking East to Stacks

Existing Plan - Area A: College Services

Proposed Plan - Area A: College Services

Legend:
- CIRCULATION
- OFFICE
- CONFERENCE/COLLAB
- STUDENT RESOURCES
- BUILDING SUPPORT

MINNESOTA STATE

Finance Committee
October 15, 2019
9:15am
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 June 19, 2019** (pp. 1-10)
2. **Contracts Exceeding $1 Million:** (pp. 12-16)
   a. **Lease extension, Department of Employment & Economic Development (DEED), St Cloud Technical & Community College**
   b. **Verizon Lease, St. Cloud State University**
   c. **Local Area Network (LAN) Refresh, Rochester Community and Technical College**
3. **Contract Exceeding $1 Million: College Services and Library Renovation, Anoka Ramsey Community College, Coon Rapids** (pp.16)
4. Proposed Amendment to Board Policy 5.14 : Contracts and Procurements (First Reading) (pp. 18-23)
5. Supplemental Budget Request (pp. 24-27)

Committee Members:
Roger Moe, Chair
April Nishimura, Vice Chair
AbdulRahmane Abdul-Aziz
Ashlyn Anderson
Bob Hoffman
Jerry Janezich
George Soule
_____

President Liaisons:
Joe Mulford
Scott Olson

Bolded items indicate action is required.

Minnesota State Board of Trustees
Finance Committee Meeting Minutes
June 19, 2019
McCormick Room
30 7th Street East
St. Paul, MN

Finance Committee members present: Roger Moe, Chair; Bob Hoffman, Vice Chair; Trustees: AbdulRahmane Abdul-Aziz, Ashlyn Anderson, Jerry Janezich, April Nishimura, and Chancellor Devinder Malhotra.

Present by Telephone: Trustee Samson Williams

Finance Committee members absent:

Other board members present: Board Vice Chair Jay Cowles, Trustees Alex Cirillo, Dawn Erlandson, Louise Sundin, and Cheryl Tefer.

Cabinet Members Present: Vice Chancellor Laura M. King, Vice Chancellor Ramon Padilla

Committee Chair Moe called the meeting to order at 9:45AM.

1. **Approval of the Finance Committee Meeting Minutes**
Committee Chair Moe called for a motion to approve the Finance Committee Meeting Minutes from May 21, 2019. Trustee Janezich made the motion. Trustee Nishimura seconded. The minutes were approved as written.

2. **Contracts Exceeding $1 Million:**
Vice Chancellor King provided brief summaries of the contracts and leases before the committee:
   a. **Guaranteed Energy Savings Program, Hennepin Technical College, Brooklyn Park and Eden Prairie**
   b. **Admissions Recruitment Software Contract, Minnesota State University, Mankato**
   c. **Library Information Software and Services (PALS)**

Committee Chair Moe called for questions on any of the items presented. There were none.

Committee Chair Moe asked for a motion to adopt the following:

RECOMMENDED MOTION:
   a. The Board authorizes the Chancellor or the Chancellor's designee authority to enter into a Guaranteed Energy Savings contract not to exceed $4,000,000 and a payback term of up to

18 years for purposes of improving campus energy and water efficiency and reducing carbon emissions at both campuses of the Hennepin Technical College. The Board delegates to the Chancellor or Chancellor's designee authority to execute all necessary documents to accomplish this action.

b. The Board authorizes the Chancellor or the Chancellor's designee authority on behalf of Minnesota State University, Mankato to execute a two year agreement with three one year renewal options for a total length of five years at a total cost not to exceed $1,600,000. The Board delegates to the Chancellor or Chancellor's designee authority to execute all necessary documents to accomplish this action.

c. The Board authorizes the Chancellor or the Chancellor's designee authority to execute the Ex Libris Alma contract in the amount not to exceed $5,500,000 for the five-year (three years plus optional two one-year extensions) contract. The Board delegates to the Chancellor or Chancellor's designee authority to execute all necessary documents to accomplish this action.

Trustee Nishimura made the motion and Trustee Janezich seconded. Committee Chair Moe asked if there was any discussion.

Trustee Erlandson asked if we are we maximizing our ability to take advantage of this opportunity across our campuses with the Guaranteed Energy Savings program.
Vice Chancellor King noted that we have worked with campus and state colleagues for many years to learn how to negotiate relationships to our advantage with vendors and identify opportunities. There are probably more opportunities to maximize our savings. We have introduced the concept into our facilities management community and go looking for additional opportunities.

Trustee Erlandson noted that the vendor selected in the CRM contract has the capability to do personalized communications in both print and digital formats and asked if the other possible vendors lacked this capability. Vice Chancellor King responded that as part of our IT program management, several functionality choices for this product were identified and agreed upon while we bridge to new products. The Vice Chancellor was not aware if this functionality was unique to this particular vendor and would need to have someone look into it.

Committee Chair Moe called for a vote on the motion. The motion was adopted.

3. **Students United Fee Renewal (Second Reading)**
Vice Chancellor King reminded the committee of the details of the presentation given by Students United at the May meeting.

Committee Chair Moe called for questions.

Trustee Janezich asked if this request was for an increase in fees. Vice Chancellor King noted that the increase happened last year occurring from '18 to '19. This action would provide that the '20 fee continue at the '19 level.

Trustee Anderson stated that she had spoken to the chair and requested a postponement in the discussion around this issue but Students United would not be able to budget accordingly if the board postponed voting on the fee. However, she did note that there is student support and testimonies behind the fee renewal.

Trustee Abdul-Aziz noted that there was a distinction between fees that help students and allow students to participate in something and be their own advocate and those that add to the emotional and financial tax of paying for college.

Trustee Moe stated that he had spoken to Trustees Anderson and Abdul-Aziz and both had expressed their overall concern about the overall impact on students and that is a very legitimate concern.

Committee Chair Moe asked for a motion to adopt the following:

RECOMMENDED MOTION:
The Board of Trustees accepts the renewal of the increase of the Students United fee from $.47 to $.61 per credit hour for summer term 2019 and beyond.

Trustee Janezich made the motion and Trustee Abdul Aziz seconded.

Committee Chair Moe called for a vote on the motion. The motion was adopted.

4. **FY2020 Operating budget (Second Reading)**
Vice Chancellor King was joined at the table by Steve Ernest, System Director for Financial Planning and Analysis. Vice Chancellor King gave a detailed overview of the operating budget based on the materials provided in the meeting.

Trustee Hoffman asked if there would be different numbers from different colleges and universities. Vice Chancellor King stated that they absolutely differ, school by school. What we are presenting today is the measurements at the top line. The measurement at the school line is different at every school. Trustee Hoffman asked for a confirmation that a school could be as much as 40% state and 60% tuition funding. Vice Chancellor King stated that this could absolutely be the case based on the state's philosophy that state universities should be the least state funded and the most tuition reliant and that the technical colleges should be the most state funded and the least tuition reliant.

Trustee Abdul-Aziz asked for a confirmation that there a 1.3% revenue increase is being projected. Vice Chancellor King confirmed this and pointed to Table 5 which shows both the state appropriation increase and any tuition revenue increase. Other fund increases are also shown for a total increase of 1.3%.

Committee Chair Moe asked if the numbers reflect a 3% increase in tuition. Vice Chancellor King confirmed that they do. Committee Chair Moe then asked if it was true that for some students who are state grant and/or Pell eligible, even with the increase, will pay less tuition. Vice Chancellor King answered that this was correct, particularly for college students.

Trustee Janezich asked how much money was in the 600 state scholarships. Vice Chancellor King responded that the language provides $2500 per term for 3 terms of eligibility. Trustee Janezich asked what the total number was. Senior Vice Chancellor Ron Anderson joined Vice Chancellor King and stated that the bill provided for $2 million in the first year, $6 million in the second year, and $4 million in the third year. Trustee Janezich then asked if this effects 600 students. Vice Chancellor King stated that the expectation for FY20, at $2 million, it will benefit 600 students. There is no FY21 estimate yet because the provision triples from $2 million to $6 million in FY21. Senior Vice Chancellor Anderson added that the distribution of the funds allows us time to build out the program more fully in the second year of the biennium so we would anticipate significantly more students.

Trustee Hoffman asked if it was correct that even with the 3% tuition increase, due to the declining enrollment projection, we are seeing a net gain of only .8%. Vice Chancellor King confirmed that this was correct. From a college and university perspective, they need to consider what would be the effect of a rate increase and what would be their revenue based on total enrollment. Even with the rate increase, total tuition revenue is still just a break even proposition.

Trustee Erlandson stated that it was important to put the increase in context of other costs in our lives. There has been no increases in the last several years. The average cost of owning a smartphone in February of 2019 was $115 per month. So the yearly cost of the tuition increase is less than 2 months of owning a smartphone

Vice Chancellor King added that it is absolutely the case that our presidents and their teams came to this recommendation thoughtfully. This board has been committed to affordability and preserving access for all Minnesotans but also committed to quality and program innovation and that is a balancing act. We have had good state support in the past several biennia, but we

have had a gap in our outlook in every biennium. Over the last four years, our colleges and universities have reallocated nearly $150 million dollars in order to move resources to high priorities, but that means that services have gone away.

Trustee Abdul-Aziz stated that he appreciated the graph but would have appreciated it more if there had been one showing no increase, one showing 1% increase and another showing a 2% increase in addition to the 3% increase. Vice Chancellor King responded that the focus was on showing what the recommendation's impact was.

Committee Chair Moe added that a way to look at it on the chart would be that in the first column, depending upon the percentages, all the numbers would go up.

Following the conclusion of Vice Chancellor King's presentation, Committee Chair Moe asked for questions from the trustees.

Trustee Anderson stated that she was entirely against the 3% increase. The amount of the 3% increase equals the cost of a calculator that she saved for over one semester of work. There are students that are hungry and homeless. Intent of the increase in state grant appropriation was to make tuition more affordable but with the tuition increase it defeats the purpose of students paying less.

Trustee Williams stated that he had similar concerns as Trustee Anderson and asked if there was an alternative to the 3% increase. He questioned why he would receive a grant only to have to pay more money. Why can't the grant substitute for the 3% increase?

Committee Chair Moe responded that in his understanding it does. Vice Chancellor King added that when the Office of Higher Ed testifies about the state grant program, their modeling assumes a tuition increase of 2%. She does not remember seeing a model that did not have a tuition assumption in it. So the results they would have shown the legislature would have been slightly different than the numbers seen here because this has a 3% increase. The legislature would have been made aware that the state grant funding level change would be impacted by tuition results.

Committee Chair Moe added that this was indeed the case and that the there is a tendency to look only at tuition. The legislature will respond by saying that you cannot look just at the tuition, you must look at the financial aid package as well and so they are always linked together in their discussions. It is part of the calculation for changing the grant eligibility program to allow more students to have greater resources. Vice Chancellor King agreed and added that results show nearly 600 more students benefiting from the program even at our 3% tuition increase.

Trustee Williams stated that we should take that into very serious consideration. If we can look at an alternative as an option it would be appreciated.

Trustee Abdul-Aziz stated his extreme opposition to this. This is at the expense of every student. The grants will be more accessible to students if there was not an increase. This is our chance to reimagine how we manage affordability. Affordability should be our number one priority even before innovation. $100 is a lot for a student and that does not even take into consideration the dorms, car payments, or rent or the emotional burden of going to college.

Trustee Nishimura thanked Vice Chancellor King for the robust report. She stated that costs go up every year and while this will impact students, it impacts everyone including staff, faculty, and even the board. Even with this increase, not all costs are covered. Additionally these numbers are based on enrollment projections and if those drop, an increased deficit could occur. There has been no tuition increase since 2014 and we have probably held off as long as we could. If we want to continue to provide a great education and great experiences, we have to be able to afford that and that means the staff, administration, and faculty that do the work behind the scenes and the technology that we use.

Frankie Becerra, President of LeadMN, was invited to the front table to make a statement. As he made his way forward, discussion continued.

Vice Chancellor King pointed out a section in the materials that shows the results of campus student consultation process over tuition and fees planning. With the exception of one campus, the results indicate a satisfactory or neutral rating from the student groups with regard to the consultation process on their campus.

Trustee Cirillo asked if the enrollment projections included a projected tuition increase. In other words, if we increase tuition, does enrollment decrease even more? Vice Chancellor King responded that the projections do not include a price dimension and never has. Trustee Cirillo followed up by asking if any studies have been done that examine how tuition increases effect enrollment numbers or how a lack of tuition increase does harm to existing students and programs. Vice Chancellor King stated that we have already lived through that scenario on several occasions when we were going through budget reductions. For the current outlook, the gap we would face with zero tuition increase is shown on page 5 of the board report. There would be an $84 million gap over the next biennium if we were to hold at a zero% tuition change. This number is before adding the revenue lost due to enrollment decline, which would put us at about $100 million gap. Trustee Cirillo then asked if this would represent harm to current students. Vice Chancellor King responded that it absolutely would. It would mean program closures, service withdrawals, changes in student services, and staff reductions.

Trustee Anderson wondered if we decrease tuition, would total revenue increase due to more people attending? She added that at her current wages and hours, and devoting all earned funds towards tuition, she would still end up $600 short for the year.

Trustee Erlandson stated that it would be helpful for the board to understand what happens if tuition remains frozen. What does that mean for faculty compensation? Does this mean no increases for faculty, do they have to take cuts, or reduce numbers? What does this mean for the most important people in our system from a student-facing perspective? Vice Chancellor King answered that in a scenario with no tuition increase, the Chancellor and the presidents would need time to think about that. This would be a very substantial disruption to academic planning, to service planning, labor negotiations, and the NextGen project. We did not spend any time talking to presidents about a zero percent increase. Chancellor Malhotra added that even when, for lack of resources, we have to adjust our workforce and close programs, often those savings do not emerge immediately because there is a teach-out and this could go on for 3-4 years. So, the immediate impact is even greater than just a proportional reduction. Also, a $1M reduction could mean a 12-18 staff reduction which translates to well over the loss of 200 200 positions right away.

Kayla Shelley, State Chair of Students United, was invited to join Mr. Becerra at the front table. Committee Chair Moe recognized Mr. Becerra who then made a statement in opposition to the tuition increase. Committee Chair Moe asked for questions following Mr. Becerra's statement. There were none.

Chair Moe recognized Kayla Shelley who then made a statement in opposition to the tuition increase. Committee Chair Moe asked for questions following Ms. Shelley's statement.

Trustee Abdul-Aziz thanked the student leaders for coming forward to express concerns on behalf of all students and challenged the board to reimagine this issue and not just do the same old thing. Committee Chair Moe added that he too was appreciative of the students' representation on behalf of their respective organizations.

Trustee Williams thanked the representatives for expressing their thoughts on this issue. He encouraged the board to consider any alternatives to the proposed tuition increase.

Trustee Hoffman stated that he shared the concerns of the students. In 2000-2006, the state was contributing 67% and tuition was 33%. The state commitment has declined considerably and we are now at 50/50 or 40/60 depending on the institution. During this time, there has been a tremendous job of balancing the revenue coming in along with continued enrollment decreases. Credit must go to the leadership for trying to maintain the best programs to meet the needs of the students. Minnesota State is the best value in Minnesota. It has been less than a 10% tuition increase over 10 years. He encouraged the students to acknowledge that they were getting an excellent education.

Ms. Shelley clarified that the student leaders were not attacking the system for not doing a good enough job. Students recognize that the legislators failed us. Our platform says affordability and students voted on that. The student leadership will fight for affordability because we cannot afford anything else.

Trustee Erlandson thanked the student trustees, and stated that it is important to hear from student leaders.

Trustee Janezich commented that there were many sacrifices made in his family in order for him and his siblings to attend college. He encouraged all families to make a commitment.

Ms. Shelley responded that parents should not be accused of not making sacrifices when they cannot afford to assume student debt.

Chancellor Malhotra thanked the student leaders and student trustees for their comments and analysis of the situation. He stated that he understood and agreed with all that they have put forth and believed that what was said was authentic. All five students have demonstrated commitment to the broader constituency of students that they represent and that they have done a marvelous job. The Chancellor then explained in detail the historical context of the funding situation including, but not limited to, the decline of state funding, use of reserve funds at colleges and universities to address deficits, efforts to increase fund raising efforts for scholarships, and how we arrived at the decision to ultimately raise tuition. We need to keep fighting and get to a point where there is a commitment in law to publicly fund education at 2/3 state allocation and 1/3 from tuition. We must deliver a quality education because our students deserve no less.

Mr. Becerra stated that he felt as if it would not have mattered if he was in the room today, the decision would have been the same.

Committee Chair Moe asked for a motion to adopt the following:

RECOMMENDED MOTION:
- Adopt the annual total all funds operating budget for fiscal year 2020 as shown in Table 5.
- Approve the proposed tuition structure recommendations and differential tuition rationale for fiscal year 2020 as detailed in Attachments 1A through 1G.
- Tuition rates are effective summer term or fall term 2019 at the discretion of the president. The chancellor or designee is authorized to approve any required technical adjustments, and is requested to incorporate any approvals at the time fiscal year 2021 tuition recommendations are presented to the Board of Trustees.

- Continue the policy of market-driven tuition for closed enrollment courses, customized training, and non-credit instruction, continuing education, and contract postsecondary enrollment option programs.
- Approve the Revenue Fund and related fiscal year 2020 fees for room and board, student union, wellness and recreation facilities, and parking ramps/surface lots as detailed in Attachments 2A through 2E, including any housing fees that the campuses may charge for occupancy outside the academic year.
- Authorize the chancellor or designee to enter into an agreement with the Learning Network of Minnesota to provide the funding appropriated to the organization in Minnesota Laws 2019, Chapter 64, Article 1, Section 3, Subdivision 4, in the amount of $4,115,000.

Trustee Abdul Aziz requested a roll-call vote. Board Secretary Inge Chapin joined Vice Chancellor King at the table. Trustee Hoffman made the motion and Trustee Nishimura seconded.

Rollcall vote:
Trustee Williams: No
Trustee Nishimura: Yes
Trustee Janezich: Yes
Trustee Anderson: No
Trustee Abdul Aziz: No
Committee Vice-Chair Hoffman: Yes
Committee Chair Moe: Yes

The motion was adopted by a vote of 4 in favor and 3 against.

5. **FY2020 Capital Program Recommendations (Second Reading)**
Vice Chancellor King reviewed the key elements of this item for which the following motion had been adopted earlier by the Facilities Committee.

Committee Chair Moe asked for a motion to adopt the following:

RECOMMENDED MOTION:
The Board of Trustees approves the 2020 capital program request as presented in **Attachment A**, specifically the projects and priorities for the 2020 legislative session. The chancellor is authorized to make cost and related adjustments to the request as required, and to forward the request through Minnesota Management and Budget to the governor and legislature for consideration in the state's 2020 capital budget. The chancellor shall advise the board of any subsequent changes in the approved capital program prior to the 2020 legislative session. In

addition, as funding is authorized and appropriated by the legislature and approved by the governor, the chancellor or the chancellor's designee is authorized to execute contracting actions necessary to deliver on the project scope and intent.

Trustee Janezich made the motion and Trustee Hoffman seconded. The motion was adopted.

6. **Revenue Fund Current Refunding Bond Sale (Second Reading)**
Vice Chancellor King reviewed the details of the Revenue Fund Refunding Bond Sale which was presented in full at the May committee meeting.

Committee Chair Moe called for questions. There were none. He then asked for a motion to adopt the following:

RECOMMENDED MOTION:
A. The Board of Trustees hereby:
    1. adopts the Series Resolution, a draft of which is contained in **Attachment 5,** as incorporated herein.
    2. adopts the motion titled*, "Board Action Approving And Authorizing The Execution And Delivery Of A Second Amendment To Amended And Restated Master Indenture Of Trust, Pursuant To Which Minnesota State Issues Revenue Fund Bonds,"* in substantially the same form as **Attachment 4.**

B. The Board of Trustees authorizes a refunding bond sale of its 2009A Series Revenue Bonds sufficient to realize net proceeds which, with available debt service reserve funds and debt service funds from bonds to be refunded, will:
    1. refund up to $19.045 million of tax exempt bonds maturing from 2020 to 2029 from 2009A Series bonds, and
    2. comply with the bond sale parameters identified in **Attachment 2,** as incorporated herein.

C. In addition, the Board authorizes the Chancellor or the Chancellor's designee to execute all documents necessary to accomplish the refunding sale including, but not limited to, the Series Resolution, Second Amendment to Amended and Restated Master Indenture of Trust, and all related documents needed for the refunding transaction.

Trustee Janezich made the motion and Trustee Hoffman seconded. The motion was adopted.

Committee Chair Moe adjourned the meeting at 11:45am.

Respectfully submitted: Don Haney, Recorder

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee   **Date:** October 15, 2019

Title: Contracts Exceeding $1 Million:
   a. Lease extension, Department of Employment & Economic Development (DEED), St Cloud Technical & Community College
   b. Verizon Lease, St. Cloud State University
   c. Local Area Network (LAN) Refresh, Rochester Community and Technical College

Purpose (check one):

[ ] Proposed New Policy or Amendment to Existing Policy	[X] Approvals Required by Policy	[ ] Other Approvals
[ ] Monitoring / Compliance	[ ] Information	

Brief Description:

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than $1,000,000, must be approved in advance by the Board of Trustees. The actions requested in this report concern contracts with campus specific impact.

Scheduled Presenter(s): William Maki, Interim Vice Chancellor and Chief Financial Officer

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD ACTION

CONTRACTS EXCEEDING $1 MILLION:
    a. **LEASE EXTENSION, DEPARTMENT OF EMPLOYMENT & ECONOMIC DEVELOPMENT (DEED), ST CLOUD TECHNICAL & COMMUNITY COLLEGE**
    b. **VERIZON LEASE, ST. CLOUD STATE UNIVERSITY**
    c. **LOCAL AREA NETWORK (LAN) REFRESH, ROCHESTER COMMUNITY AND TECHNICAL COLLEGE**

BACKGROUND

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than $1,000,000, must be approved in advance by the Board of Trustees. The first three items concern campus specific actions and the final two are contracts with system wide benefit.

a. Lease Extension, Department Of Employment & Economic Development (DEED), St. Cloud Technical &Community College

During the 2005 legislative session, Minnesota State received bonding appropriations to create and co-locate an office and employment resource space on the St. Cloud Technical & Community College campus with the Department of Employment and Economic Development (DEED) and local workforce partners. The parties commenced a lease in February 2007 after completing construction of the improvements. The tenancy is proving beneficial to both DEED and the campus in terms of offering DEED clients training opportunities and the college with prospective students. The current lease is expiring at the end of October, and the parties have agreed to extend the tenancy for an additional five (5) year term.

St. Cloud Technical & Community College is agreeable to the extension, and continues to view the partnership with DEED as a valuable asset to the campus. The proposed lease extension is for the 13,177 SF that DEED is currently occupying on campus. The college expects to collect $1,065,373 over the total lease term, which is based on covering the college's operating expenses for DEED's tenancy.

b. Verizon Lease, St. Cloud State University

Verizon Wireless has leased space on the rooftop of Sherburne Hall at St. Cloud State University since 2005 for equipment and antenna space in support of their wireless network. As student, faculty, staff and campus visitor use of wireless devices for learning, teaching, and communicating has grown, the need to supplement the existing network coverage and capacity provided by the Sherburne Hall site for those users and uses has become a necessity. To meet these increased coverage and capacity demands, St. Cloud State University has worked with Verizon to accommodate – and provide for – the necessary network expansion.

In addition to the aforementioned use of Sherburne Hall as an antenna location, Verizon identified four (4) additional structures upon which to deploy equipment and antennas to supplement the network. The affected buildings include: Atwood Center, Integrated Science & Engineering Laboratory Facility (ISELF), James Miller, and the Herb Brooks National Hockey Center. Each location will be outfitted with rooftop antenna installations to provide the desired network enhancements. St. Cloud State University staff has reviewed the locations of the proposed installations and is agreeable to moving forward with each new location, as well as continuing the tenancy on Sherburne Hall. The university proposes entering into five (5) coterminous leases each for a 10 year term for a total, collective value of $1,675,300.

c. Local Area Network (LAN) Refresh, Rochester Community and Technical College

Rochester Community and Technical College will be refreshing their Local Area Network (LAN) switches and routers. The College will be replacing their currently deployed Extreme Networks switches/routers and Aruba Networks switches. The College is looking for the latest generation of Router/Switching hardware and Software Defined Networking (SDN) management solution to meet the College's requirements. The desired network design and feature requirements will be deployed in an up to three (3) year phased approach. Year 1 – Core Network, Sports Center zone, & New Memorial Hall from the South Zone; Year 2 – North Zone & Remaining South Zone; and Year 3 – East Zone & West Zone. The estimated contract amount will not exceed a value of $1.5 million.

RECOMMENDED COMMITTEE MOTION:

a. The Board authorizes the chancellor or the chancellor's designee authority to enter into a lease extension at St Cloud Technical & Community College for up to an additional five (5) years and receive rent in excess of $1 million from the Department of Employment and Economic Development. The Board delegates to the chancellor or chancellor's designee authority to execute all necessary documents to accomplish this action.

b. The Board authorizes the chancellor or the chancellor's designee authority to enter into leases with Verizon Wireless at St Cloud State University for up to ten (10) years and receive rent in excess of $1.675 million from Verizon. The Board delegates to the chancellor or the chancellor's designee authority to execute all necessary documents to accomplish this action.

c. The Board of Trustees authorizes the chancellor or his designee to execute a contract for a term not to exceed thirty-six (36) months and for an amount not to exceed $1.5 million. The board directs the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD OF TRUSTEES MOTION:

a. The Board authorizes the chancellor or the chancellor's designee authority to enter into a lease extension at St Cloud Technical & Community College for up to an additional five (5) years and receive rent in excess of $1 million from the Department of Employment and Economic Development. The Board delegates to the chancellor or chancellor's designee authority to execute all necessary documents to accomplish this action.

b. The Board authorizes the chancellor or the chancellor's designee authority to enter into leases with Verizon Wireless at St Cloud State University for up to ten (10) years and receive rent in excess of $1.675 million from Verizon. The Board delegates to the chancellor or the chancellor's designee authority to execute all necessary documents to accomplish this action.

c. The Board of Trustees authorizes the chancellor or his designee to execute a contract for a term not to exceed thirty-six (36) months and for an amount not to exceed $1.5 million. The board directs the chancellor or his designee to execute all necessary documents.

Date Presented to the Board of Trustees: *10/15/19*
Date of Implementation: *10/15/19*

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee   **Date:** October 15, 2019

Title: Contracts Exceeding $1 Million: College Services and Library Renovation, Anoka Ramsey Community College, Coon Rapids

Purpose (check one):

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

Brief Description:

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than $1,000,000, must be approved in advance by the Board of Trustees. The actions requested in this report concern contracts with campus specific impact.

See the Facilities Committee board report, pages 5-13 for the full description and materials.

Recommended Motion

This item has been previously reviewed by the Facilities Committee. The Finance Committee recommends the Board of Trustees adopt the following motion:

The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a construction contract not to exceed $5 million for purposes of construction of the College Services renovation and the library refurbishment at Anoka-Ramsey Community College, Coon Rapids campus.

Scheduled Presenter: William Maki, Interim Vice Chancellor and Chief Financial Officer

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee   **Date:** October 15, 2019

Title: Proposed amendment to Policy 5.14 Contracts and Procurements – First Reading

Purpose (check one):

[X] Proposed New Policy or Amendment to Existing Policy	[ ] Approvals Required by Policy	[ ] Other Approvals
[ ] Monitoring / Compliance	[ ] Information	

Brief Description:

The policy was reviewed following the release of the 2017 Minnesota Joint Disparity Study in March 2018, which Minnesota State participated in. The study found that utilization of minority and women-owned firms by Minnesota State procurement was at 7.46 percent, below the 19.85 percent that might be expected from the availability analysis.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, sent out for formal consultation, and received support from the presidents and campus leadership groups. All comments received from the consultation were considered. This amendment shows Minnesota State's institutional commitment to creating innovative and intentional solutions that ensure equal opportunity in its procurement processes.

Scheduled Presenters:
William Maki, Interim Vice Chancellor for Finance and Chief Financial Officer
Michael Noble-Olson, Chief Procurement Officer
Robert Harper, Supplier Diversity Manager

**MINNESOTA STATE
BOARD OF TRUSTEES**

BOARD ACTION
POLICY 5.14 CONTRACTS AND PROCUREMENTS (FIRST READING)

BACKGROUND

Board Policy 5.14 Contracts and Procurements was adopted and implemented by the Board of Trustees in June 2000.

The review followed the release of the 2017 Minnesota Joint Disparity Study in March 2018, which Minnesota State participated in. The study found that utilization of minority- and women-owned firms by Minnesota State procurement was at 7.46 percent, below the 19.85 percent that might be expected from the availability analysis.

