



**MINNESOTA STATE**

Board of Trustees

30 East 7th Street  
St. Paul, MN 55101

651-201-1705

# Board of Trustees Meetings November 17-18, 2020



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





**Board of Trustees**  
November 17 - 18, 2020  
Virtual Meeting

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*The Board of Trustees is adhering to Governor Walz's Executive Order 20-01, the State of Minnesota Peacetime Emergency Declaration, and the Center for Disease Control's social distancing guidelines. Meetings will be conducted on a virtual meeting platform. Interested parties can listen to the live stream of the proceedings from the [Board website](#). Times are tentative – committee/board meeting may begin up to 45 minutes earlier than listed if previous meeting concludes prior to end of allotted time slot.*

**Tuesday, November 17, 2020**

- 8:30 AM Joint Meeting: Board of Trustees and Leadership Council *(Not available via live stream)*
- Campus spotlights: campuses responses to support student basic needs
- 10:15 AM Academic and Student Affairs Committee, Cheryl Tefer, Chair  
*Other board members may be present constituting a quorum of the board.*
- 1. Minutes of October 20, 2020**
  2. Proposed Amendment to Board Policy 2.1 Campus Student Associations (1st Reading)
  3. Proposed Amendment to Board Policy 3.1 Student Rights and Responsibilities (1st Reading)
  4. Proposed Amendment to Board Policy 3.6 Student Conduct (1st Reading)
  - 5. The Minnesota State *Guided Learning Pathways* Framework**
- 11:15 AM Audit Committee, George Soule, Chair  
*Other board members may be present constituting a quorum of the board.*
- 1. Minutes of October 20, 2020**
  - 2. Review Audit Results and Approve Release of Audited Financial Statements and Federal Student Financial Aid Audit**
- 12:15 PM BREAK
- 12:30 PM Joint Meeting: Audit and Human Resources Committees, Co-chairs George Soule and Michael Vekich
1. Human Resources Transactional Service Model (HR-TSM) Project Review Update



- 1:30 PM Outreach and Engagement Committee, Dawn Erlandson, Chair  
*Other board members may be present constituting a quorum of the board.*
1. **Minutes of October 20, 2020**
  2. Proposed Amendment to Board Policy 3.23 Naming Colleges and Universities (1st Reading)
- 2:00 PM BREAK
- 2:15 PM Diversity, Equity, and Inclusion Committee, Rudy Rodriguez, Chair  
*Other board members may be present constituting a quorum of the board.*
1. **Review and Approve Committee Charter for Diversity, Equity, and Inclusion Committee**
- 2:45 PM Facilities Committee, Jerry Janezich, Chair  
*Other board members may be present constituting a quorum of the board.*
1. **Minutes of June 17, 2020**
  2. **Lease Amendment: Metropolitan State University and 1380 Energy Park**
  3. **Capital Bonding Update and 2021 Recommendation and Approval**
- 3:15 PM Meeting ends

**Wednesday, November 18, 2020**

- 9:15 AM Finance Committee, Roger Moe, Chair  
*Other board members may be present constituting a quorum of the board.*
1. **Minutes of October 21, 2020**
  2. **Contracts Exceeding \$1M:**
    - a. **Contract Extension for University Heights Student Housing – Bemidji State University**
    - b. **Lease Amendment: Metropolitan State University and 1380 Energy Park**
  3. **FY2022-2023 Biennial Budget Request (Second Reading)**
- 10:30 AM BREAK
- 10:45 AM Committee of the Whole, Jay Cowles, Chair
1. NextGen Update and Project Risk Review #6
  2. **NextGen Phase 2, including Revised Finance Plan**
  3. **NextGen Vendor Contract Approval**
- 12:45 PM BREAK

1:00 PM Human Resources Committee, Michael Vekich, Chair  
*Other board members may be present constituting a quorum of the board.*  
**1. Minutes of October 21, 2020**  
**2. Appointment of Interim President for Northland Community and Technical College**

1:30 PM Board of Trustees, Jay Cowles, Chair

3:00 PM Meeting ends

**Bolded items indicate action is required.**



## **Committee Rosters**

**2020 - 2021**

*(Updated October 12, 2020)*

### **Executive**

Jay Cowles, Chair  
Roger Moe, Vice Chair/Treasurer  
Alex Cirillo  
Dawn Erlandson  
April Nishimura  
Cheryl Tefer  
Michael Vekich

### **Academic and Student Affairs**

Cheryl Tefer, Chair  
Alex Cirillo, Vice Chair  
Asani Ajogun  
Dawn Erlandson  
Javier Morillo  
Oballa Oballa  
Rudy Rodriguez

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*President Liaisons:*

*Michael Berndt  
Robbyn Wacker*

### **Audit**

George Soule, Chair  
April Nishimura, Vice Chair  
Asani Ajogun  
Jerry Janezich  
Michael Vekich

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*President Liaisons:*

*Richard Davenport  
Michael Seymour*

### **Diversity, Equity, and Inclusion**

Rudy Rodriguez, Chair  
George Soule, Vice Chair  
Ahmitara Alwal  
Javier Morillo  
April Nishimura  
Oballa Oballa  
Cheryl Tefer

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*President Liaisons:*

*Jeffery Boyd  
Anne Blackhurst*

### **Facilities**

Jerry Janezich, Chair  
Roger Moe, Vice Chair  
Alex Cirillo  
Kathy Sheran  
Oballa Oballa

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*President Liaisons:*

*Kent Hanson  
Faith Hensrud*

### **Finance**

Roger Moe, Chair  
April Nishimura, Vice Chair  
Ahmitara Alwal  
Jerry Janezich  
Kathy Sheran  
George Soule  
Michael Vekich

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*President Liaisons:*

*Joe Mulford  
Scott Olson*

**Human Resources**

Michael Vekich, Chair  
Dawn Erlandson, Vice Chair  
Ahmitara Alwal  
Alex Cirillo  
Roger Moe  
George Soule  
Cheryl Tefer

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*President Liaisons:*

*Annette Parker*  
*Ginny Arthur*

**Outreach and Engagement Committee**

Dawn Erlandson, Chair  
Alex Cirillo, Vice Chair  
Asani Ajogun  
Kathy Sheran  
Cheryl Tefer

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*President Liaisons:*

*Carrie Brimhall*  
*Ginny Arthur*

**Nominating Committee**

Alex Cirillo, Chair  
Rudy Rodriguez, Vice Chair  
Dawn Erlandson

**Chancellor Review**

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



**Approved FY2021 and FY2022 Board Meeting Dates**

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

**FY2021 Meeting Calendar**

<b>Meeting</b>	<b>Date</b>	<b>If agendas require less time, these dates will be cancelled.</b>
Board Meeting/Combined meeting Leadership Council <i>Anoka-Ramsey Community College, Coon Rapids</i>	July 21-22, 2020	July 22, 2020
Orientation for new trustees	<i>August or after governor makes the appointments</i>	
Executive Committee	September 2, 2020	
Board Retreat: Date change	September 22-23, 2020	
Executive Committee	October 7, 2020	
Committee / Board Meetings	October 20-21, 2020	October 20, 2020
Executive Committee	November 3, 2020	
Committee / Board Meetings Combined with Leadership Council	November 17-18, 2020	November 17, 2020
No December meeting		
Executive Committee	January 6, 2021	
Committee / Board Meetings Combined with Leadership Council	January 26-27, 2021	
No February meeting		



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	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

#### **FY2022 Meeting Calendar**

<b>Meeting</b>	<b>Date</b>	<b>If agendas require less time, these dates will be cancelled.</b>
Board Meeting/Combined meeting Leadership Council	July 20-21, 2021	July 21, 2021
No meetings in August		
Board Retreat	September 21-22, 2021	
Executive Committee	October 5, 2021	
Committee / Board Meetings	October 19-20-2021	October 19, 2021
Executive Committee	November 3, 2021	
Committee / Board Meetings Combined with Leadership Council	November 16-17, 2021	November 16, 2021
No meetings in December		

Executive Committee	January 5, 2022	
Board Meeting/Combined meeting with Leadership Council	January 25-26, 2022	January 26, 2022
No meetings in February		
Executive Committee	March 2, 2022	
Committee / Board Meetings	March 15-16, 2022	March 15, 2022
Executive Committee	April 6, 2022	
Committee / Board Meetings	April 19-20, 2022	April 19, 2022
Executive Committee	May 4, 2022	
Committee / Board Meetings	May 17-18, 2022	May 17, 2022
Executive Committee	June 1, 2022	
Committee / Board Meetings	June 21-22, 2022	June 21, 2022

**National Higher Education Conferences:**

ACCT Virtual Leadership Congress: October 5-8, 2020  
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

**Recommended Motion – June 17, 2020**

The Board of Trustees approves the revised FY2021 and proposed FY2022 meeting calendars. Changes to the calendar will be publicly noticed.



**MINNESOTA STATE**

Board of Trustees

30 East 7th Street  
St. Paul, MN 55101

651-201-1705

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**Board of Trustees Joint Meeting with Leadership Council**

November 17, 2020

Virtual Meeting

- 
- |          |  |
|----------|--|
| 8:30 AM  | Opening Remarks by Chair Jay Cowles and Chancellor Devinder Malhotra   |
| 8:45 AM  | Small group discussions <ul style="list-style-type: none"><li>• Campus spotlights: campuses responses to support student basic needs</li></ul> |
| 9:45 AM  | Report-out and wrap-up   |
| 10:00 AM | Meeting concludes  |



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**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Joint Meeting, Board of Trustees and Leadership Council      **Date:** November 17, 2020

**Title:** Campus Spotlights

**Purpose (check one):**

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

**Brief Description:**

Small groups made up of trustees, presidents, and cabinet will meet in Zoom Breakout Rooms to discuss and respond to: *What are campuses doing to respond to and support student basic needs?*



MINNESOTA STATE

**ACADEMIC AND STUDENT AFFAIRS COMMITTEE**

**NOVEMBER 17, 2020**

**10:15 AM**

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**30 EAST 7TH STREET**

**SAINT PAUL, MN**

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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.

Academic and Student Affairs Committee, Cheryl Tefer, Chair  
*Other board members may be present constituting a quorum of the board.*

- 1. Minutes of October 20, 2020 (pp 1-6)**
2. Proposed Amendment to Board Policy 2.1 Campus Student Associations (1<sup>st</sup> Reading) (pp 7-10)
3. Proposed Amendment to Board Policy 3.1 Student Rights and Responsibilities (1<sup>st</sup> Reading) (pp 11-15)
4. Proposed Amendment to Board Policy 3.6 Student Conduct (1<sup>st</sup> Reading) (pp 16-19)
- 5. The Minnesota State *Guided Learning Pathways Framework* (pp 20-35)**

**ACADEMIC AND STUDENT AFFAIRS COMMITTEE**

Cheryl Tefer, Chair

Alex Cirillo, Vice Chair

Asani Ajogun

Dawn Erlandson

Javier Morillo

Oballa Oballa

Rudy Rodriguez

*Presidents Liaisons*

*Michael Berndt*

*Robbyn Wacker*

**Bolded items indicate action required.**



**Minnesota State Board of Trustees  
Academic and Student Affairs Committee  
October 20, 2020  
McCormick Room  
30 7<sup>th</sup> Street East  
St. Paul, MN**

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***Academic and Student Affairs Committee members present:***

***Academic and Student Affairs Committee members present via Remote connection:*** Cheryl Tefer Chair; Alex Cirillo Vice Chair; Asani Ajogun, Dawn Erlandson, Oballa Oballa, and Rudy Rodriquez

***Academic and Student Affairs Committee members absent:*** Javier Morillo

***Other board members present via Remote connection:*** Jay Cowles; Jerry Janezich, Roger Moe, April Nishimura, Kathleen Sheran George Soule, Michael Vekich, and Chancellor Devinder Malhotra

**Committee Chair Tefer** called the meeting to order at 8:32 am.

**1. Minutes of June 16, 2020**

Chair Tefer called for approval of the minutes from June 16, 2020. Trustee Cirillo moved to approve the minutes as written. Trustee Rodriquez seconded the motion and the minutes were unanimously approved as written.

**2. Proposed Amendment to Board Policy 3.22 Course Syllabi and Course Outlines  
(Second Reading)**

Sr. Vice Chancellor Anderson stated that Board Policy 3.22 was reviewed as part of the five year review cycle. No comments or feedbacks have been received since the first reading. He stated that changes made to the Policy included the reordering of language and technical changes, but no substantive changes were made. Trustee Cirillo moved to approve the Policy as presented. No second is required and the motion carried. The policy will be forwarded to the full Board for approval.

**3. Proposed Amendment to Board Policy: 3.5 Post-secondary Enrollment Options (PSEO),  
(Second Reading)**

Sr. Vice Chancellor Anderson stated that Board Policy 3.5 was reviewed as part of the five year review cycle. Sr. Vice Chancellor Anderson noted two specific changes. The first being a section on purpose was added to the policy. The second notable change was a clarification of authority for execution of the policy. Other changes made to the policy included the reordering of language and technical changes. No comments have been received since the first reading in June. Trustee Cirillo moved to approve the Policy as presented. No second is required and the motion carried. The policy will be forwarded to the full Board for approval.

#### **4. FY21 Committee Work Plan**

Sr. Vice Chancellor Anderson began the conversation by referencing the updated copy of the ASA Committee work plan, which was included in the packet. This plan is based on the discussion at the September Board retreat, and includes topics surrounding college transitions and the work of the P20 partnership, MN State value propositions, the pandemic's impact on PSEO and high school delivery, as well as the pandemic's impact on faculty and staff. Sr. Vice Chancellor Anderson referenced the Committee work plan and the timing of these presentations for the remainder of the year.

Sr. Vice Chancellor mentioned that Developmental Education redesign was also discussed as a topic of interest. This will be presented to the Board in the form of a written update. Graduate Education is another area of interest to the Board. It is anticipated that a report will be given on this topic during the spring semester.

Sr. Vice Chancellor Anderson stated that January's meeting will include a presentation surrounding the Law Enforcement education reform work. He stated that there are 6 different aspects that highlighted for the work surrounding Law Enforcement.

Sr. Vice Chancellor Anderson stated that there may be additional updates and topics added as necessary during the course of the year.