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

RECOMMENDED COMMITTEE MOTION
This is a first reading, no action is required.

BOARD POLICY – FIRST READING		
Chapter 5	Chapter Name	Administration
Section 14	5. Policy Name	Contracts and Procurements

1 **Board Policy 5.14 Contracts, Procurements, and Supplier Diversity**

2

3 **Part 1. Authority**

4 Pursuant to Minn. Stat. §136F.581, the board has authority for contracts and purchases

5 consistent with Minn. Stat. §471.345, the Uniform Municipal Contracting Law, and other

6 pertinent statutes, as well as the authority to utilize any contracting options available to the

7 commissioner of administration under Minn. Stat. Chapters 16A, 16B, and 16C.

8

9 **Part 2. Policy Statement**

10 Minnesota State serves as a steward of tuition funds, state appropriations, and other resources

11 entrusted to it by Minnesotans and the students we serve. In that pursuit, system contracting

12 and procurement practices and processes shall be transparent and fair, consistent with the

13 authorities afforded in state statute.

14

15 Minnesota State is committed to creating and maintaining a supply chain that resembles the

16 diversity of the students and communities it serves. The Board supports the use of its purchasing

17 power to enhance and optimize business and contracting opportunities for historically

18 underutilized businesses. For the purposes of this policy, Targeted Businesses (TGBs) are defined

19 as Minority-owned (MBE) and Women-owned businesses (WBE) pursuant to Minn. Stat. 16C.16

20 Subd. 5.

21

22 **Part 3. Responsibilities**

23 The colleges, universities, and system office are responsible for procurement of necessary goods

24 and services and the implementation of contracts that maximize the use of financial resources.

25 The Minnesota State procedures for procurement and contracts shall be consistent with Minn.

26 Stat. §471.345, the Uniform Municipal Contracting Law, as applicable, and in compliance with

27 other pertinent state and federal laws. The procedures shall provide detailed instructions for

28 campus and system implementation.

29

30 **Part 4. Accountability/Reporting**

31

36   **Subpart A. Compliance**
37   College and university presidents will be held accountable by the chancellor for complying
38   with state and federal laws, board policy, and system-wide procedures for all purchases and
39   contracts.
40
41   **Subpart B. Contract form approval**
42   Any contracts or other legally binding agreements, including grant agreements, or
43   memorandums of understanding/agreement that create legally binding obligations and
44   responsibilities, that do not adhere to system approved contract templates must be
45   approved in advance by the Office of General Counsel or Attorney General's Office.
46
47   **Subpart C. Board approval required**
48   1. Any procurement, lease agreement, or professional/technical/consulting service contract
49   with a value in excess of $1,000,000 or contract amendment that would increase the total
50   value of a contract to more than $1,000,000 must be approved in advance by the board.
51   2. The following contracts and agreements must be approved in advance by the board if the
52   total value of the initial contract/agreement and/or subsequent amendments exceeds
53            $3,000,000:
54   a. Inter-agency agreements;
55   b. Joint powers agreements;
56   c. System master contracts if the total purchases made for goods or services under the
57   master contract are expected to exceed $3,000,000; individual purchase orders made
58   under a system master contract approved by the board are not subject to separate
59   Board approval;
60   d. Grant agreements other than federal grants or grants from Minnesota state agencies.
61   3. Joint powers agreements that create a joint powers board, regardless of the dollar value,
62   must be approved in advance by the Board.
63
64   **Subpart D. Five Year Limit**
65   Contracts, including real property leases, must not exceed five years, including renewals,
66   unless a longer period is otherwise provided for by law, or approved by the board for
67   contracts subject to approval under Subpart C, or by the chancellor or the chancellor's
68   designee.
69
70   **Subpart E. Exemptions**
71   The following contracts are not subject to the approval process under Subpart C:
72   1. Purchase orders made under a master contract of the Minnesota Department of
73   Administration or MnIT.
74   2. Federal grants and grants from Minnesota state agencies.
75   3. On-going Utility Contracts for colleges and universities where the area provider is the only
76   feasible source of services such as electricity, gas, and other energy sources (steam, propane,
77   or fuel oil).
78
79   **Subpart F. Reports**
80   Semiannual reports on all contracts with values greater than $1,000,000, except those listed in
81   Subpart E, must be provided to the board's finance and facilities committee and available on the
82   system's website.

Deleted: <#>Construction contracts subject to Policy 6.5, Capital Program Planning, and applicable system procedures.¶

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**MINNESOTA STATE
BOARD OF TRUSTEES**

INFORMATION ITEM
2020-2021 BIENNIAL BUDGET STATUS REVIEW

As part of the State's 2020-2021 Biennial Budget planning, the Board of Trustees proposed an increase in State funding for the Minnesota State system of $246 million. This operating request focused on serving our current and future students; protecting our commitment to affordability; and building capacity for innovation.

The largest part of this request, $149 million, was to cover the 3% annual increase the system has historically experienced in expenditures for base operations. Also included was an additional $20 million to address the structural gap brought forward by our colleges and universities from the 2018-2019 biennial budget. This request would have provided enough funding in-lieu of tuition increases so that the split between State appropriation and tuition would have shifted from 49% appropriation - 51% tuition in FY2019 to 54% appropriation - 46% tuition by FY2021. This would have made progress toward the funding goal set in Minnesota Statute (Section 135A.01) of 67% appropriation - 33% tuition, and would have directly saved students an estimated $68 million in potential tuition increases if those had also occurred at a 3% rate of increase.

The second largest part of the request would have provided $37 million to develop the Next Gen enterprise data system, saving colleges and universities from having to strain their base operating budgets beyond the historical 3% rate of growth by having to include this funding.

A request of $25 million was included to go to students to help them complete degrees though the College Promise and University Transfer scholarship programs. And a request for $15 million was included to fund career, technical and professional programs to fill key gaps in job areas in high-demand by Minnesota businesses.

Appropriations enacted by the legislature and Governor totaled $81.5 million or 33% of our request.

$s in millions **Item**	**Board** **Request**	**State Appropriation**			**Gap for** **Biennium**
		FY2020	**FY2021**	**Biennium**	
Campus Support	149.0	30.8	33.7	64.5	(84.5)
ISRS Next Gen	37.0	4.0	4.0	8.0	(29.0)
Workforce	15.0	2.0	6.0	8.0	(7.0)
Other*	45.0	0.5	0.5	1.0	(44.0)
Total "New" State Support	246.0	37.3	44.2	81.5	(164.5)

grants, structural support requested; z-degree, mental health, leveraged equiment funded

This funding level brought the estimated appropriation-tuition relationship to roughly 50-50 and caused colleges and universities to incorporate 3% tuition growth into their own operating budget requests for FY2020.

While the Board-proposed scholarship programs were not funded, provisions of the State Grant program were adjusted to provide additional grants to Minnesota State students. Based on changes to State and Federal grant programs, it has been estimated that several groups of students will pay less tuition in FY2020, even with a 3% increase in base tuition rates.

In addition, students benefitted from an increased investment from the state in workforce development scholarships. The legislation that came out of the 2019 legislative session substantially expands the $1 million pilot program by making $2 million available for FY2020 and a total of $6 million for FY2021. With the additional funding, the number of available scholarships will increase to an estimated 668 in FY2020. The scholarships are for students pursuing careers within advanced manufacturing, agriculture, health care services, information technology, early childhood education, and transportation at any of the 30 state colleges of Minnesota State.

For FY2020, the Board of Trustees approved college and university budget requests that all included 3% tuition increases. Because the Next Gen request was not fully-funded, a total of $12.5 million for that project has been assessed to the college, university and System Office budgets for FY2020. Reprogramming and use of fund balance have been incorporated into FY2020 budgets to cover this assessment.

Minnesota State colleges and universities' operating budgets face the following revised picture for the biennium. These amounts are for FY2021 assuming tuition remains at FY2020 levels.

	$millions
Inflation/Campus Support Request	**149.0**
Estimated tuition revenue from 3% increase in FY2020	44.8
Appropriation received	64.5
Unfunded Inflation/Campus Support	**39.7**
NextGen Request (annual)	**18.5**
Appropriation received	4.0
Unfunded NextGen	**14.5**
Total Unfunded	**54.2**

A base appropriation increase of $39.7 million would close the funding gap for the biennium by $16.5 million and save students an estimated $23.2 million by freezing FY2021 undergraduate tuition rates versus increasing rates by 3% for the second consecutive year. The planning parameters for general fund operating revenue for this biennium approved by the board in the fall of 2018 indicated the role of a three percent annual increases in our revenue outlook. A base appropriation increase of $14.5 million per year for Next Gen would remove the cost of developing

this system from campus budgets permanently, freeing up operating funds for other priorities at colleges and universities.

Since FY2020 budgets were approved, actual revenues and costs have begun to replace assumptions, presenting new challenges. Two of the most significant challenges to campus budgets at this point are enrollment declines greater than projected and compensation costs greater than projected.

For an individual college or university, declining enrollment greater than projected means lower revenues. Since state appropriation requests are driven by long-term historical increases in the costs of running the system, they are not adjusted for current losses or gains in enrollment and tuition revenues. These fluctuations must be mitigated at the campus level. To mitigate the risk, colleges and universities undertake recruitment and retention strategies, carefully monitor enrollment activity, and prepare contingency plans in case enrollment projections are not met. Not having the ability to adjust tuition rates can remove a valuable tool for colleges and universities to work with in their mitigation planning process.

Year to date enrollment (summer and fall terms, excluding concurrent enrollment) is more than two percentage points below the annual change that was projected by fourteen colleges and two universities. This is one measure that is used per System Policy to require updates of budgets in the coming months. Seven of the fourteen colleges identified are five or more percentage points below where they expected to be. Last year at this time, ten colleges and three universities triggered this measure, with four of the ten colleges at or more than five percent points below where they expected to be.

For compensation increases, college and university budgets assumed a three percent increase in total employee compensation (i.e., salary enhancements, steps, promotions, insurance, retirement, and other benefits). While discussions on the collective bargaining agreements managed by Minnesota State have not yet concluded for the biennium, agreements managed by Minnesota Management and Budget as currently proposed include increases in total compensation that are larger than three percent.

MINNESOTA STATE

Human Resources Committee
October 15, 2019
10:15 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 of the Joint Meeting of the Human Resources and the Diversity, Equity and Inclusion Committees, June 18, 2019. (pp. 1-6)**
2. **Minutes of Human Resources Committee, June 19, 2019 (pp. 7-11)**
3. Report on FY19 Leadership Development Programs
4. Overview of Executive Search Process

Human Resources Committee Members:
  Michael Vekich, Chair
  George Soule, Vice Chair
  AbdulRahmane Abdul-Aziz
  Cheryl Tefer
  Dawn Erlandson
  Rudy Rodriguez
  Roger Moe

President Liaisons:
  Ginny Arthur
  Annette Parker

Minnesota State Board of Trustees
Joint Session: Human Resources and Diversity, Equity and Inclusion
Committee Meeting Minutes
McCormick Room
June 18, 2019

HR Committee members present: *Jay Cowles, Chair; Cheryl Tefer, Vice Chair*
Trustees: Alex Cirillo, Dawn Erlandson, Bob Hoffman, Roger Moe and Samson Williams (phone).
DEI Committee members present: *Rudy Rodriguez, Chair; Louise Sundin, Vice Chair;*
Trustees: AbdulRahmane Abdul-Aziz, Ashlyn Anderson, and Jay Cowles
Absent: April Nishimura and George Soule

Other board members present: *Chancellor Malhotra and Trustee Janezich.*

Diversity, Equity, Inclusion Committee Char Rodriguez called the meeting to order at 1:45pm

Minnesota State Faculty and Staff Diversity: Current Demographics and Strategies

Chief Diversity Officer, Dr. Clyde Pickett and Vice Chancellor for Human Resources, Eric Davis, presented an overview of Minnesota State's workforce demographics. The presentation included analysis of past efforts to recruit and retain faculty and staff of color and American Indian employees in our system as well as future plans to advance the critical work of equity in hiring. A PowerPoint slide deck of statistics and data were shown to expand the conversation. Some of the data was provided by the Minnesota State Demographic Center, Department of Administration.

CDO-Dr. Pickett outlined the topic. In efforts to have a vibrant, invested, productive and diverse work force, Minnesota State is engaged in conversations and work with a broad group of stakeholders including union leaders, faculty, staff and administrators. Our goal is to advance equity in our work force and model equity in hiring that represents and prioritizes diversity at all levels within our system. We must be intentional in diverse recruitment, retention and strategic succession planning. We understand that equity is a process and the infusion of equity is a priority as we work to model hiring at all levels in our system. The priority of equity in our workforce is critical in our efforts to meet our goals and advance student success. Part of our presentation will discuss intentional recruitment and retention, a model that more proactively looks at a strategic approach to move this work forward. As we think about employee engagement and retention, we understand that equity and hiring is an essential component of the work we do. Certainly we have to be proactive in managing diverse and inclusive teams, to more effectively incorporate innovation, engage all constituents, and to be creative in our approach to advance equity. Certainly, the Academic related components (pedagogy and curriculum) are also a part of this conversation with the understanding that this is more than just training alone.
A Power Point deck was shared:

PowerPoint highlights:
- Minnesota Population

Total population is estimated to exceed 6 million by 2032 and to grow 6.8 million by 2027. The percent of Minnesota's population that is nonwhite or LatinX is projected to grow to 25 percent by 2035. The number of LatinX, black, and Asian Minnesotans are projected to more than double over the next 30 years. While the white population is projected to grow slower and will decline in certain regions of the state. All regions of the state will become more racially and ethnically diverse in the road ahead.

- Leading from the Top

Comparing data of our Leadership Council which includes the Chancellor's cabinet and college and university presidents, of all employees in our system, 33% of the Leadership Council are employees of color or American Indian while only 13% of our employee population identifies as employees of color. While our executive leadership profile reflects successful and intentional efforts in recruiting and hiring diverse leadership, as Dr. Pickett stated, we recognize the work needed in closing persistent gaps in the diversity of our overall workforce and prioritize a broader understanding of key areas of identity; race/ethnicity, gender, LGBTQIA, veteran and ability status.

- Employee Demographics

Current headcount is approximately 16,000 for FY18 as we haven't closed the books for FY19, but we suspect it to be somewhat lower or approximate 16,000. Our full time equivalents numbers have declined somewhat and are approximately 14,300. 55% of employees of our workforce are working at our colleges and 43% at our universities. The remaining 2% are assigned to the system office. 53% of our employee workforce are faculty members while 47% are in staff. Data reflects a steady increase in the representation of people of color and American Indian employees from 12.7% in the previous year to 13.2% this year.

- Employee Turnover

Comparing the turnover of white employees and employees of color, the data shows an average 8% turnover among both demographic groups when controlling for limited appointments, unlimited appointments and transfers. When we tighten our focus to just examine voluntary and involuntary turnover within full-time, unlimited appointments a different picture emerges. Limited appointments by their nature have a specified end date that the employee will separate from the appointment. Minnesota State employees with limited appointments may separate multiple times in a single year given multiple full-time and/or part-time assignments or may separate on an annual basis given seasonal appointments. Employees typically transfer for growth and advancement opportunities that may not exist at the employee's previous institution, but may exist across the system of campuses within Minnesota State. Among American Indian employees and employees of color, there were 23 of 29 transfers were within the system last year. (The other 6 transfers were to other state agencies). Of the 23 employees who transferred last year, 15 transferred for a promotional or full-time unlimited opportunity. This suggests that higher transfer separation may be an indication of growing our own. However, in other instances it may reflect a desire for an employee to transfer out of an environment where they do not feel valued as they should. Further investigation of individual experiences is needed to prove this theory.

- Diversity of Employees Compared to Student Body

The data indicates our student population is more diverse than our faculty and staff, but we are gradually closing the gap. In the Fall of 2009, Black, Hispanic and Asian students comprised about 15% of the student body at Minnesota State. Today, they make up over 23% of our student body. This is an important comparison for us to keep monitoring and trying to impact so our workforce better mirrors our student body and the communities in which we operate.

- Academic Case: Diversifying the Faculty

The mission and reputations of our colleges and universities benefit greatly from diverse faculty with broad and unique perspectives in research and teaching capacity. The excellence in research and teaching leads us to positive student outcomes and success. In an effort to work towards meeting our goal of diverse representation in our faculty ranks, the colleges and universities in our system continue to advance the following national recruitment trends. They include but not limited to: specific institutional goals, establishing the importance of qualified applicant pools, partnership with bargaining units, imbed retention strategies from the beginning, host "Future Faculty" career exploration programs to attract applicants, and etc. Improved learning outcomes are increased by not only a diverse student, but with a diverse faculty as well, according to national studies. Students can benefit greatly from exposure to diverse perspectives in the classroom.

- Recruit, Retain and Grow our Own

In an effort to cultivate qualified candidate pools, the system, colleges and universities have and will continue to advance national recruitment trends including intentional partnerships with bargaining units, doctoral programs, student associations and national organizations. We utilize best practices in attracting talent and new hires including hosting "Preview Days". We highlight our scholars and celebrate the achievements of our diverse faculty and students by sharing those stories and we are highlighting what we do. As we consider new hires, our approaches include consistent and equitable hiring practices, search advisory training, committee progress updates, and reception opportunities to welcome new hires. In addition, we require our hiring panels to complete unconscious bias training.

- Employee Resource Groups

Thinking about a global economy, inclusion and the competition for high-stakes talent, part of our strategy in retaining talent should be to incorporate Employee Resource Groups. ERG's have been highlighted as a best practice tool to support retention. It is well known that many public and private companies and state agencies have sponsored entities whereby members of traditionally underrepresented populations convene together to build community and to move initiatives. ERG's provide leadership, team building skills and promote broader ambassadorship for the system and for the campuses. Dr. Pickett described an outline of how ERG's would likely be supported within the system. Participation must be voluntary and open to employees of all classifications and must set objectives that will improve and promote conversations around diversity, equity and inclusion. Organizationally, ERG's will be used as a vehicle to distribute leadership responsibilities and move broad conversations and awareness forward. Intentional efforts to bring new emerging professional employees together can help us go a long way in retaining talent. ERG's will provide

employees a voice that is part of a division and part of a system while improving morale. We look forward to sharing more information in the future regarding the roll out of ERG's within the system.

- Leadership Development

Luoma Leadership Academy is an 18 month program beginning its 10th cohort in July with enrollment of 52 participants, made up of 59% female, 25% employees of color, 35% faculty members. Remarkable fact: Half of Luoma graduates are promoted within 5 years into our system. Executive Leader Development program, a year-long program designed to strengthen our executive leadership pipeline. The 4th cohort in FY19 has 23 enrolled participants, of that, 51% are female, 26% are employees of color. Other impactful equity and diversity training happening at Minnesota State: *Respectful Workplace* training was completed by over 5000 employees. An additional 600 employees completed *Overcoming Unconscious Bias*, *Harassment/Discrimination Prevention* and 189 employees completed policy and compliance classroom training which includes 1B.1 and 1B.3 and Title IX Coordinator trainings.

- Professional Development

CDO-Dr. Pickett stated, in the past year we have advanced 6 full time, cabinet level, campus diversity officer (CDO) positions within the system. We are working proactively with this group to grow capacity and move work forward through training and engagement in monthly competency series, annual retreat and connecting with broader national associations. We continue collaboration between CDO's and Leadership Council to implement new strategic planning in equity and diversity initiatives and with Human Resources on how we review policies in the HR space. Eric Davis stated, we have been undertaking strategic and professional developmental work with our senior human resources staff. We have identified four main goals that align with the goals and priorities of their respective colleges and universities. Primary among them is diversity, equity and inclusion. We are collaborating with Dr. Pickett and his team and plan to meet regularly as a community of practitioners and also with the leadership team in the system office to move this essential work forward.

Q and A / Action Items Captured:
Trustee Cowles commented, he considers this work some of the most exciting perspectives to be developing in our organization, to be enhancing and growing. That is truly looking at how we control our own destiny by developing: our own climate, employee and staff, diversity and dimensions that we think are going to be most successful. HR is an area, generally speaking, that is not often viewed as strategic function within the organization and is delighted to see two of you to working closely together to develop this platform of priorities.

Trustee Sundin thanked CDO-Dr. Pickett and Vice Chancellor Davis for their presentation, stating we now have a clearer picture regarding "grow your own". She recognized the parallels to K-12 education in the last decades and stated the legislature loves this educator program and perhaps we think about a higher education program with the legislature. Trustee Sundin then asked if we have talked to our bargaining units and presidents about collaborating on a mentor program in or out of contract. Having a mentor program is helpful

to let folks feel supported and be instantly better in their work even from previous personal experience. Trustee Sundin described a time in our history when we sent recruiting teams into institutions in the South to bring educators here to Minnesota and via a grant for a teacher of color network were able to best help integrate them into the community. Trustee Sundin concluded her thoughts suggesting there are previous ideas and work that were successful that we may want to think about and learn from. Dr. Pickett responded by stating his appreciation for her information and that indeed we are in ongoing conversation with IFO President Brent Jeffers and Kim Park-Nelson, collectively thinking about how to provide ongoing support and what mentorship looks like, and certainly, it is imperative to involve faculty into those conversations. Not missed in the conversations is the changing demographics of our student population and how earlier we have to have the conversations about the opportunity in higher education for our students. The intentionality to broaden the opportunity to transition into higher roles in education, considering roles that lead to a faculty appointment. We are in discussion with colleagues at all levels and we appreciate that some things that worked in the past can be reinvented.

Vice Chancellor Davis added system-wide, we are looking for opportunities to partner both inside and outside of higher education. For example, there is really good work happening all around such as work in the Twin Cities region facilitated by Make It MSP. There are concerned business leaders, private, public and non-profit leaders gathering around this same issue. We are participating, gathering insights and applying them where we recognize an opportunity.

Trustee Erlandson echoed Trustee Cowles sentiments that this is terrific work, compared it to the phrase, "If you measure on it, you care about and are focus on it." Trustee Erlandson is curious on "How have we historically measured data by category? For example, immigration status of our students and faculty, gender identity, and etc. What is our legal ability to ask some of these questions and how do we find out some of this data about our students/faculty/staff?" CDO-Dr. Pickett responded by stating we are thinking about what that might look like in how we capture information both from our students and from our employees. In addition to the information we gather during the application process, we should also think about secondary opportunities on how we capture this information. We have asked our Campus Diversity Officers to think about how we capture this information on our campuses from our employees while understanding what is also considered protected information. Employee Resource Groups and Campus Climate Surveys are opportunities in which employees convene and might volunteer demographic information. Vice Chancellor Davis added that we do collect data when applicants volunteer this information and we monitor this data. As part of our responsibility in affirmative action hiring goals, we monitor the diversity of our pools and track it through the hiring process making sure people are not artificially eliminated from consideration of employment. Once people are hired, opportunities for employees to volunteer this information are renewed. However, there will predictably be gaps in the data as some people choose not to disclose their information.

Chancellor Malhotra commented on Trustee Erlandson' s point to note that he and CDO-Dr. Pickett have spent many conversations on thinking how to incorporate into our overall strategic positioning as it relates to diversity, equity and inclusion. To a great extent, the diversity in Minnesota is largely fueled by new Americans. That raises a broader question, as new immigrants come in, with them come migratory cultural formations which are the strengths of this type of diversity. When the migratory cultural formations occur, the culture of the host country cannot stay unaffected. Nor can the culture which is being introduced into this new environment stay unaffected. As a result, as we see a tremendous amount of hybridization occurring. As that occurs, the lingual and cultural aspects of creating an inclusive ethos will become very important. The strategies will become more complex in order to deliver on the outcomes. Chancellor Malhotra finished by stating this will be another area to work on and asked CDO-Dr. Pickett and Vice Chancellor Eric to reflect on next steps in this work.

CDO-Dr. Pickett: In terms of thinking about next steps, part of our intentional strategy is working with our colleagues in Human Resources across the system to put down a formal strategy and formal policy for campuses. Part of this process is to add greater formality around policy and policy development which includes unconscious bias training in the search process. CDO-Dr.Pickett and Vice Chancellor Davis have discussed their own onboarding experiences with each other and how having both an informal and a formal mentorship process can make a new employee feel more welcome, connected and establish a sense of safety, environment and of community.

Vice Chancellor Davis: We continue to work closely with all bargaining units on strategies that collectively will have a positive impact on the diversity, inclusiveness and equity of our work force. The slides you saw on employee resource groups are in more of an idea phase than implementation phase with a lot of details to work out yet. We will work in earnest on how this would operate most effectively with our campus partners.

Chair Rodriguez stated this is such critical work to the success of the system. Adapting to the future diversity of our workforce and student body requires our on-going attention and focus. Chair Rodriquez proposed a scorecard for diversity and inclusion to get more intimate with the metrics and measure what's working and not working. Chair Rodriguez believes working on policy and practices are so important to rooting out unconscious bias. Think hard on how we recruit people and consider where in the application steps women and people of color report having a harder time making it through the process. The scorecard could be provided in our board packet, not necessarily as an agenda item. The scorecard could be updated on a quarterly basis. Provide real, personal and practical examples of diversity and inclusion. For example, the Luoma graduates getting promoted after program completion. This is amazing! Bring these examples and exclaim them to all higher education institutions; how we are leveraging best practices everywhere to get more people of color and women in to higher positions of power within academics.

The meeting adjourned at 2:35pm. Tamara Mansun, Recorder.

Minnesota State Board of Trustees
Human Resources Committee Meeting Minutes
McCormick Room
June 19, 2019

Committee members present: *Jay Cowles, Chair; Cheryl Tefer, Vice Chair*
Trustees: Alex Cirillo, Dawn Erlandson, Bob Hoffman, Roger Moe and on the phone; Samson Williams.

Other Leadership Council: *Devinder Malhotra, Chancellor*

Committee Chair Jay Cowles called the meeting to order at 1:09 pm

1. **Approval of the May 21, 2019 Committee Meeting Minutes:**

Chair Cowles called for a motion to approve the May 22, 2019, Human Resources Committee meeting minutes. Trustee Cirillo approved and Trustee Hoffman seconded the motion. The minutes were approved.

2. **Proposed Amendment to Board Policy 4.2   Appointment of Presidents**

Board Policy 4.2 Appointment of Presidents was adopted and implemented by the Board of Trustees on November 18, 1998. The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment allows *interim presidents* to be considered as candidates in the search process, and clarifies that the *campus student association* nominate the student representative(s) to the search committee.

Eric Davis, Vice Chancellor for Human Resources read the First Reading of the policy amendment and clarified its intent is to permit an interim president to be eligible to apply for any open, full time presidential job posting with the full understanding such candidates would follow the same rigorous, transparent and competitive interview process as external candidates. This amendment allows the system full access to a diverse, inclusive and well qualified pool of both internal and external candidates. The amendment was sent out for formal consultation and public comment and all feedback received was largely supportive. Trustee Hoffman asked what would be a negative comment and Vice Chancellor Davis replied that one commenter cautioned that with the proposed change we are explicit the state system will remain equitable and inclusive in its approach. Davis speculated the writer's intent is to assure that an open, competitive process is not compromised.

Chancellor Malhotra added - an interim president decides for themselves to apply. We are not suggesting they are automatically added to the pool.

Trustee Hoffman asked how an interim president candidate would affect the pool. Davis speculated the inclusion of an interim candidate *might* discourage an external candidate from applying if they know in advance they will be competing against a well-qualified internal candidate who is fulfilling the role satisfactorily on an interim basis. However all candidates, internal or external will need to make their own assessment as to whether they are sufficiently prepared and a strong candidate to serve as the institution's next President. Chancellor Malhotra emphasized that the interview process for all candidates would follow the current process; seeking feedback from across all internal stakeholders both within the institution and at the system office as well as assigned Trustee's involvement.

Chair Cowles asked for comments or questions. Hearing none, the First Reading required no action of the committee members. The HR Committee will return in the Fall for a Second Reading in a scheduled board meeting.

3. **Appointment of Interim President of Saint Paul College**

Chair Cowles introduced Chancellor Devinder Malhotra who addressed the Board of Trustees' HR Committee providing an outline for today's unusual circumstance in recommending candidates to three positions of Interim President this late in the year. The Chancellor stated this is a good opportunity to promote internally – something this board has strongly supported. Together these three individuals hold a total of 55 years of campus leadership within Minnesota State. All three have been system wide leaders, on their campus and within their communities. They understand the value of serving their institutions and their communities.

Chancellor Malhotra opened his remarks by thanking President Rassoul Dastmozd for his service to Saint Paul College, his commitment to student success and for tirelessly sharing his vision of the college's promise and story with community, business and civic organizations throughout the region. Following the announcement of President Dastmozd's retirement, effective June 30, 2019, Chancellor Malhotra invited nominations and expressions of interest for the position of interim president. The chancellor reviewed all applications and nominations along with all input received and consulted as appropriate to develop his recommendation to the Board. At this time, Chancellor Malhotra recommended Dr. Deidra Peaslee as the interim president of Saint Paul College.

Chair Cowles noted that the chancellor will introduce the next two recommendations and discussion from trustees that were involved in the interview process will be held until the end.

The Chancellor provided a comprehensive review of Dr. Peaslee' s career highlights and credentials notably having served 17 of her 25 years in education within Minnesota State. With a strong commitment to data and information driven decision making, she is a leader who seeks to listen first to understand the perspectives of all and inspires collaboration with faculty and staff leadership. She is passionate about student success stating they are best served by leveraging the experience and expertise of each member of the college community. Dr. Peaslee has extensive experience in accreditation-both institutionally and with occupational programs and believes the assessment efforts required of accreditation are an opportunity to continually appraise and improve how an institution is serving its students. She welcomes the opportunity to establish trust and grow vital relationships both inside and outside the classroom, assuring that the community is involved in the plans to move the college forward in its important work.

Chancellor Malhotra therefore recommended to the board the appointment of Dr. Deidra Peaslee as Interim President of Saint Paul College.

Chair Cowles addressed the HR Committee. Members heard the recommendation and were asked for a motion to adopt the motion. Trustee Erlandson motioned. Trustee Williamson and Trustee Cirillo each seconded the motion. No one opposed. The motion was carried unanimously.

4. **Appointment of Interim President of Northeast Higher Education District**

Chancellor Malhotra recommended his second candidate. With the appointment last month of President Bill Maki to Interim Vice Chancellor for Finance and Facilities, the Northeast Higher Education District (NHED) and its five colleges are in need of interim leadership. The Chancellor recommended Dr. Michael Raich as the next interim president. Dr. Raich currently serves as provost at Hibbing Community College, serving on the president's leadership cabinet and he represents the college on community and business boards. He has deep administrative experience within the NHED colleges. Having spent most of his life on the Iron Range, he is committed to the Arrowhead region and believes fully that NHED is uniquely positioned to strategically grow, to enhance services to business and industry in the region and to provide broader educational opportunities to our students. The chancellor highlighted Dr. Raich' s education, resume and credentials as well as his servant-leader approach and added he is passionate about our mission of opening doors of hope and opportunity to all Minnesotans.

Chair Cowles addressed the committee asking for a motion and a second. Trustee Cirillo motioned, Trustee Williams second the motion. No one opposed. The motion was carried unanimously. Chair Cowles announced that Chancellor Malhotra will introduce his third recommendation.

5.   **Appointment of North Hennepin Community College**

Barbara McDonald, President of North Hennepin Community College (NHCC) announced her retirement from Minnesota State as she accepted the position as the next president of the College of Saint Scholastica. The chancellor acknowledged the many exemplary contributions of her career spanning well over two decades, serving with integrity and passion, four community colleges within Minnesota State. Her presence will be missed as she leaves NHCC on August 2nd 2019, well poised for the future.

Chancellor Malhotra recommended Dr. Jeffrey Williamson to the HR Committee to serve as Interim President at NHCC effective August 5th, 2019 and continuing through June 30, 2020. Dr. Jeffery Williamson will ensure there are two smooth transitions – one for the outgoing president and the other for the incoming president in 2020.

Dr. Williamson comes to NHCC with strong academic credentials, expertise and extensive experience serving Minnesota West Community and Technical Colleges. In his current role as provost he is responsible for managing all credit and non-credit courses and programs where he can directly connect with students and impact the retention and completion of their course work- ultimately resulting in advancing lives.
Dr. Williamson is well-known for his leadership and stewardship in both Minnesota State initiatives and committees and the local community. The chancellor stated that he will work closely with Dr. Williamson and is confident he will make immense contributions to the continuity and stability of NHCC during his interim presidency.

Chair Cowles addressed the committee asking for a motion and a second. Trustee Teffer motioned, Trustee Cirillo seconded the motion. No one opposed. The motion was carried unanimously.   All three recommendations were approved. Discussions, reading of the motions and congratulations were given during the full board meeting which happened following this committee. The motion read as follows:

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

- *The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Dr. Deidra Peaslee as interim president of St. Paul College for a term of one year, effective July 1, 2019.*

- *The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Dr. Michael Raich as interim president of Northeast Higher Education District for a term of up to two years, effective July 1, 2019.*

- *The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Dr. Jeff Williamson as interim president of North Hennepin Community College for a term of one year, effective August 5, 2019*

Subject to the completion of an employment agreement. The board authorizes the Chancellor, in consultation with the Chair of the Board and Chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.

The meeting adjourned at 1:38 pm
Name of Recorder: Tamara Mansun

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Human Resources Committee   **Date: October 15, 2019**

Title: Report on FY19 Leadership Development Programs

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy

☐ Approvals Required by Policy

☐ Other Approvals

☐ Monitoring / Compliance

☒ Information

Brief Description:

1. This report will offer an overview of the FY19 Leadership Development Programs to include a summary of past participation, evaluations and successes.

2. The presentation will focus on how the program effectively integrates effective leadership skills and education at different levels, identifies and prepares strong candidates for future leadership positions, helps us adapt to our changing environment, and to mitigate the disruptions of leader turnover. Additionally, these programs emphasize the importance of effective leadership practices, improve employee retention, and help us attract, grow and retain top talent.

3. Past participants will offer their perspectives on how the leadership programs helped them grow as leaders and prepare for their current roles.

Scheduled Presenters:
Eric Davis, Vice Chancellor for Human Resources
Todd Thorsgaard, Interim System Director for Talent Management
Interim President Deidra Peaslee, St. Paul College. (Participant in the ELDP 2016 cohort**)**
Shonda Craft, School of Health and Human Services Dean, St. Cloud State University.
(Participant in the Luoma Leadership Academy 2017-2018 cohort**)**

Name: Human Resources Committee   **Date: October 15, 2019**

Title: Overview on Executive Search Process

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy

☐ Approvals Required by Policy

☐ Other Approvals

☐ Monitoring / Compliance

☒ Information

Brief Description:

The system completed an evaluation of FY19 searches and offered recommendations for FY20. A digital summary of the FY19 Presidential Search Process Evaluation will be published and available electronically.

Scheduled Presenters:
Eric Davis, Vice Chancellor for Human Resources
Renée Hogoboom, Chief Human Resources Officer – System Office

MINNESOTA STATE

ACADEMIC AND STUDENT AFFAIRS COMMITTEE
OCTOBER 15, 2019
11:30 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 May 22, 2019 (pp. 1-8)**
2. **Minutes of June 18, 2019 (pp. 9-11)**
3. Academic and Student Affairs Work Plan (pp. 12-15)
4. Transfer Pathways (pp. 16-59)

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

Presidents Liaisons
Michael Berndt
Robbyn Wacker

Bolded items indicate action required.

Minnesota State Board of Trustees
Academic and Student Affairs Committee
May 22, 2019
McCormick Room, 30 7th Street East
St. Paul, MN

Academic and Student Affairs Committee members present: *Alex Cirillo, Chair; Cheryl Tefer, Vice Chair; Ashlyn Anderson; Jerry Janezich; Louise Sundin*
Remote: *Samson Williams*
Academic and Student Affairs Committee members absent: *Rudy Rodriguez; Dawn Erlandson*
Other board members present: *Jay Cowles; Bob Hoffman; Chancellor Devinder Malhotra*

Committee Chair Cirillo called the meeting to order at 10:19 AM.

1. **Minutes of March 19, 2019**
   Chair Cirillo called for a motion to approve the Academic and Student Affairs Committee Meeting Minutes. The minutes were approved as written.

2. **Minutes of Joint Meeting of Academic and Student Affairs and Finance Committees of April 17, 2019**
   Chair Cirillo called for a motion to approve the Joint Academic and Student Affairs and Finance Committees Meeting Minutes. The minutes were approved as written.

3. **Proposed Amendments to Policies (Second Readings)**
   a. **3.18 Honorary Degrees**
   b. **3.31 Graduate Follow-up System**
   c. **3.40 Recognition of Veteran Status**

There have been no proposed changes from the First Reading.
Motion to accept all three as presented. Motion passed.

4. **Proposed Amendment to Policies (First Reading)**
   a. **2.3 Student Involvement in Decision-Making** - *some reorganization to align it with our standards, no substantive change to policy itself*
   b. **3.8 Student Complaints and Grievances** - *some reorganization to align it with our standards, section added that outlines the appeals process for a student who wishes to appeal to the Chancellor. The Chancellor's decision is final.*
   c. **3.36 Academic Programs** – *updated language, added some technical changes due to formatting standards.*

   No discussion.

5. Student Experience and Engagement through the Lens of Strategic Enrollment Management - Presenters:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs
Brent Glass, Associate Vice Chancellor for Student Affairs
Glenn Davis, Interim Dean of University College, St. Cloud State University
Merrill Irving, President, Hennepin Technical College (HTC)
Jessica Lauritsen, Interim Associate Vice-Provost of Enrollment and Student Affairs, HTC

SVC Anderson: When we developed our framework on Student Experience and Engagement our conversations were around what we think about the experience our students have from the point that they first engage with our institutions through their time completing a credential and as alumni and hopefully coming back for additional credentials. How we re-envision that experience and enhance it for students to not only make it more successful but to help us effectively manage enrollment on our campuses. Today we are specifically talking about Strategic Enrollment Management but I want you to think about this whole area around student experience.

*AVC Glass***:** Strategic Enrollment Management is a maturing function within today's colleges and universities. We are seeking your feedback on some strategic questions as we move our work forward. Too often when the term Strategic Enrollment Management is used people think of only the admissions funnel – that is only one component. I do want to let you know we will have a presentation before the Outreach and Engagement Committee about recruitment at the June Board of Trustees meeting that will focus on the student experience going through the recruitment process.

The definition of Strategic Enrollment Management we are sharing with you today is from **David Kalsbeek**, the *Senior Vice-President of Enrollment Management and Marketing at DePaul University. Kalsbeek defines Strategic Enrollment Management as a comprehensive approach to integrating all the institutions' programs, practices, policies, and planning related to achieving optimal recruitment, retention and graduation of students.* We are working from this definition as it addresses not only recruitment and retention but also focuses on graduation of our students.

Bob Botrager and Tom Green from the *American Association of College Registrars and Admissions Officers* advanced a set of frameworks to align the strategic enrollment management planning process. The first framework addresses the planning process and identifies the primary phases of strategic enrollment management planning and execution. Identifying metrics that will be used to measure the success of the plan is the next step in developing the successful plan. Key enrollment indicators include a variety of attributes:

- Student attributes include academic preparedness, race, ethnicity, family income, geographic origin, academic program interest, degree type, age, and whether they are a first year or transfer student.

- Institutional attributes include program capacity, facility capacity, delivery methods.
- External factors are changing demographics, economic trends, workforce needs, and mandates from Federal and State governing boards or accreditation entities.
- Other key indicators include recruitment yield rates, retention rates, and outcomes from specific recruitment and retention initiatives.

The data collection and analysis phase involves establishing internal benchmarks based on the college or university's performance over the past 3-5 years on key enrollment indicators. An institutional research and evaluation plan should also be developed during this phase. Once key enrollment indicators have been defined, it is critical the institution develop explicit strategic enrollment management goals. These goals must be reflective of the institution's mission and strategic priorities and informed by the campus' baseline measures and the environmental scan. It is important that the institution review its human, financial, and physical resources and determine where changes are needed and capacity grown and developed. Spreading resources too thin diminishes the impact of the plan. The institution must build an organizational framework that supports its enrollment management efforts that facilitates timely and data informed decision making.

With all the phases completed, the college or university is well positioned to develop and implement targeted enrollment strategies focused on:

- increasing the recruitment and retention of varied student populations,
- targeting scholarships and financial aid programs to achieve enrollment goals,
- developing additional academic programs to meet the region's economic and workforce needs,
- and utilizing emerging technologies to promote student engagement and success.

The ultimate goal of Strategic Enrollment Management is the achievement of sustainable enrollment, retention and completion outcomes.

Glenn Davis: At Saint Cloud State we launched an initiative surrounding the student's sense of belonging on campus. We believed it was important to identify the root causes of students' lack of success before just implementing new initiatives. I want to read the definition that was central to us coalescing around this idea. This comes from **Terrell Strayhorn**, formerly from the Ohio State University and who now runs a non-profit supporting in particular underrepresented students in higher education:

In terms of college, sense of belonging refers to students' perceived social support on campus, a feeling or sensation of connectedness, the experience of mattering or feeling cared about, accepted, respected, valued by or important to the group or others on campus. It's a cognitive evaluation that typically leads to an effective response or behavior.

Student sense of belonging isn't just about how they feel, it actively has an impact on what they do. We wanted to see if it had an impact on their ability to return semester after semester.

We had some large historical data sets on our students and the main dataset was a 250 question survey. We identified about 30 factors within that larger survey that had to do with belonging. We found there was a positive correlation between students' responses to those belonging questions and their retention.

We also found that while academic performance was an important indicator, that correlation was independent to how the students responded to the belonging questions. That gave us two factors that provided a more complex picture of whether students were more likely to retain or not. What this told us was we needed to look beyond academics to the psycho social factors like belonging to predict which students were going to potentially struggle and which ones we were going to retain.

This rendered visible to us as an institution a population of at-risk students who were formerly invisible. Faculty could tell you the students they were concerned about but we had no way of aggregating that at an institutional level.

Trustee Tefer: The dataset you used for "belongingness" – you used a State University for the subjects. My question is about generalizing that to the college students, the feeling of belonging might be different if you reside on the campus, live in a dorm, and are younger in age. Would we be asking a different set of questions to our colleges?

Glenn Davis: That is exactly correct. And even within universities we are differentiating questions with residential status, post traditional status, veteran status, and first-gen status so we are working St Cloud Technical and Community College in developing a version of this survey and we work with a number of campuses across the country as well. This will not work as a homogenous survey.

Trustee Hoffman: What has specifically changed in the campus environment at St Cloud State University?

Glenn Davis: We developed a shorter survey using the 10 most salient questions associated with student belonging. We rolled it out as our 2017 cohort of entering students and we provided that survey to students in weeks 5 and 6 of their first semester. This year we launched a pilot of outreach where we partnered with folks from across the campus as a way of identifying students who we believe we can have an impact on in real time.

Trustee Hoffman: With measurable results?

Glenn Davis: We are measuring results right now so we are going to be looking at the fall 2019 to be able to have some data on that.

Chair Cirillo: How do you incent 80% of students to fill out a 200 plus question survey?

Glenn Davis: Pizza and t-shirts. We have now developed a shorter version of the survey they can take on their phone. In the last two years we have about a 50-52% response rate. It is still good but we wanted to get back to the 80%. We are partnering with faculty across the campus to ask them for 5 to 10 minutes in their classes, especially where there are high numbers of first year students. We have taken a campus-wide effort to communicate the importance of belonging - which it is not just about being nicer to students but actually has a direct impact on their ability to persist through challenges that they face. Faculty are starting to see themselves as critical players.

We engaged students when we were developing the outreach protocols, we went to students first. They agreed unanimously that belonging both in and out of the classroom was very important to their own sense of community on campus. We had a workshop on campus for faculty to give them some of the feedback we had received and asked them how they could help improve students' sense of belonging in the classroom. What emerged from that is a toolkit for new and returning faculty that includes a small set of high impact initiatives that they can do early on in the semester. One example is having faculty share their own stories of transitioning into higher education either as a traditional student or non-traditional. The other example is letting students know about finding community in the classroom – a study group – and then facilitating the creation of those groups.

Chair Cirillo: How big is your Institutional Research group?

Glenn Davis: We have three full time staff members and one half-time re-assigned faculty member.

President Irving: At HTC there were three things we wanted to focus on. One was new student enrollment, second was the persistence and completion of the students, and third was to capitalize off our industry partners and the growth we have within the workforce.
When I first arrived at HTC, scholarships were only offered to current students. Now scholarships are used as recruiting tools, for women, minorities, non-traditional fields.
We needed leadership with a specific background in what we are trying to do so starting this new academic year we recruited and hired an African American female, Dr. Amanda Turner, who will be the new Vice Provost of Enrollment Management which is new for the college. So the structural definition of how we are going to be is what we challenged ourselves to do.

Jessica Lauritsen: One of the first structural changes we are making is to develop HTC One Stop. Currently prospective and current students need to go to one space for one thing, you then move to another space for another thing which is a typical experience at most colleges and universities. We want to remove the barriers for our students and give them a seamless place where they can get help. So we are developing the One Stop where the students will be able to meet with a person who can help them with whatever their questions are. That will then also change the workflow for advising. Our advisors right now are very transactional in their work instead of doing retention work and reaching out to students. Relieving them of some of those transactional duties and allowing them to do some of the intentional retention work we have

been missing will make a huge impact for us. We are in the midst of rolling out the One Stop. We are hiring a Director position and will then be able to give our students the same quality experience either on the phone through our call center, in person at the One Stop, or through our new on-line chat feature so we can meet our students where they are at.

Another structural change we have made around increasing enrollment is through our high school partnerships. This fall we invested in a full time position – Director of Partnerships and College Pathways. This person's role is to connect and build stronger partnerships with our high school districts to see how we are focusing on concurrent enrollment. In addition we are looking at our PSEO work and relationships and our early middle college programs (alternative high school students). We provide a resource specialist and she works closely with each student to identify a pathway to the college so not only are they just taking classes here and there, they are really on a pathway. This year we added three more early middle college programs and next year we will add two more.

The second pillar of our Strategic Enrollment Management plan is increasing persistence and completion of our students. Three years ago we received a Great Lakes grant to create a career experience opportunity for students which means paid work experience in their field of study because we know our students can't afford to do free internships. Seventy percent of our students work thirty or more hours a week while attending school and about a third of them work two or more jobs. We built this career experience program and added a coordinator and this year we have added a scholarship internship program where we are partnering with industry where they provide students with a job that includes a $2,000 scholarship for school. We have seven corporate partners working with our students and next year we will add three more. Every student who has participated has found great value.

Something we are studying now is why our students leave. We are trying to not just focus on the barriers our students face and why they leave but what are the assets they hold so we can look at them from a positive perspective to be able to share the things that work and why they stay.

Around capitalizing on industry growth and maximizing our program opportunity:
- We developed a Charter with Robbinsdale area schools and have tied scholarship dollars and initiatives to this work already.
- We have been very intentional with general education to meet the needs of our working adults and of the older adult students. We increased our evening section offerings by 12%, online sections by 13%, Friday and Saturday classes by 11%, and late semester start by 30% so we could create more entry points into our general education programs and help them complete college.
- Lastly we have focused on improving pedagogy. One of the things we developed this year is an HTC online program which is really a series of trainings for anyone who teaches online to be more strategic and to be a better teacher in an online environment. Fifty percent of our general education faculty who teach online have completed that and we continue to grow across our campus.

Trustee Hoffman: When will you start to see measurable results?

Jessica Lauritsen: We are already seeing a small sampling because we are up for the summer for both headcount and FYE's. We hope to see continued enrollment growth over the next couple of years.

Trustee Hoffman: Specific retention numbers?

President Irving: The demographics are changing and how we address that is something we will keep our eye on.

Trustee Hoffman: I would like to see the results one year from now.

President Irving: We can do that.

Trustee Cowles: As a college, what is your reaction to where you sit today in developing towards the idealized structure or whether there is a point where you actually see your sweet spot being somewhat short of the full framework mentioned by Brent Glass, based on resources or your particular circumstances?

President Irving: Initiatives are great but they are only great when you have buy-in and they are greater when you have champions to make it work. I think the chemistry of the buy-in and the champions at the college have given us the fuel needed. If we were going to take the same framework larger we would have to find the buy-in and the champions and make sure we are willing to address the things that need to be addressed. Having the right players in the room who are committed to change is the recipe that has to be in place in order for it to be sustainable.

Trustee Cowles: That sounds like a realistic response but I'm sure as you become more successful with the program, that will also encourage more champions and buy-in, but in an ideal world would you be pursuing this stem steering council kind of a framework, does that seem to fit in an idealized way with where you would like to go in the next few years?

President Irving: Yes, I think that everything we have talked about can be done at any college as long as we have the right recipe.

Chair Cirillo: How big is your Institutional Research department?

President Irving: We have three full time and one vacant position.

Chair Cirillo: Are you getting the data you need?

President Irving: Yes

Trustee Sundin: I am assuming this has required some re-direction of funds? I am particularly interested in the scholarships.

SVC Anderson: I want to summarize. As you can hear when we think about enrollment management and how our campuses approach this, this is really about integrating work and about functioning differently. When we look at how we are structured organizationally here in the System Office as well as campuses we have our traditional divisions but this work requires us to work across those columns and really intersect.

The other piece we heard quite clearly was when we think about enrollment management it is not a new field but it is an emerging field and the skill sets that are needed on our campuses are different than most of us who grew up in the traditional Academic Affairs or Student Affairs realm were schooled in, so as our campuses look at how they re-envision and re-imagine their work, a key piece is identifying what capacity do we need, what are the skill sets we have, how do we support that work and how do we bring in those skills. We need to look at how the System Office can support the work being done locally on the campuses. We don't expect that all the campuses will have the same organizational structure.

The campus climate and cultures, and equity work all link to the academic work we are doing on pathways, it links to how we engage our outside partners so it cuts and links to everything.

The meeting adjourned at 11:32 AM.
Meeting minutes prepared by Kathy Pilugin 6/12/2019

Minnesota State Board of Trustees
Academic and Student Affairs Committee
June 19, 2019
McCormick Room, 30 7ᵗʰ Street East
St. Paul, MN

Academic and Student Affairs Committee members present: *Alex Cirillo, Chair; Cheryl Tefer, Vice Chair; Ashlyn Anderson; Jerry Janezich; Louise Sundin, Rudy Rodriguez; Dawn Erlandson*
Remote: *Samson Williams*
Academic and Student Affairs Committee members absent: *none*
Other board members present: *Jay Cowles; Bob Hoffman; AbdulRahmane Abdul-Aziz, Chancellor Devinder Malhotra*

Committee Chair Cirillo called the meeting to order at 4:55 PM.

1. **Minutes of May 22, 2019**
   Chair Cirillo called for a motion to approve the Academic and Student Affairs Committee Meeting Minutes. *The minutes were approved as written.*

2. **Proposed Amendments to Board Policies (Second Readings)**
   a. **2.3 Student Involvement in Decision-Making**
   b. **3.36 Academic Programs**
   c. **3.8: Students Complaints & Grievances**
MOTION: Move to accept all three proposed amendments to Board Polices.
*The motion carries.

3. **Approval of Mission Statement: Northwest Technical College**
   Presenters:
   Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs
   Faith Hensrud, President, Bemidji State University/Northwest Technical College
MOTION: *Upon the recommendation of the Chancellor, the Academic and Student Affairs Committee recommends that the Board of Trustees approve the mission of* Northwest Technical College.
*The motion carries.

4. Guided Learning Pathways – Part II: Transfer Pathways and Credit for Prior Learning
   Due to limited time, the Transfer Pathways portion was moved to a later date
   Credit for Prior Learning
   Presenters:
   Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs
   Mary Rothchild, Senior System Director for Workforce Development
   Marsha Danielson, Vice President of Economic Development, South Central College
   Marsha Anderson, C-PLAN Interim Director, Metropolitan State University

Mary Rothchild: We want to think about the role of our colleges and faculty and how they play into this effort to move forward with Credit for Prior Learning. We are going to focus, not on prior credit coming out of high school, but on work/life experiences and more non-traditional credits.

Marsha Danielson: A 2010 study called "Fueling the Race" done by Kline Collins looked at 48,000 plus students showed that Credit for Prior Learning (CPL) does attract new adult students and that is important to us in Minnesota because of the demographic shift. It also reduces student debt. If students receive credit for prior learning they graduate 2-10 months faster and save money. It promotes retention – they register for 10 or more credits than those who do not have CPL. I enhances completion – students are two and a half times more likely to graduate if they have CPL.
Other benefits are, it increases confidence, their appreciation for learning and enhances their reflection skills. African Americans with CPL were four times more apt to graduate than those without CPL, for Latino students it was eight times.
It is an opportunity for us to work with our workforce partners. At our South Central Workforce center we are talking about co-authoring a grant this fall that will specifically target Credit for Prior Learning populations.

Marsha Anderson: Metro State was an early adopter of CPL and helped pioneer competence based education concept and CPL principles and practices. Metro State will participate this summer in the replication of the original "Fueling the Race" study and there may be other campuses in the System who will participate so we will re-look at all the data.
We have both internal and external assessments and use a multiple approach to assessments such as individual assessment, internal and external exams, portfolios, industry certification, training program credits.
Three student examples were give (see packet).

Mary Rothchild: Introduction of the C-PLAN (Credit for Prior Learning Assessment Network) that will be housed at Metro State University and supported by the System Office and currently has a network of six community colleges. We are making an intentional effort to coordinate the work among our colleges and universities to do a few important things. One is to map credentials, industry recognized credentials, to degree programs and to support professional development and work specifically with some of our community based organizations which have workforce training and map that to entry level college learning. And to provide greater access to CPL for students across our system regardless of what institution they are enrolled in.

Marsha Anderson: The C-PLAN network developed out of the CPL pilots. One of the objectives is to keep developing a community of practice and shared resources for CPL. This is being developed in the Advisory Council of the six partners we have so far and we also now have a base of professional development that is available to faculty and staff

across the system which is specifically a resource bank we will soon be putting up into a website. We also developed the CPL Academy which is an online self-led workshop available to staff on a semester basis. We have had 77 staff and faculty participate in the workshop so far from across the System and that will continue to be a resource. We also have the beginning of the CPL Advising Hub which will be a virtual advising center which will have links to resources for both students and practitioners and will help connect the practitioners to the students seeking help for CPL.

Marcia Danielson: I would invite you to go to MinnesotaCPL.com. It is South Central's web based portal interface available right now. We built this as a pilot. (Handout)
This summer we are working on developing the process, the guidelines and standards for certifications to go from certifications to credit which we call a Crosswalk. If you are interested in seeing some examples, you can type Ivy Tech Crosswalks into Google (https://www.ivytech.edu/files/Certcrosswalk.pdf). Look for the PDF and you will know what we are doing.

Mary Rothchild: Some of our challenges are the perceptions around CPL. It is a powerful tool for adult learners. We still need to align our data, collect more data, standardize our business practices, aligning the Transfer Pathways and looking at and working with national organizations. We have been invited by the Lumina Foundation to apply for a $400,000 grant to continue to support this work. We have work to do to communicate our new System policies and procedures.

Ron Anderson: Closing summary. This is about supporting people throughout their entire career.

Chair Cerillo: What about Military?

Ron Anderson: The military credits are a little different and I want to make a mental note to come back in the fall with a presentation on that work. Minnesota has been a national leader on this. It is a similar concept but runs through a different process.

The Committee was asked to also come back with information on where the limitations are of the sustainability of this effort from a policy standpoint, from a resource standpoint.

The meeting adjourned at 5:30 PM.
Meeting minutes prepared by Kathy Pilugin 6/28/2019

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs   **Date:** October 15, 2019

Title: ASA Committee FY20 Work plan/Agenda

Purpose (check one):

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

	Monitoring / Compliance		Information
☐		X	

Brief Description:

This discussion will focus on the ASA FY20 committee work plan/agenda, building on earlier discussions with the committee chair and vice-chair, as well as with the full Board of Trustees at its September retreat. The goal of the discussion is to complete a review of the full listing of potential topics, identify additional topics/areas of interest, discuss the approach the committee will take to reviewing and discussing each topic/area of interest, and determine the scope of the committee work plan/agenda for the year.

Scheduled Presenters and Discussants:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs
Satasha Green Stephen, Associate Vice Chancellor for Academic Affairs
Michael Berndt, Interim President of Inver Hills Community College and Dakota County
      Technical College

BOARD OF TRUSTEES
MINNESOTA STATE

INFORMATION ITEM
ASA Committee FY20 Work Plan/Agenda

BACKGROUND

Per Board policy 1A.2, Board of Trustee:

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

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

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

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

At the September 2019 Board retreat, Trustees not only reviewed draft committee work plans/agendas, but also discussed the current approach to committee meetings and identified potential changes to both process and approach. In addition, trustees, students, and bargaining unit leaders identified topics of interest or importance for each committee to address during the coming year. The table on the following page contains both the draft document reviewed at the retreat, and the topics/areas of interest identified by trustees, students, and bargaining unit leaders.

The purpose of this committee discussion is to review the full listing of potential topics for the academic and student affairs committee, identify additional topics/areas of interest, discuss the approach the committee will take in reviewing and discussing each topic/area of interest, and

determine the scope of the academic and student affairs committee work plan/agenda for the year.