Chair Tefer opened the floor for discussion regarding the proposed ASA Committee agenda for the year. Hearing no discussion, the topic was concluded.

#### **5. Equity in Action: Understanding and Addressing Local and Regional Student Needs**

Chair Tefer affirmed that this discussion furthers the Board's commitment to Equity 2030. She turned the floor over to Sr. Vice Chancellor Anderson to begin the presentation.

Sr. Vice Chancellor Anderson stated that this topic was originally slated for a discussion in March and some updates to the materials have been made due to the impact of the COVID-19 pandemic. He pointed out that this is the first of a series of presentations focusing on understanding campus locale and how that impacts the work of Minnesota State Colleges and Universities. Additionally the presentations will focus on understanding and responding to regional student needs, including food insecurities, housing, transportation, child care and mental health support and care.

Sr. Vice Chancellor Anderson said that the presentation will discuss the differences of the demographics of the metropolitan area and that of greater Minnesota, sometimes referred as Urban versus Rural locations. He also provided an over view of the day's presentation, stating that it will highlight campus responses to student needs, and how they are different in the various areas of the state. The discussion and presentations will be focusing on the diverse needs of the students and the various ways campuses have provided these services. The Real

College survey, administered by the Hope Center for College, Community and Justice, will also be reviewed during the presentation.

Additionally there will be a presentation highlighting a collaborative campus effort which provides remote delivery of providing mental health services to students. Presidents Berndt and Wacker will also share their perspectives on the work being done to address student needs at their campuses and how the geographic location of the campus impacts that work. These conversations will be grounded within the scope of the Equity 2030 framework.

Sr. Vice Chancellor Anderson pointed out that the previously-distributed background materials highlight a number of diverse campus initiatives. These initiatives specifically address the programs that are in place to meet basic student needs. If the equity goals are to be met, there must be diverse methods to meet the needs of student as they vary by area.

Sr., Vice Chancellor Anderson pointed out that there are many different approaches on how to define the different regions of the state. One method is to view the regions as 4 different population centers or sizes: Urban, Large Town, Small Town and Rural or RUCA's. Sr. Vice Chancellor Anderson reviewed the demographics, including unemployment and poverty rates for each region within the State of Minnesota. Additionally student data relating to online enrollment, statistics regarding the numbers of degree-seeking students, those students that are Pell eligible and data concerning distance from home communities were reviewed. These demographics are used to focus on the diverse needs of the students and the unique ways used to meet those needs in the various geographic areas.

Trustee Sheran asked for clarification on the calculation of the distance from home communities. Sr. Vice Chancellor Anderson responded by clarifying the calculation represents 50% of new-entering students in an institution. Trustee Sheran also requested clarification regarding a student's eligibility for Pell grants, which may not align with the poverty rate in the area. Sr. Vice Chancellor Anderson stated that Pell eligibility is tied to the student's home base and that home base may have a different poverty rate than that of the institution which they are attending.

Sr. Vice Chancellor Anderson proceeded with the presentation which focused on the differential impacts of the pandemic on the student base. The pandemic has had community-based impacts on students, such as virus transmission among certain ethnic groups, unemployment rate, federal stimulus availability and the state budget deficit. Student specific impacts caused by the pandemic include broadband accessibility, access to technology and an increase in basic needs (food, housing, mental health care, transportation, child care, emergency Financial Support). This is a complicated picture due to the resources available in the different areas of the state and the needs of the students within those areas. Sr. Vice Chancellor Anderson discussed how the pandemic has exasperated the varying needs of students within the strategic framework of Equity 2030.



Sr. Vice Chancellor Anderson introduced Dr. Paul Shepherd, System Director for Student Success, to review student basic needs data which was compiled from the Real College survey. Dr. Shepherd reviewed the basic needs statistics compiled from the Hope College survey. Dr. Shepherd stated that students from 25 Minnesota State Colleges and 3 Minnesota State Universities participated in the National Real College Survey. He then reviewed the survey results including the increasing percentages of student experiencing food insecurity, housing insecurity and homelessness. Dr. Shepherd discussed the disparate percentage of those experiencing these insecurities within ethnic groups.

Other student basic needs defined by the survey are: the growth of mental health issues and the need for care, the lack of accessible and affordable campus child care and an increase in unexpected financial emergencies of students.

Dr. Shepherd provided information regarding the infrastructure being built within the Minnesota State campuses to address these problems and to provide students with resources. This includes deepening the understanding of student's experiences and establishing various infrastructures to support these needs. He also stated that there are new partnerships being built with state and community leaders to address student concerns. There are additional collaborations taking place, including the one with U of M to sponsor a Mental Health Summit.

Sr. Vice Chancellor Anderson gave an overview of a partnership between Alexandria Technical and Community College and Mankato State University to address the need for mental health resources on the Alex Tech campus. Through this partnership, Mankato State provided mental health resources to the Alex Tech campus via telepsychiatry. He stated Gregg Raisanen, Vice President for Academic and Student Affairs at Alexandria Technical and Community College would discuss this partnership after the viewing of a short video.

Attendees watched a short video overview of the telepsychiatry initiative.

Mr. Raisanen provided an overview of the partnership that was highlighted in the video. He stated that collaboration began between the two institutions last fall semester in order to provide this service to students in Alexandria. The counselor providing the service was in Mankato, while the students remained in Alexandria. Mr. Raisanen stated that the service is extremely important because it is often not available in a rural setting. He stated that six students were served with this resource and five of those students were academically successful. The partnership had to be temporarily suspended in March due to the pandemic, but has restarted for this fall semester.

In addition to this partnership, Alexandria Technical and Community College is also exploring a partnership with St. Cloud State University. That partnership would provide Telemedicine to the students.

Sr. Vice Chancellor Anderson affirmed that Michael Berndt, President of Dakota County Technical College and Inver Hills Community College and Robyn Wacker, President of St. Cloud State University would also share their experiences in addressing student basic needs.

President Berndt provided information regarding the statistical make-up of the students attending DCTC and Inver Hills. Additionally he touched on the demographics of the communities from which the students live. He also explained the challenges of coordinating basic student needs and services among the differing communities and local governments in which the students reside. President Berndt stated that because there are such a wide variety of agencies, it is often difficult to find the capacity to interact with all of them. It can be a challenge to obtain help from the collective group, since each has its own initiative. He stated that resources are available, but managing these resources is time-intensive and requires coordination to navigate their overlapping spheres.

President Wacker spent time highlighting distinctions between universities within the Minnesota State system. For comparison, President Wacker pointed out the demographic differences between St. Cloud State University, which is in Starns County and Winona State University, which is in Winona County. She provided examples and statistics of the variances in population and economics between the two counties.

President Wacker also provided examples of development that are happening near St. Cloud, which drive the population and resources that are available on campus. She stated that St. Cloud State has robust partnerships with industry leaders and have been able to align faculty to provide the research into what the industry needs. President Wacker gave examples of how the community leaders are focused on developing the area to be the hub of central Minnesota and are focused on helping the institution.

Sr. Vice Chancellor Anderson stated that the presentations given have pointed out how dramatically different the challenges are across the state. He then opened the table for thoughts, discussion and suggestions from the committee.

Trustee Erlandson reflected on the comments and pointed out that it seemed like the better the “community” knows and understands MinnState, the better the services can align with the campuses. She encouraged the presidents of Minnesota State institutions to make sure the needs of their students are understood by their local communities.

Trustee Janezich inquired about the access to mental health services in rural Minnesota and if partnerships such as the one between Alex Tech and Mankato State available to all institutions. Dr. Shepherd stated that there are differences within the institutions, by location. There are hopes that the telepsychiatry initiative will be expanded into new partnerships. He also stated that rural colleges are looking to provide other resources such as learning modules and self-assessments to aid in the providing of mental health care.

Sr. Vice Chancellor Anderson stated that two of the Centers of Excellence focus on agricultural areas. Through the work of those Centers, Minnesota State is providing mental health care in the farming community in addition to the work being done with students.

Chair Cowles expressed his appreciation for the presentations in that they recognize localized-conditions and the needs at the campus level. He stated that in the future he hoped the committee would be able to hear not only about the dimensions of the problem, but also hear about the successes. He also stated his curiosity to find out if demand for services is greater than the capacity to provide them.

Trustee Moe stated it would be interesting to have a demographer overlay the information from the new census with the information that was provided in the presentation in order to see the difference.

Trustee Cirillo stated his concern that the students don't realize what is available to them. Additionally he pointed out his concern that there may be a lack of communication regarding services that are available.

Trustee Rodriguez encouraged everyone to keep telling the shared story to constituents.

Trustee Oballa expressed his thanks to the panelists for the presentation. Additionally he stated that he was happy to hear that the work is continuing.

Chair Tefer thanked the presenters for the engaging conversation.

Chair Tefer adjourned the meeting at 9:56 am.

*Meeting minutes prepared by Rhonda Ruiter 10/28/20.*

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**Agenda Item Summary Sheet**

**Name:** Academic and Student Affairs Committee

**Date:** November 17, 2020

**Title:** Proposed Amendment to Policy 2.1 Campus Student Associations

**Purpose (check one):**

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

**Brief Description:**

Policy 2.1 was reviewed as part of the 5-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 adds “establishment and” to the title of Part 1 so it reads as “Establishment and Recognition”. Part 3 was redrafted to make the section easier to read.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were taken into consideration.

**Scheduled Presenter(s):**

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

**BOARD OF TRUSTEES  
MINNESOTA STATE**

<b>INFORMATION ITEM</b>
<b>CAMPUS STUDENT ASSOCIATIONS</b>

**BACKGROUND**

Board Policy 2.1 Campus Student Associations was adopted by the Board of Trustees in April 1995 and implemented in July of that year. The policy was reviewed as part of the 5-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 updates the title in Part 1 by adding the word “establishment” to it. The language in Part 3 was also reorganized.

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

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD POLICY – FIRST READING</b>		
<b>Chapter</b> 2	<b>Chapter Name</b>	Students
<b>Section</b> 1	<b>Policy Name</b>	Campus Student Associations

*Single underlining represents proposed new language.  
Strikeouts represent existing language proposed to be eliminated.*

1 **2.1 Campus Student Associations**

2

3 **Part 1. Establishment and Recognition**

4 Students at each college and university ~~must~~ have the right to establish a student government  
5 herein referred to as a campus student association. Students establishing a campus student  
6 association shall develop a constitution for the association. Only currently enrolled students are  
7 eligible to serve as student representatives or officers. The college or university shall recognize  
8 the campus student association as the official representative of the students, upon receipt of  
9 evidence that the student body has approved the constitution. Colleges and universities that  
10 have multiple campuses shall develop policies and procedures to assure representation and  
11 participation in a campus student association by students at their constituent campuses.

12

13 **Part 2. Duties**

14 In addition to the duties ~~listed~~ in college, university, and ~~the~~ Board of Trustee policies and in the  
15 campus student association constitution, the campus student association shall ~~have~~ has the  
16 sole authority to recommend the chartering of student clubs and organizations for approval by  
17 the college or university president.

18

19 **Part 3. Appeal**

20 ~~The appeal of decisions made by the campus student association relative to chartering, funding,~~  
21 ~~or providing service to student organizations when such decisions may be in violation of law,~~  
22 ~~policy, or procedure must be conducted in accordance with the existing college or university~~  
23 ~~grievance policy.~~

24

25 The college or university grievance policy must be used to appeal a campus student association  
26 decision relative to chartering, funding, or providing service to student organizations that may  
27 violate the law, or a policy or procedure of the college, university, or Minnesota State.

28

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**Related Documents**

- [Policy 3.7](#) Statewide Student Association

## Policy History

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***Date of Adoption:*** 04/18/95

***Date of Implementation:*** 07/01/95

***Date of Last Review:*** 03/16/16

***Date & Subject of Revisions:***

*xx/xx/20 – Added “establishment and” to the Part 1 title, spelled out Board of Trustee the first time used in the document, and reorganized Part 3 to read better.*

*03/16/16 - Applied new formatting and writing styles, replaced obsolete language.*

Additional **HISTORY**

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**Agenda Item Summary Sheet**

**Name:** Academic and Student Affairs Committee

**Date:** November 17, 2020

**Title:** Proposed Amendment to Policy 3.1 Student Rights and Responsibilities

**Purpose (check one):**

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

**Brief Description:**

Policy 3.1 was reviewed as part of the 5-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 modernizes the policy language, such as replacing “student funded publications” with “student funded media”.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were taken into consideration.

**Scheduled Presenter(s):**

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs



**BOARD OF TRUSTEES  
MINNESOTA STATE**

<b>INFORMATION ITEM</b>
<b>STUDENT RIGHTS AND RESPONSIBILITIES</b>

**BACKGROUND**

Board Policy 3.1 Student Rights and Responsibilities was adopted by the Board of Trustees in January 1995. The policy was reviewed as part of the 5-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 updates the language throughout the policy. In Part 4, changed “regulation” to “restriction”, and replaced “Prior to any such prohibition” with “to extent possible” to mirror the language in Part 7; in Part 5, replaced “publications” with “media” to encompass print, broadcast and electronic forms of student funded communications; in Part 8, replaced “shall” with “must”; in Part 9, added “discriminatory”; and reworded Part 10 to read better.

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

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD POLICY – FIRST READING</b>		
<b>Chapter</b> 3	<b>Chapter Name</b>	Education
<b>Section</b> 1	<b>Policy Name</b>	Student Rights and Responsibilities

Single Strikethrough – proposed deletion of current language

Single Underlining – proposed new language

1 **3.1 Students Rights and Responsibilities**

2

3 **Part 1. Freedom to Learn**

4 ~~In addition to their basic constitutional rights, enjoyed by all citizens, s~~Students at colleges and  
5 universities have specific rights related to academic freedom and their status as students.

6 Freedom to teach and freedom to learn are inseparable facets of academic freedom. The  
7 freedom to learn depends on appropriate opportunities and conditions in all learning  
8 environments, on the campus, and in the larger community. Students are expected to exercise  
9 their freedom with responsibility.

10

11 **Part 2. Freedom of Expression**

12 Individual students and student organizations shall be free to examine and to discuss all  
13 questions of interest to them and to express opinions publicly and privately. They shall be free  
14 to support causes by orderly means that do not substantially disrupt the regular and essential  
15 operations of the college or university. Students shall be free to take reasoned exception to the  
16 information or views offered in any course of study and to reserve judgment about matters of  
17 opinion, but they are responsible for learning the content of any course of study for which they  
18 are enrolled.

19

20 **Part 3. Freedom of Association**

21 Students shall be free to organize and join organizations to promote their common and lawful  
22 interests, subject to college or university policies, procedures, or regulations. Registration or  
23 recognition may be withheld or withdrawn from organizations that violate college or university  
24 policies, procedures, or regulations.

25

26 **Part 4. Student-Sponsored Forums**

27 Students shall have the right to assemble, to select speakers, and to discuss issues of their  
28 choice. The college or university shall establish reasonable time, place, and manner restrictions  
29 to assure that the assembly does not substantially disrupt the work of the college or university  
30 or interfere with the opportunity of other students to obtain an education or otherwise infringe  
31 upon the rights of others. Such ~~restrictions~~ regulations must not be used as a means of  
32 censorship. The president or designee may prohibit any forum when there is a likelihood of

33 harm to individuals or damage to property if the event is held. To extent possible, ~~Prior to any~~  
34 ~~such prohibition~~, the president shall ~~make his or her to~~ consult with the student association.

35

### 36 **Part 5. Student Publications**

37 Student-funded ~~publications~~ media (print, broadcast and electronic forms) must be free of  
38 censorship and advance approval of copy. Their editors and managers shall be free to develop  
39 their own editorial and news coverage policies. Editors, managers, and contributors of student  
40 ~~publications~~ media shall be protected from arbitrary suspension and removal because of  
41 student, faculty, administrative, or public disapproval of editorial policy or content. The student  
42 fee allocation process must not be used as a means of editorial control of student-funded  
43 ~~publications~~ media. All student ~~publications~~ media must explicitly state ~~on the editorial page~~  
44 that the opinions ~~there~~ expressed are not necessarily those of the college, university,  
45 Minnesota State ~~system~~, or student body.

46

### 47 **Part 6. Student Policies**

48 The policies, procedures, and regulations of the college or university regarding student  
49 expectations, rights, and responsibilities must be readily accessible to students.

50

### 51 **Part 7. Catalog and Course Information**

52 To the extent possible, students must be provided relevant and accurate information regarding  
53 courses prior to enrollment. Catalog course descriptions and website postings must be accurate  
54 and based on information existing at the time of publication. To the extent possible, class  
55 schedules must list the names of faculty teaching the courses.

56

### 57 **Part 8. Student Academic Standing Information**

58 Students ~~shall~~ must have access to accurate information for establishing and maintaining  
59 acceptable academic standing, information which will enable students to determine their  
60 individual academic standing, and information regarding graduation requirements.

61

### 62 **Part 9. Academic Evaluation**

63 Student academic performance must be evaluated solely on the basis of academic standards,  
64 including any requirements that are noted in the catalog, course syllabus, student handbook, or  
65 on the college or university website. Students must have protection against prejudiced,  
66 discriminatory, or capricious evaluation and not be evaluated on the basis of opinions or  
67 conduct in matters unrelated to academic standards. Students must have the right to review  
68 their corrected examinations or other required assignments ~~used by the~~ that faculty use when  
69 ~~in~~ evaluating the student's academic performance.

70

### 71 **Part 10. Property Rights**

72 ~~Term papers, essays, projects, works of art, and similar property including property in which the~~  
73 ~~student has intellectual property rights pursuant to Board Policy 3.26 must be returned to a~~  
74 ~~student upon request, within a reasonable timeframe, when no longer needed for evaluation~~  
75 ~~purposes, unless the student grants written permission for them to be retained.~~

76

77 When no longer needed for evaluation purposes, a student’s physical personal property,  
78 including but not limited to term papers, essays, projects, works of art, and similar items must  
79 be made available for return to the student within a reasonable timeframe. The return process  
80 must preserve the privacy of the student’s grade or score. A student’s written permission must  
81 be obtained before a student’s personal property, including intellectual property, may be used  
82 for purposes unrelated to the evaluation of their academic performance.  
83

#### 84 **Part 11. Student Review and Consultation**

85 Students must have the right to appropriate levels of participation in college and university  
86 decision-making pursuant to Board Policy 2.3 and System Procedure 2.3.1 Student Involvement  
87 in Decision-Making.

---

#### **Related Documents:**

- [Board Policy 1B.1](#) Equal Opportunity and Nondiscrimination in Employment and Education
  - [Board Policy 2.3](#) Student Involvement in Decision-Making
  - [Board Policy 3.26](#) Intellectual Property
  - [Board Policy 3.39](#) Transfer Rights and Responsibilities
  - [System Procedure 2.3.1](#) Student Involvement in Decision-Making
- 

#### **Policy History:**

***Date of Adoption:*** 01/18/95

***Date of Implementation:*** 01/18/95

***Date of Last Review:*** 05/18/16

#### ***Date & Subject of Amendments:***

*Xx/xx/20 – In Part 4, changed “regulation” to “restriction”, replaced “Prior to any such prohibition” with “to extent possible” to mirror the language in Part 7; in Part 5, replaced “publications” with “media”; in Part 8, replaced “shall” with “must”; in Part 9, added “discriminatory”; and reworded Part 10 to read better.*

*05/18/16 - Amended throughout to replace obsolete language. Applied the new formatting and writing styles which resulted in multiple technical edits.*

*11/20/09 - Reviewed, no changes.*

*12/7/05 - Amends policy to add clarifying language and deletes unnecessary language. Adds new Part 6 - to assure that information on student expectations, rights and responsibilities is readily accessible to students, and new Part 11 that refers students to Policy 2.3 and Procedure 2.3.1, Student Involvement in Decision Making. Part 10 is deleted because it is addressed in the proposed Student Conduct Procedure (3.6.1).*

Additional [HISTORY](#)

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**Agenda Item Summary Sheet**

**Name:** Academic and Student Affairs Committee

**Date:** November 17, 2020

**Title:** Proposed Amendment to Policy 3.6 Student Conduct

**Purpose (check one):**

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

**Brief Description:**

Policy 3.6 was reviewed as part of the 5-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 updates the policy language with more current terminology.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were taken into consideration.

**Scheduled Presenter(s):**

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

**BOARD OF TRUSTEES  
MINNESOTA STATE**

<b>INFORMATION ITEM</b>
<b>STUDENT CONDUCT</b>

**BACKGROUND**

Board Policy 3.6 Student Conduct was adopted by the Board of Trustees in May 1995 and implemented in July of that year. The policy was reviewed as part of the 5-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 replaces “avenue of appeal” with “appeal process” in Part 3 and includes several technical edits.

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

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD POLICY – FIRST READING</b>		
<b>Chapter 3</b>	<b>Chapter Name</b>	Educational Policies
<b>Section 6</b>	<b>Policy Name</b>	Student Conduct

*Single underlining represents proposed new language.  
Strikeouts represent existing language proposed to be eliminated.*

1    **3.6 Student Conduct**

2

3    **Part 1. Student Conduct Policy**

4    Each college and university shall establish a student code of conduct that includes its student  
5    conduct policies and administrative procedures for student conduct proceedings. Hazing,  
6    whether occurring on or off campus must be included in each college and university list of  
7    prohibited behavior. Students must be afforded appropriate due process in the resolution of  
8    any alleged violations of the student code of conduct. Students found responsible for violations  
9    are subject to sanctions which may include removal from student housing or suspension or  
10   expulsion from the college or university. Annually, and upon amendment, colleges and  
11   universities shall notify students of the availability and location of the student code of conduct.  
12   A copy must be made available at appropriate locations on campus and on the college or  
13   university website.

14

15   Allegations of discrimination, harassment, sexual violence, fraud or dishonest acts as defined in  
16   Board Policies 1B.1, 1B.3, 1C.2 must be resolved pursuant to Board of Trustee board policy.  
17   Allegations of academic dishonesty may be resolved under separate procedures in accordance  
18   with college or university policies. ~~on that issues.~~

19

20   **Part 2. Off-campus Conduct**

21   Colleges and universities may hold students accountable for a violation of the behavioral  
22   proscriptions contained in their student codes of conduct committed off campus when:

- 23       • Hazing is involved; or
- 24       • The violation is committed while participating in a college- or university-sanctioned or  
25       sponsored activity; or
- 26       • The victim of the violation is a member of the college or university community; or
- 27       • The violation constitutes a felony under state or federal law; or
- 28       • The violation adversely affects the educational, research, or service functions of the  
29       college or university.

30

31   **Part 3. Appeal**

32   Colleges and universities shall provide an avenue for appeal process to students found

33 responsible for a conduct violation. In addition, colleges and universities shall inform students  
34 of their right to a contested case hearing under Minnesota Statutes Chapter [Minn. Stat. Ch. 14](#)  
35 in cases involving sanctions of suspension for 10 days or longer.

36

## 37 **Part 4. Procedures**

38 College and university student codes of conduct and procedures must comply with Board Policy  
39 3.6 and System Procedure 3.6.1 [Student Conduct](#).

---

### **Related Documents:**

- [System Procedure 3.6.1 Student Conduct](#)

To view the following related statutes, go to the Revisor's Web site

(<http://www.revisor.leg.state.mn.us/>). You can conduct a search from this site by typing in the statute number.

- Minnesota Statute Chapter 14

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### **Policy History:**

***Date of Adoption:*** 05/16/95

***Date of Implementation:*** 07/01/95

***Date of Last Review:*** 05/18/16

### ***Date & Subject of Amendments:***

*Xx/xx/20 – Replaced “avenue of appeal” with “appeal process” in Part 3 and made several technical edits.*

*5/18/16 - Amended to change “code of student conduct” to “student code of conduct” so the name is consistent with other types of codes of conduct. Applied the new formatting and writing styles which resulted in multiple technical edits.*

*12/7/05 - some procedural language moved into a newly created Procedure 3.6.1. Policy was amended to change language from a judicial context to a student development context. New language requires that students be informed of the student conduct code and the policy authorizes the creation of a procedure. The proposed procedure adds clarifying language, deletes unnecessary language, and changes language to be consistent with a student development model. deleted Part 1 Definitions, deleted Part 3 Contents of Code of Student Conduct, deleted Part 4 Process, deleted Part 6 Summary Suspensions. Created new Part 4 Procedures.*

Additional [HISTORY](#)



**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Academic and Student Affairs Committee

**Date:** November 17, 2020

**Title:** Guided Learning Pathways

**Purpose (check one):**

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

**Brief Description:**

This presentation provides the context and background for adopting guided learning pathways as the enterprise student success strategy for Minnesota State. Guided learning pathways seek to provide clarity and support to students in how they navigate academic programs. They are based on the premise that students are more likely to complete a degree if they choose a program early on; have an academic plan that provides a roadmap of courses needed to complete their degree; and receive the support and guidance they need to persist. The board will have an opportunity to hear from two campus academic leaders about how implementing guided learning pathways has supported student success. The presentation and corresponding discussion will lead up to consideration by the board of a motion to endorse the guided learning pathways framework as Minnesota State's enterprise student success strategy.

**Scheduled Presenter(s):**

Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

Followed in this order as applicable:

Dan Gregory, Provost and Vice President for Academic Affairs, St. Cloud State University  
Gail O'Kane, Vice President of Academic Affairs, Minneapolis College

**BOARD OF TRUSTEES  
MINNESOTA STATE**

**BOARD ACTION ITEM**

**GUIDED LEARNING PATHWAYS**

**BACKGROUND**

This presentation provides the context and background for adopting guided learning pathways as the enterprise student success strategy for Minnesota State. Guided learning pathways seek to provide clarity and support to students in how they navigate academic programs. They are based on the premise that students are more likely to complete a degree if they choose a program early on; have an academic plan that provides a roadmap of courses needed to complete their degree; and receive the support and guidance they need to persist.

**RECOMMENDED COMMITTEE MOTION**

The Academic and Student Affairs Committee recommends that the Board of Trustees endorse the Minnesota State Guided Learning Pathways framework and charge the Chancellor and Leadership Council with implementing the framework at each college and university.

**RECOMMENDED BOARD MOTION**

The Board of Trustees endorses the Minnesota State Guided Learning Pathways framework and charges the Chancellor and Leadership Council with implementing the framework at each college and university.