Academic and Student Affairs Committee - Tentative FY20 Agenda Topics

Month	Presentation and Discussion Topics
October	FY20 Committee Work Plan/Agenda
	Transfer Pathways Update (carry over from June meeting)
November	Innovation – Framework and approach
	Institutional Mission Statement Approvals
	Policy 1st readings
January	State of Minnesota - Perkins V Plan (seeking endorsement as now required by federal law)
	Policy 2nd readings and new policy 1st readings
March	Rural and urban campuses - understanding differences and needs
	Policy 2nd readings and new policy 1st readings
April	No committee meeting - BOT Teaching Awards Ceremony
May	Developmental Education Redesign - Implementation Update
	Policy 2nd readings and new policy 1st readings
June	Enterprise Student Success Strategy - seeking endorsement
	Policy 2nd readings and new policy 1st readings

Additional topics identified by Trustees (light green), Students (light orange) and Bargaining Units (light blue)
Potential thematic area: Graduate Education
University outreach to the U of MN PhD programs
Career Pathways that include doctoral education
Promote and develop more STEM graduate/doctoral pathways
Potential thematic area: Serving student with disabilities
Serving students with autism
Potential thematic area: Campus safety
Safety on campus
What are campuses doing to protect students from bigoted community members
Have a committee on each campus that would help the community to be more welcoming to the students
Security and safety issues for the entire campus community – students, faculty, staff
Other suggested topics:
Continue to promote the goal of open educational resources
CRM now for all colleges
ASA needs to research and develop assessments based on growth measures
Discuss ways to expand the counseling centers at colleges
Evaluate and fix the punitive practices that campuses engage in (academic warnings, suspensions, sent to collections, made to pay in advance, etc.) that may disproportionally effect diverse students in terms of retention, persistence, completion
Online learning – what are we doing here?
How do we bring programs like CUNY ASAP to MN and break down barriers between Academic & Student Affairs

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs   **Date:** October 15, 2019

Title: Transfer Pathways

Purpose (check one):

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

Brief Description:

> This third presentation and discussion on guided learning pathways will focus on the work of the system's colleges and universities to strengthen and re-envision workforce development programming in the areas of transfer education.

Scheduled Presenters and Discussants:

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs
Satasha Green Stephen, Associate Vice Chancellor for Academic Affairs
Michael Berndt, Interim President of Inver Hills Community College and Dakota County
     Technical College

INFORMATION ITEM
Transfer Pathways

BACKGROUND

Minnesota State plays a critical role in preparing the Minnesota workforce, conferring more than half (58%) of all post-secondary credentials earned in the state each year. Minnesota State educates **9 out of 10** mechanics; **9 out of 10** employees in manufacturing; **8 out of 10** employees in law enforcement; **2 out 3** nurses; **7 out of 10** employees in the trades; **6 out of 10** employees in agriculture; **half** of all teachers, **half** of IT professionals, and **half** of all business graduates. Future workforce needs, however, are forecast to outstrip current availability of qualified workers. This growing employment gap increases the importance of Minnesota State's work and underscores the need to dramatically increase the knowledge and skills of Minnesotan's to meet future workforce needs.

As we reimagine Minnesota State and re-envision our role in workforce development, critical changes to educational programming are being developed and made. At the March 2019 and June 2019 Board of Trustees meetings the Academic and Student Affairs division updated the Board on key advances in career technical education, continuing education and customized training, and credit for prior learning. This presentation expands on that work, highlighting progress in the implementation of transfer pathways.

Transfer Pathways

During the 2014 Minnesota legislative session, the legislature directed the Minnesota State Colleges and Universities to develop a plan to address concerns about credit transfer from the system's colleges to its universities through the implementation of multi-campus articulation agreements that would permit students who transfer with an associate in arts, associate in fine arts, or , associate in science degree to complete baccalaureate degrees at the system's universities without accumulating excess course credits. Minnesota State submitted its plan to the legislature in March 2015. The legislature subsequently responded with session law requiring Minnesota State to implement the transfer pathways.

1.   The Transfer Pathways: Curriculum Framework
Twenty-six transfer pathways have been created, focused on the most heavily enrolled baccalaureate degree disciplines. The structure of the pathways ensures that students who follow the transfer pathway and earn the associates degree are able to complete the related baccalaureate degree upon earning the number of credits required for that degree less 60 credits. Students completing an associate's pathway degree are able to apply to a related

baccalaureate degree program with junior year status. Where capacity permits, students that meet or exceed specific program requirements will be admitted to that baccalaureate program.

2. Implementation

All Minnesota State colleges offering one or more of the degrees represented by a transfer pathway are near completing the local curriculum revision process and offer the transfer pathway degree by fall 2020. All universities that currently have related degrees are have designated baccalaureate degrees aligned with the transfer pathway degrees. As of September 2019, 212 transfer pathway degrees have been approved at 25 colleges, and 168 baccalaureate degrees have been designated at 7 universities.

3. Operational Support

The transfer pathways are supported by the operational infrastructure necessary to fully implement and sustain the transfer pathway degrees. To date, the following actions have been taken and accompanying supports established:

- College transcripts will now indicate the completion of a transfer pathway degree to aid the university in identifying students who are transferring in with a completed transfer pathway degree.
- Universities received funding to assist in the completion and updating of the Degree Audit Reporting system (DARS) to support inclusion of the transfer pathway degrees and transfer of equivalent coursework.
- Colleges and universities are charged with regularly updating their catalogs, websites, Transferology/DARS, transfer sheets, etc. to include transfer pathway degree information.
- Several webinars and conference workshops have been offered for advising staff, faculty, and administrators. In addition, more advanced training is under development to aid campuses, including all stakeholders, to assist students in planning for transfer.
- A transfer review and appeal tool has been developed and piloted. Enhancements and a plan for scalability are currently under development.
- Transfer pathways are now included in the Education Search Tool on Minnesota State's website, and a comprehensive Transfer Pathway webpage has been created.
- A new Transfer Governance Team has been established and charged with providing continued oversight and resolution of transfer pathway implementation and maintenance issues, as well execution of the evaluation plan for transfer pathway degrees.

Through the broad implementation of transfer pathways, college students will be better supported in their pursuit of a related baccalaureate degree, with greater clarity and consistency of degree requirements and a smoother transition into upper-division coursework.

In this presentation and discussion, we will expand upon the work of the system's colleges and universities to strengthen and re-envision workforce development programming through the development and implementation of transfer pathways, and engage the Academic and Student Affairs Committee in generative discussion about how to strengthen these practices in support

of increased equity and student success. Discussion will also address system policy and procedure (found below) that governs transfer within the Minnesota State system.

Board Policy 3.21 Undergraduate Course and Credit Transfer and the Minnesota Transfer Curriculum

Part 1. Purpose
To establish consistent practices among all colleges and universities for evaluating, transferring, accepting and applying undergraduate courses to programs, and for transfer of the Minnesota Transfer Curriculum, its courses, and completed goal areas. This policy should be read in conjunction with Board Policy 3.39 Transfer Rights and Responsibilities.

Part 2. Definition
For purposes of this policy only, the following words and terms are defined as follows.

Comparable or equivalent course
A course that meets a standard of comparability of 75% or more similarity in learning outcomes and content using the course outlines, or for a course from outside of MnSCU, a course outline, syllabus, or comparable course description document.

Course outline
A document approved by the college or university curriculum committee that communicates information about a college or university course.

Credit
A unit of measurement assigned to a college or university course offering or an equivalent learning experience that takes into consideration achieved student learning outcomes and instructional time. For purposes of this policy, this definition will also apply to credits from sources other than colleges and universities.

Degree audit reporting system
A database that serves as the official repository of course relationships for transfer decisions such as equivalencies, goal transfer, or electives, and produces a report reflecting a student's progress toward completion of an academic program.

Minnesota Transfer Curriculum (MnTC)
Curriculum consisting of general education courses and goal area definitions and competencies designed for transfer among Minnesota public colleges and universities.

Non-system colleges or universities
Colleges and universities that are not Minnesota State Colleges and Universities.

Receiving college or university
The college or university to which courses or credits are transferred.

Sending college or university
The college or university from which courses or credits are transferred.

Transfer
The evaluation of course(s) and credit(s) awarded by a college, university, or other education provider and the application of them toward an academic program and/or degree requirements at a college or university.

Transfer appeal
A written request submitted by a student for review of decisions regarding how courses or credits were or were not accepted for transfer to meet program/major requirements or electives.

Transfer information system
A web resource that provides course equivalency and course relationship information, and identifies how courses transfer to specific programs at Minnesota State Colleges and Universities.

Part 3. College and University Transfer Policies.
Each college or university shall implement a policy to address the transfer of courses and credit in compliance with the requirements of this policy and system procedures.

Part 4. Course Equivalencies
The faculty at receiving colleges and universities determine course equivalencies. Upon request by the sending faculty, the receiving college or university faculty shall provide a rationale to explain why a course is not deemed equivalent. Faculty at both sending and receiving colleges and universities shall collaborate to align courses to optimize the possibilities to establish equivalencies.

Part 5. Ongoing Evaluation of Courses
All colleges and universities shall evaluate other Minnesota State Colleges and University courses for specific transfer eligibility and record the determination into the degree audit reporting on an ongoing basis.

Part 6. Transfer of Undergraduate Courses and Credits
Once a student has been admitted to a college or university, each college or university shall evaluate college-level courses and credits earned, as submitted on an official transcript, to determine if any or all of them must be accepted in transfer.

Subpart A. Transfer of courses that are comparable or equivalent
A receiving college or university shall accept courses in transfer that it determines to be comparable or equivalent to specific courses it offers, and shall enter them into the degree audit reporting system.

Subpart B. Transfer of courses that are not comparable or equivalent
College-level courses accepted in transfer by a college or university that are determined not to be comparable or equivalent to specific courses taught at the receiving college or university must be designated as electives and entered into the degree audit reporting system.

Subpart C. Courses accepted in transfer
When the courses or credits are accepted in transfer, each college or university shall determine how the courses or credits apply to program and graduation requirements. A course offered by a college or university that is listed as the equivalent of a course at the receiving college or university must be accepted in transfer as the listed course by the receiving college or university with no additional documentation required from the student.

Subpart D. Transfer Pathway Associate Degrees
Universities shall accept and apply Minnesota State Colleges & Universities transfer pathway associate degrees toward the designated baccalaureate degrees they offer.

Subpart E. Documents used for the evaluation of courses
Course outlines are the official system documents used for evaluation of courses. Other related documents may be used to supplement the course outline. For non-MnSCU courses, syllabi or other comparable documents may be used for evaluation of courses.

Subpart F. Official repository of course relationships
The system degree audit and reporting system and successor databases is the official repository of course relationships between both system and non-system colleges and universities including, but not limited to national exams and military credit offered by that college or university.

Part 7. Minnesota Transfer Curriculum (MnTC)

Subpart A. Implementation
Each college and university shall implement the Minnesota Transfer Curriculum as appropriate for its academic certificates, diplomas, and degrees consistent with criteria in board policy and system procedure.

Subpart B. Acceptance of Minnesota Transfer Curriculum
Each receiving college and university shall accept a Minnesota Transfer Curriculum course, goal area, or the entire completed curriculum as determined and documented by the sending college or university transcript and/or MnTC Audit.

Each receiving college and university shall accept the entire completed Minnesota Transfer Curriculum as determined and documented by the completion of liberal education requirements at the University of Minnesota.

Part 8. Transfer Appeals
Each college or university shall establish a policy titled "Transfer Appeal" for students to appeal course and credit transfer decisions. When providing students with a transfer evaluation, colleges and universities shall also provide information about a student's right to appeal, the appeal process, including next steps to continue the appeal, and links to the system and college or university appeal policies. This information must also be made available on each college and university website, course catalog and transfer-related publications. Each college and university shall retain records of all transfer appeals.

Part 9. Disseminating Information
Each college and university shall communicate current transfer-related information through a dedicated transfer webpage. Each college or university homepage must prominently display a link entitled "Transfer" to the dedicated transfer webpage.

Date of Adoption: 04/29/98
Date of Implementation: 08/01/07
Date of Last Review: 06/22/16

Date and Subject of Amendments:
6/22/16 - Renamed policy to include Minnesota Transfer Curriculum. The sequence of parts and subparts were reorganized and editorial and formatting changes were made throughout. The list of definitions in Part 2 was expanded. Part 4, Course Outlines was deleted, New Part 4, Course Equivalencies was added. New Part 5, Ongoing Evaluation of Courses was added. Amended Part 6, Transfer of Undergraduate courses and Credits, and added new Subparts C, D, E and F. New Part 7 incorporates language from repealed Policy 3.37 Minnesota Transfer Curriculum.

Additional HISTORY.

Procedure 3.21.1 Transfer of Undergraduate Courses, Credit, Associate Degrees and the Minnesota Transfer Curriculum

Part 1. Purpose
To establish consistent practices for the transfer of college-level courses, credits, associate degrees and the Minnesota Transfer Curriculum courses and goal areas.

Part 2. Definitions Comparable or equivalent course
> A course from a sending college or university that meets a specific program course requirement at the receiving college or university.

Course outline
> The document approved by the college or university curriculum committee that communicates information about a college or university course.

Credit for prior learning
> Academic credit awarded for demonstrated college- and university-level learning gained through learning experiences outside college or university credit-bearing courses and assessed by academically sound and rigorous methods and processes.

Credit for prior learning (CPL) - external assessments
> Assessment methods and processes at the colleges or universities of Minnesota State that could result in credit for prior learning achieved and assessed through a nationally recognized third-party assessment agency or organization, regionally or nationally accredited postsecondary institution, or noncredit instruction. Students demonstrate a level of proficiency that is recognized through curriculum, instruction, program or a standardized exam. CPL external assessment types may include, but are not limited to, AP, IB, CLEP, and other national standardized assessments, world languages seals and certificates, industry recognized credentials, licenses, and certifications, and noncredit instruction in programs such as registered apprenticeships, continuing education, and customized training.

Credit for prior learning (CPL) - internal college/university assessments
> College or university assessment methods and processes used by Minnesota State faculty

members to assess students' demonstrated learning and/or competence. Such assessments determine competence-to-credit comparability, course-equivalency or individualized subject status, and application to degree requirements or electives. CPL internal assessment types may include, but are not limited to, credit by exam, prior learning portfolio assessment, individualized subject-area assessment, group or seminar assessment, and competency-based assessment.

Degree audit reporting system (DARS)
An electronic database tool that produces a report available to students reflecting his or her progress toward completion of an academic program.

Designated baccalaureate degrees
Baccalaureate degree programs identified by a university that will accept completed transfer pathway associate degrees.

Developmental-level course.
A course numbered below 100 (or below 1000 in four digit numbering systems) designed to prepare students for entry into introductory college-level courses.

Goal area
Any of the 10 subdivisions of the Minnesota Transfer Curriculum: (1) Communication, (2) Critical Thinking, (3) Natural Sciences, (4) Mathematical and Logical Reasoning, (5) History, Social and Behavioral Sciences, (6) Humanities and Fine Arts, (7) Human Diversity, (8) Global Perspective, (9) Civic and Ethical Responsibility, and (10) People and the Environment. Each goal area has its own definition and list of competencies. A description of the goal area definitions and competencies can be found in Operating Instructions 3.21.1.1.

Guidelines for review and design of the Minnesota Transfer Curriculum
Guidelines to ensure campus curriculum committees consistently implement the Minnesota Transfer Curriculum. These guidelines are in Operating Instruction 3.21.1.1.

Military courses
A curriculum with measurable outcomes and learning assessments that service members are required to successfully complete based on their military occupation.

Military occupations
A service member's job(s) while in the military.

Minnesota Transfer Curriculum (MnTC)
Curriculum comprised of general education courses, goal area definitions, and competencies that transfer between Minnesota public colleges and universities. *See Part 6, Subpart B.*

Minnesota Transfer Curriculum agreement
The agreement first developed in 1994 by faculty representatives of Minnesota public colleges and universities outlining the conditions by which students transfer their completed general education courses and credits to meet lower division general or liberal education requirements at any public college or university in Minnesota. Excerpts of the Minnesota Transfer Curriculum Agreement can be found in Operating Instruction 3.21.1.1.

Minnesota Transfer Curriculum audit
A report of a student's progress toward or completion of MnTC courses, goal areas, and/or the entire MnTC produced by the degree audit reporting system (DARS).

Modes of delivery
The manner instruction is provided including the amount of synchronous (real-time) interaction between the instructor and students with traditional, face-to-face lecture courses on one end of the continuum, blended/hybrid courses in the middle, and fully online, asynchronous courses on the other end.

Nationally accredited college or university
A college or university that is accredited by a national accrediting body recognized by the Council for Higher Education Accreditation.

Receiving college or university
The college or university to which a student is transferring courses or credits.

Regionally accredited college or university
A college or university that is accredited by a regional accrediting body recognized by the Council for Higher Education Accreditation.

Sending college or university
The college or university from which a student is transferring courses or credits.

System Transfer Committee
A committee comprised of faculty, administrators, staff representatives, students, and system office staff that reviews and makes recommendations on transfer-related matters.

Transfer agreement
A formal agreement between two or more educational entities identifying the courses and credits within a program that transfer to a specific academic program using the system transfer agreement template, or the transfer pathway map for DARS encoding, or equivalent evidence of course transfer encoded in DARS.

Transfer appeal
A documented request submitted by a student for review of transfer decisions regarding how courses or credits were or were not accepted for transfer to meet graduation,

program/major requirements or electives.

Transfer information system
A web resource (as of revision date 04/23/18, Transferology®) that provides students with course equivalency and course relationship information, and identifies how courses transfer to specific programs and majors at colleges and universities.

Transfer pathways associate degrees
Associate of Arts (AA), Associate of Science (AS), and Associate of Fine Arts (AFA) degrees that transfer to designated baccalaureate degree programs at Minnesota State universities.

Transfer pathway map for DARS encoding
A chart that shows how the transfer pathway associate degree program transfers from a college to the designated baccalaureate degree program.

Part 3. College and University Transfer Policies and Procedures
Each college and university shall implement transfer policies and procedures to address transfer of courses that are consistent with Board Policy 3.21 Undergraduate Course and Credit Transfer and the Minnesota Transfer Curriculum and this procedure. Colleges and universities shall post links to their transfer policies on their transfer web page.

Part 4. Transfer of Courses and Credits
Each receiving college and university shall determine if transfer courses and credits apply to its academic programs and graduation requirements. The number of credits earned for a course at the sending college or university must be the number of credits accepted at the receiving college or university, taking into account conversion of quarter and semester credits. Individual student records of the disposition of all courses evaluated for transfer must be kept in the degree audit reporting system. The receiving college or university shall consider financial aid implications regarding how the credits are applied to the program. Applying additional credits that do not count toward the student's program requirements could negatively impact the student's financial aid eligibility.

When evaluating the transfer of courses or credit(s), colleges and universities shall consider at a minimum the accreditation of the sending institution, comparable curriculum offered at the receiving college or university, and whether the course applies to a program requirement at the receiving college or university.

Modes of delivery cannot be a consideration in determining transfer of courses and course credit.

Subpart A. Standard for determining course comparability or equivalency
When evaluating courses for transfer, the receiving college or university standard for review must be 75 percent or more similarity in content as described in the course

outlines, or for a course from outside of the system, as described in a course outline or syllabus. For courses in a sequence, students need sufficient preparation to succeed in the next course in the sequence and for such courses comparability may be higher than the 75 percent standard.

Courses from the sending college or university that are different up to and including one credit are equivalent when the 75 percent standard is met. The number of credits transferred must be the same as the number of credits earned at the sending college or university for that course, taking into account any conversion of quarter and semester credit.

Courses from nationally or regionally accredited colleges or universities must be evaluated according to college and university procedures. Transfer decisions cannot be made solely on the source of accreditation of a sending program, college, or university. Courses must be evaluated for transfer using the Operating Instruction 3.21.1.2 Course Equivalency Operating Instruction.

Courses that are not equivalent must be accepted and entered into DARS as follows:

1. Courses that meet the MnTC must transfer according to Part 6, Subpart H, 1, 2, and 3.
2. Non-MnTC courses must be designated as electives or applied to program requirements.
3. Upper level courses cannot be excluded from applying to an associate degree based on the course level.

Subpart B. Evaluation of system courses
All colleges and universities shall evaluate other Minnesota State college and university courses and curriculum changes for specific transfer eligibility on an ongoing basis to ensure transfer information is available to students before they take courses. Transfer determinations must be recorded in DARS and be made viewable in the transfer information system (as of revision date 04/23/18, Transferology®).

Subpart C. Transferring occupational/professional/technical courses and credits
Each system college or university shall accept in transfer as electives up to 16 semester credits of occupational/technical/professional courses which are not comparable nor equivalent to specific courses taught at the receiving college or university. More than 16 credits may be accepted and applied to the student's program if the receiving college or university determines they contribute to an educationally coherent program. The number of credits accepted and applied may be reduced to meet college or university residency requirements or accreditation requirements.

Subpart D. Transferring courses granted by a nationally accredited college or university
Each college and university shall determine if courses granted by a nationally accredited

college or university will be accepted in transfer. Colleges and universities shall assure that transfer decisions are not made solely on the source of accreditation of a sending program, college, or university, and that maximum consideration is provided for the transfer of courses.

Any course(s) from nationally accredited colleges and universities that may meet the criteria for the MnTC must be reviewed according to Part 6, Subpart H, 1, 2, and 3. A determination that a course from a nationally accredited college or university meets the MnTC criteria is not binding on other colleges or universities, and students should be so informed by the college or university. The discretion by a subsequent system college or university not to accept a course from a nationally accredited college or university as part of the MnTC is an exception to Board Policy 3.21, Part 7, Subpart B.

Subpart E. Transferring courses granted by a college or university outside the United States
Each college and university shall determine if courses granted by a college or university outside the United States will be accepted in transfer. Any courses earned at colleges and universities outside the United States that may meet the MnTC must be reviewed according to the criteria in Part 6, Subpart H, 1, 2, and 3. A determination that courses earned at colleges and universities outside the United States meet the MnTC criteria is not binding for any other college or university, and students should be so informed by the college or university. The discretion by a subsequent college or university not to accept a course from a college or university outside the United States as part of the MnTC is an exception to Board Policy 3.21, Part 7, Subpart B.

Subpart F. Transferring courses according to transfer agreements and Transfer Pathways
A receiving college or university is required to accept courses defined within formal transfer agreements and Transfer Pathways that it has with a sending college or university. A college or university is only required to accept transfer courses according to approved transfer agreements and Transfer Pathways using the system transfer agreement template, or the transfer pathway map for DARS encoding, or equivalent evidence of course transfer encoded in DARS. Receiving colleges or universities that are a party to the transfer agreement or Transfer Pathway for specific programs must be identified in the sending college's program information, program web pages, and program guides for those specific programs to clearly inform students of specific transfer opportunities. Equivalent courses, MnTC goal area(s), and other course relationships in transfer agreements and transfer pathway maps must be encoded into the degree audit reporting system.

Subpart G. Developmental-level courses
All colleges and universities shall evaluate other Minnesota State college and university developmental-level courses and curriculum changes for specific transfer eligibility on an ongoing basis. Transfer determinations must be recorded in DARS and be made viewable in the transfer information system. A developmental-level course appearing on a student's transcript must be evaluated to determine a course-equivalency where applicable, to

determine the student's readiness for college-level coursework at the receiving college or university, and to assist in the placement of students in the corresponding developmental level or college-level course. Developmental courses are never granted college-level credit and they cannot apply to certificate, diploma, or degree program completion requirements.

Subpart H. Official Repository of Course Relationships
Course(s) from another college or university determined to be equivalent to receiving college or university course(s) must be entered in the degree audit reporting system for display in the transfer information system. Each college and university shall be responsible for ensuring the accuracy and completeness of course equivalencies, goal transfer, electives, and other transfer relationships listed for courses offered by that college or university. Courses that have previously been evaluated and entered in DARS must be accepted accordingly by the receiving college or university. Courses that are not equivalent must be entered in DARS according to Part 4, Subpart A. Each college and university shall ensure that students have the ability to determine how past, present, and future courses apply to academic programs.

Subpart I. Credit limit
The residency requirement at a college or university cannot limit the total number of credits a student can transfer if consistent with System Procedure 3.36.1 Academic Programs and the college or university policy that establishes the minimum required number of credits taught by the faculty recommending the academic award.

Subpart J. Course and credit life
Each college and university shall determine requirements for accepting a course or credit pertaining to the length of time that has passed since the course was completed or credit was earned. Courses or credits that apply to general education or the MnTC must be accepted in transfer regardless of the date earned, unless there is a conflict with specific program or accreditation requirements.

Subpart K. Credit for Prior Learning for Courses Outside the MnTC
Each college and university shall determine requirements for accepting credit for prior learning (CPL) that is not in the Minnesota Transfer Curriculum including, but not limited to, CPL external assessments, CPL internal college/university assessments, and military courses and military occupations. For CPL external assessments and for military courses and military occupations, course equivalencies and relationships, when applicable, must be entered in the official repository for course relationships. For CPL internal college/university assessments, credit award must be entered in the same manner as course credits that have been completed in the official repository for course relationships. Colleges and universities shall inform students that these equivalencies/relationships are available in the transfer information system. For Credit for Prior Learning that is in the Minnesota Transfer Curriculum, see Part 6, Subpart D.

Part 5. Transfer of Associate Degrees, Diplomas and Certificates
The type of associate degree, diploma, or certificate determines how it transfers.

Subpart A. Transfer of associate degrees
1. Associate of arts (AA) degrees transfer into liberal arts baccalaureate degree programs. The associate of arts (AA) degrees are designed to meet all of the 10 goal areas and minimum total credits of the entire Minnesota Transfer Curriculum.
2. Associate of science (AS) degrees transfer into scientific, technological, and other professional baccalaureate degree programs. The associate of science (AS) degrees may require completion of additional Minnesota Transfer Curriculum courses at the university.
3. Associate of fine arts (AFA) degrees transfer into a related fine arts discipline baccalaureate degree program. The associate of fine arts (AFA) degrees may require completion of additional Minnesota Transfer Curriculum courses at the university.
4. Associate of applied science (AAS) degrees are designed for immediate entry into the workplace. Therefore, the transfer of associate of applied science (AAS) degrees is limited.

Subpart B. Transfer of diplomas and certificates
Diplomas and certificates are designed for immediate entry into the workplace. They may transfer into related associate degree programs in the same field.

Subpart C. Transfer of the Minnesota Transfer Curriculum
Completion of a college or university Minnesota Transfer Curriculum (or an associate of arts degree) will satisfy the lower-division general education requirements at any public university. Universities will determine upper division general education requirements so that transfer students who have completed the entire MnTC will not be required to take any additional general education courses than a direct-entry student in the same degree program.

Part 6. Implementation and Transfer of Minnesota Transfer Curriculum Courses

Subpart A. Implementation of the Minnesota Transfer Curriculum (MnTC)
Each college and university shall implement the MnTC to support its academic programs. Each college and university shall number, title, and sequence the order of the ten goal areas in their MnTC as specified in the Minnesota Transfer Curriculum Agreement. The course and goal area requirements in the minimum 40-credit MnTC package approved at each college and university must be consistent with the MnTC audit sent to other colleges and universities with student transcripts.

Each college and university shall:
1. refer to and use the term "Minnesota Transfer Curriculum" to describe its general education requirements,

2. have no more than 10 goal areas, and
3. not impose residency requirements for the completion of the MnTC.

Subpart B. Minnesota Transfer Curriculum course criteria
Each college and university curriculum committee shall implement a process to determine whether a proposed new or revised course meets the MnTC criteria published on the system transfer website. A curriculum committee shall assign a MnTC goal area (or areas) using the following criteria to ensure consistency of implementation of the MnTC across the system:

1. Operating Instruction 3.21.1.1 that compiles the checklist of evaluation criteria, guidelines for review and design of the Minnesota Transfer Curriculum, excerpts from the Minnesota Transfer Curriculum Agreement, and Minnesota Transfer Curriculum memoranda.
2. Analysis of similar or equivalent courses at other colleges and universities to promote goal area consistency. An analysis of common MnTC courses is available upon request to the system office transfer unit.

Colleges and universities shall post their current MnTC with effective dates on their transfer webpages and provide links to archived Minnesota Transfer Curricula for prior years beginning, minimally, with academic year 2009-2010. All goal areas must be identified for a course in each course description and course list. All course titles, specific course numbers, and credit values for all MnTC courses must be provided in all program requirements, program guides, and MnTC course lists.

Existing courses approved for the MnTC cannot be assigned new goal area(s) retroactively to previous academic terms except for a specific student who successfully appeals a transfer determination using the transfer appeal process.

When courses are offered collaboratively, the name of the host college or university and the MnTC goal area(s) of the course in which the student is enrolling must to be provided to the student at the time of enrollment.

Subpart C. Academic programs
Each college and university shall conform to requirements for inclusion of the MnTC in academic programs as specified in System Procedure 3.36.1 Academic Programs.