## Systemwide Student Success Strategy: *Guided Learning Pathways*

### Core Characteristics

#### Curricular/Program Design and Delivery

- Curricula reflects diverse perspectives across the field, and includes the contributions and work of scholars and/or practitioners of color or native origin and other underrepresented voices
- Curricula and instruction are culturally relevant and responsive
- Program pathway is coherent, with course content and student learning outcomes clearly aligned
- Program pathway is aligned with statewide transfer pathways (where such pathways exist)
- Program requirements (e.g., “program admission” requirements, required or directed general education courses, minimum grade requirements, etc.), are based upon data, and do not create unintended, unnecessary, or inequitable barriers to access and completion
- Required core curriculum and general education courses are clearly articulated
- Recommended elective courses are clearly articulated
- Programs are mapped “with the ends in mind” and are linked explicitly to careers or further education pathways
- Discipline-appropriate curricular strategies for active, collaborative, applied, and experiential learning experiences are designed throughout the pathway
- Discipline-appropriate co-curricular learning opportunities are designed throughout the pathway
- Assessment processes and documentation of student learning outcomes accruing to the program level are clearly articulated, executed, and used to improve instruction and student learning
- Default course sequences are clearly articulated, and courses are consistently scheduled and offered in alignment with those sequences and student needs
- Curricular design and course scheduling encourage academic momentum and appropriate credit intensity
- Milestone courses are clearly articulated and used to track student progression through the program

#### Comprehensive Orientation and First-Year Experience

- Transactional information is provided online in a guided format and offered to students for completion prior to arrival on campus
- Comprehensive on-campus and/or online orientation is provided, including interactive sessions on how to navigate systems and processes, including financial aid, emergency financial resources, academic support, student engagement opportunities, and basic needs resources available to students
  - Additional enhancements may also include:
    - Social belonging intervention
    - Bystander intervention programming
- Incoming students are provided with career assessment and exploration support, and are guided to program pathways aligned with their interests and goals

### **Holistic Advising and Comprehensive Student Support**

- Advising and student support services are culturally relevant and responsive
- Holistic advising is integrated into first-year student learning communities, FYE courses, and/or student success courses
- Advising is provided by designated faculty/staff with sustained proactive outreach and involvement
  - Recognition of milestone achievements
  - Early alert process to facilitate interventions for students who show signs of academic or social trouble
  - Required advising when students veer off a selected pathway
- Comprehensive student support is available to all students, including assistance with basic needs in areas including:
  - mental health
  - food
  - housing
  - transportation
  - child care
  - emergency financial assistance



November 17, 2020

Academic & Student Affairs

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# The Minnesota State *Guided Learning* *Pathways* Framework

Board of Trustees

# Minnesota State *Guided Learning Pathways*

- Minnesota State's enterprise student success strategy
- Overarching framework that outlines the characteristics of effective practices in academic and student support program design and delivery
- Intentional and explicit emphasis on equity and anti-racism
- Focused on the student and re-examining "how we do, what we do"

# The evolution of this work

**2016-2017:** Leadership Council commitment to **Student Success** as our common focal point for enterprise work

**2017-2018:** redesign of student success metrics and monitoring framework

**2018-2019:** assessment of campus practices led to call for, and development of, an evidence-based system-wide strategy

**2019-2020:** vetting and re-crafting of framework

**2020-2021:** finalization of framework and determination of local implementation process and approach

**2023:** implementation substantially complete

Increased  
Student  
Success

# Underlying Premise

Students are more likely to complete a credential if they:

- choose an *academic program* early on;
- have an *academic plan* that provides a roadmap of courses needed to complete their degree; and
- receive the *support and guidance* they need to persist



# Key Tenets

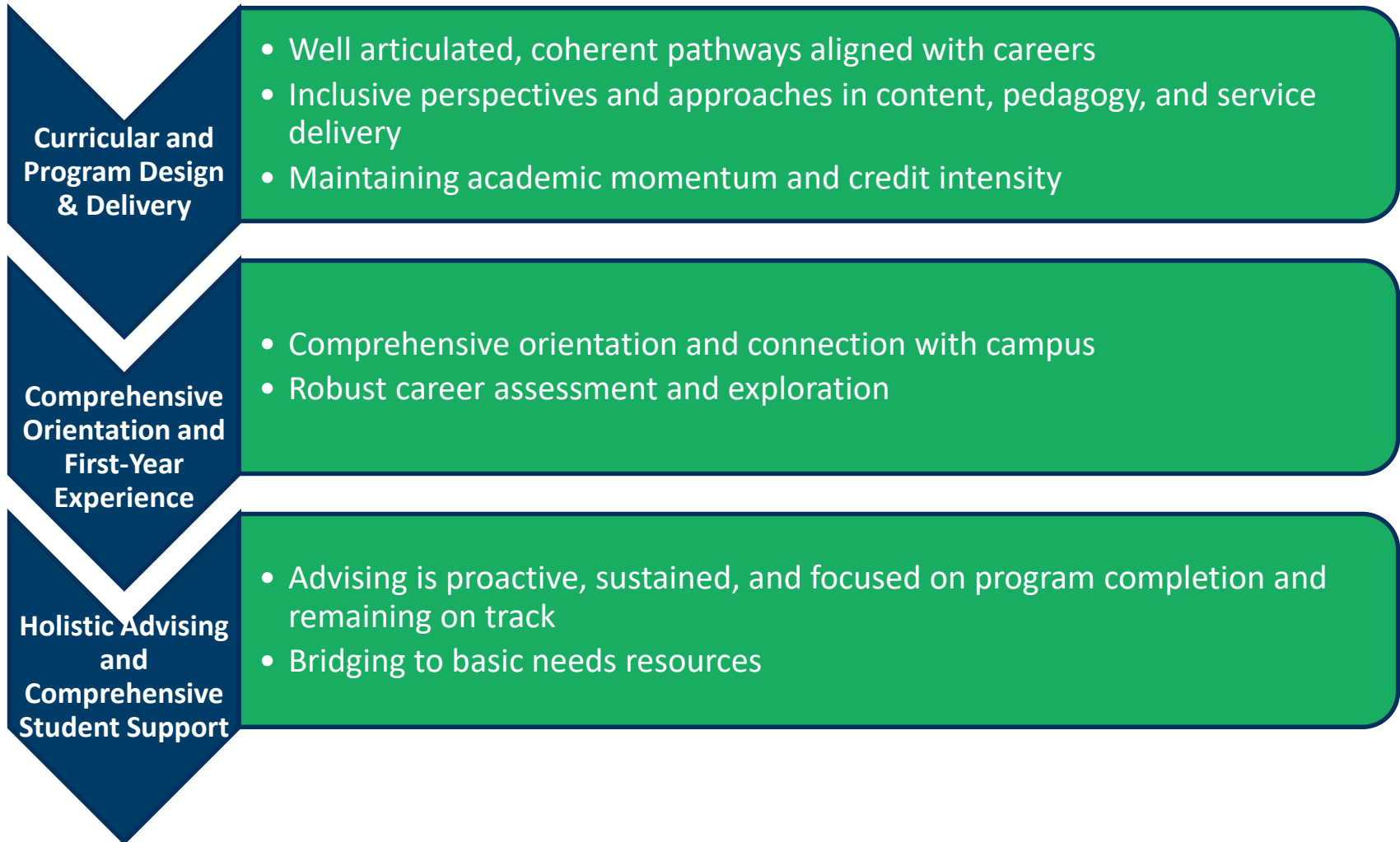
- Represents a **comprehensive approach** to re-envisioning our work
- Concrete program plans, default course choices, academic plans, and student progress monitoring with frequent feedback improves **student decision making**
- Explicit program and course goals **improve learning**

Source: Bailey, T., Jaggars, S. S., & Jenkins, D. (2015). *What We Know About Guided Pathways*. New York, NY: Columbia University, Teachers College, Community College Research Center.

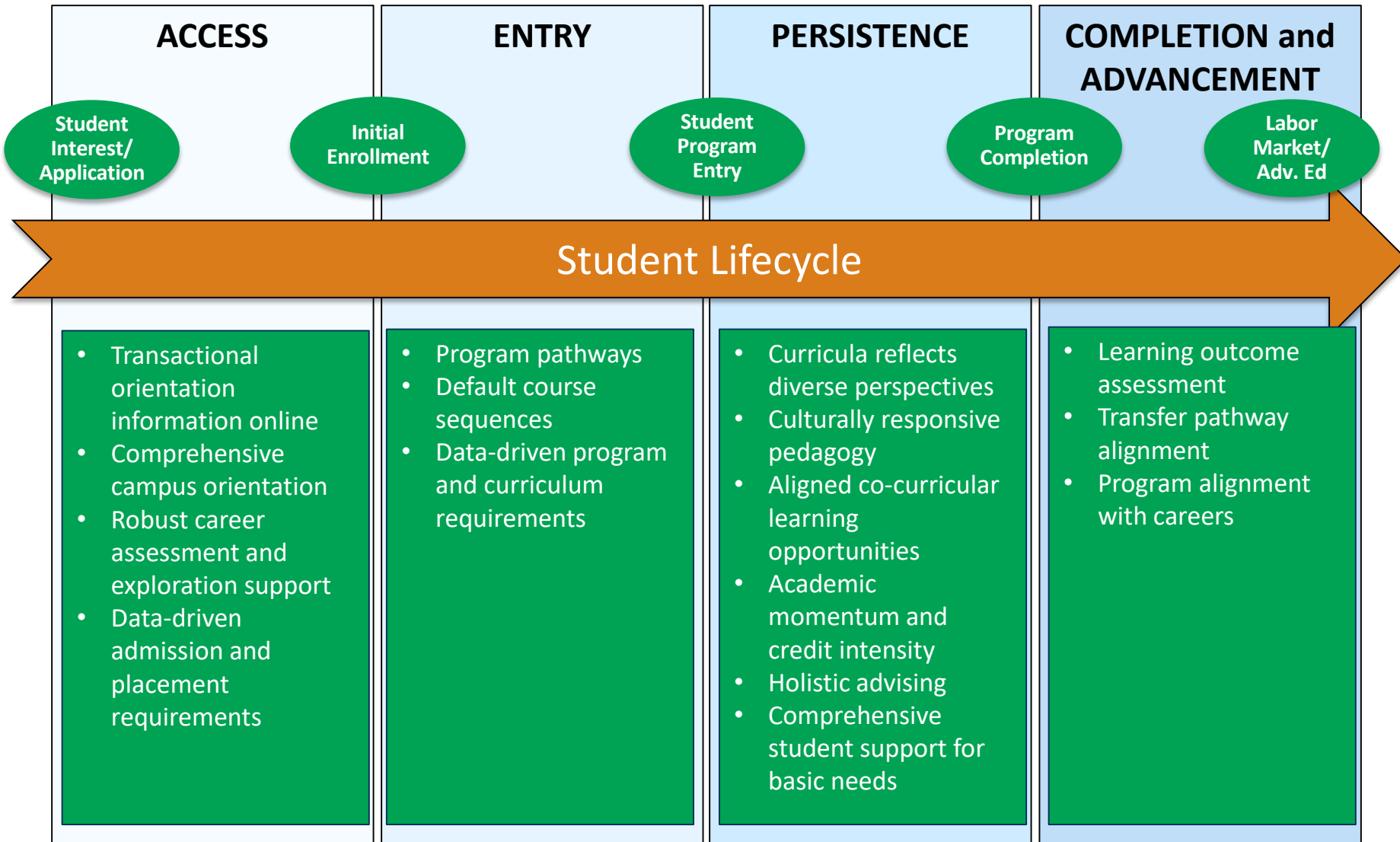
# Evidentiary Base

- Early program entry increases the likelihood that students will persist and complete/transfer
- Providing structured, frequent student supports is correlated with student persistence
- Evidence suggests that a more coherent and clearly structured pathway helps improve student outcomes and program completion

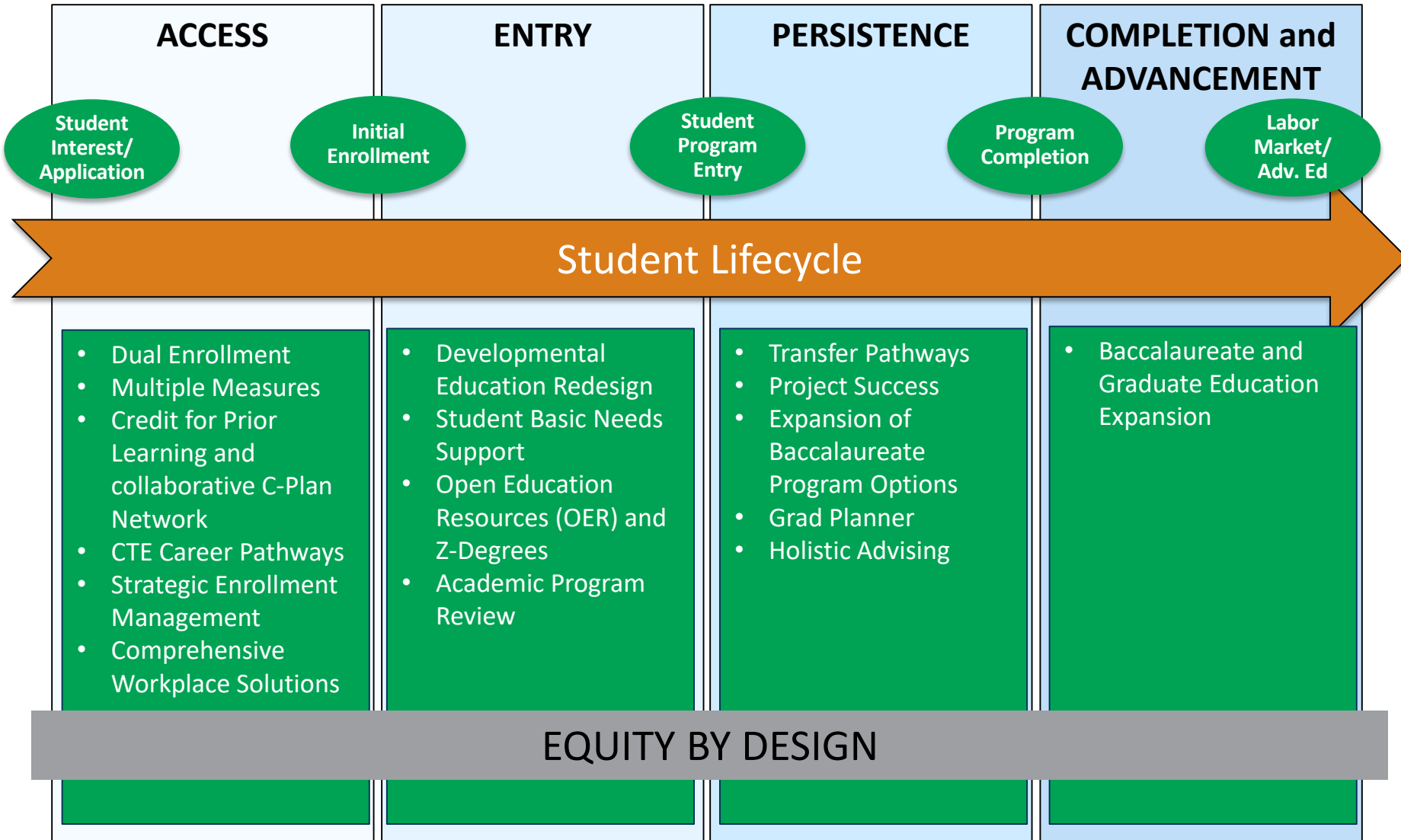
# Framework Components



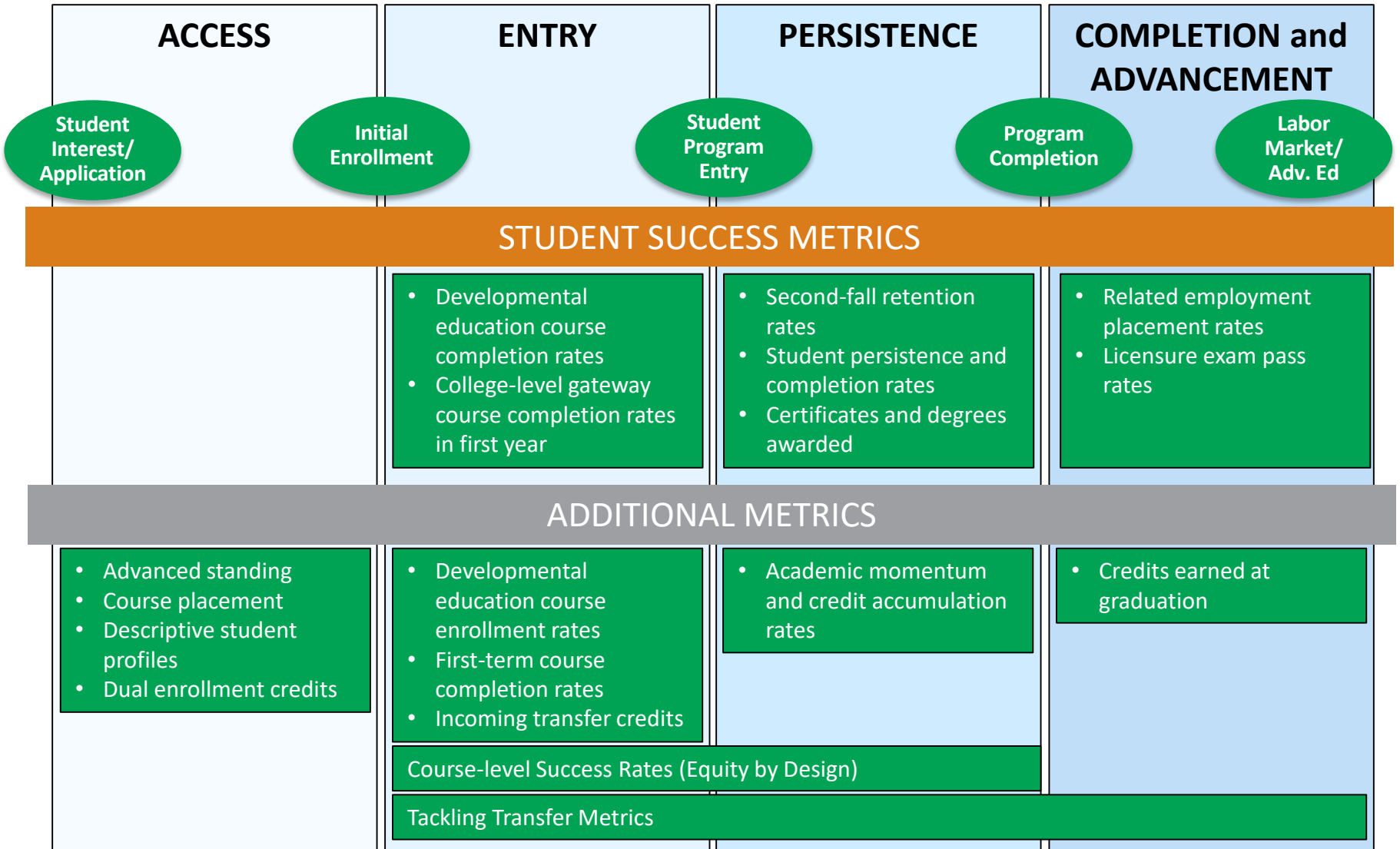
# GUIDED LEARNING PATHWAYS COMPONENTS



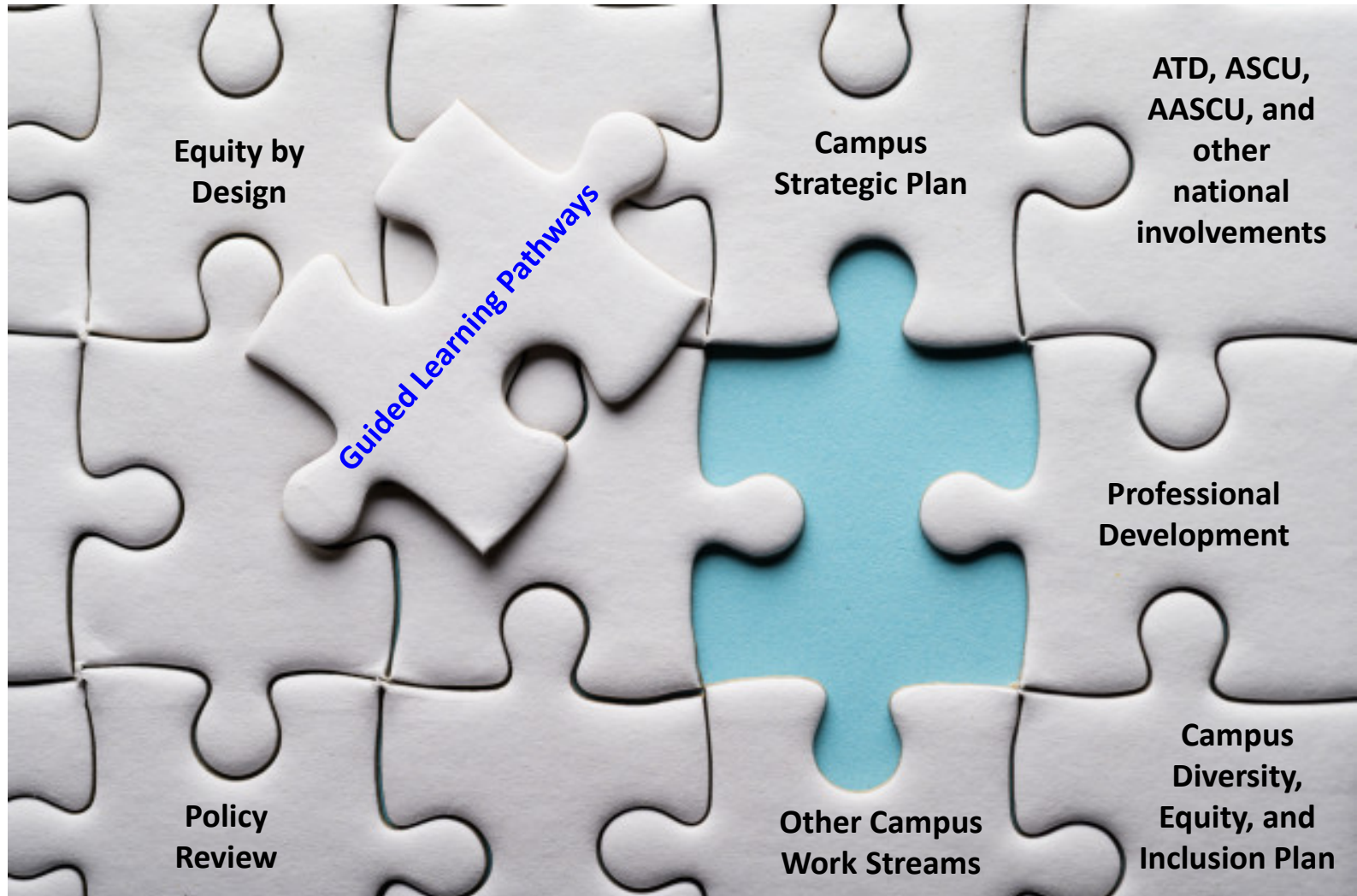
# ALIGNED ENTERPRISE WORKSTREAMS



# DATA STREAMS AND METRICS



# Equity 2030 and Guided Learning Pathways



# Next Steps

- Campus determination of local implementation process and approach (fall 2020)
- Baseline assessment of practice alignment (winter 2021)
- Development of action steps for inclusion in annual work plan (spring 2021)
- Full implementation anticipated by fall 2023



# Critical Issues in Implementation

- Campus capacity and pandemic fatigue
- Listening to our students and understanding their needs and experiences
- Effecting cultural change and committing to professional and organizational development
- Balanced focus on equitable *practice* and equitable *practitioners*
- Integration with existing work, with added supports from the system office

# Campus Perspectives

- Gail O’Kane, Vice President of Academic Affairs  
Minneapolis College
- Dan Gregory, Provost and Vice President for  
Academic Affairs  
St. Cloud State University

# Committee Motion

The Academic and Student Affairs Committee recommends that the Board of Trustees endorse the Minnesota State *Guided Learning Pathways* framework and charge the Chancellor and Leadership Council with implementing the framework at each college and university.



MINNESOTA STATE

Audit Committee  
November 17, 2020  
11:15 a.m.  
Virtual Meeting / Live Streamed

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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.

Audit Committee, George Soule, Chair

*Other board members may be present constituting a quorum of the board.*

1. **Minutes of October 20, 2020 (pages 1-4)**
2. **Review Audit Results and Approve Release of Audited Financial Statements and Federal Student Financial Aid Audit (pages 5-42)**

Committee Members:

George Soule, Chair  
April Nishimura, Vice Chair  
Asani Ajogun  
Jerry Janezich  
Michael Vekich

Presidential Liaisons:

Richard Davenport  
Michael Seymour

**Bolded** items indicate action is required.



**MINNESOTA STATE COLLEGES AND UNIVERSITIES  
BOARD OF TRUSTEES  
AUDIT COMMITTEE MEETING MINUTES  
October 20, 2020**

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Consistent with the federal and state guidance on the COVID-19 pandemic, Chair Cowles has determined that in-person meetings will not be held for the foreseeable future. As a result, members of the public were not permitted to attend meetings due to the current pandemic. The board provided access for the public to monitor meetings via live audio-streaming of the proceedings.

**Committee Members Present by Remote Access:** Trustees George Soule, April Nishimura, Asani Ajogun, Jerry Janezich, and Michael Vekich.

**Committee Members Absent:** None.

**Other Trustees Present by Remote Access:** Trustees Alex Cirillo, Jay Cowles, Dawn Erlandson, Roger Moe, Javier Morillo, Oballa Oballa, Rudy Rodriguez, Kathy Sheran, and Cheryl Tefer.

Committee Chair Soule called the virtual meeting to order at 10:39 a.m.

**1. Minutes of June 16, 2020**

The minutes of the June 16, 2020 audit committee were approved as published.

Mr. Eric Wion, Executive Director for the Office of Internal Auditing, began by thanking President Davenport from Minnesota State University, Mankato, and President Seymour from Alexandria Technical and Community College for volunteering to serve as presidential liaisons to the audit committee. He stated that he appreciated their time, insight, and counsel.

Mr. Wion reminded members that the external audit firm, CliftonLarsonAllen, would be presenting the results of the financial statement audit work at the November audit committee. In addition, the auditors plan to discuss the compliance audit of the federal student financial aid audit. In advance of that meeting, audit committee members will be provided with a three-ring binder containing draft financial statements, as well as a coversheet for each set of financial statements that will highlight the auditor's opinion, the financial results, and any notable financial transactions. Vice Chancellor Bill Maki and Executive Director Wion have reserved time in November to meet privately with Audit Committee members to review the draft financial statements in detail.

2. Project Results – Bookstore Collaborative Review

Mr. Wion introduced Ms. Shannon Jesme, Vice President of Administrative Services at Northland Community & Technical College, Ms. Christine Smith, Baker Tilly, and Mr. Gary Westerland, Director of the Bookstore Collaborative and Minneapolis College Director of Auxiliary Services.

Mr. Wion stated that the Bookstore Collaborative was a partnership and shared service model in which five colleges have agreed to purchase select bookstore services from one partner college, Minneapolis Community and Technical College. The intended benefits include reducing duplication of efforts, gaining economies of scale, and improving services to students and faculty. In addition, textbook costs have been reduced and bookstores have been kept relevant in a changing marketplace.

Ms. Jesme shared Northland Community & Technical College's experience joining the Collaborative. The need to change was strong. Sales were diminishing, personnel costs remained high, purchasing and returning textbooks was expensive. There was a growing interest in free textbooks and OER resources. There were questions about open access, electronic books, access codes and nonbook options, as well as questions about how to utilize open sourcing. The college needed a change, and the students and faculty were ready for a change.

Ms. Jesme stated that financially they knew they needed to do something different and they wanted to keep it within the system to use their own employees so they could maintain control over service quality. Their second concern was keeping up with the changes happening in the textbook industry and finding ways to drive down costs for students. She stated that the collaboration has been incredibly powerful and beneficial for Northland Community and Technical College.

Ms. Smith explained the purpose and objective of the advisory project was to determine if the benefits and intended outcomes of the shared service initiative have been achieved, identify barriers and improvement opportunities for the shared service initiative and finally to assess key factors required for additional scalability of the Collaborative shared service operation. She stated that it was concluded that the Collaborative meets the criteria of an advantageous enterprise shared service due to its potential positive impact on students, faculty, and staff, its potential fiscal impacts, and overall alignment with the Shared Service Governing Principles. Prior to considering further scalability, effort is required to: establish operational stability, realize the intended benefits to their full extent, and improve overall institution satisfaction.

Ms. Smith outlined four key strengths of the Collaborative, including providing expertise within the evolving and complex publishing industry, promoting cost saving initiatives for students, managing the course material management from start to finish for colleges, and developing working relationships among colleges and providing a pathway for future collaboration.

Ms. Smith stated that the Collaborative design aligns with Minnesota State's shared service vision and has the potential to be a successful shared service initiative as it has the ability to positively impact financials, and enhance the level of service provided to faculty and institutions, and students. Ms. Smith noted that there was more to be realized with most outcomes in terms of economies of scale and cost savings as the model continues to evolve. She reviewed several of the intended benefits and the current barriers. She reviewed the four high priority recommendations.

Ms. Smith reviewed the next steps which include meeting with stakeholders to review the results of the report and evaluate the recommendations, developing action plans and timelines to address the recommendations, executing the plan, monitoring it against the outcomes that were trying to be achieved, and finally, making changes along the way.

Mr. Westerland thanked the auditing team for the comprehensive detailed process. He appreciated their efforts and the great work they had accomplished.

Mr. Westerland stated that what started as a home-grown collaboration at some of the metro stores evolved over time. He stated that the shared services provided to participating institutions have reduced their operational and personnel costs and given them access to the expertise that exists in a changing marketplace. He noted that the COVID pandemic highlighted the work that had already been done because they had the ability right away to distribute course material to students virtually.