Subpart D. Credit for prior learning (CPL) for MnTC
When the sending college or university has determined that MnTC requirements are fulfilled with credit for prior learning as determined by assessment of competencies, the receiving college or university shall accept in transfer credits applied toward the MnTC according to Part 6, Subpart H. Equivalencies/relationships including, but not limited to, CPL external assessments, CPL internal college/university assessments, and military

courses and occupations, must be entered in the official repository for course relationships. If the credit for prior learning is not equivalent but meets a MnTC goal area, the goal area(s) must be entered in the official repository for course relationships. Colleges and universities shall inform students that these equivalencies and relationships are available in the transfer information system.

Subpart E. Grade requirements
Receiving colleges and universities shall accept MnTC courses with passing grades (A – D) earned at the sending system or non-system college or university, regardless of the grading requirements of the receiving college or university or the cumulative grade point average (GPA) the student earned at the sending college or university. A 2.0 cumulative MnTC GPA is required for recognition of a student's completion of the entire MnTC with or without completing an associate degree. Information explaining the transfer of D grades for MnTC courses and the cumulative 2.0 MnTC GPA must be provided on each college and university transfer webpage and in the college and university MnTC and degree requirements.

Additional grade requirements for specific programs or for graduation may be established by the receiving college or university.

Subpart F. Minnesota Transfer Curriculum audit
Each college and university shall provide a MnTC audit to accompany outgoing transcripts to all colleges and universities of Minnesota State and to the University of Minnesota. The MnTC audit must be based on the minimum 40-credit, 10 goal area MnTC model, regardless of the program(s) the student pursued or completed at the sending college or university. If a college or university does not offer the entire MnTC based on the minimum 40-credit, 10 goal area package, the sending college or university shall provide a MnTC audit that identifies all the completed MnTC goal areas and courses.

Subpart G. Minnesota Transfer Curriculum transcript notation
Each college and university shall use the MnTC completion software to determine which students have completed the MnTC and post the notation of transfer curriculum completion on student academic transcripts.

At the end of every term, each college or university shall:
1. complete the entry of grades and certify all awards,
2. complete satisfactory academic progress processes, and
3. complete the automated MnTC transcript notation process.

Subpart H. Transfer determinations for the Minnesota Transfer Curriculum
When the entire MnTC requirements are met at a sending or receiving college or university, the Minnesota Transfer Curriculum must be considered complete. **1. Transfer from a college or university**
    a. **Transfer of the entire Minnesota Transfer Curriculum.**

When any sending college or university has determined that the entire MnTC has been completed by a student, the entire MnTC must be accepted as complete at every receiving college or university for that student. The receiving college or university shall ensure that the MnTC completion notation for that student is entered in the official repository for course relationships for display in the transfer information system.

b. **Transfer of Minnesota Transfer Curriculum goal areas.**
When any sending college or university has determined that a MnTC goal area has been completed by a student, the goal area must be accepted as complete at every receiving college or university for that student. The receiving college or university shall ensure that the goal area(s) completion notation for that student is entered in the official repository for course relationships for display in the transfer information system.

c. **Transfer of Minnesota Transfer Curriculum courses.**
When any sending college or university has determined that a course meets MnTC goal area(s) for a student, only the sending college or university goal area(s) must be accepted for the course at every college or university. The receiving college or university shall enter only the goal area(s) determined by the sending college or university in the official repository for course relationships for display in the transfer information system accordingly for that student. When a course from a sending college or university is not assigned goal area(s), the receiving college or university may assign goal area(s) to the course when it meets MnTC criteria in Part 6, Subpart B.

Transfer from the University of Minnesota
a. **Transfer of the entire Minnesota Transfer Curriculum.** When the University of Minnesota has determined that the entire liberal education requirements have been completed, the entire MnTC for that student must be honored as complete at every receiving college or university. The receiving college or university shall ensure that the MnTC completion notation for that student is entered in the official repository for course relationships for display in the transfer information system.

b. **Transfer of Minnesota Transfer Curriculum courses.** If a student has not completed the entire liberal education requirements at the University of Minnesota, the receiving college or university shall determine how each course meets Minnesota Transfer Curriculum requirements and enter the courses in the official repository for course relationships for display in the transfer information system accordingly for that student.

Once a college or university has determined that a University of Minnesota course meets goal area competencies for a student, the course must be

accepted as meeting the same goal area(s) at every college or university for that student. The receiving college or university shall enter the goal area(s) in the official repository for course relationships for display in the transfer information system accordingly for that student.

3. Transfer from non-system regionally-accredited colleges and universities. Once a college or university has determined that a course from a non-system regionally-accredited college or university meets the goal area definition(s) and competencies for a student, the course must be accepted as meeting the same goal area(s) at every college or university for that student. The receiving college or university shall enter the goal area(s) in the official repository for course relationships for display in the transfer information system accordingly for that student.

Courses that do not meet the MnTC goal area description(s) or competencies must be accepted according to Part 4, Subpart A, 2 and 3.

Part 7. Course Equivalency Rationale

When requested by the sending college or university, the faculty at receiving colleges and universities shall provide a rationale with a specific explanation for why a course is or is not equivalent.

Faculty from the sending college or university can request a rationale in one of two ways:
1. Request a rationale from the receiving faculty using Operating Instruction 3.21.1.2 Course Equivalency Rationale Request form, or
2. Suggest to the student that he or she use the Transfer Review/Appeal application in eServices at the receiving college or university and ask the student to report back the outcome.

When necessary, faculty and administrators at both the sending and receiving colleges and universities shall collaborate to resolve questions raised about the rationales.

Part 8. Reverse Transfer Review

The system office ASA Division will regularly provide lists of potential reverse transfer students to each college and university. Colleges and universities shall review potential candidates on an ongoing and timely basis and confer, as appropriate, the associate of arts degree through reverse transfer of credits.

Part 9. Transfer Review and Appeals

Subpart A. College or university-level transfer review and appeal

Colleges and universities shall establish a transfer review and appeal process for transfer decisions. The term "Transfer Appeal" must be used to describe the appeal process for transfer decisions. The transfer appeal process must ensure timely communication of transfer decisions to the student.

Colleges and universities shall use the online forms in eServices for all transfer reviews and transfer appeals. Colleges and universities shall provide students with information on;

1. where to submit transfer reviews and appeals on the eServices website,
2. the transfer review process,
3. each step in the transfer review and appeal process,
4. timelines for each step,
5. staff/department(s) responsible for receipt and processing of transfer reviews and appeals,
6. a student's right to appeal transfer decisions at the college or university level and the system level,
7. the links to the system office and college or university transfer appeal policies and/or procedures, and
8. transfer decisions at each step in the transfer review and appeal process.

Each college or university shall provide a rationale for each transfer review and appeal decision and communicate it in a timely manner to the student.

Each college and university shall inform students in its catalog, transfer-related publications, and on the college/university transfer webpage that a student who is not satisfied with the college or university transfer appeal decision may appeal the decision to the senior vice chancellor for academic and student affairs at the system level.

Subpart B. System-level appeal
Students not satisfied with the college or university transfer appeal decision may submit a transfer appeal to the senior vice chancellor for academic and student affairs using the system level transfer appeal form in eServices. A student shall exhaust all steps in the transfer appeal process at the college or university prior to appealing at the system level.

- Students may submit additional documentation such as transcripts, course syllabi, course outlines, course descriptions, etc.
- Upon receipt of the system-level transfer appeal, there must be a review by system office transfer staff. The review must be based on course descriptions, course outlines, learning outcomes, and/or other relevant information. The transfer staff shall submit a recommendation to the senior vice chancellor for academic and student affairs.
- The senior vice chancellor for academic and student affairs shall make a final determination regarding disposition of the transfer appeal. The decision of the senior vice chancellor is binding on all college and university parties.

Part 10. Disseminating Information
Each college and university shall publish information concerning transfer and the Minnesota Transfer Curriculum in its catalog, on its transfer website, and in transfer-related publications. College and university homepages must have a transfer link prominently displayed that is directed to their general transfer information. Each college and university shall ensure that

transfer and program information on their program webpages is accurate and consistent with information on the system transfer website.

The following information must be disseminated in multiple ways during the student's transition to the college or university, including orientation:

- Descriptions of their programs and whether or not they are designed for transfer (See Part 5, Subpart A.)
- Descriptions of each type of associate degree offered and their transferability on the program and/or transfer page (See Part 5).
- The college's or university's Minnesota Transfer Curriculum courses, goal areas, titles, credit values, goal requirements, effective dates, and MnTC requirements (including cumulative MnTC GPA requirement, and transfer of grades of "D" in MnTC courses) (See Part 6, Subpart E).
- College or university transfer policies, procedures
- Descriptive links to the system transfer website and the transfer information system with instructions for how to use them
- Web links to the college or university transfer agreements and transfer pathway maps located on the system transfer website
- The names of receiving universities that are parties to the transfer agreements and transfer pathways listed on all sending system college program information
- The transfer appeal process for transfer decisions at the college or university and system level.
- Information on how students can track the completion of the Minnesota Transfer Curriculum in eServices
- A web link to Board Policy 3.39 Transfer Rights and Responsibilities
- A web link to the Veterans Education Transfer System, where applicable
- Information that encourages students to consult early and often with advisors at the current college or university, and with advisors at the college or university to which they intend to transfer, and whenever they change their majors
- Course outlines for all courses updated and accessible during every semester
- Information about reverse transfer and eligibility requirements

Part 11. Student Responsibility

Transcripts and supporting documentation
The student is responsible for contacting non-system colleges and universities to have transcripts and any other required supporting documentation such as course outlines/syllabi as required by the receiving college or university policies and procedures. Electronic system transcript(s) are sent from Minnesota State colleges and universities to receiving colleges and universities and are reviewed at the initial point of transfer. Should additional courses be taken at a different college or university after the initial point of transfer, the student should request an additional review of their transcripts at their home college or university.

Part 12. College and University Responsibility
If a non-degree seeking student subsequently becomes degree-seeking, transcripts from colleges and universities must be evaluated by the receiving college or university.

To assist in the evaluation of courses, each college and university shall post a link to course outlines for all courses on the transfer web page of its college or university website. The links for current course outlines must be submitted to the system office for publication on the system transfer website.

Date of Adoption: 08/01/07
Date of Implementation: 08/01/07
Date of Last Review: 04/23/18

Date and Subject of Amendments:
    04/23/18 - Merged Procedure 3.37.1 Minnesota Transfer Curriculum into Procedure 3.21.1 and updated the information to include transfer of associate degrees, Credit for Prior Learning, transfer pathways, and clarity about transfer practices and new system processes.
    1/25/12 - The Chancellor amends all current system procedures effective February 15, 2012, to change the term "Office of the Chancellor" to "system office" or similar term reflecting the grammatical context of the sentence.

No Additional HISTORY.

October 15, 2019
Academic & Student Affairs

Guided Learning Pathways Part III: Transfer Pathways

Board of Trustees
Academic and Student Affairs Committee

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Executive Summary

- Transfer Pathways were designed in response to 2014 legislation, with the primary purpose of increasing transfer and degree completion
- Innovative curricular design focuses on competencies, not courses
- Implementation is nearing completion, with 212 (97%) pathways approved to date
- In fall 2019, 13% of transfer-eligible program enrollments are in a transfer pathway degree program

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Executive Summary

- Enrollments in the transfer pathways continue to grow as more pathways are implemented.
- Enrollments are proportionally representative of students by race/ethnicity, Pell eligibility status, and first generation college student status.
- To date 76 students have earned a transfer pathway degree.

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STRATEGIC QUESTIONS FOR GENERATIVE DISCUSSION

- What questions do you have about the background materials?

- What do you see that we might be missing or need to consider?
- What does equity look like in this domain?
- Do you see potential changes in Board policy that could be made to ensure greater equity?

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Background

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Transfer Pathways: Origins and Goals

Response to 2014 legislation

Key goals:

- Increase transfer and baccalaureate completion
- Lower costs through efficiency with credits and time
- Simplify pathways

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In May 2014, the legislature directed Minnesota State to develop a plan that would support multi-campus articulation agreements that lead to baccalaureate degree completion upon earning the number of credits required minus 60 credits at the system university. A plan was drafted and submitted to the legislature and in March 2015, Minnesota State was directed to move forward and implement the plan.

At the time the legislation was created, Minnesota State had transfer or articulation agreements that were often limited to only a few, or even a single, university, and students were often unaware of the agreements. Thus, students ended up with redundant or extra course requirements to complete degrees.

The legislation and resulting plan called for the development of transfer pathways that would aim to increase the number of students completing associate degrees, which better prepare them for success as university students and result in higher rates of completion at the universities, without wasted time or credits.

The transfer pathways plan that began implementation in March of 2015, included several key elements.

- Oversight – A Transfer Pathways Coordinating Team was convened to provide coordination for the development of the transfer pathways for associate in arts, associate in science, and associate in fine arts and to plan for training, communication, evaluation, marketing and future governance.
- Transfer Pathway Teams – Faculty-led teams were formed to create aligned associate

and bachelor's programs for smooth transfer from colleges to universities.

- Implementation Timeline – A plan for development and implementation of the transfer pathways plan was put in place, and covered several phases from 2015-2018.

The plan called for pathways that address the programs in which a large majority of students pursue baccalaureate degrees, and included all colleges and universities that offer parallel associate and bachelor's degrees.

The slides that follow provide an update on the progress that has occurred around each of these elements.
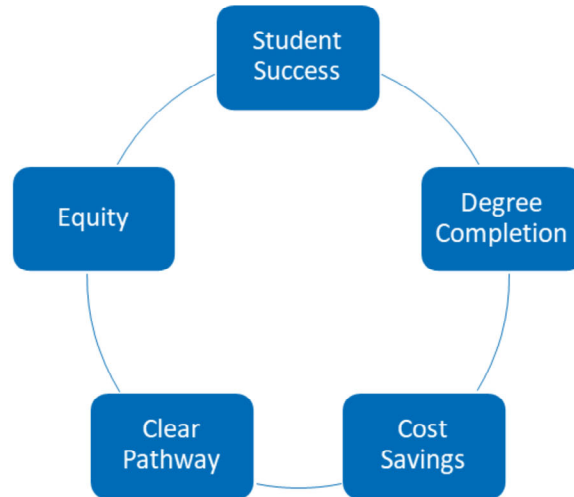
The Transfer Pathways plan is driven by the following aspirational, achievable, goals:

1.1. **Students are the primary and fundamental focus** of the planning process
1.2. Maintaining a **quality education** for students is the core of the transfer pathways.
1.3. **Student success** will be facilitated by the transfer pathways.
1.4. Pathways to baccalaureate degrees are **clear and easy for students to follow.**
1.5. **Students can save money and reduce debt** by eliminating the number of repeat classes required when they transfer and having a clear path to reach the baccalaureate degree.
1.6. **Students can complete degrees in a minimum timeframe**
1.7. Student will be able to **enter the workforce sooner and with less debt.**
1.8. Transfer students who meet admission/program application requirements will be given the same opportunities/**same consideration as direct entry students**.
1.9. The **transfer process will be streamlined for the institutions and create clarity for students.**
1.10. The potential to **positively impact enrollment and retention** is strong.

Transfer Pathways: Design Approach

- Faculty designed framework and curricular pathways

- Competency-based, not course driven

- Common structure but unique curricula

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The Transfer Pathway structure ensures that students who follow the transfer pathway and earn the associates degree are able to complete the related baccalaureate degree upon earning the number of credits required for that degree less 60 credits. Students completing an associate's pathway degree are able to enter a related baccalaureate degree program with junior year status.
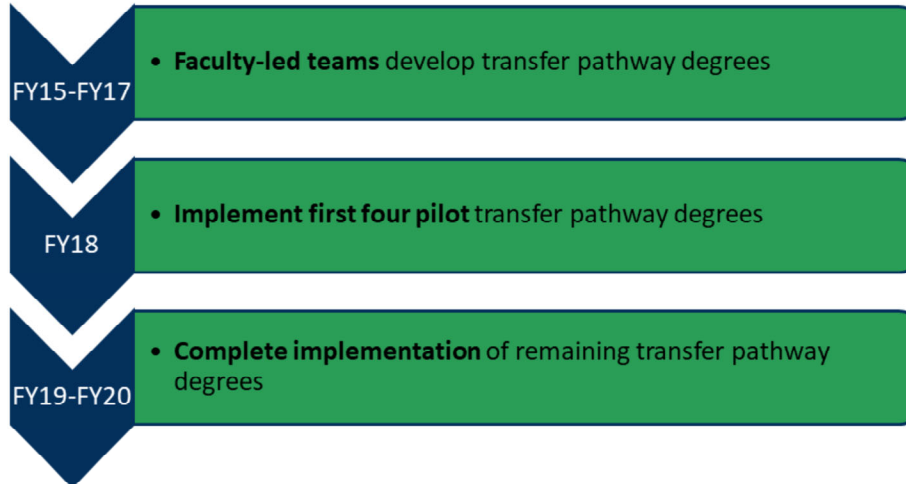
To begin the work, 28 faculty-led teams were formed between FY15 and FY17 to create 28 transfer pathway degrees in disciplines where a majority of students pursue baccalaureate degrees. Four pilot teams kicked off in January of 2016, 12 additional teams kicked off in September of 2016, and finally, 12 final teams kicked off in January of 2017.

Starting in fall 2017, colleges began offering the first four pilot transfer pathway degrees in business, psychology, theatre and biology. As of this fall, **22 additional** transfer pathways were implemented on college campuses.

Transfer Pathways: Implementation

- 219 approved associate degree programs in the 26 disciplines

- 212 (97%) aligned with pathways and approved for implementation

- Remaining programs are in education and will be completed next academic year

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To date, out of the 219 approved associate degree programs in the 26 discipline areas Minnesota State Academic Programs Unit has approved for implementation 212 Transfer Pathways in 25 discipline areas. Many of the remaining programs are in the different areas of education.

Enrollment in Transfer Pathways degree programs continue to grow as more pathways are implemented. As of this fall, 13% of all students enrolled in a transfer eligible degree program are enrolled in a transfer pathway.

Transfer Pathways: Enrollments by Race/Ethnicity

Transfer Pathway Program Major Student	2017		2018		2019		2020	
American Indian or Alaska Native			9	0.5%	41	0.6%	28	0.4%
Asian			192	11.3%	657	10.3%	482	6.1%
Black or African American	4	14.8%	241	14.2%	1,129	17.6%	816	10.3%
Hispanic of any race	3	11.1%	209	12.3%	701	10.9%	523	6.6%
Native Hawaiian or Other Pacific Islander					6	0.1%	3	0.0%
Nonresident Alien			36	2.1%	118	1.8%	98	1.2%
White	19	70.4%	905	53.3%	3,350	52.3%	2,303	29.1%
Two or more races	1	3.7%	96	5.7%	358	5.6%	247	3.1%
Unknown race and ethnicity			9	0.5%	43	0.7%	3,407	43.1%

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Students from all racial/ethnic backgrounds are enrolling in transfer pathways, and at rates similar to those with which they are represented in the overall student body.

Transfer Pathways: Enrollments of First Generation College Students

	2017		2018		2019		2020	
	N	%	N	%	N	%	N	%
Other transfer degree students	83,923	100.0%	80,519	97.9%	73,408	92.0%	54,408	87.3%
First Generation MN	18,283	21.8%	17,215	21.4%	15,789	21.5%	7,390	13.6%
Not First Generation MN	63,850	76.1%	61,551	76.4%	55,779	76.0%	24,635	45.3%
First Generation MN Unknown	1,790	2.1%	1,753	2.2%	1,840	2.5%	22,383	41.1%
Transfer Pathway Program Major Student	27	0.0%	1,697	2.1%	6,403	8.0%	7,907	12.7%
First Generation MN	4	14.8%	383	22.6%	1,412	22.1%	1,026	13.0%
Not First Generation MN	23	85.2%	1,278	75.3%	4,854	75.8%	3,403	43.0%
First Generation MN Unknown			36	2.1%	137	2.1%	3,478	44.0%

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First generation college students are enrolling in transfer pathways at approximately the same rate as they are in non-transfer pathway degree programs.

Transfer Pathways: Enrollments Pell Eligible

	2017		2018		2019		2020	
	N	%	N	%	N	%	N	%
Other transfer degree students	83,923	100.0%	80,519	97.9%	73,408	92.0%	54,408	87.3%
Pell Eligible	37,106	44.2%	35,719	44.4%	31,579	43.0%	14,904	27.4%
Not Pell Eligible	20,444	24.4%	18,176	22.6%	15,886	21.6%	7,651	14.1%
Pell Eligibility Unknown	26,373	31.4%	26,624	33.1%	25,943	35.3%	31,853	58.5%
Transfer Pathway Program Major Student	27	0.0%	1,697	2.1%	6,403	8.0%	7,907	12.7%
Pell Eligible	14	51.9%	835	49.2%	3,163	49.4%	2,226	28.2%
Not Pell Eligible	4	14.8%	457	26.9%	1,670	26.1%	1,089	13.8%
Pell Eligibility Unknown	9	33.3%	405	23.9%	1,570	24.5%	4,592	58.1%

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Pell eligible college students are enrolling in transfer pathways at approximately the same rate as they are in non-transfer pathway degree programs.

Transfer Pathways: Completion

	2018		2019	
	N	%	N	%
Transfer Pathway Students	26	0.2%	76	1.7%
Other Transfer Students	10,497	99.8%	4,438	98.3%

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To date, 76 students have completed a two-year transfer pathway degree. This number will increase substantially as full implementation is reached and a full two years of program implementation is complete.

During the development and initial implementation phase of the project, Minnesota State set up a governance structure to support project work, including the development of the transfer pathways and oversight of that development. The Transfer Governance Team oversees that transfer pathways align with general transfer matters and oversees system-wide and established governance structures within Academic and Student Affairs.

Initially, a major focus of the Transfer Governance was the successful implementation of Transfer Pathways throughout the system while also addressing general transfer matters.

They support the work required of transfer throughout the system, including that of transfer pathways. Under the oversight of the Senior Vice Chancellor for Academic and Student Affairs, the Transfer Governance oversees the strategic direction of transfer, with an emphasis on transfer pathways, as set by the Chancellor and Board of Trustees, for Minnesota State and provides expert analyses and recommendations to the Senior Vice Chancellor of Academic and Student Affairs.

The Transfer Governance Team is a recommending body, reporting to the Senior Vice Chancellor for Academic and Student Affairs, with representative membership from all bargaining groups and student organizations. Membership is balanced to ensure equal representation from colleges and universities as well as metro and greater Minnesota institutions. The team is co-chaired by one MSCF or IFO member and one MAPE or MSUAASF member.

The Transfer Governance Team will be focusing on review and evaluation of Transfer Pathways in FY20.

Transfer Pathways: Next Steps

- Full implementation by Fall 2020

- Evaluation

- Expansion of pathways
  - Exploring additional disciplines
  - Supporting additional development where fitting
  - Collaborative online offerings

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Full implementation of transfer pathways will be completed by Fall 2020. Education programs are the final programs to be implemented, in conjunction with external approval from PELSB.

During the current academic year, we will begin evaluating the initial transfer pathways programs to ensure they are functioning as intended, and making adjustments where needed to improve student access and outcomes. In addition, campuses are currently in the midst of expanding the number of guided "transfer" pathways within and outside of the 26 identified discipline areas.

Continuing work to improve transfer: Tackling Transfer Project

- Three-state effort: Minnesota, Texas, and Virginia

- Supported by Aspen Institute's College Excellence Program, Sova, and HCM Strategists

- Comprehensive approach incorporating policy, practice, leadership, research, and strategic communications

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Funded through a grant from the Great Lakes, Joyce, Kresge & ECMC Foundation, the Tackling Transfer project began in FY19 and is providing an overarching framework for continued improvement of course transfer, fostering the conditions for scaled and measurable improvements in attainment rates for baccalaureate-seeking community college students. Presidents from both the colleges and the universities are involved in this work by serving as "transfer champions," and worked in FY19 to establish specific transfer goals and targets for the system.

The Tackling Transfer project takes a comprehensive approach that incorporates policy, practice, leadership, research, and strategic communication, and will run through FY21. In addition, it provide Minnesota State an opportunity to learn from other state systems in Texas and Virginia, each of which is taking a unique approach to improving transfer, as appropriate to each state's structure and context.

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Audit Committee
October 15, 2019
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. **Minutes of June 18, 2019 (pages 1-7)**
2. **New Internal Audit Charter (pages 8-23)**
3. Roles and Responsibilities of Audit Committee Members (pages 24-29)

Committee Members:

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

Presidential Liaisons:

Richard Davenport,
   Minnesota State University, Mankato
Stephanie Hammitt,
   Fond du Lac Tribal & Community College

Bolded items indicate action is required.

MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
AUDIT COMMITTEE MEETING MINUTES
June 18, 2019

Audit Committee Members Present: Trustees April Nishimura, Robert Hoffman, Jerry Janezich.

Audit Committee Members Absent: Trustee Michael Vekich and George Soule.

Other Trustees Present: Trustees AbdulRahmane Abdule-Aziz, Alex Cirillo, Jay Cowles, Dawn Erlandson, Rudy Rodriguez, Louise Sundin, and Cheryl Tefer.

The Minnesota State Colleges and Universities Audit Committee held its meeting on June 18, 2019, in the 4th Floor McCormick Room, 30 East 7th Street in St. Paul. Trustee Nishimura called the meeting to order at 11:30 a.m.

1. **Minutes of March 19, 2019**
   The minutes of the March 19, 2019 audit committee were approved as published.

2. **Approval of FY2020 Internal Audit Project Plan**
   Mr. Eric Wion, Executive Director of the Office of Internal Auditing, began by introducing Mr. Chris Jeffrey, Ms. Mallory Thomas, Ms. Ashley Deihr from Baker Tilly.

   Board policy and Internal auditing standards both require the Executive Director of Internal Auditing seek board approval for an annual audit plan.

   Mr. Wion touched briefly on the work that was done in Fiscal Year 2019, stating that there had been twenty-five reports to the board and to management. There were many different kinds of assurance and advisory reports.

   The proposed Fiscal Year 2020 (FY20) Audit Plan has two key parts, both ongoing routine activities and future projects. Mr. Wion stated that they would bring updates to the committee throughout the year and will be able to make changes to the plan whenever it is appropriate. He stated that the Internal Audit plan development process was aligned closely with the work done with the Enterprise Risk Management committee.

   Mr. Wion touched on the ongoing routine activities. He then reviewed a number of large multi-year projects included in the FY20 Audit Plan, including a proposal to complete the work to design a pilot for how to get audit coverage around financial controls at individual colleges and universities, and then executing that plan in 2020. Trustee Nishimura asked if institutions had expressed any concerns that the Financial Control Review pilot might be a drain on their resources. Ms. Thomas stated that several institutions wanted to be involved and volunteered to be pilot institutions. She added that part of this work would be to

identify where there are risks within the financial controls and then identify practical ways to address those risks.

Mr. Wion outlined three additional proposed projects. The first is a Data Classification Review that would review compliance with information security data classification requirements. The other two projects were around Shared Services. The first project was the Shared Service Initiative: Comprehensive Workforce Solutions (CWS) Review – the regional model for customized training and continuing education. The second project was the Shared Service Initiative: Metro Alliance Bookstore Review, which is a bookstore collaboration project that was originally initiated by six institutions in the metro area.

Trustee Erlandson asked if they anticipated a need to monitor progress with regard to the Reimagining Project. Chancellor Malhotra stated that continuous improvement was integral to Reimagining but as goals were refined there may be projects that come out of the discussion where such monitoring may be needed.

Trustee Erlandson remembered that the board used to see a dashboard that indicated how a project was going vs. anticipated milestones. Chancellor Malhotra stated that they still have an extensive set of metrics by institution, which were shared with each president during their annual evaluation of the institution. He added that as they refine the targets of the reimagining work, those targets have the potential of becoming a dashboard.

Trustee Hoffman asked if there were any independence issues related to internal audit's participation on the NextGen Steering Committee. Mr. Wion explained that Internal Audit is able to maintain its independence and still participate on committees and work groups, as a non-voting member of those groups. He plays the role of advisor to provide input, however, he is not a decision making member. In addition, Mr. Wion stated that the Office of Internal Auditing and the Office of the Legislative Auditor both follow similar auditing standards with regard to independence and objectivity. Those standards allow for internal auditors to participate on work groups and committees such as this. He added that he had met with the Legislative Auditor and provided them with an overview of the work that is going on with the NextGen committee as well as the work that Internal Audit was doing, including its participation on the steering committee and the project risk review work.

Trustee Nishimura introduced the motion to approve the Office of Internal Auditing annual audit plan for fiscal year 2020. Trustee Hoffman made the motion. There was no dissent and the motion carried.

RECOMMENDED COMMITTEE ACTION:
The audit committee recommends that the Board of Trustees adopt the following motion:

RECOMMENDED BOARD MOTION:
The Board of Trustees approves the Office of Internal Auditing annual audit plan for fiscal year 2020.