One of the biggest goals of the Collaborative was to provide less expensive options to students related to course material. Shared Services allowed for savings in all participating institutions and allowed them to aggressively lower course material costs. Mr. Westerland highlighted additional material in the appendices, that showed the impact that direct digital programs have provided. He noted that in all cases, students saved about half of what they would have in a traditional format and they had access to materials on day one. He stated that it was one of the biggest successes they had experienced through the Collaborative.

Mr. Westerland stated that the Collaborative also focused on Open Educational Resources which allowed colleges that do degree programs, to provide no cost textbooks throughout the entire course. OER and the work of the Collaborative has supported those degree program efforts.

Mr. Westerland informed the committee that the working group membership in the collaboration stores meet once a month. There is a lot of gained experience and expertise from the membership colleges. This group develops and implements new initiatives. The group also manages the upgrades and security related to the point of sale systems. They worked in collaboration with system office IT to develop a real time interface between the bookstores point of sale systems and ISRS, which created more opportunities for better student services. Mr. Westerland noted that the ultimate goal is for all students to have

that same experience, access to the same cost savings in course material, and the same access to virtual distribution, regardless of the institution that they attend.

Mr. Westerland stated that the future is about sustainability and scaling. This project has identified areas that the Collaborative is supportive of implementing. Additional structure, governance, and leadership are key to scaling this success to other colleges, particularly in Greater Minnesota. He stated that he was looking forward to continuing this work. The centralized ecommerce facility in Minneapolis was originally created thanks to a grant on collaborative services through the system office. It operates and works just like an Amazon model, so students have really embraced it. Mr. Westerland stated that they were looking for support at the system level again, not only to promote what the Collaborative can provide to the institutions, but also assistance on scaling the service to serve other colleges as well.

Trustee Cowles asked if there was funding available to support the improvements that would allow the Collaborative to scale the service to include additional colleges. Chancellor Malhotra stated that they were committed to supporting the Collaborative. Senior Vice Chancellor Ron Anderson and his team will work with the Collaborative to determine what other resources the system office can offer. Mr. Anderson added that are some federal grant opportunities and the system has been seeking federal funding, and they will continue to look for additional resources to support our faculty and this work.

Trustee Erlandson asked about open educational resources. Mr. Westerland stated that they work collaboratively with faculty at all the member colleges so that they can make good suggestions on no cost or low-cost course material that matches the focus of courses being offered. He stated that there were an infinite number of different options related to open sourcing, including content being developed by our own talented faculty across the system. He added that the Collaborative has become a repository for information about different courses of study that can be shared from one faculty to another. He praised the small team at Minneapolis who manage the shared sourcing of course material. They have a lot of experience, a vast knowledge base and great expertise. Mr. Anderson added that the education innovations unit in Academic and Student Affairs has also been working on open educational resources and low-cost textbooks. There is a broad network of faculty working on this.

The meeting adjourned at 11:22 a.m.

Respectfully submitted by Darla Constable



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

**Name: Audit Committee**

**Date: November 17, 2020**

**Title: Review Audit Results and Approve Release of Audited Financial Statements and Federal Student Financial Aid Audit**

**Purpose (check one):**

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

**Brief Description:**

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

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

Federal law requires an annual audit of major federal financial assistance programs, including the student financial aid programs. The auditors will discuss the preliminary results of its federal student financial aid compliance audit traditionally performed each year. New this year the auditors are required to audit the use of federal CARES Act funding; however, the federal government has not yet provided the audit requirements. Once provided, the audit work will be completed.

**Scheduled Presenter(s):**

Eric Wion, Executive Director of Internal Auditing  
Bill Maki, Vice Chancellor for Finance and Facilities  
Don Loberg, Managing Principal with CliftonLarsonAllen, LLP  
Brenda Scherer, Signing Director with CliftonLarsonAllen, LLP  
Chris Knopik, Principal with CliftonLarsonAllen, LLP

**BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

<b>ACTION ITEM</b>
<b>Review Audit Results and Approve Release of Audited Financial Statements and Federal Student Financial Aid Audit</b>

**BACKGROUND**

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

**FINANCIAL STATEMENTS**

CliftonLarsonAllen, LLP (CLA) has audited the following financial statements as of and for the years ended June 30, 2020 and 2019:

- Systemwide
- Revenue Fund
- Itasca Community College Student Housing Funds, Itasca Hall and Wenger Hall (ICCSH)

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

**STUDENT FINANCIAL AID AUDIT**

CLA is in the process of conducting, as required, a compliance audit of Minnesota State’s federal student financial aid programs for the year ended June 30, 2020. While auditors have completed most of its work, including the audit work it traditionally performs each year, CLA still needs to perform an audit of federal Coronavirus Aid, Relief, and Economic Security Act (CARES) Act funds. CARES funding and its audit requirement is new this year; however, the federal government has not yet provided the audit requirements. Once provided, the audit work will be completed.

Minnesota State’s 2020 Schedule of Expenditures of Federal Awards Report for the Year Ended June 30, 2020 is being prepared by CLA as part of its responsibilities as the system auditor for Minnesota State. The results of this report will be incorporated into the State of Minnesota’s Single Audit report that will be released in late March and available on the Minnesota Management and Budget website. Copies of the State of Minnesota’s Single Audit report will also be available on Minnesota State’s financial reporting website.

**RECOMMENDED COMMITTEE ACTION:**

*The Audit Committee has reviewed the fiscal year 2020 audited financial statements and discussed them with representatives of management and Minnesota State’s external auditing firm. The committee recommends that the Board of Trustees adopt the following motion:*

**RECOMMENDED MOTION:**

*Based on the review and recommendation of the Audit Committee, the Board of Trustees approves the release of the fiscal year 2020 audited financial statements as submitted.*

*Date Presented to the Board of Trustees: November 17, 2020*



# Minnesota State Colleges and Universities Audit Presentation

Year Ended June 30, 2020

November 2020

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



Create Opportunities

# Overview

COVID Impact and Scope

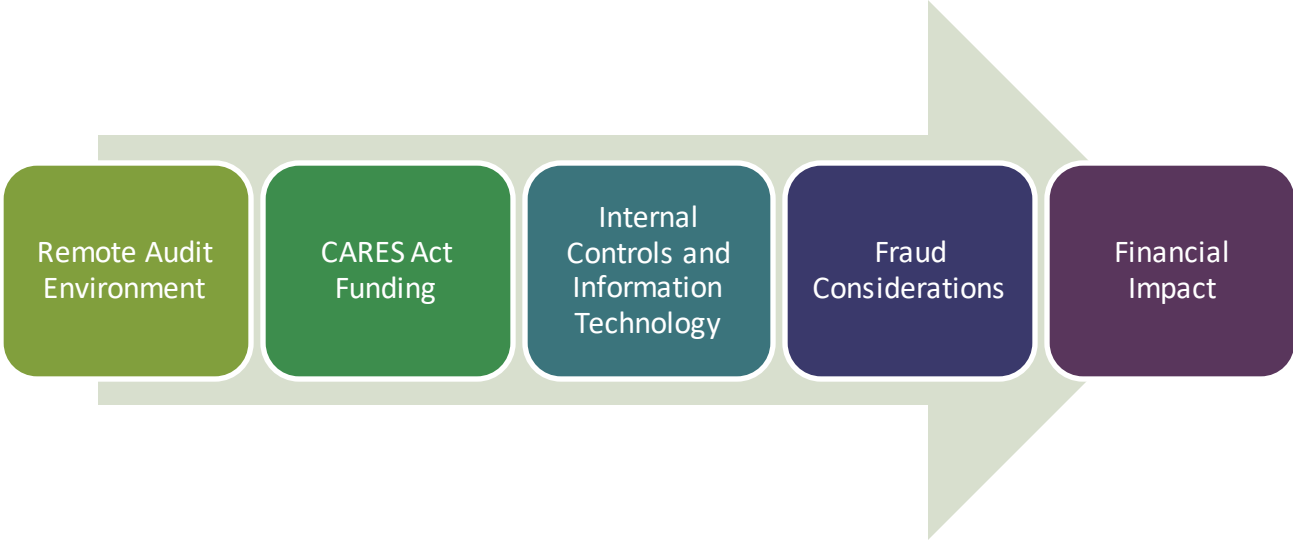
Federal Awards Audit

Financial Statement Audit

Governance Communication



# COVID-19 Impact and Response



# Scope of Audit

System-wide  
Financial  
Statement

Itasca CC –  
Student  
Housing

Revenue Fund

Student  
Financial Aid

IT Procedures



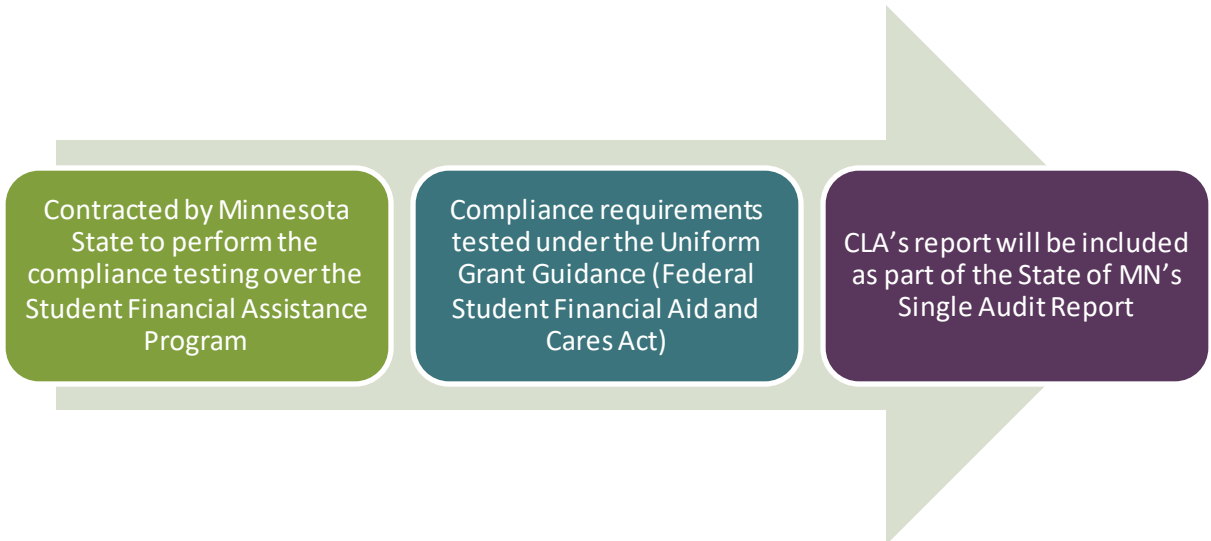
# Single Audit Compliance

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



# CLA's Role Under State Single Audit



Contracted by Minnesota State to perform the compliance testing over the Student Financial Assistance Program

Compliance requirements tested under the Uniform Grant Guidance (Federal Student Financial Aid and Cares Act)

CLA's report will be included as part of the State of MN's Single Audit Report

# Cares Act

MN State received \$96.7M with total spent of \$58.1M of as June 30, 2020

- Included \$43.1M of student portion spent and \$15M of institutional spent

Contracted by Minnesota State to perform the compliance testing over the Cares Act Funding for 2020

OMB has not yet issued the Cares Act addendum to the compliance supplement

Testing will occur after the addendum is released



## Audit Approach- Student Financial Aid

- Rotation of internal control policies and procedures
- Random sample of students selected from ~124,000 students within the system
- Other samples selected (e.g. Reporting, Cash Management, Perkins testing)

# Audit Results- Student Financial Aid

## Opinion

- Unmodified opinion on compliance

## Testing in Progress as of November 5, 2020

- FISAP Tie Outs
- NSLDS Enrollment Reporting
- 240 Day Outstanding Checks

## Results as of November 5, 2020

- No material weaknesses
- Three significant deficiency findings

# Findings and Recommendations

## Significant Deficiencies

- National Student Loan Database System Enrollment Reporting
- 240 Day Outstanding Checks
- Cash Drawdown Error





# Financial Statement Audit

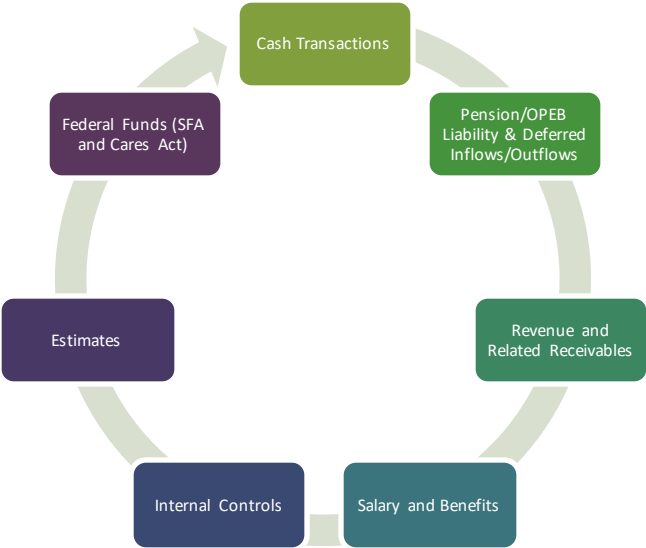
WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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# Auditors' Responsibilities