3. **Contracts Exceeding $1 Million: Annual Baker Tilly Contract Amendment**
   Mr. Wion began by stating that this was an annual amendment to the Baker Tilly Contract. He stated that they were seeking approval for a $600k amendment to accomplish internal auditing's 2020 work plan.

   Mr. Wion explained that the contract was funded annually through six unfilled internal audit positions. That decision was made to expand the scope of services that were offered, beyond what had traditionally been offered, to bring in more advisory services and also to expand the scope of those services beyond financial and compliance matters. Mr. Wion stated that the relationship has been very successful and they had been able to do some really great work through their partnership with Baker Tilly.

   Trustee Hoffman asked what additional value was being provided for the additional funding. Mr. Chris Jeffrey stated that the value comes from the continued partnership. Baker Tilly brings in the subject matter experts to help execute various projects within the plan. He added that the real benefit was their ability to scale up and scale down in terms of both subject matter and staffing.

   Trustee Nishimura thanked Baker Tilly for their partnership and added that she believed the relationship allows Minnesota State to be more agile as a system.

   Trustee Nishimura called for a motion to authorize the chancellor or the chancellor's designee to execute a $600,000 amendment to the Baker Tilly Virchow Krause, LLP contract. Trustee Hoffman moved. It did not require a second. There was no dissent and the motion carried.

   RECOMMENDED COMMITTEE ACTION:
   The audit committee recommends that the Board of Trustees adopt the following motion:

   RECOMMENDED BOARD MOTION:
   The Board of Trustees authorize the chancellor or the chancellor's designee to execute a $600,000 amendment to the Baker Tilly Virchow Krause, LLP contract for continued internal auditing services bringing the contract to a not to exceed amount of $2,200,000. The board directs the chancellor or the chancellor's designee to execute all necessary documents.

4. Compliance Practices Assessment Advisory Report
   Mr. Wion stated that a detailed report along with a companion memo from Chancellor Malhotra were included in the board packet. Ms. Deihr led the Compliance Practices Assessment. She stated that compliance practices mean adherence to federal, state and local laws, regulations, statutes and Minnesota State policies. The goal of this project was to gain an understanding of compliance governance structures, accountabilities and responsibilities, and communications, as well as trying to identify top compliance challenges and concerns, and then further to identify some compliance program next steps and options in terms of what Minnesota State could look for in term of industry standards. Ms.

Deihr reviewed the Seven Elements of an Effective Compliance Program, which is put out by the U.S. Government.

Ms. Deihr reminded the committee that this was an advisory review and not an assurance review. She reviewed the activities that were performed as part of the review. They held discussions with system leadership and reviewed documentation to understand the current compliance governance model. They performed inquiries and reviewed documentation of a representative group of six colleges and universities. And they reviewed Minnesota State against the seven key criteria for an "Effective Compliance and Ethics Program" as well as peer institutions. They also did some corroborating document review, such as reviewing policies and training plans.

Ms. Deihr reviewed the two conclusions in the report. First, the operational and functional compliance teams at each college/university understand the need for compliance. They operate effectively and they have the right processes in place relative to their level of risk. That means the staff generally have a good understanding of compliance risks and mitigation practices and have the right processes in place.

The second conclusion was that Minnesota State could enhance its overall compliance program by integrating compliance professionals into a system wide community. Ensuring that compliance teams across the system are interconnected in the right ways so that they can maximize their effectiveness

Ms. Deihr stated that the colleges and universities are responsible for the day to day compliance activities. She explained that the role of the system office is to monitor compliance requirements, develop and communicate systemwide compliance standards and requirements, provide advice and support to colleges and universities in upholding compliance responsibilities, and they may perform some oversight of compliance. She stated that in the industry at large, boards and senior leaders are looking for more visibility into compliance activities and assurance of sufficient compliance mitigation activities.

Ms. Deihr reviewed the suggested next steps.
• Formal assignment and communication of responsibilities for each compliance area and each college/university.
• Continue to formalize compliance communities both across compliance areas as well as within each college/university
• Consider options to organize and oversee the compliance community across all colleges and universities.
• Explore potential reporting and visibility mechanisms.

Trustee Cirillo asked who determines what the minimal requirements are for setting up a compliance program. Ms. Deihr stated that seven elements were intentionally written in a vague way so that each organization can identify its own stance around each element. She stated that it was critical for that stance to be well documented and well socialized and

understood, which is another reason why having the right people in these positions was critical.

Trustee Hoffman asked what needed to be changed or improved in the current process. Ms. Deihr stated that the elements that really need the focus are oversight and monitoring activities, and that has to happen across the system. Finding the people who are doing great work and bubbling them up and ensuring that staff are all interconnected and that there is oversight for that over time.

Trustee Hoffman asked which area was accountable for making that. Ms. Deihr stated that compliance can sit in a number of different areas. It can be successfully situated as part of Internal Audit, or as a separate standalone office, or as an executive level committee at a system office level that then has shared ownership with a single collaboration point. She did note that it was separate and distinct from Internal Auditing and from the Office of the General Counsel.

Trustee Nishimura asked if there was a clear understanding of the role of internal audit among the six institutions that participated. Ms. Deihr stated that when they had discussions around the oversight and monitoring of compliance, there were some views at the colleges and universities, that it would be the role of internal auditing.

Trustee Cowles asked how we would evaluate success with this effort. Ms. Deihr stated that identifying the owners and ensuring that there are people responsible for each of the actions to move forward will be critical because of the amount of interaction that has to happen. Ms. Deihr stated that the report puts forth an initial four steps in terms of what can be done to make a change now, and then provided a lot of best practiced in the body of the document about what can be done over time. Mr. Jeffrey added that another big piece of the value here is that they did not find that the sky was falling. That should give the committee some comfort that some of these things are in fact happening already.

Trustee Nishimura stated that the colleges and universities and the administration were doing a fabulous job considering that there were no real concerns. She stated that the key message seemed to be around visibility at the institution level and then bubble that up to the system level so that compliance can be easily monitored and issues can be mitigated quickly when they arise.

5. Enrollment Forecasting Advisory Report
   Mr. Wion stated that this had been a collaborative effort with Senior Vice Chancellor Ron Anderson and the Academic and Student Affairs division.

   Ms. Thomas highlighted the work performed with Academic and Student Affairs around enrollment forecasting. Enrollment management is an area for risk for Minnesota State identified as part of enterprise risk management and assessment work. Student enrollment was chosen because it is fundamentally important to each institution's budgeting,

programing and personnel planning. Accurate enrollment forecasting is critical for strategic planning, allocating funds and resources effectively and understanding those key trends that may impact student enrollment.

Ms. Thomas reviewed the scope of the project and the project objectives. Review current enrollment forecasting practices and identify areas of strength and opportunities to align with leading practices. Identify areas that would benefit from tools or resources that can be deployed across the colleges and universities.

Ms. Thomas reviewed the strengths and conclusion. Institutions are able to perform locally-developed enrollment forecasting procedures by leveraging available resources and data. Larger institutions have been able to integrate their Customer-Relationship Management (CRM) tools with ISRS, providing them with more effective data and more efficient tools for translating the data for their enrollment forecasting practices. Several institutions have committees dedicated to enrollment and retention of students.

Opportunities exist to share best practices, improve the accuracy of enrollment projections, and develop more consistent and advanced enrollment forecasting procedures across the colleges and universities. The access and availability of data is restricting institutions from applying advanced enrollment forecasting models. There are opportunities to enhance current enrollment forecasting procedures prior to the implementation of an ERP system.

Ms. Thomas reviewed the summary recommendations. First is to consider developing standard tools and shared resources to improve enrollment forecasting practices across its colleges and universities.   Second would be to consider developing system-wide guidance for enrollment forecasting.

Vice Chancellor Anderson highlighted the uniqueness of this project in Academic and Student Affairs, stating that this advisory capacity represented a new line of work for internal audit, which had been extremely helpful for Academic and Student Affairs.

Over the past year, Leadership Council has been trying to understand more fully what practices are occurring on campuses relative to enrollment management and how campuses are building off that function. Enrollment forecasting is just one component of that but it is a very important piece.

He explained that there were really three different areas where enrollment forecasting significantly impacts institutions. Enrollment management - understanding what the enrollment patterns are, not only from the standpoint of being able to identify where there are challenges for students, but also helping to understand where they need to target some potential interventions. Academic planning - determining course demand and scheduling implications. And budgeting - one key thing we use enrollment forecasting for on an annual basis is to generate an estimate of revenue.

Senior Vice Chancellor Anderson stated that at the Leadership Council meeting earlier in June, they shared the results of the report and talked about the different practices on campuses. Then they talked about what would be helpful to the campuses for the system office to help provide. He stated that there was interest in potentially looking at different regional models that could be developed.

Senior Vice Chancellor Anderson talked about opportunities for centralized support in the areas of data access and compilation, statistical modeling and practice sharing and capacity building. He stated that they intended to continue the conversation at Leadership Council. One of the things that he plans to be doing over the coming months will be to talk with presidents as well as the academic and student affairs officers about where this work falls in their institutions, what would they find most valuable in terms of building out capacity at the system office and how we can better support the campuses.

Trustee Hoffman asked if there was no standardized process, how could the forecasting numbers be trusted. Ms. Thomas stated that every college and university was unique and different in the way that they execute the work, but they have been able to draw conclusions to use for their budgeting processes. However, having a center of excellence to help with the modeling will be helpful for those colleges and universities.

Chancellor Malhotra stated that ultimately the accuracy of the forecasting depends on how well it predicts. If an institution has a model which is not predicting very well, then sooner or later, that will show up. He added that every year there is a predicted number and an actual number. And there are statistical ways that we can check the robustness of the margin of error around an estimate. He further added that this variety of different models enables them to take into account locational context as well.

Senior Vice Chancellor Anderson noted that one of the other challenges the institutions face is that, depending on what the purpose of the forecast are, we think about them differently. One of the challenges at an institution was always trying to build a budget that was conservative. They might build a budget on an assumption that enrollment will be flat or slightly down so that cuts would not have to be made later. But on the academic side if they use that lower safe budget number, they may be caught short handed on the course side. So, there is tension internally on how to think about the numbers.

Trustee Erlandson commended the teams for focusing on enrollment forecasting. Enrollment forecasting is critical, not only for course planning but also for enrollment management. She stated that it was important for the students and the services that they may need. She hoped that the alignment of this work and the Reimagining work is a focus moving forward.

The meeting adjourned at 12:32 p.m.
Respectfully submitted by Darla Senn

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

Name: Audit Committee   **Date: October 15, 2019**

Title: New Internal Audit Charter

Purpose (check one):

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

Brief Description:

International Standards for the Professional Practice of Internal Auditing require the board review and approve the Internal Audit Charter.

The Office of Internal Auditing recently developed a new Internal Audit Charter to replace its current charter that is embedded in board policy. The new charter aligns with industry practices and provide significant flexibility to more easily incorporate changes with internal auditing standards or practices.

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

BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES

ACTION ITEM
NEW INTERNAL AUDIT CHARTER

BACKGROUND
International Standards for the Professional Practice of Internal Auditing require the board review and approve the Internal Audit Charter.

The Office of Internal Auditing recently developed a new Internal Audit Charter to replace its current charter that is embedded in Board Policy 1D.1, Office of Internal Auditing. The new charter aligns with industry practices and provide significant flexibility to more easily incorporate changes with internal auditing standards or practices.

Board Policy 1D.1 has been amended to remove duplicative and operational items. It is currently going through the stakeholder consultation and review process and will tentatively come to the Audit Committee in November for a first reading.

RECOMMENDED COMMITTEE ACTION:
The Audit Committee has reviewed and recommends that the Board of Trustees adopts the following motion:

RECOMMENDED MOTION:
The Board of Trustees approves the Office of Internal Auditing's Internal Audit Charter as submitted.

Date Presented to the Board of Trustees: October 15, 2019

Audit Committee
New Internal Audit Charter

Internal Audit Charter

- New charter developed to replace current charter embedded in Board Policy 1D.1, Office of Internal Auditing

- Aligns with industry practices and provides greater flexibility

- Original draft reviewed by prior Audit Committee Chair and Vice Chair, Baker Tilly, Chancellor and Cabinet

- Reviewed with committee members during one-on-one meetings with executive director over last several weeks

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MINNESOTA STATE

What is an Internal Audit Charter?

- Formal document that defines internal audit's purpose, authority, responsibility and position within an organization

- Required by International Standards for the *Professional Practice of Internal Auditing (Standards)* promulgated by the Institute of Internal Auditors

- Audit Executive must periodically review the charter and present it to senior management and the board for approval

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Charter Components

- Purpose and Mission
- Standard for the Professional Practice of Internal Auditing
- Authority
- Independence and Objectivity
- Scope of Internal Audit Activities
- Reporting
- Responsibility
- Quality Assurance and Improvement Program
- Approval of Audit Charter

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Recommended Action and Motion

RECOMMENDED COMMITTEE ACTION:

The Audit Committee has reviewed and recommends that the Board of Trustees adopts the following motion:

RECOMMENDED MOTION:

The Board of Trustees approves the Office of Internal Auditing's Internal Audit Charter as submitted.

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October 2019

Office of Internal Auditing

INTERNAL AUDIT CHARTER

Minnesota State

DRAFT – Presented to Audit Committee for Review/Approval 10/15/19

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Purpose and Mission

The purpose of Minnesota State's Office of Internal Auditing ("Internal Audit") is to provide independent, objective assurance and advisory services designed to add value and improve Minnesota State's operations. The mission of Internal Audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. Internal Audit helps Minnesota State accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

Internal Audit:
- Serves as a strategic partner to Minnesota State leadership in addressing a range of business, operational, compliance, and financial challenges and risks, providing assurance regarding processes and systems, and identifying opportunities to increase efficiency and effectiveness.
- Helps the system anticipate and address risks proactively, enabling business and process improvements and supporting the viability of system operations.
- Partners with others to monitor and mitigate system risks.

Standard for the Professional Practice of Internal Auditing

Internal Audit will govern itself by adherence to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing*, and the Definition of Internal Auditing. The executive director will report annually to the audit committee and management regarding the Internal Audit's conformance to the Code of Ethics and the *Standards*.

Authority

The executive director will report functionally to the audit committee and administratively (i.e., day-to-day operations) to the chancellor. To establish, maintain, and assure that Minnesota State's Internal Audit has sufficient authority to fulfill its duties, the audit committee will:

- Approve Internal Audit's charter.
- Approve the risk-based audit plan.
- Approve Internal Audit's budget and resource plan.
- Receive communications from the executive director on Internal Audit's performance relative to its plan and other matters.
- Approve decisions regarding the appointment, removal, and compensation of the executive director. Compensation will be consistent with board policy 1A.4 part 5.
- Make appropriate inquiries of management and the executive director to determine whether there is inappropriate scope or resource limitations.

The executive director will have unrestricted access to, and communicate and interact directly with, the audit committee, including in private meetings without management present.

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Board Policy 1D1 authorizes Internal Audit to:

- Have full, free, and unrestricted access to all Minnesota State functions, records, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information in compliance with the Minnesota Data Practices Act and other applicable laws.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish engagement objectives, and issue reports.
- Obtain assistance from the necessary personnel of Minnesota State, as well as other specialized services from within or outside Minnesota State, in order to complete an engagement.

Independence and Objectivity

The executive director will ensure that Internal Audit remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content. If the executive director determines that independence or objectivity may be impaired in fact or appearance, the details of impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for Minnesota State or its affiliates.
- Initiating or approving transactions external to Internal Audit.
- Directing the activities of any Minnesota State employee not employed by Internal Audit, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.

Where the executive director has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to independence or objectivity.

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Internal auditors will:

- Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- Exhibit professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid being unduly influenced by their own interests or by others in forming judgments.

The executive director will:
- Confirm to the audit committee, annually, the organizational independence of Internal Audit.
- Disclose to the audit committee any interference and related implications in determining the scope of internal auditing, performing work, and/or communicating results.

Scope of Internal Audit Activities

Internal audit will perform both assurance and advisory services. In accordance with the IIA, assurance work will provide an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes. Advisory and related client service activities, the nature and scope of which are agreed with the client are intended to add value and improve Minnesota State's governance, risk management, and control processes.

The scope of internal audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the audit committee, management, and outside parties on the adequacy and effectiveness of governance, risk management, and control processes for Minnesota State. Internal audit assessments include evaluating whether:

- Risks relating to the achievement of Minnesota State's strategic objectives are appropriately identified and managed.
- The actions of Minnesota State's officers, directors, employees, and contractors are in compliance with Minnesota State's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations or programs are consistent with established goals and objectives.
- Operations or programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact Minnesota State.
- Information and the means used to identify, measure, analyze, classify, and report such information are reliable and have integrity.

MINNESOTA STATE

- Resources and assets are acquired economically, used efficiently, and protected adequately.

The executive director also coordinates activities, where possible, and considers relying upon the work of other internal and external assurance and advisory service providers as needed. The executive director is responsible for the management and reporting on the performance of any third party provider of resource engaged in internal audit work. Minnesota State has entered into a co-source relationship having given consideration to the varied activities and the need for a wide range of skills. The co-source relationship provides availability and staff expertise. While the partner may act in a lead role and provide resources for audit activities, the executive director maintains oversight of the planning, fieldwork and reporting processes.

Internal Audit may perform advisory and related client service activities, the nature and scope of which will be agreed with the client, provided Internal Audit does not assume management responsibility.

Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during engagements. These opportunities will be communicated to the appropriate level of management.

Reporting

The executive director will report to senior management and the audit committee regarding:

- The Internal Audit's purpose, authority, and responsibility.
- The Internal Audit's plan and performance relative to its plan.
- The Internal Audit's conformance with The IIA's Code of Ethics and *Standards,* and action plans to address any significant conformance issues.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other matters requiring the attention of, or requested by, the audit committee.
- Results of audit, advisory, or other engagements and activities.
- Resource requirements.
- Any response to risk by management that may be unacceptable to Minnesota State.

Responsibility

The executive director has the responsibility to:

Theme	Tasks
Planning	• Ensure emerging trends and successful practices in internal auditing are considered.
Execution	• Ensure each engagement of the internal audit plan is executed, including the establishment of objectives and scope, the assignment of appropriate and adequately supervised resources, the documentation of work programs and testing results, and the communication of engagement results with applicable conclusions and recommendations to appropriate parties. Ensure each engagement is adequately resourced and executed in accordance with the agreed upon time frame and budget.
Reporting	• Submit, at least annually, to senior management and the audit committee a risk-based internal audit plan for review and approval.
Monitoring	• Communicate to senior management and the audit committee the impact of resource limitations on the internal audit plan and any significant interim changes to the internal audit plan. • Review and adjust the internal audit plan, as necessary, in response to changes in Minnesota State's business, risks, operations, programs, systems, and controls. • Follow up on engagement findings and corrective actions, and report periodically to senior management and the audit committee any corrective actions not effectively implemented. • Ensure trends and emerging issues that could impact Minnesota State are considered and communicated to senior management and the audit committee as appropriate. • Report significant violations or other matters to the board any circumstances that are significant violations of internal controls, board policy or system procedures and any other matters that the executive director believes warrant notification. Similarly, the executive director has the right and responsibility to report any matters to the chancellor and presidents that warrant their notification or assist them in improving their operations.
Standards	• Ensure the principles of integrity, objectivity, confidentiality, and competency are applied and upheld. • Ensure Internal Audit collectively possesses or obtains the knowledge, skills, and other competencies needed to meet the requirements of the internal audit charter. • Establish and ensure adherence to policies and procedures designed to guide Internal Audit.

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Quality Assurance and Improvement Program

Internal Audit will maintain a quality assurance and improvement program that covers all aspects of the internal auditing. The program will include an evaluation of Internal Audit's conformance with the *Standards* and an evaluation of whether internal auditors apply The IIA's Code of Ethics. The program will also assess the efficiency and effectiveness of Internal Audit and identify opportunities for improvement.

The executive director will communicate to the audit committee and management Internal Audit's quality assurance and improvement program, including results of internal assessments (both ongoing and periodic) and external assessments conducted at least once every five years by a qualified, independent assessor or assessment team from outside Minnesota State.

Approval of Internal Audit Charter

Dates of Audit Committee Approvals:

MINNESOTA STATE

Eric Wion, CPA, CISA, CISSP
Executive Director, Office of Internal Auditing

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MINNESOTA STATE

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

Name: Audit Committee   **Date: October 15, 2019**

Title: Roles 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." The Executive Director will provide a brief update describing how the requirement has been fulfilled.

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

BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES

INFORMATION ITEM
ROLES 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 reference material and has met 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/

Date Presented to the Board of Trustees: October 15, 2019

Audit Committee

Roles and Responsibilities of Audit Committee Members

Role and Responsibilities of Audit Committee Members

- Board policy requires annual training

- Training/reference materials emailed in September 2019

- Individual meetings held in early October

MINNESOTA STATE

Role and Responsibilities of Audit Committee Members

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

Provides ongoing oversight of internal and external audits

Authority to direct Internal Auditing to conduct any investigations, audits, or other assurance-related projects or provide professional advice on matters within its scope of responsibility

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MINNESOTA STATE

My Promise

- Personal commitment to lead an office that provides the board with credible, professional services

- Organizationally, the Office of Internal Auditing is structured to ensure its independence by reporting directly to the Audit Committee

- All internal audit staff take great care to avoid assignments or relationships that would compromise our independence and objectivity

- I pledge I will continue to remain independent and objective in my role as Executive Director

- I look forward to working with the committee this year

MINNESOTA STATE

Board of Trustees Meeting
Minnesota State
McCormick Room
Tuesday, October 15, 2019
2:15 PM

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

Convene and Call to Order, Jay Cowles, Chair

Chair's Report, Jay Cowles
- **Recognition of Trustee Dawn Erlandson**

Chancellor's Report, Devinder Malhotra

Consent Agenda
1. **Meeting Minutes and Notes:**
   a. **Board of Trustees Study Session, June 18, 2019**
   b. **Committee of the Whole, June 19, 2019**
   c. **Board of Trustees, June 19, 2019**
   d. **Joint Meeting, Board of Trustees and the Leadership Council, July 23, 2019**
   e. **Board of Trustees, September 17, 2018**
2. **Passageways OnBoard Portal Software**
3. **New Internal Audit Charter**
4. **Contracts Exceeding $1 Million:**
   a. **College Services and Library Renovation, Anoka-Ramsey Community College, Coon Rapids**
   b. **Lease Extension, Department of Employee and Economic Development (DEED), St. Cloud Technical & Community College**
   c. **Verizon Lease, St. Cloud State University**
   d. **Local Area Network (LAN) Refresh, Rochester Community and Technical College**
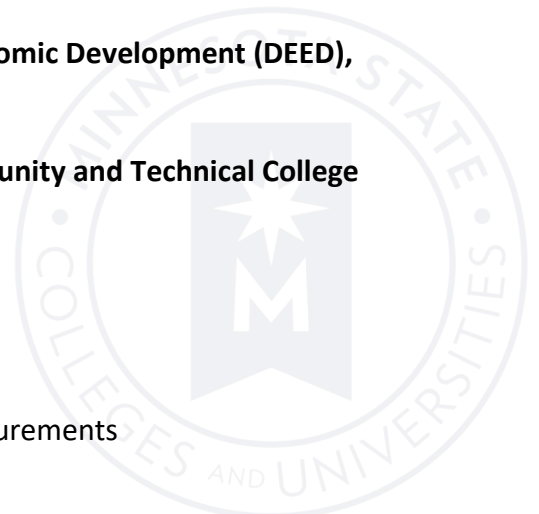
Board Standing Committee Reports
Facilities Committee, Jerry Janezich, Chair
- Report of the Facilities Committee

Finance Committee, Roger Moe, Chair
1. Proposed Amendment to Policy 5.14, Contracts and Procurements (First Reading)
2. Supplemental Budget Request

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Human Resources Committee, Michael Vekich, Chair
1. Report on FY19 Leadership Development Programs
2. Overview of Executive Search Process

Academic and Student Affairs Committee, Alex Cirillo, Chair
1. Academic and Student Affairs Work Plan
2. Transfer Pathways

Audit Committee, George Soule, Chair
• Roles and Responsibilities of the Audit Committee Members

Student Associations
1. Lead MN, Oballa, President
2. Students United, Ola Abimola, State Chair

Minnesota State Colleges and Universities Bargaining Units
1. American Federation of State, County, and Municipal Employees, Tom Torgerud, President, AFSCME Council 5
2. Inter Faculty Organization, Brent Jeffers, President
3. Middle Management Association, Gary Kloos, Executive Director
4. Minnesota Association of Professional Employees, Jerry Jeffries, Regional Director
5. Minnesota State College Faculty, Matt Williams, President
6. Minnesota State University Association of Administrative and Service Faculty, Tracy Rahim, President

Trustee Reports

Adjournment:

Bolded items indicate action is required
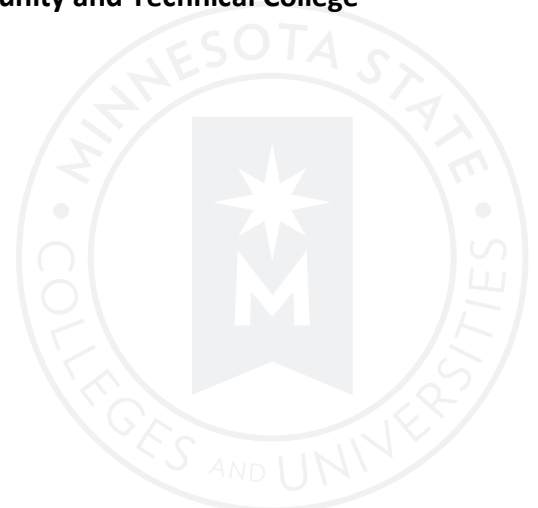
Board of Trustees Meeting
Minnesota State
McCormick Room
Tuesday, October 15, 2019
2:15 PM

Consent Agenda

1. **Meeting Minutes and Notes:**
   a. **Board of Trustees Study Session, June 18, 2019 (pp. 1-10)**
   b. **Committee of the Whole, June 19, 2019 (pp 11-15).**
   c. **Board of Trustees, June 19, 2019 (pp. 16-28)**
   d. **Joint Meeting, Board of Trustees and the Leadership Council, July 23, 2019 (to be distributed)**
   e. **Board of Trustees, September 17, 2018 (p. 29)**
2. **Passageways OnBoard Portal Software (pp. 30-32)**
3. **New Internal Audit Charter (pp. 8-23 of the Audit Committee's meeting materials)**
4. **Contracts Exceeding $1 Million:**
   a. **College Services and Library Renovation, Anoka-Ramsey Community College, Coon Rapids (pp. 5-13 of the Facilities Committee's meeting materials, and p. 16 of the Finance Committee's meeting materials)**
5. **Contracts Exceeding $1 Million (pp. 12-16 of the Finance Committee's meeting materials)**
   a. **Lease Extension, Department of Employee and Economic Development (DEED), St. Cloud Technical & Community College**
   b. **Verizon Lease, St. Cloud State University**
   c. **Local Area Network (LAN) Refresh, Rochester Community and Technical College**

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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, Louise Sundin, Cheryl Tefer, Samson Williams, and Chancellor Devinder Malhotra

Absent: Trustee George Soule

Call to Order
Chair Vekich called the study session on Reimagining Minnesota State to order at 8:05 am. He acknowledged Trustees Erlandson and Williams who were participating in the meeting by telephone.

Chair Vekich explained that the purpose of the study session is for the Board of Trustees to review and discuss the Report on Reimagining Minnesota State. The Board of Trustees initiated the process and is committed to working with the chancellor on Reimagining Minnesota State to make a difference in the lives of our students. Today's work is just the beginning.

Study Session: Reimagining Minnesota State
Chair Vekich thanked two members of the Forum Advisory Group who were present, Dr. MayKao Hang and Dr. Kenneth Holmen. He also acknowledged Presidents Ginny Arthur, Metropolitan State University, and Joe Mulford, Pine Technical & Community College.

Chair's Comments
I especially thank my fellow Board members for all of their work on behalf of Minnesota State students, and for their engagement in our Study Session today. There are three key points I would like to emphasize in these brief remarks:

The first is the importance of our discussions today. As several of you told me personally, and Lisa Foss and Terry MacTaggart heard in their interviews with you, positive change is the order of the day. To quote one Board member, "we all know the status quo is not sustainable, we must adapt to changing demographics, more intense competition, technological disruption and the evolving needs of the people of Minnesota."

The second is to emphasize that the Board itself needs to "own" the process of Reimagining Minnesota State going forward. Virtually all of you have said, in the words of one trustee, "the Reimagining Report is full of great ideas, now we must demonstrate the courage to work with our Chancellor to translate them into actions that make a difference in the lives of our students." If this Report becomes an "on the shelf" relic, we will have no one to

blame but ourselves. To quote the words of one of our faculty leaders, we would have been much better off if "we began a process like this ten years ago." Our time to move forward is NOW.