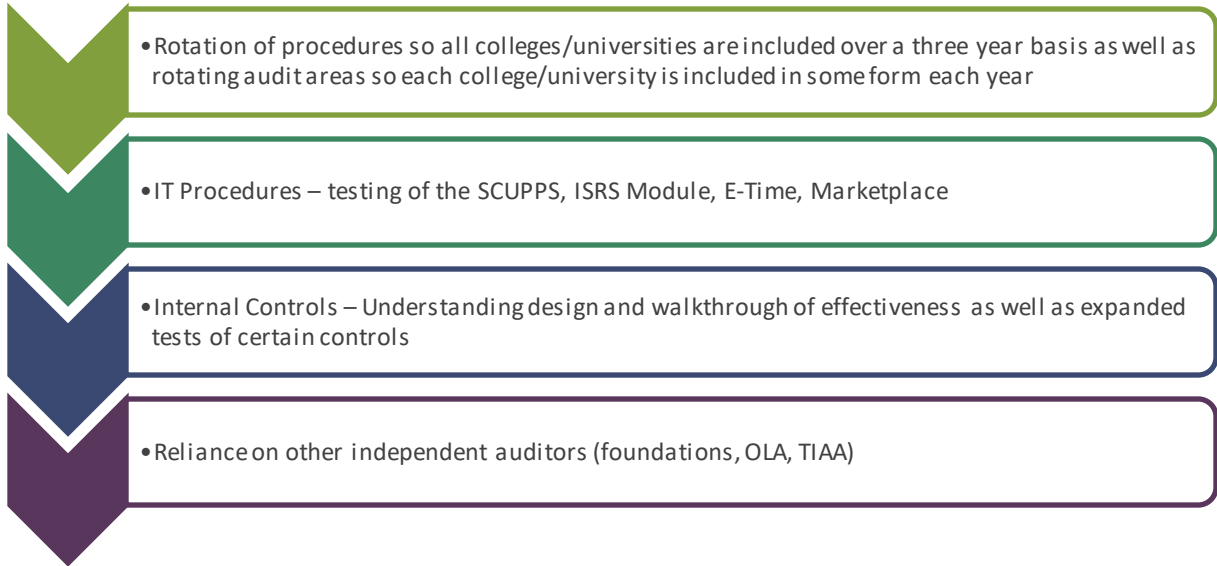


# Financial Statement Audit Process- Risk Assessment





# Audit Approach - Financial Statement Audit



# Audit Results- System-Wide

## Adjustments and Results

- No material audit adjustments
- No financial reporting deficiencies

## Opinion

- Unmodified opinion – financial statements

## Management Comments

- Separate letter issued with various colleges and universities and system level comments

# Governance Communication Letter

## Overall

- Purpose is to provide an update on the audit since the planning meeting.
- No changes in scope of audit.
- No GASB standards implemented in 2020

## Estimates

- Depreciable lives
- Allowance for doubtful accounts
- Compensated absences
- Unearned revenue
- Scholarship allowance
- Other postemployment benefits liability
- Net pension items
- Fair value of investments
- We are comfortable with management's estimate

## Difficulties

- No difficulties encountered
- No disagreements encountered
- No other findings to report

## Other

- No audit adjustments
- No uncorrected misstatements
- Management representation letter will be signed at conclusion of engagement

## Questions and Feedback

We welcome any questions pertaining to the audit, governance communication letter, management letter or other matters related to the engagement

We appreciate the opportunity to serve as the auditors for the Minnesota State Colleges and Universities system and welcome any feedback relative to our performance





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NOVEMBER 17-18, 2020

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# **FY2020 and FY2019 Audited Financial Statements**

**Board of Trustees Audit Committee  
Meeting**

# PRESENTATION OVERVIEW

- Overall Audit Results
- Minnesota State FY2020 and FY2019 results
- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* impacts on financial reporting – included in both fiscal years
- Excluding the effects of GASB 68 & 75, Minnesota State FY2020 and FY2019 results\*

\* Data in green excludes the effects of GASB 68/75 activity

# OVERALL PICTURE

- Unmodified/unqualified opinion on the financial statements & on the compliance for the single audit on student financial aid
- GASB 68/75 had a substantial impact on the reported condition of the system colleges and universities
- Excluding the effects of GASB 68/75, the financial condition of the system colleges and universities for FY2020 is similar to the FY2019 results
- COVID-19 Pandemic had significant impact on the Revenue fund, but less so on the systemwide financials



# STUDENT ENROLLMENT

- Full Year Equivalents (FYE)
  - 122,483 FYE (FY2020) vs. 126,094 FYE (FY2019)
  - 2.9% decrease from FY2019
  - Current outlook for FY2021 is 114,936
- Headcount
  - 232,000 students (FY2020) vs. 239,288 students (FY2019)
  - 3.0 percent decrease from FY2019

# FY20 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SINGLE AUDIT)

Summary of Federal Expenditures (including Loans)		
	FY2020	FY2019
Perkins Loans	\$ 25,032,467	\$ 29,644,280
Nursing Loans	15,914	18,147
Student Direct Loans	407,312,797	436,872,348
Total Loans	\$ 432,361,178	\$ 466,534,775
Student Financial Assistance	249,670,677	257,699,537
Federal CARES Act	58,082,859	-
Other Federal Programs	36,749,906	33,598,999
Total Federal Expenditures:	\$ 776,864,620	\$ 757,833,311

# SUMMARY FINANCIAL RESULTS

- 27 colleges and universities reported an operating loss (10 reported an operating gain) in FY2020. Substantially attributable to the GASB 68/75 effects.

\$2.11 billion total revenues      2.7%      compared to FY2019

\$2.09 billion total expenses      16.3%      compared to FY2019

\$1.64 billion net position      1.6%      compared to FY2019

# FY2020 AND FY2019 ADJUSTED FOR LONG-TERM PENSION AND OPEB REPORTING REQUIREMENTS

- Additional significant adjustments in FY2020
  - FY2020 operating results substantially adjusted
  - FY2020 balance sheet substantially adjusted
- Impact will continue with all future statements, introducing more volatility to the accrual based results
- The impact is distributed across all colleges and universities based on attribution assumptions

# GASB STATEMENTS NO. 68 AND NO. 75 EFFECT

- GASB 68 and GASB 75 have 4 components on the Statements of Net Position

— Net pension liability	\$ 325.9 million
— Other compensation benefits	68.2 million
— Deferred inflow of resources of with an offset to	711.6 million
— Deferred outflows of resources	<u>(379.2) million</u>
— Total downward impact on net position	\$ 726.5 million

- Compares to \$708.8 million downward adjustment in FY2019

# SUMMARY FINANCIAL RESULTS

(EXCLUDING THE EFFECTS of GASB 68 & 75)

- Excluding the effects of GASB 68 & 75, the system reports a \$24.0M loss, an improvement of \$14.8M from FY2019
- Excluding the effects of GASB 68 & 75, total operating/nonoperating expenses increased by 1.8 percent primarily in compensation costs
- FY2020 adjusted operating margins were relatively stable compared to FY2019 (less than 2 percent of operating expenses).
  - FY20 adjusted operating margin of \$(24.0)M or (1.2)%
  - FY19 adjusted operating margin of \$(38.9)M or (1.9)%

# SYSTEMWIDE STATEMENTS OF NET POSITION

<b>Assets, Liabilities and Net Position (\$ in Thousands)</b>			
<b>Fiscal Year</b>	<b>FY2020</b>	<b>FY2019</b>	<b>FY2018</b>
Total Assets	\$3,302,097	\$3,298,089	\$3,296,046
Deferred Outflows of Resources	381,278	621,822	891,778
<b>Total Assets and Deferred Outflows of Resources</b>	<b>3,683,375</b>	<b>3,919,911</b>	<b>4,187,824</b>
Total Liabilities	1,326,134	1,363,776	2,334,463
Deferred Inflows of Resources	715,258	939,920	500,508
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>2,041,392</b>	<b>2,303,696</b>	<b>2,834,971</b>
<b>Total Net Position</b>	<b>\$1,641,983</b>	<b>\$1,616,215</b>	<b>\$1,352,853</b>

- Total assets increased \$4.0M
- Total liabilities decreased in FY2020 by \$37.6M after a \$970.7M decrease in FY2019 (movement primarily due to changes in Net Pension Liability due to GASB 68)

# SYSTEMWIDE

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

### Revenues, Expenses and Net Position (\$ in Thousands)

Fiscal Year	FY2020	FY2019	FY2018
Total Revenues	\$2,114,724	\$2,059,059	\$2,036,548
Total Expenses	2,088,956	1,795,697	2,176,854
Change in Net Position	\$25,768	\$263,362	(\$140,306)

- Total revenues increased by \$55.7M primarily due to increases in federal grants of \$52.3M and state appropriation of \$37.3M, offset by a decrease in operating revenues of \$26.5M.
- Total expenses increased by \$293.3M primarily due to a \$287.8M increase in compensation expense.
- Excluding GASB 68/75, total expenses increased by only \$37.2M or 1.8 percent.
- Excluding GASB 68/75 effect, the result is a \$43.5M increase in the “Change in Net Position” in FY2020 compared to \$25.0M increase in FY2019.



# REVENUE FUND

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

### Revenues, Expenses and Net Position (\$ in Thousands)

Fiscal Year	FY2020	FY2019	FY2018
Total Revenues	\$107,409	\$123,798	\$120,295
Total Expenses	109,096	110,011	118,391
Change in Net Position	(\$1,687)	\$13,787	\$1,904

- Unrestricted cash decreased by \$3.8M or 4.0 percent.  
- \$89.6M in FY2020 down from \$93.4M in FY2019
- Total revenues decreased by \$16.4M primarily due to the impact of the pandemic, which resulted in refunds to students of \$18.5M. This was offset by \$6.7M of federal CARES Act revenue leaving a net impact of \$11.8M decrease in total revenues.
- Excluding GASB 68/75, total expenses decreased by \$5.7M or 5.0 percent.
- Excluding GASB 68/75 effect, the result is a \$1.5M decrease in net position in FY2020 compared to \$9.2M increase in FY2019.

# SYSTEMWIDE NET POSITION (UNRESTRICTED)

## Unrestricted Net Position (\$ in Thousands)

Components and changes	FY2020	FY2019	Change
Unrestricted net position balance at June 30	\$ (37,036)	\$ (39,718)	\$ 2,682
GASB Statements 68/75 impact	726,496	708,799	17,697
Balance at June 30, without effect of GASB Stmts 68/75	\$ 689,460	\$ 669,081	\$ 20,379

- Increase in unrestricted net position was \$20.4M in fiscal year 2020
- Increase due to building up of reserve for NextGen was \$17.0M
- COVID-19 Pandemic impacted net position
  - Revenue Fund
  - Federal CARES Act

# Changes in Net position

## FY2020 VS. FY2019

WITH GASB 68/75

### Revenues/(Expense) (in Thousands)

Components and changes	FY2020	FY2019	Change
Revenue from students, net of financial aid	\$ 774,502	\$ 801,381	\$ (26,879)
State appropriation revenue	762,135	724,802	37,333
Federal and state grant revenue	442,482	394,719	47,763
Compensation Expense	(1,420,716)	(1,132,891)	(287,825)
All other revenues/(expenses), net	(532,635)	(524,649)	(7,986)
Change in Net Position	\$ 25,768	\$ 263,362	\$ (237,594)

- Compensation expense change includes 256.0M related to GASB Statements No. 68 & 75
- Excluding GASB 68/75 effect, the change was \$31.8M, or 2.3%

# COMPOSITE FINANCIAL INDEX - CFI

- FY2020 CFI = 2.53 (without GASB 68/75)
- FY2019 CFI = 2.26 (without GASB 68/75)
- FY2018 CFI = 2.43 (without GASB 68/75)
  
- FY2020 CFI = 0.30 (with GASB 68/75)
- FY2019 CFI = 3.03 (with GASB 68/75)
- FY2018 CFI = (1.60) (with GASB 68/75)

# OVERALL PICTURE

- Unmodified/unqualified opinion on the financial statements & unmodified opinion on compliance for the single audit on student financial aid
- GASB 68/75 had a substantial impact on the reported condition of the system colleges and universities
- Excluding the effects of GASB 68/75, the financial condition of the system colleges and universities for FY2020 is similar to the FY2019 results
- COVID-19 Pandemic had significant impact on the Revenue fund, but less so on the systemwide financials

# RECOMMENDED MOTION

- ***Committee Motion:*** *The audit committee has reviewed the fiscal year 2020 audited financial statements and discussed them with representatives of management and the system's external auditing firm. The committee recommends that the Board of Trustees adopt the following motion:*
- ***Recommended Motion:*** *Based on the review and recommendation of the audit committee, the Board of Trustees approves the release of the fiscal year 2020 audited financial statements as submitted.*



MINNESOTA STATE

Audit / Human Resources Joint Committee  
November 17, 2020  
12:30 p.m.  
Virtual Meeting / Live Streamed

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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.

Audit Committee, George Soule, Chair  
*Other board members may be present constituting a quorum of the board.*

1. **Human Resources Transactional Service Model (HR-TSM) Project Review Update (pages 1-17)**

Audit Committee Members:

George Soule, Chair  
April Nishimura, Vice Chair  
Asani Ajogun  
Jerry Janezich  
Michael Vekich

Human Resources Committee Members:

Michael Vekich, Chair  
Dawn Erlandson, Vice Chair  
Ahmitara Alwal  
Alex Cirillo  
Roger Moe  
George Soule  
Cheryl Tefer

Presidential Liaisons:

Richard Davenport  
Michael Seymour

Presidential Liaisons:

Annette Parker  
Ginny Arthur

**Bolded** items indicate action is required.



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

**Name:** Joint Audit and Human Resources Committees

**Date:** November 17, 2020

**Title:** Human Resources Transactional Service Model (HR-TSM) Project Review Update

**Purpose (check one):**

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

**Brief Description:**

The Human Resources Transaction Service Model (HR-TSM) project began in 2015 as an initiative to create a shared service model for the delivery of human resource (HR) and payroll transaction services across the system. The final phase of the project was completed in June 2020.

Internal Auditing was first engaged in 2018 to perform a retrospective and prospective review of the HR-TSM project execution. Since then, we have been re-engaged to assess progress, identify areas of risk, advise on shared service leading practices, and provide recommendations to overcome the challenges faced throughout the implementation and stabilization project phases. We have presented at various Governance Team, Leadership Council and Board of Trustee meetings. The areas of risk and opportunities for improvement have been consistent throughout our engagement.

Internal Auditing will provide an overview of the results of its recently completed work and detailed advisory report. The Vice Chancellor of Human Resources will also provide an update and discuss next steps.

**Scheduled Presenter(s):**

Eric Wion, Executive Director of Internal Auditing  
Christine Smith, Director with Baker Tilly  
Eric Davis, Vice Chancellor for Human Resources



**BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

<b>BOARD INFORMATION</b>
Human Resources Transactional Service Model (HR-TSM) Project Review Update

**BACKGROUND**

The Human Resources Transaction Service Model (HR-TSM) project began in 2015 as an initiative to create a shared service model for the delivery of human resource (HR) and payroll transaction services across the system. The primary objectives of this HR and Payroll Transaction Shared Service Model (service center) are to:

- Create consistent practices and deliver high-quality service to all employees.
- Mitigate risks and reduce errors.
- Provide opportunity for transformational (e.g., strategic) HR work on campuses.