The third point is to underscore that today's work is just the beginning. The next steps in the process following what I trust will be your acceptance of the report is to challenge the Chancellor to work with stakeholders and come back to us at our September retreat with a plan for moving from recommendations to reality over a definite period of time.

As I learned at a recent Association of Governing Boards meeting, virtually every higher education system board in the country is rethinking their roles and how they do business. We are not alone in rethinking our work and roles in light of the changing world that surrounds us. But Reimagining Minnesota State is different and I think better than most others in at least three respects:

Where other systems look to rearranging their organizational charts, we focused on better performance while keeping the basic structure in place. Often the kind of restructuring that others pursue actually distracts from the real work which is putting students first. Where others focused on downsizing as the answer to today's dilemmas, we remain committed to using the power of a system to better serve all of Minnesota and its people, whether they live and work in large cities or small rural communities or locations in between.

Finally, our North Star has been better served with measurable results for our students. Students First is our mantra and the focus of Reimagining as Lisa Foss will underscore in a few minutes. As one trustee put it, we are intent on doing the good things our faculty and staff have always done, but "now on steroids." Our work today is to listen, discuss, ask questions, challenge and come to a deeper understanding of what Reimagining is all about and how we move forward.

After a few comments from our facilitator, Terry MacTaggart, and a quick review of the report from its author, Lisa Foss, you will have the opportunity to engage with leaders from our Advisory Group, representatives of the college and university presidents, and stakeholders from the faculty, staff, and students. Our conversation following commentary from Chancellor Malhotra will set the stage for the next steps in this process and the focus of our board retreat in September.

Outline of the Agenda for the Study Session
Dr. MacTaggart explained that there are two parts to the schedule. The first part is a high-level summary of the report. Then Dr. Holmen and Dr. Hang will present the summary findings of the Forum Advisory Group. Following that, Presidents Arthur and Mulford will present the presidents' views, and then faculty colleagues President Brent Jeffers, Inter Faculty Organization, and Matt Williams, Minnesota State College Faculty, will present their two and four-year faculty's perspective

During the second part, Chancellor Malhotra will share his vision for a reimagined Minnesota State and his early plans for working with the board and Minnesota State stakeholders in making this vision a reality. The board will be asked to accept the Report on Reimagining Minnesota State at the board meeting on Wednesday.

Throughout the morning, the board will be asked to reflect on three practical questions, and to discuss them with the chancellor during the second session:

1. In a few words, how should we describe the Reimagined Minnesota State to the people of Minnesota?
2. What barriers need to be acknowledged and overcome during the "next steps" in this process?
3. What are the Board's roles and responsibilities in supporting Minnesota State in achieving our transformational goals?

Dr. Lisa Foss, Report on Reimagining Minnesota State
Dr. Foss thanked the board and the chancellor for the opportunity to serve the system and the board in this capacity. The report is an attempt to capture and archive the collective learning and conversations that occurred over the course of the reimaging work. It is not a recommendation document; its purpose is a synthesis of ideas for the board, the chancellor, the system leadership, and the Minnesota State community to discuss and debate.

External Drivers of Change
The speakers at the forums provided a great deal of information on the changing nature of higher education and the external forces that are impacting our institutions and system. The report highlights five major themes that cut across all of the forum topics. Student demographics are changing, the traditional student population is declining in the Midwest, some estimates by as much as 10-15% in the next decade. The result is increasing competition for enrollments both from traditional colleges and non-traditional providers. The students that we serve will be more racially and ethnically diverse. A greater proportion will be from first-generation, and low-income households and increasingly our students will be post-traditional learners. Individuals who have needs and expectations and education aspirations that differ from traditional students.

The cost of higher education is impacting students' access and completion and their choices. Post-secondary institutions are serving students with more needs. This includes the recognition that as students balance educational and life demands, more wrap-around services are needed. Technology and its impact on higher education delivery was brought up in every forum. Technology is disrupting higher education as it is disrupting other industries across the globe. In the future, individuals will need education, training, and continuous professional development throughout their lifetime of careers.

Innovation Themes
The Forum Advisory Group also heard of emerging areas of innovation both from the speakers and our campuses. Institutions are leveraging the power of predictive analytics and technology-enabled student support to improve student retention and completion. There is a growing use of artificial intelligence, open educational resources to reduce costs, and virtual and augmented reality such as simulations. The availability of alternative credentials as stepping stones in degree completion involve partnerships within and outside higher education. Creating high-quality, engaging learning experiences that prepare students for a life-time of learning are critical. It includes the recognition that there is a need for core liberal education to enable students in communication, critical thinking, global competence, and team work as these skills will be even more important in the future as jobs and careers are impacted by technology. The Forum Advisory Group learned about strategic industry partnerships.

Student Ideas for the Future of Higher Education
Major themes that carried across all of the student feedback include: students see a future where education will be increasingly hands-on and engaging. They see more online offerings and in the future one student remarked that they may even be co-creators of their learning. Students believe that technology will be an even greater component of their education experience. Technology should augment their learning but not at the expense of relationships and connections with their faculty and each other at their institutions. Students see future institutions as much more diverse including faculty and staff. We will need to be more responsive to the needs of diverse students and be more responsive to the sense of belonging to students and employees. Students shared that there is an increasing need for more support for issues of student mental health, physical and learning disabilities, homelessness and financial insecurity. Our campuses in the future will need to provide holistic support to address these complex needs. Access will remain an important issue for students in the next decade.

Feedback on the Reimagining Minnesota State Emerging Themes Report
Feedback that was heard from the board and the Minnesota State Community on the Emerging Themes Report included responses from campus conversations and the survey. The themes were developed by aggregating similar ideas. Through the feedback, core values, or principles emerged. One is the need for a stronger public statement that higher education is a public good. Our job is to prepare students to realize their full potential as community members and citizens and not exclusively for workforce development.

The students believe that advancing diversity, equity and inclusion should be a central tenet to our reimagining effort. Students want us to deliver on our promise of educational access for all students regardless of the type of delivery or geographic location.

Recommendations from the Minnesota State Community
Recommendations from the Minnesota State Community included a desire for Minnesota State to be a stronger voice for the value of public higher education, and to communicate a more pluralistic view of Minnesota State. Other recommendations are to strike a balance between

autonomy and collective action, understand the specific needs of distinct student populations, and to improve what works before looking for new solutions.

Cultivate relationships with communities, industries and educational partners to attract and maintain a high-quality, engaged Minnesota State workforce, and in conclusion, to support the change process for the implementation of Reimagining Minnesota State

Chair Vekich thanked Dr. Foss and asked for any questions or comments. Several trustees thanked Dr. Foss for work.

Comments from Members of the Forum Advisory Group
Dr. MacTaggart called on Dr. Holmen and Dr. Hang for their comments.

Dr. Kenneth Holmen, president and CEO of CentraCare Health, thanked the board and the chancellor for their leadership. He also thanked the Forum Advisory Group for their outside perspective. Dr. Holmen commented that we are in a disruptive time/world. The primal question is "who do we serve"? Health care is going through a disruptive change. Physicians and nurses are doing different work than what they signed up for. People are threatened in this new world. The question is how do we focus on our primary work during the disruption of today? We know where the puck is and our goal is to figure out how to skate there.
We talked about the unifying culture that allows us to focus on our students. The why of change management informs the "how". After change management, leadership is critical. Leaders are accountable for not only determining where the puck is going but how to get there. After leadership and culture is the role of the board. The board's role is pivotal. Board members can resist, be neutral or supportive.

Dr. MayKao Hang, president and CEO of the Amherst H. Wilder Foundation noted that Wilder serves a similar population as Minnesota State. It is important to stay relevant and affordable. Globalization is a force in Minnesota. We need to make the case to all communities in Minnesota that education is a wonderful way to fight poverty. Students cannot learn if they don't feel like they belong or can compete. Students are struggling because they are fighting poverty while in school and they cannot compete. Most important, the point of intervention is at the point of delivery. Same thing for faculty, for everybody else. This is a system that was not designed for the kinds of students we are seeing today. Dr. Hang supported redesigning the system so it can be the powerhouse in Minnesota because more and more students are going to resemble her.

Questions/Answers and Discussion
Responding to a question on where to start, Dr. Hang suggested starting with a coalition of the willing, in every community with people from every group to form a diverse group. Everybody in this system should have an opportunity to participate. It should be resourced. There is an idea in here for the system office to be the aggregator and resource. Dr. Holmen added that there are known resisters of change. Find out who resists change and then have those in

leadership reach out to them. Focus on students as they are our North Star. Focus on the needs of the future. Be results-oriented with data that is used to measure progress.

Dr. Hang suggested that throughout Minnesota State everyone has to communicate what they are doing and they need to see themselves, students, janitors, all benefitting from it. Keep it simple. Two goals are enough. Identify for each constituent group and why you want them to sign on.

Dr. Holmen explained that when he discusses change management he never starts with money. He agrees that the system is underfunded. Dr. Hang added that the active work of leadership, the presidents, faculty, people in Minnesota State, is to know how to testify, tell good stories about student success, influence, organize competing public interest, and building trust.

Trustees commented that it was important to focus on getting some quick wins to maintain a momentum. A suggestion was made to update our vision, mission, and values, and to draft an elevator speech in the near future.

Dr. Hang commented that access to opportunity will improve the success of the students. Reimagining Minnesota State is not fixing the students, it is fixing the system so that students can be successful. Dr. Hang noted that the people in the system, in this room, have the ability to change.

Responding to a question about whether Minnesota State has the right people to create the culture to change and if we have the collective intelligence to do this, Dr. Holman replied that the organizational structure of the system was not in the Forum Advisory Group's scope. The principles of change management – form versus function – you change a structure to have a purpose. You will have an organizational change when you figure out the how and the why. The board can create a sense of urgency.

Comments from the Presidents
President Mulford commented that every day that he is at work, he works with students and that is his compass. We've been through big system reviews, resulting in discussions and with that comes reluctance and concerns. General take-away is that the presidents and campuses are concerned with what we are doing. Reimagining was on the Leadership Council's agenda almost every time we met. As information came out, we were asked to provide feedback in the shared governance format. We engaged entire campuses in roundtable discussions.

President Arthur commented that the presidents have appreciated that this is an effort that speaks to the civic and community work that we do for the state. Student success must be consciously paired with a focus on equity and inclusion. Some of our presidents have asked if we are bold enough, have thought enough about this. Let's be as bold as we can. Innovation does come from our campuses – whether it is the development of a Chatbot, Artificial Intelligence that can engage with students, new kinds of employer partnerships, or emphasis on

pedagogy. Presidents want to be conscious about appropriate balance while nurturing and highlighting what is unique. Resist one size fits all approach. Strong Minnesota brand can co-exist with a strong campus brand. Urge that we spend some time with clear definition of "systemness." How will initiatives be chosen and resourced? Emphasize that we have a tremendous advantage because we have dedicated employees in serving students. Set 1-3 goals to that focus on the highest value in the most impactful initiatives.

Responding to a question on what presidents say to students who inquire about Reimagining Minnesota State, President Mulford replied that he tells them it is an opportunity to set a vision and clarify priorities. Students are involved in our discussions on the campuses. President Arthur added that students are interested in what this means for them. She commented that she tells them it is about understanding the way that students learn best, to learn about best practices.

Replying to a question about what should be the number one goal, President Arthur responded by saying making students successful. President Mulford added that students deserve more thanks than keeping our doors open. We need to create vibrant institutions that serve students. Each college and university is unique and what works for one will not work for all of them. Presidents have been struggling with the definition of "systemness".

Responding to a question about what additional resources are needed to help in the broader sense, President Arthur replied that clarity on the roles and responsibilities and how much will be system-directed how will presidents be accountable for them. For example, NextGen will take time and energy on the campus. President Mulford replied that the board can be supportive of some tough decisions campus presidents will need to make going forward.

Comments from Faculty Leaders
Brent Jeffers, president, Inter Faculty Organization commented that he was thoroughly impressed with the board's critical thinking, thought process and dedication to this work. Faculty and employees are committed and invested in our students. The Open Letter is ambiguous and vague and basically says you can do whatever you want. The report is a collection of ideas. Believes in the value of "systemness". Report seems to say there is little value in smallness. The value of our system is whatever you need, Minnesota State can provide it. He encouraged the board and the chancellor to engage faculty, staff, administrators, and students as they go into the next step.

Matt Williams, president-elect, Minnesota State College Faculty, commented that change is what faculty do, they help students adapt to a changing world. They help them see the world in different and creative ways. He added that some faculty are not clear on what Reimagining will solve. There has been a forty year disinvestment in higher education. Is this is an endeavor to support the work that is done by faculty, or is this an endeavor to change what faculty do because we just can't support educators.

In reply to a question about what they think is the problem, President Jeffers replied that resources are the problem, we've been asked to do more with less. President-elect Williams concurred saying that faculty are doing more with less and are asked to do even more, while at the same time teaching has grown more complex.

Comments from Chancellor Malhotra

Chancellor Malhotra thanked the members of the Forum Advisory Group and members Dr. Hang and Dr. Holmen who testified today. The genesis of the Reimagining work goes back to conversations that he had with Chair Vekich in which they concluded on a series of convening sessions to help the board understand what we need to do to engage and empower our colleges and universities to position our future.

Chancellor Malhotra thanked Dr. MacTaggart, who brought a wealth of experience and knowledge of systems to the conversations, Dr. Foss for her conceptualization and synthesizing of the information, and Chief of Staff Simonsen and Board Secretary Chapin for their support of this year-long project. He also thanked his presidential colleagues, who engaged their campuses in a broad dialogue, President Brent Jeffers and President Matt Williams for their productive and informative conversations, and Students United and LeadMn for their tremendous feedback in helping us understand the student perspectives. He also thanked the broader Minnesota State community for their participation in the process.

Chancellor Malhotra noted that the process for Reimagining started with three questions. The first one is "What is the value proposition of a public higher education system?" If we are indeed a system then we need to figure out what we do collectively and what is best left at the institutional level. For example, enterprise shared services roadmap identifies what we can do collectively and what is best left to the individual colleges and universities. There are forces of change, disruptions and the question is in order to deal with it we need to articulate the value of Minnesota State and to leverage our "systemness".

Chancellor Malhotra described the four salient characteristics of a higher education system of tomorrow, as:
- equitable outcomes for all our students,
- personalized learning over the life cycle of an individual,
- integrated learning systems which are experiential, adaptable, transferrable, and
- attention to the relevance along with the academic rigor of our programs.

All of this work is predicated on one simple premise – as a system and part of the leadership team of a system, whose agency and advocacy, on whose behalf, is he working. Our advocacy and agency are for the student, across the system, no matter where they are enrolled today or where they are enrolled tomorrow. These are the characteristics of the emergent higher education system of tomorrow.

Chancellor Malhotra explained that we are already doing a lot of work but is it occurring fast enough, is there a need for augmentation of capacity? The phrase of doing more with less points out to barriers or institutional capacity. The way we are organized and interact, manage the flow of information, come to a shared understanding and responsibility to do the work which needs to be done may not require additional resources; rather, the ways in which we work may need to change. As faculty colleagues correctly pointed out, there have been disincentives in higher education. We are public institutions that are becoming increasingly more privatized. Chancellor Malhotra commented that out of this work the system can create capacity and eliminate barriers to adapt quickly to the forces of change so that we may preserve the publicness of our public institutions.

Chancellor Malhotra stated that the overarching goal is: **By 2030, Minnesota State will eliminate educational equity gaps at every Minnesota State College and University**. He challenged everyone to help meet this goal.

To enhance access and increase student success, we must:

- Increase student **retention, persistence, and graduation**
- Increase the percent of Minnesotans age 25 to 44 who have attained a **postsecondary certificate or degree** to 70 percent across all populations *(Minnesota's Educational Attainment Goal 2025)*
- Increase market share of **high school graduates** and the **transfer rate** from our two-year colleges to our universities
- Increase the number of **post-traditional (adult) learners**

Chancellor Malhotra summarized the next steps over the coming months as follows:

- Consultation and communicate with internal stakeholders around goals
- Refinement of 2030 goals and establishment of strategies and targets
- Inventory current work underway, maturity and scalability of effort, and identify opportunities
- Engage key external stakeholders to align efforts
- Provide a refined version for review and discussion with the board (September retreat)

Discussion
Trustees thanked the chancellor for his initial thoughts on the process saying that the simplicity and the focus on goals and metrics were the right approach. They noted that NextGen will help collect the necessary data to measure the goals. Trustees had several suggestions including:
- look at external investors;
- find ways to better engage students who have no voice;
- address the concerns that some people may not have been heard during this process;
- create a video with short snippets in a digestible format that people can rally around.

Adjournment

Chair Vekich reminded everyone that there will be a motion to accept the report at tomorrow's board meeting. He thanked everyone for their participation in the study session.

The study session adjourned at 11:25 am.

MINNESOTA STATE
BOARD OF TRUSTEES
COMMITTEE OF THE WHOLE
JUNE 19, 2019
11:50 a.m.
McCormick Room

Committee Members Present*: Vice Chair Jay Cowles, and Trustees AdbulRahmane Abdul-Aziz, Ashlyn Anderson, Bob Hoffman, Jerry Janezich, April Nishimura, Rudy Rodriguez, George Soule, Louise Sundin, Cheryl Tefer, and Dawn Erlandson*

Present by Telephone: *Trustee Samson Williams*

Absent*: Chair Michael Vekich, Trustees Roger Moe, and Alex Cirillo,*

Cabinet Members Present: *Chancellor Devinder Malhotra, Vice Chancellor Ramon Padilla, and Executive Director of Internal Auditing Eric Wion*

Guest: *Michael Cullen*

The Minnesota State Board of Trustees Committee of the Whole held its meeting on June 19, 2019, in the McCormick Room, 30 East 7th Street in St. Paul, MN.

Vice Chair Jay Cowles called the meeting to order at 11:50 a.m.

Vice Chair Cowles called the Committee of the Whole to order and clarified that the preliminary approval documents in the board packet are not needed. The NextGen budget item is a resolution that is included in the Finance Committee packet.

Executive Director of Internal Auditing Eric Wion and Mike Cullen from Baker Tilly presented the fourth NextGen project risk review. This information is being presented to the trustees to provide assurance, advice and insight to the board and to the NextGen Steering Committee. It is also being done to assure that the project is being managed well, and that risks are being adequately addressed.

Director Wion and Mr. Cullen presented the PowerPoint, sharing the current checkpoint conclusion. Mr. Cullen stated that the conclusion is that the project risks are being managed. 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. The NextGen project is well managed.

In the project governance and management area a new recommendation was identified and immediately addressed and completed by the project team during the .The strengths of the project include the process for which feedback was gathered on the RFP from the third-party consultant, legal counsel, and Internal Audit, which is in addition to the RFP review process of the project team. Project funding options were discussed and the specific funding plan has been determined based on state appropriations and current project plans.

Internal Audit participated in briefing the Office of Legislative Auditor (OLA) on the NextGen project risks, what Internal Audit is doing, and what the project team is doing to manage risk. OLA also provided information on their experience with large implementation projects to help make sure that best practices are being followed in this project.

One prior recommendation will remain open. It has to do with software configure issues in and around internal controls. This will be addressed during future implementation phases.

The new recommendation is around the loss of key project personnel that could impact various project risks. Two key roles have been identified, the project manager and the Chief Information Officer (CIO) in this stage of the project. Plans have been put in place to manage key personnel losses should this take place.

The next steps are to continue to work with the project team to implement recommended improvements, to serve as ex-officio member of Steering Committee and to execute and provide a report on Checkpoint 5 activities in FY20.

Vice Chair Cowles congratulated the project team members for resolving issues in an appropriate and timely manner and providing a clean platform for the next phase of the project.

Vice Chair Cowles inquired if there are any issues with obtaining information or access to key personnel that are impeding assessments. Mr. Cullen stated no. Director Wion stated that cooperation has been excellent. Yesterday at the Audit Committee meeting, participation in the NextGen steering committee was discussed. One of the benefits of having internal audit participate as an Ex Officio member of the committee is the full and complete access to all the information and materials as the committee members.

Trustee Hoffman asked Mr. Cullen to describe audits role. Mr. Cullen responded that audit has two roles: one is advisory, to provide advice and insight on leading best practices and the other is assurance that incudes reporting back to the board on the results of the independent audit that assures that the risks are being managed appropriately. Audit does not play a role in decision making.

Trustee Erlandson inquired if the steering committee has a part in interviewing the RFP of the vendor responses. Vice Chancellor Padilla responded that the steering committee participates in this process, but the vendor reviews is the responsibility of the fifty eight RFP committee members. This group is made up of subject matter experts who are responsible for representing the different domains. These will be evaluated by the individuals that are most impacted.

Trustee Erlandson inquired how will evaluation and interviews with fifty eight members be effective; is there a smaller group that will evaluate responses? Vice Chancellor Padilla responded that multiple scoring methods will be used to synthesize the RFP review response.

Trustee Erlandson inquired if the board will see the RFP. Vice Chancellor Padilla responded that the posting is a public document. It will be posted once the board approves the document.

Vice Chair Cowles stated that the board will be asked to approve the vendor following the negotiation of contract terms and conditions. The board will receive a full report on the results of the RFP and be considering a recommendation.

Trustee Erlandson urged that the final decisions makers have bottom line responsibility for budgets, enrollment and student success. Does state law mandate lowest cost provider? Consideration should be given to balance cost against the reimagining tools. Vice Chancellor Padilla responded that the NextGen Steering committee provides the governance, it includes the vice chancellor and two presidents. The steering committee will make a recommendation to the chancellor and then this will be brought up to the Board of Trustees. The RFP committee will looking at the functionality of the tool. Then in a separate process the cost of the tool will be evaluated.

Vice Chancellor Padilla stated that during yesterday's excellent reimagining discussion, one of the questions was "when does Minnesota State start reimagining?" The answer to that question is - three years ago when this board and Minnesota State asked out loud if it was time to replace the existing student and administrative systems. Since that time, this board and hundreds of others within the system have not only affirmed the collective decision to move forward, but also began the hard work to prepare ourselves for today.

Minnesota State did not get to today by accident. With purposeful determination, the hard questions were asked, the business case was built, multiple rounds of systemwide consultation were completed, funding was sought, governance processes built, policy and procedures were created, and hundreds of subject matter experts came together to examine Minnesota State's business processes end to end in order to prepare for the future.

Today marks one of the last milestones in Phase I of NextGen, the authorization to release the request for proposal for the Next Generation ERP.

Vice Chancellor Padilla provided a review of the events that have transpired since last month's NextGen update and first reading of the motion.

Vice Chancellor King directed the trustees to refer to page three of the board packet. The Next Gen project is currently completing the first phase, where the Board of Trustees will be asked to endorse the release of the finance plan and the issuance of the RFP. With this approval the project will then move into Phase 2 (Implementation). This phase begins implementation planning and selected vendor.

The motion asked the Board of Trustees to approve the project plan and finance plan as outlined in this report. The chancellor or the chancellor's designee are authorized to issue the RFPs as described in the summary report. The board will be asked to approve final vendor selection prior to negotiation of contract terms and conditions. The chancellor will establish a

regular project status reporting program with the Board after consultation with the chair of the Board and the chair of Finance committee.

It is important to call out that all of this is dependent on the results of the RFP, and as such subject to change. The numbers will be addressed once the RFP is finalized. The project plan includes both internal and external requirements, the detail is listed in the report under the yearly commitments.

The 2020 plan includes internal contributions as discussed on several occasions. The finance plan design goals and financing options were reviewed and endorsed by the Leadership Council. Vice Chancellor King also spent time discussing the expected need for internal cash flow loans. An internal cash flow loan is required under all current assumed state funding levels to support annual spending rates that exceed annual assumed revenues. It is expected that internal agreements will be negotiated providing the loan of campus fund balances to the project, to be repaid with interest from future project revenues. Contingencies have been built into the project finance plan. It is understood that the total project cost may be revised when the RFPs are completed.

The request for approval of the final vendor selection will take place the first quarter of the next calendar year. This is a milestone moment for the board. Vice Chancellor King expressed appreciation for the tremendous campus participation. These campus subject matter experts provided Minnesota State with the expertise needed to move forward.

Vice Chair Cowles stated that negotiations are expected to take place in the first quarter of 2020. Should board expect the results to come back to the board before the negotiations begin? Vice Chancellor Padilla stated that this would come back to the board during the first quarter of calendar 2020.

Vice Chair Cowles inquired if Director Wion's staff and the outside advisors are participating in the evaluation process, in a manner that is consistent with past evaluations. Director Wion affirmed that the auditors will conduct observations while remaining neutral to decision making. Mr. Cullen stated that as the team that is scoring the RFP is working, the audit team will be working on the next checkpoint report. The team has already been looking at the rubrics that will be used to confirm that they align with the needs and the goals of the project. Audit will be observing how this is executed and reporting to the board.

Chair Cowles stated that this is not only important to the board as a fiduciary responsibility but is an opportunity to learn from a process that is important as a role model for a project that Minnesota State will live with for a long time. To Trustee Erlandson's point it is important this project reflects and respects the needs of the system and campuses going forward.

Trustee Hoffman motioned to approve the motion as written and another member seconded the motion.

Trustee Nishimura requested that the RFP team verify what the vendor claims they can do and to not only ask for the references but talk to them. The board will be trusting the team to do rigorous checks. Vice Chancellor Padilla stated that both verification and reaching out to others that have used the product are built into the evaluation process.

Trustee Erlandson thanked the team for the hard work.

Vice Chancellor Padilla thank the hundreds of people who participated in the process and blessings to the 50 plus people who will be going through the review process. This will be a tremendous amount of work.

Vice Chair Cowles called the question and the following motion was approved.

The Board of Trustees approves the project plan and finance plan as outlined in the report. The chancellor or the chancellor's designee are authorized to issue the RFP's as described above. The board will be asked to approve the final vendor selection prior to negotiation of contract terms and conditions. The chancellor will establish a regular project status reporting program with the board after consultation with the chair of the board and the chair of the Finance Committee.

Vice Chair Cowles adjourned the meeting at 12:15 pm.

Minnesota State Colleges and Universities
Board of Trustees
St. Paul, MN
June 19, 2019

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

Absent: Chair Michael Vekich and Trustee George Soule

Call to Order
Vice Chair Cowles called the meeting to order at 1:45 pm. He acknowledged Trustee Williams who was participating in the meeting by telephone.

Chancellor's Report, Devinder Malhotra
Vice Chair Cowles, and members of the board, let me first begin by expressing my deep gratitude for your engagement during yesterday's Reimagining Minnesota State study session. The dialogue that we had yesterday got me into a learning mode as if I was back in the classroom. Some of my colleagues remarked that as I shared yesterday with everyone my next steps, it seemed I got into a "professor" mode. Indeed, I was very energized by our discussions and very appreciative of the perspectives that were shared. Lest anybody thought that I will let the Reimagining work gather dust somewhere, I want to repeat the goal I suggested yesterday:

By 2030, Minnesota State will eliminate the educational equity gaps at every Minnesota State college and university.

It is indeed not an easy task but if our agency is for all of our students regardless of where they are enrolled, then this is truly the right goal to focus on. This objective brings clarity and focus to our work. As we learned yesterday in the subsequent committee presentations, there is great work going on at our colleges and universities. But if we are truly to live into the vision of the higher education system of tomorrow, we must learn how to increase our capacity and capabilities across our colleges and universities and position the system office to provide the necessary support to all of our colleges and universities.

We can't do this work without engaging and empowering all our faculty and staff across the system. I want to thank the board for their optimism and counsel. If we are to meet this goal, we will need not only the coalition of the willing but also will need the unwilling to be active participants in our discussions and our next steps.

I am fully cognizant that removing the barriers for the success of our students and closing the educational equity gaps will require strong partnerships with K-12, state agencies, the Governor's Office, legislators, and businesses and philanthropic organizations. If we could have, in isolation, removed the barriers that sustain equity gaps, it would have been accomplished by now. Instead, it will require a sustained and concerted effort with the operational and student support structures of our colleges and universities and those of the broader community, and executive and the legislative branches of the government.

We will spend the next few months:

- In consultation and communication with internal stakeholders around this overarching goal and its implications,
- Refine the 2030 goals and identify the targets and metrics,
- Conduct an inventory of current work underway, assess their maturity and scalability of effort, and identify other opportunities, and
- Engage key external stakeholders to align our efforts with them.

We intend to present the refined version for review and discussion at the board's fall retreat.

Workforce Media Tour
Yesterday, Trustee Erlandson commented on the need to increase the awareness of the cost of a college or university degree within Minnesota State. The board also heard about the impact of the Workforce Development Scholarship program by President Mulford and the difference these scholarships are making for students across our state and for widening a bit the doors of hope and opportunity. So, against my better judgement, I'm getting in the car with Bernie once again for a four-day tour of the state, making close to 20 stops. This time it is to do exactly as Trustee Erlandson suggested…to get out there and share the value proposition of Minnesota State and the opportunities, like the Workforce Development Scholarships and the challenges our students face each and every day.

This tour will come directly after Minnesota State Week which kicks off June 24th. This has been a collaborative effort between our marketing and communications departments and admissions teams to promote the opportunities across our 54 campuses through on-campus events, social media and earned media.

Each one of our colleges will have 18 - $2500 scholarships to award to students beginning this fall. I am thankful to the college presidents and their foundation and admissions teams for the work they will engage in over the next two months in this regard. I look forward to providing an update to the board on these efforts later this fall.

Argosy Students
In addition to the great efforts we learned about yesterday happening on our campuses, I wanted to share the good work being done to help students affected by the closing of

for-profit Argosy University. My deep gratitude and appreciation to President Millender and Interim President Berndt who along with the faculty and staff at Century College, Dakota County Technical College, and Inver Hills Community College have welcomed these students into their institutions. A few weeks ago, Century College welcomed 35 Argosy seniors into their Dental Hygiene program which included getting special approval from the Commission on Dental Accreditation. These students will be able to complete their program by August.

At Dakota County Technical College, they helped seven Argosy students complete their programs and they even participated in their May graduation. Thirty-seven students have enrolled at Dakota County Technical College with 34 of those students have enrolled in a special summer cohort of their Veterinary Technician program. An additional eight students are enrolled at Inver Hills Community College. Many thanks to Commissioner Olson, Chairs Bernardy and Anderson, and the higher education committees for their partnership in helping us to meet the needs of these students.

Service to Minnesota State
As I reflected on my Reimagining comments I must admit I had a range of emotions. Last month we celebrated the accomplishments and transitions of our 39,000 graduates. Today, we celebrate a different kind of transition. I have great anticipation for the coming year with many new leaders stepping forward. Yet, I am torn in watching some of our colleagues moving on to new phases in their life and professional journeys, and I am hopeful some will take my advice and fail in this overrated phenomenon referred to as retirement. I am sincerely grateful for the leadership and contributions of Presidents Dastmozd, Gores, McDonald, and Urban. They have not only been colleagues of mine but also dear friends.

I am in awe of the long standing leadership of President Johns' and Vice Chancellor King who have served as pillars of our system and together have guided students, faculty, and staff of Minnesota State for over **60 years**. At the same time, I am excited about the new colleagues that will be joining us, including three new permanent presidents and the three new interim presidents that I have recommended today who have over 55 years of campus leadership experience within Minnesota State.

I was reminded the other day that the work we do is a calling. We take on the challenges and address the forces of change because we believe in the power and difference public higher education can make for Minnesotans across the state. I want to thank all our leaders for answering the call and I look forward to the work ahead with you.

Vice Chair Cowles, that concludes my remarks.

Vice Chair's Report, Jay Cowles
- **Report on Reimagining Minnesota State**
Trustee Cirillo reported that the Board of Trustees met in a study session yesterday morning on the Report on Reimagining Minnesota State. The board thanked the members of the Forum Advisory Group, the colleges and universities that hosted the five forums, and all of the

stakeholders who participated and provided feedback. The board also thanked Dr. Lisa Foss and Dr. Terry MacTaggart for their leadership.

Trustee Cirillo made the following motion that was seconded by Trustee Moe and carried.
The Board of Trustees accepts the Report on Reimagining Minnesota State and charges the chancellor with developing a plan for the next steps for review and discussion with the board at the September retreat.

- **Recognition of Vice Chancellor Laura M. King**

Vice Chair Cowles said it is his honor to acknowledge Vice Chancellor Laura King's retirement. He personally worked with her as chair of the Finance Committee. Chancellor Malhotra added that he worked with Vice Chancellor King when he was a provost, a president, and now as a chancellor. She is fearlessly passionate about the vision and mission of the students we serve. Chancellor Malhotra read a letter from former Chancellor Jim McCormick acknowledging Vice Chancellor King's service.

Vice Chair Cowles invited Vice Chancellor King to the presenter's table, and he read the following resolution.

WHEREAS, Laura M. King has served Minnesota State from 1996-2019 as the Vice Chancellor and Chief Finance Officer; and

WHEREAS, Laura M. King has provided counsel and advice to five chancellors, ten Board of Trustees chairs and numerous presidents and system and campus leaders; and

WHEREAS, Laura M. King has served as Minnesota State's lead testifier during 23 legislative sessions advocating and promoting access to an affordable, extraordinary higher education for all Minnesotans; and

WHEREAS, while at Minnesota State nearly $2 billion in capital investment provided through 16 bonding bills has been carefully delivered and executed to maintain, renovate, replace, and construct college and university academic buildings demonstrating sound stewardship and bettering the teaching and learning environments at Minnesota State's 54 campuses; and

WHEREAS, Laura M. King previously served as the Commissioner of Finance for the State of Minnesota from 1994 to 1996 and served prior to that as the assistant commissioner and state budget director from 1991 to 1994; and

WHEREAS, during Laura M. King's tenure as commissioner, the state was rated the fourth-best financially managed state in the country and received an upgrade in its bond rating to Aaa from Moody's Investor Services. Minnesota became the first state upgraded to Aaa by Moody's in 22 years; and

WHEREAS, Laura M. King served as the assistant to the finance officer for the city of Minneapolis from 1988 to 1991 and held various finance and management positions in the Minneapolis City Coordinator's office from 1979 to 1988

WHEREAS, Laura M. King has been an active contributor to civic and philanthropic organizations, including her service to Catholic Charities and Catholic Finance Corporation for the past 16 years of which she served as chair for 11 years; and

WHEREAS, Laura M. King as a daughter, sister, aunt and friend, has supported, guided and mentored with laughter, kindness, and generosity.

NOW THEREFORE, BE IT RESOLVED THAT THE MINNESOTA STATE BOARD OF TRUSTEES AND CHANCELLOR MALHOTRA on this day, June 19, 2019, pay tribute to Vice Chancellor Laura M. King, whose leadership and service will benefit generations of Minnesotans to come.

Vice Chancellor King thanked the Board of Trustees and Chancellor Malhotra for their kind words. She is reminded that the work we do supports what happens in the classrooms and on the campuses each and every day.

Consent Agenda
1. **Minutes of Nominating Committee, May 17, 2019**
2. **Minutes of Board Meeting, May 22, 2019**
3. **Revised FY2020 and Proposed FY2021 Board Meeting Dates (Second Reading)**
4. **Approval of Mission Statement: Northwest Technical College**
5. **Students United Fee Renewal (Second Reading)**
6. **FY2020 Annual Operating Budget (Second Reading)**
7. **FY2020 Capital Program Recommendations (Second Reading)**
8. **Revenue Fund Current Refunding Bond Sale (Second Reading)**
9. **NextGen Phase 2, Including Finance Plan**
10. **Approval of FY2020 Internal Audit/Project Plan**
11. **Contracts Exceeding $1 Million**
    a. **Annual Baker Tilly Contract Amendment**
    b. **Guaranteed Energy Savings Program, Hennepin Technical College, Brooklyn Park and Eden Prairie**
    c. **Admissions Recruitment Software Contract, Minnesota State University, Mankato**
    d. **Library Information Software and Services (PALS)**

Trustee Abdul-Aziz requested removal of Item Number 6 – FY2020 Annual Operating Budget from the Consent Agenda. Chair Cowles said the item will be removed and taken up during the report of the Finance Committee.

Following a motion by Trustee Erlandson and a second by Trustee Hoffman, the Consent Agenda minus item number 6 was adopted.

Board Policy Decisions (Second Readings)
Vice Chair Cowles explained that the Academic and Student Affairs Committee approved the proposed amendments to the policies listed below and refers them to the board for its approval.

Proposed Amendments to Policies:
  a. **2.3 Student Involvement in Decision-Making**
  b. **3.36 Academic Programs**
  c. **3.8 Students Complaints and Grievances**

Trustee Cirillo moved approval of the proposed amendment to the policies. The motion was seconded by Trustee Anderson and carried.

Board Standing Committee Reports
Human Resources Committee, Jay Cowles, Chair

1. **Appointment of Interim President of Saint Paul College**
   Committee Chair Cowles reported that the Human Resources Committee received Chancellor Malhotra's recommendation of an Interim President of Saint Paul College. Chancellor Malhotra recommended Dr. Deidra Peaslee, currently the Vice President of Academic and Student Affairs at Anoka-Ramsey Community College.

   Committee Chair Cowles read the following motion:
   The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Dr. Deidra Peaslee as the Interim President of Saint Paul College effective July 1, 2019, subject to the completion of an employment agreement. The board authorizes the chancellor, in consultation with the chair of the board and chair of the human resources committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.

   The motion carried unanimously.

   Dr. Peaslee thanked the Board of Trustees, Chancellor Malhotra, her colleagues at Anoka-Ramsey Community College, President Dastmozd and President Hanson and her family for their support.

2. **Appointment of Interim President of Northeast Higher Education District**
   Committee Chair Cowles reported that the Human Resources Committee received Chancellor Malhotra's recommendation of an Interim President of Northeast Higher Education District. Chancellor Malhotra recommended Dr. Michael Raich, currently the Provost of Hibbing Community College.

   Committee Chair Cowles read the following motion:
   The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Dr.

Michael Raich as the Interim President of Northeast Higher Education District effective July 1, 2019, up to a term of two years and subject to the completion of an employment agreement. The board authorizes the chancellor, in consultation with the chair of the board and chair of the human resources committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.

The motion carried unanimously.

Dr. Raich thanked the Board of Trustees and Chancellor Malhotra for the opportunity. He also thanked President Bill Maki for his leadership, along with thanks to his wife and daughters for their support. He thanked his colleagues across the Northeast Higher Education District in advance and looks forward to working with them.

3. **Appointment of Interim President of North Hennepin Community College**
Committee Chair Cowles reported that the Human Resources Committee received Chancellor Malhotra's recommendation of an Interim President of North Hennepin Community College. Chancellor Malhotra recommended Jeffery Williamson, currently the Provost/Chief Academic and Student Affairs Officer at Minnesota West Community and Technical College.

Committee Chair Cowles read the following motion:
The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Dr. Jeffery Williamson as the Interim President of North Hennepin Community College effective August 5, 2019, subject to the completion of an employment agreement. The board authorizes the chancellor, in consultation with the chair of the board and chair of the human resources committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.

The motion carried unanimously.

Dr. Williamson thanked the Board of Trustees and Chancellor Malhotra for the opportunity. He also thanked his wife who was with him today. He recognized Dr. Terry Gaalswyk for his leadership as president of Minnesota West Community & Technical College.

Audit Committee, April Nishimura, Vice Chair
1. Compliance Practices Assessment Advisory Project Report
Committee Vice Chair Nishimura commented that the report was in partner with six of our institutions to review how they comply with external laws related to higher education in a host of different categories. The importance of this work is to mitigate risk and to preserve the integrity of our institutions and system. No negative infractions were identified to the credit of the staff at the institutions and the system.

2. Enrollment Forecasting Advisory Project Report
Committee Vice Chair Nishimura recognized Senior Vice Chancellor Ron Anderson and Executive Director Eric Wion for thinking outside the box as this report looked at how we are measuring enrollment forecasting at the institutional level. The committee learned that institutions are using different methodologies to forecast enrollment. The committee also wondered about the reliability of the forecasting models. Going forward the committee suggested looking at ways to build a better framework for the system. All of this falls in line with Reimagining.

Diversity, Equity, and Inclusion Committee and Joint Human Resources and Diversity, Equity, and Inclusion Committees Rudy Rodriguez, Chair
1. Campus Climate Update
2. Minnesota State Faculty and Staff Diversity: Current Demographics and Strategies
Committee Chair Rodriguez commented that these two reports highlighted efforts to increase diversity and inclusion across the system. The campus climate assessment was a pilot that provided good information. The development of a tool kit and updating our systemwide strategy are the next steps. Another next step is to continue to break down the data and look at the different demographics to see how different populations are performing.

Committee Chair Rodriguez commented that the topic for the joint meeting provided a perspective on demographic data on gender, race, and ethnicity of faculty and staff. He added that he was pleased to learn of the efforts underway to recruit, retain, and develop more diverse faculty and staff, including women, people of color, Native American, people with disabilities, veterans, and others. A recommendation was for consideration of a score card or goals or metrics on a systemwide level.

Outreach and Engagement Committee, Dawn Erlandson, Chair
1. Strategic Recruitment of High School Graduates: Normandale Community College and Minnesota State University, Mankato
Committee Chair Erlandson commented that the committee heard about Normandale Community College's and Minnesota State University, Mankato's recruitment of high school students. Normandale has a number of innovative partnerships both for recruiting seniors, PSEO students and gifted students in the Bloomington schools. MSU, Mankato shared that the four-year landscape is competitive. The university is working hard to recruit students from within Minnesota and outside the state.

2. Engagement with Philanthropic Partners: Pine Technical and Community College and SPIRE Credit Union and Riverland Community College and The Hormel Foundation
Committee Chair Erlandson reported that the Hormel Foundation in Austin, Minnesota has been incredibly generous to Riverland Community College. President Adenuga Atewologun spoke of the importance of the CRM tool for recruitment and retention of students. President Joe Mulford of Pine Technical and Community College has worked hard to

leverage the state's Workforce Development Scholarships. He has attracted other donors in the region and partnered with local high schools.

Academic and Student Affairs Committee, Alex Cirillo, Chair

- Guided Learning Pathways- Part II: Transfer Pathways and Credit for Prior Learning
  Committee Chair Cirillo reported that the highlight was on credit for prior learning which is competency developed outside of the traditional classroom. The big ideas are: learning is everywhere, students and prospective students have developed college-level learning and competence outside of our institutions, and that Minnesota State faculty can and may assess and validate such learning for college-level credit. A virtual hub has been created for advising students and referring for assessment. A system web-based platform has been built for information, advising, and processing. It matches students to the most appropriate assessment strategy. The platform has a bank of expert faculty across the system and developed a community of peer support, specialist contacts, and resource sharing. The big take-away is that once you are assessed in the system it will carry to all of our colleges and universities.

Facilities Committee, Jerry Janezich, Chair

- Report of the Committee
  Committee Chair Janezich commented that the committee heard several items that were placed on the Consent Agenda. On the FY2020 Capital Program, the committee increased the HEAPR amount to $150 million. It was $130 million. On the Revenue Fund, we are stable on the S&P Global Ratings and Moody's Investor Service. The committee had a discussion on FY2022 because there are some big projects on the table.

  Committee Chair Janezich also acknowledged that Heidi Myers, system director, design and construction, also retired.

Finance Committee, Roger Moe, Chair

1. Report of the Committee
   Committee Chair Moe thanked Vice Chancellor King and her team for assisting and providing us with all of the information we needed for the items on the committee's agenda. The committee approved and referred several items to the board for approval and they were approved earlier on the Consent Agenda: contracts exceeding $1 Million for a Guaranteed Energy Savings Program, Hennepin Technical College, Brooklyn Park and Eden Prairie; Admissions Recruitment Software Contract at Minnesota State University, Mankato, and Library Information Software and Services (PALS). Also approved were the Students United Fee Renewal, the FY2020 Capital Program Recommendations, and the Revenue Fund Current Refunding Bond Sale.

2. **FY2020 Annual Operating Budget (Second Reading)**
   Vice Chair Cowles forwarded the recommended motion on pages 13-14 of the handout that was distributed at the Finance Committee meeting, as follows:
   The Board of Trustees:

- Adopt the annual total all funds operating budget for fiscal year 2020 as shown in Table 5.
- Approve the proposed tuition structure recommendations and differential tuition rationale for fiscal year 2020 as detailed in Attachments 1A through 1G.
- Tuition rates are effective summer term or fall term 2019 at the discretion of the president. The chancellor or designee is authorized to approve any required technical adjustments, and is requested to incorporate any approvals at the time fiscal year 2021 tuition recommendations are presented to the Board of Trustees.
- Continue the policy of market-driven tuition for closed enrollment courses, customized training, and non-credit instruction, continuing education, and contract postsecondary enrollment option programs.
- Approve the Revenue Fund and related fiscal year 2020 fees for room and board, student union, wellness and recreation facilities, and parking ramps/surface lots as detailed in Attachments 2A through 2E, including any housing fees that the campuses may charge for occupancy outside the academic year.
- Authorize the chancellor or designee to enter into an agreement with the Learning Network of Minnesota to provide the funding appropriated to the organization in Minnesota Laws 2019, Chapter 64, Article 1, Section 3, Subdivision 4, in the amount of $4,115,000.

Trustee Anderson proposed an amendment to the motion as follows:
- Decrease the tuition from 3% to 1.5 % with the stipulation that no tuition dollars go to fund NextGen.
- The board have a broader conversation on what Trustee Cirillo mentioned earlier during the Finance Committee meeting on the value/ price sensitivity of enrollment, and
- In the future, the board look at alternative funding options for tuition.

Trustee Cirillo commented that lower tuition does not increase enrollment. Tuition was not raised for several years and enrollment did not increase. Chair Cowles called on Vice Chancellor King to describe some research that was previously done on this topic. Vice Chancellor King reported that the system did an extensive study about four years ago on price sensitivity that sought to answer the question on what impacts enrollment. The findings at that time were that enrollment was substantially predicted by the unemployment rate, whether or not there was growth in household income, and the size of the population in the 18-24 year age quartile. She added that as tuition has stayed steady, enrollments have gone down. We have not asked the question – what does price do to enrollment?

Committee Chair Moe recommended dividing the amendment to take up the recommendation on tuition from the study. He added that he also recommended adding approval of the additional studies at some time.

Vice Chair Cowles outlined Trustee Anderson's proposed amendment as follows:

The tuition increase be capped at 1.5 % and none of the increased tuition dollars may be allocated towards the NextGen project. Trustee Abdul-Aziz seconded the amendment.

Committee Chair Moe divided the motion so that the amendment to the board for additional studies on how tuition impacts enrollment be taken up first. He seconded the proposed amendment.

Trustees expressed concerns regarding the cost of an original study and scope of study.

Trustee Abdul-Aziz noted that a study with definitive results will have a positive impact on our students and campuses.

Chancellor Malhotra commented that there was a presentation yesterday on the strategic enrollment framework that includes a study on predicting enrollment. A study is already underway. Senior Vice Chancellor Anderson commented that staff will prepare a study.

The board voted on the following proposed amendment:

Vice Chair Cowles repeated the amendment on the study. The study carried eight in favor (Anderson, Abdul-Aziz, Cirillo, Hoffman, Janezich, Moe, Williams and Cowles) and four opposed (Trustees Erlandson, Nishimura, Rodriguez, and Tefer).

Committee Chair Moe commented that he is opposed to the second half of the amendment reducing tuition to 1.5%. He continued that the student trustees expressed their opposition to the tuition increase in a respectful manner, as did the representatives of the student associations who were also opposed to the tuition increase. The 3% increase for the colleges amounts to a $144 increase, which is $12 a month. Over 35,000 of our students receive state grants. The impact of a 3% increase to them amounts to a reduction of tuition of $46. For the universities it amounts to $231 or $19.25 a month of which one-fourth of them are Minnesota grant eligible and their increase on an average will be $6. For the last seven years, the colleges have not had an increase. For the universities, they have not had an increase the last four out of seven years. The 3% tuition increase is necessary for equity and diversity, bringing the NextGen technology that will benefit students and everybody else, to meet the chancellor's challenge on reimagining the system.

Trustee Anderson commented that she is not Pell eligible and she pays tuition out of her pocket. The increase will make a difference to her. Trustee Abdul-Aziz commented that he has heard a lot of numbers today, but the students have to live with the decision made today. A tuition increase has an effect on students. If we want to be innovative and imaginative for students we need to take another look. Trustee Williams commented on the impact of the tuition increase for him. He does not receive grants nor scholarships and there are many students like him. He implored the trustees to listen to the students' arguments in favor of reducing tuition.

Trustee Janezich spoke in favor of the 3% tuition increase, adding that the campuses begin a consultation process on the budgets that results in the tuition recommendation.

Trustee Anderson's amendment was for the tuition increase to be reduced from 3% to 1.5%. The amendment had been seconded earlier. Vice Chair Cowles called the question.
The motion failed on a vote of three in favor (Abdul-Aziz, Anderson, and Samson) and ten opposed (Cirillo, Erlandson, Hoffman, Janezich, Moe, Nishimura, Rodriguez, Sundin, Tefer, and Cowles)

Trustee Anderson moved the amendment that no dollars from the tuition increase in the FY2020 budget will be applied to NextGen was put on the table. The amendment was seconded by Trustee Abdul-Aziz. Vice Chair Cowles called the question.
The motion failed on a vote of three in favor (Abdul-Aziz, Anderson, and Samson), nine opposed (Cirillo, Hoffman, Janezich, Moe, Nishimura, Rodriguez, Sundin, Tefer, and Cowles) and one abstention (Erlandson).

Committee Chair Moe moved the original motion as presented in the materials along with the amendment that was approved authorizing staff to research existing analysis on the price-elasticity of tuition on enrollment.
The motion carried by a vote of ten in favor (Cirillo, Erlandson, Hoffman, Janezich, Moe, Nishimura, Rodriguez, Sundin, Tefer, and Cowles) and three opposed (Abdul-Aziz, Anderson, and Williams).

Committee of the Whole, Jay Cowles, Vice Chair
1. NextGen Project Risk Review #4
   Vice Chair Cowles reported that the Committee of the Whole reviewed and adopted the finance plan that was approved on the Consent Agenda. The committee also approved the release of the RFP. A group of 58 representatives (students, faculty, and staff) from the colleges and universities are involved in the evaluation of the proposals. The recommendations will be presented for approval early in 2020.

Student Associations
President Frankie Becerra, LeadMN addressed the Board of Trustees.
State Chair Kayla Shelley, Students United, addressed the Board of Trustees.

Minnesota State Colleges and Universities Bargaining Units
President-elect Matt Williams, Minnesota State College Faculty, addressed the Board of Trustees.

Election of Officers
Trustee Erlandson reported that she will preside over the election of officers. She asked Trustee Rodriguez to give the report of the Nominating Committee.

Nominating Committee's Recommendation of Chair and Vice Chair
Trustee Rodriguez reported that the Nominating Committee's members are George Soule, Cheryl Tefer and himself. The committee meet on May 17, 2019, and discussed the two candidates who had submitted their names for officer positions.

The Nominating Committee sent its recommendations of Jay Cowles as chair and Roger Moe as vice chair to the Board of Trustees on May 21, 2019.

Election of Chair
Trustee Rodriguez put forward the motion that the Board of Trustees approve the recommendation to elect Jay Cowles as chair of the Board of Trustees. A motion from a committee does not need a second.

Trustee Erlandson called the question and the motion carried.

Election of Vice Chair
Trustee Rodriguez forwarded the motion that the Board of Trustees approve the recommendation to elect Roger Moe as vice chair of the Board of Trustees.
Chair-elect Cowles called the question and the motion carried.

Adjournment
Chancellor Malhotra congratulated Chair-elect Cowles and Vice Chair-elect Moe adding that he looks forward to working with them.

Trustee Rodriguez acknowledged Chair Vekich for his leadership.

Chair-elect Cowles thanked everyone. He announced that the next meeting is a joint meeting with the Leadership Council on July 23-24, 2019 at Hibbing Community College.

There being no further business, the meeting adjourned at 3:52 pm.

Board of Trustees
Meeting Minutes
Viking Room – Maddens Inn on Gull Lake
11266 Pine Beach Peninsula, Brainerd, MN
September 17, 2019

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

Absent: Trustees Michael Vekich and AbdulRahmane Abdul-Aziz

Call to Order
Board Chair Jay Cowles called the meeting to order at 11:15 am. He called on Vice Chancellor for Human Resources, Eric Davis for an overview of the proposed amendment to Policy 4.2 Appointment of Presidents.

Vice Chancellor Davis commented that the proposed amendments allow interim presidents to be considered as candidates in the search process, and clarifies that the campus student association nominate the student representative(s) to the search committee.

The policy was reviewed as part of the five -year cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review. The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and public comment and all feedback received was largely supportive. The proposed amendment received support from the presidents, employee representative groups, student associations, and campus leadership groups. The first reading was presented to the Board of Trustees at the June 2019 meeting. No new comments were received since that first reading. Vice Chancellor Davis then asked the Board to consider the amendment.

Proposed Amendment to Board Policy 4.2, Appointment of Presidents
Chair Cowles asked for discussion; there was none.

Following a motion by Trustee Tefer and a second by Trustee Cirillo, the following motion was adopted:

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

The meeting adjourned at 11:30 am

Recorder: Tamara Mansun

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
PASSAGEWAYS ONBOARD BOARD PORTAL SOFTWARE

1   **BACKGROUND**
2   There has been an interest in a board portal to improve communications and organize meeting
3   materials for the trustees for many years. Over the past several months, Associate Vice
4   Chancellor of Information Technology Services Ross Berndt, IT staff, and board staff researched
5   and compared four products. A recommendation to purchase Passageways OnBoard Software
6   was presented to the Executive Committee on October 2, 2019. The recommendation was
7   approved and forwarded to the full board for approval at the October meeting.
8
9   Passageways OnBoard was recommended for several reasons. Number one is its ease of use for
10 both the staff and the trustees. In addition the product is endorsed by the Association of
11 Governing Boards of Universities and Colleges.
12
13 The benefits of the OnBoard Portal are:
14 • One-stop site for all information related to the board
15 • Accessible from any browser on any device, anywhere, anytime
16 • A calendar for meetings and events
17 • A repository for current and archived meeting materials
18 • A repository for communications
19 • Ability to annotate meeting materials
20 • Training for staff and trustees
21 • 24/7 live support
22 Training for staff and the trustees will occur over several months with the portal projected to
23 be fully operational by March 2020.
24
25 **RECOMMENDED COMMITTEE MOTION**
26 The Executive Committee approves the recommendation to purchase Passageways OnBoard
27 Software for $18,400 and refers it to the Board of Trustees for approval at the October
28 meeting**.**
29
30 **RECOMMENDED BOARD MOTION**
31 The Board of Trustees approves the purchase of the Passageways OnBoard Software for the
32 amount of $18,400.
33

MINNESOTA STATE

Board of Trustees Portal
Business Case Summary

Section	Description
Background	Currently the Minnesota State Colleges and Universities Board of Trustees rely on a manual process involving multiple steps to create the board documents/packets for use during their meetings. Today, technology exists that can help facilitate the creation of these documents securely, digitally, and with features to help the board collaborate and be more agile. The Board of Trustees and board staff would be able to securely access the necessary information on any device including personal computers and iPads.
Scope	The Board of Trustees Portal would be used by all board members and authorized staff in support of the Board of Trustees.
Objectives	- Provide a secure, efficient, and intuitive method for the creation and use of Minnesota State Board of Trustees documents. - Strict security: Due to the sensitive nature of board information, security and confidentiality is critical. - Role-based security: Allows access only to approved personnel. - Encryption: Documents stored in the portal are encrypted for better security. - Online accessibility: Board members can review documents at any time, even when they are on the road. - Board packet creation, modification, and distribution: Minnesota State staff can use the board portal to create board materials and disseminate them online. The user is able to edit, add, or delete documents, updates are immediately distributed. This saves time, money, and hassles associated with managing changes after board packets have been printed. - Online collaboration support allows board members to record their comments and save a record while reviewing documents and packets. - Data Retention Policy Support: To mitigate liability, Board portals enforce data retention and encryption policies on documents. - Read Receipt of announcements, policy documents, and any other legal documents is recorded and maintained by Board portals. - Training and Support: The ability to have a vendor available to provide training and support is crucial to the ongoing success of this service.

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

Section	Description
Proposed Solution	After evaluating several of the highest rated services, OnBoard by Passageways is the recommended vendor for the following reasons;
	• Vendor solution is geared toward higher education. • Ability to access the portal from anywhere on any device. • Intuitive nature and ease of use to add, manage, and view documents. • Live person vendor support (24x7) and training. • References from other institutions utilizing this service. • Reduced paper usage and costs.
Benefits	• Faster board packet and agenda creation and distribution. • More timely communications with board members. • Ability to access archived board packets. • One location for all important announcements and documents which require a "Read Receipt". • Improved security including data encryption in transit and at rest, as well as role-based security, allowing for only people authorized to see and comment on information. • Includes access to Association of Governing Boards of Universities and Colleges (AGB) documents. • Very competitive cost (See below).
	Please go to https://www.passageways.com/agb-onboard for additional information.
Risks	Minimal risk: Minnesota State ITS security team will review the product and Minnesota State Office of General Counsel will review the contract before purchasing.
Cost	The following is an estimate of cost: One-time activation $2,000 Up to 75 subscribers $16,400

Presented to the Executive Committee: October 2, 2019

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 States Department of Labor