The transition from the work being performed by campus HR staff to the service centers was divided in three phases: Phase 1 was the transition of faculty transactions (began January 2017), Phase 2 was the transition of classified employee transactions (began July 2018), and Phase 3 was the transition of payroll (began July 2019). All phases of work have transitioned to the service center as of June 2020.

Internal Auditing was first engaged in 2018 to perform a retrospective and prospective review of the HR-TSM project execution. Since then, we have been re-engaged to assess progress, identify areas of risk, advise on shared service leading practices, and provide recommendations to overcome the challenges faced throughout the implementation and stabilization project phases. We have presented at various Governance Team, Leadership Council and Board of Trustee meetings. The areas of risk and opportunities for improvement have been consistent throughout our engagement.

*Date Presented to the Board of Trustees: November 17, 2020*



November 17, 2020

Office of Internal Auditing

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# Joint Audit and Human Resources Committee

Project Results – Human Resources Transaction Service  
Model (Advisory Project)

MINNESOTA STATE


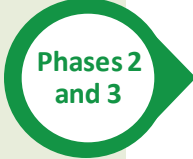

# Agenda

- Overview of Internal Audit Involvement
- Project Objectives and Conclusion
- Shared Service Strengths and Barriers
- Summary of Risk Areas Impacting Stabilization
- Scorecard Implementation
- Vice Chancellor Remarks
- Appendices (Review Only)
  - Appendix A: Internal Audit Activities Performed
  - Appendix B: Definitions



# Overview of Internal Audit Involvement

## History of Internal Audit's Involvement and Collaboration with HR-TSM

	What	When	Key Results and Risk Areas Identified
	<ul style="list-style-type: none"> <li>Transition of faculty transactions</li> </ul>	<ul style="list-style-type: none"> <li>Transition began January 2017</li> <li>IA engaged January 2018</li> </ul>	<ul style="list-style-type: none"> <li>Project engagement across MN State</li> <li>Project mid-phase reset</li> <li>Technology enhancements (FWM)</li> <li>Process standardization</li> <li>Project staffing and investment</li> <li>Transition efforts</li> </ul>
	<ul style="list-style-type: none"> <li>Transition of classified employee transactions (Phase 2)</li> <li>Transition of payroll transactions and reconciliation (Phase 3)</li> </ul>	<ul style="list-style-type: none"> <li>Phase 2 transition began July 2018</li> <li>IA engaged November 2018</li> <li>Phase 3 transition began July 2019</li> </ul>	<ul style="list-style-type: none"> <li>Service center performance</li> <li>Process standardization</li> <li>Consistent communication</li> <li>Full stabilization</li> </ul>
	<ul style="list-style-type: none"> <li>Stabilization of realigned service center structure</li> <li>Performance of shared service</li> </ul>	<ul style="list-style-type: none"> <li>Realignment occurred January 2020</li> <li>IA engaged May 2020</li> </ul>	<ul style="list-style-type: none"> <li>Discussed herein</li> </ul>

### Ongoing HR-TSM Objectives:

- Create consistent practices and deliver high-quality service to all employees.
- Mitigate risks and reduce errors.
- Provide opportunity for transformational HR work on campuses.

# Internal Audit Objectives & Conclusion

The objectives of this advisory project included:

- Assessing progress made to date on the HR Transaction Service Model stabilization and advising on next steps.
- Evaluating and identifying barriers to success and opportunities to mitigate risks relating to the processing of HR and payroll transactions.
- Advising on a plan for tracking the HR Transaction Service Model performance on an on-going basis.

The HR Transaction Service Model is not consistently achieving the intended benefits nor is the environment stabilized. Stakeholders understand the potential positive impact of the HR Transaction Service Model and are committed to its success; however, a high level of frustration exists with the current level of stabilization and perceived value. Addressing the remaining risks and issues will require buy-in and intentional focus from leadership and stakeholders across Minnesota State.

# Human Resources Transaction Service Model Strengths and Barriers

## Strengths

- Greater processing consistency, limiting institution-specific exceptions and requests.
- Ability for cross-training of service center staff.
- Service center flexibility and agility to respond to unexpected and changing demands.
- Willingness of the colleges and universities of Minnesota State to collaborate to overcome barriers and reach full stabilization.

## Barriers

- Inadequate funding to support resources and system enhancements.
- Lack of trust between the service center and institutions.
- Unclear success criteria and desired outcomes.

# Summary of Risk Areas Impacting Service Center Stabilization

## Governance Structure

*Evolvement of the Governance Structure*

## Service Center Operations and Process Standardization

*Process Standardization*

*Employee Onboarding and Reoccurring Training*

*Internal Controls*

*Business Partnership Approach and Mindset*

*Service Center Roles and Opportunity for Strategic HR Initiatives*

*Communication Protocol*

*Ticketing System Gaps*

*Payroll Transition*

## Accountability Frameworks and Approaches

*System Leadership Accountability*

*Institution and Service Center Accountability*

# Recommendations – High Priority

Primary Responsibility

	System Office Leadership	Service Center Personnel	Institution Personnel
1. Evolve to a more engaged and effective governance structure.	✓		
2. Document, communicate, confirm and maintain all standard processes in a central repository.	✓	✓	
3. Create a formal training and onboarding program.	✓		
4. Enhance and ensure a robust control environment.	✓	✓	✓
5. Emphasize the criticality of business partnership and promote a customer-centric mindset.	✓	✓	✓
6. Define the method for tracking issues and reinforce the communication protocols.	✓	✓	
7. Establish accountability to ensure adherence to the agreed-upon procedures.		✓	✓



# Recommendations – Moderate Priority

	<u>Primary Responsibility</u>		
	System Office Leadership	Service Center Personnel	Institution Personnel
8. Promote strategic HR work by clarifying roles and responsibilities.		✓	✓
9. Articulate an accountability plan for service center performance and objective assessment.	✓		
10. Assess the ticketing system capabilities against the needs of the shared service.		✓	
11. Assess the payroll processing performance and ensure execution of reviews and reconciliations.		✓	

# Scorecard Implementation

## Recommendations:

1. Ensure system functionality
2. Track metrics (automate)
3. Extract data (directly from available sources)
4. Perform data and root cause analysis

Individual (staff)

- Error rate
- Time to close tickets
- Response rate

Unit (payroll)

- Ratio of business partners per employee
- Over and underpayments (amount, number, root cause)
- Error resolution rate

Service Center

- Turnover rate
- Customer satisfaction survey results

Institution

- Number of late approvals
- Number of payroll coding errors
- FTE transactional effort

System

- Cost per headcount
- ROI (consistency, streamlined processes, more expertise, reallocate resources)

## Metrics to Track:

# Proposed Next Steps

*HR-TSM System Office Leadership*

- Present the management action plan to the existing governance structures and receive feedback and input.
- Assess the current funding constraints and evaluate alternative solutions as necessary.
- Execute the action plans.
- Monitor the shared service performance.

# Vice Chancellor Remarks

- Successes
- Struggles
- Opportunities & Risks
- Moving toward stabilization

# Appendices (Review Only)

# Appendix A: Internal Audit Activities Performed

- Attended Governance Team meetings to gather an understanding of progress made to date and decisions made.
- Reviewed transaction processing metrics to understand the volume, amount and frequency.
- Conducted interviews with over fifty system office and institution personnel to understand their level of satisfaction with the service center, as well as strengths and opportunities for improvement.
- Facilitated focus group discussions with thirty-six service center employees to understand current processes, strengths, and opportunities for improvement.
- Created and facilitated a customer feedback survey to identify strengths and opportunities for improvement from institutions who were not interviewed individually.
- Assessed reporting capabilities of systems to provide recommendations for scorecard metrics and frequency.

# Appendix B: Definitions

## Priority Rankings:

**High priority:** *Current threat to stabilized operations and high impact on the success of the shared service and the achievement of the ROI.*

**Medium priority:** *Current threat to stabilized operations and moderate impact on the success of the shared service and the achievement of the ROI.*

**Low priority (none identified):** *Has the ability to threaten the stabilization of operations and has a low impact on the success of the shared service and the achievement of the ROI.*

## Stakeholder Parties:

**System Office Leadership:** *Vice Chancellor for Human Resources, the Associate Vice Chancellor for Human Resources, the System Director for HRIS and HR Shared Services.*

**Service Center Personnel:** *Service center managers, supervisors and staff.*

**Institution Personnel:** *Human Resources, Chief Financial Officers/Finance, Chief Information Officers/IT, Academic Affairs (Deans), Administrative Assistants, Timekeeping Supervisors.*



**MINNESOTA STATE**

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MINNESOTA STATE

**OUTREACH AND ENGAGEMENT COMMITTEE**

**Nov. 17, 2020**

**1:30 PM**

**Virtual Meeting**

**30 7<sup>th</sup> Street East**

**St. Paul, MN**

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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. *Other board members may be present constituting a quorum of the board.*

**1. Minutes of October 20, 2020**

2. Proposed Amendment to Board Policy 3.23 Naming Colleges and Universities (1<sup>st</sup> Reading)

Committee Members:

Dawn Erlandson, Chair

Alex Cirillo, Vice Chair

Asani Ajogun

Kathy Sheran

Cheryl Tefer

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President Liaisons:

Carrie Brimhall

Ginny Arthur



**Bolded** items indicate action is required.

**Minnesota State Board of Trustees  
Outreach and Engagement Committee Meeting Minutes  
October 20, 2020  
McCormick Room  
30 7<sup>th</sup> Street East  
St. Paul, MN**

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***Outreach and engagement Committee Members Present via Phone:*** Chair Dawn Erlandson, Trustees Alex Cirillo, Asani Ajogun, Kathy Sheran and Cheryl Tefer.

***Other Board Members Present via Phone:*** Trustees Jay Cowles, Jerry Janezich, Roger Moe, Javier Morillo, April Nishimura, Rudy Rodriguez, George Soule and Michael Vekich.

The Minnesota State Colleges and Universities Outreach and Engagement Committee held an online meeting on Oct. 20, 2020 via Zoom. Committee Chair Dawn Erlandson called the meeting to order at 10:00 am.

**1. Minutes of Jan. 29, 2020 Committee Meeting**

*Trustee Cirillo moved and Trustee Tefer seconded that the minutes from the Jan. 29, 2020 committee meeting be approved as written. Motion carried.*

**2. Partnership to support student mental health – Rochester Community & Technical College**

**Presenters:**

Noelle Hawton, Chief Marketing and Communications Officer

Jeffery Boyd, President, Rochester Community and Technical College

Rebecca Peine, Director of Student Rights and Responsibilities and Title IX Coordinator, Rochester Community and Technical College

Katie Swegarden, Coordinator of Student Health Services, Rochester Community and Technical College

Teresa Brown, Interim Vice President of Student Affairs, Rochester Community and Technical College

Heather Geerts, Director of Clinical Services, Zumbro Valley Health Center

Sheri Pearson, Psychotherapist, Zumbro Valley Health Center

Representatives from Rochester Community and Technical College and Zumbro Valley Health Center discussed their partnership that delivers mental health services to students.

President Boyd said that even before the pandemic, studies were showing serious mental health issues, such as depression and anxiety, were on the rise among college students. The current health crisis is causing students to cope with additional stress, such as financial hardships and educational challenges. He said students are feeling disconnected from their friends, loved ones and campus community.

Rochester Community and Technical College has been a leader in responding to students' needs by providing services such as coat drives, food distribution and deliveries, and in some cases emergency funding provided by the campus foundation, President Boyd said. The college partnered with Zumbro Valley Health Center over a year ago to provide important and needed mental health services on campus.

Rebecca Peine, the campus' director of student rights and responsibilities, said a college student health survey showed 42.8 percent of college students report being diagnosed with at least one mental health condition in their lifetime and 17.4 percent report being diagnosed with at least one condition within the past 12 months. Depression and anxiety are the two most frequently reported mental health condition, followed by panic attacks.

More than one-third, or 37 percent, of students surveyed said they were unable to manage their stress level and 48.6 percent reported that a mental health issue had an effect on their academic performance.

When it came to treatment, a #RealCollege Survey indicated that 22 percent of students reported receiving public health care assistance. The overall uninsured rate was 2.7 percent and students age 35 and over reported the highest uninsured rate. Lack of health insurance is a barrier to students who want or need to access long-term mental health care, Peine said.

A student-based effort by the campus' Mental Health Awareness Club led to the partnership with Zumbro Valley Health Center. Leaders and advocates wanted to see accessible, long-term mental health services provided on campus, Peine said. Working with student government, they were able to increase student health fees and use the additional funds to pay for campus mental health support services.

RCTC chose to partner with Zumbro Valley Health Center since the center has implemented a similar service model in the Rochester public school system and that model was scalable to the college.

Katie Swegarden, coordinator of campus student health services, said RCTC contracts 20-hours of services per week, including individual clinical counseling, psycho-educational group facilitations and trainings/workshops for students, faculty, and staff. If students have health insurance, Zumbro Valley Health Center bills those

companies directly. Students without health insurances are encouraged to apply for MNsure. If needed, students' mental health services may be covered by local income-based funding sources when available, money from the Minnesota State College Mental Health Partnership Initiatives Grant or through student health services fees.

Confidential services are delivered within the student health services suite, but during the pandemic students have been meeting online with licensed therapists during confidential Zoom meetings. Specific services are developed to meet student needs, such as support needed after a campus crisis situation or anxiety group sessions. If students need medical evaluation or medication, a referral is made to the campus health service.

Swegarden said they have worked hard to develop efficient administrative procedures for scheduling intake appointments, follow-up visits and billing. There has been a high demand for provider's time and they have worked to balance requests for individual support services and trainings.

The mental health needs of the campus community are diverse, said Sheri Pearson, Zumbro Valley Health Center psychotherapist. Services provided are flexible to meet student needs, from brief interventions to ongoing care and support. Staff also can provide referrals to relevant campus resources and help students access other community support services.

As for utilization of services, 61 students were provided services in fall of 2019 and 44 last spring. That number dropped from the fall level because of the pandemic and unavailability of campus resources, Pearson said. Eighteen students were provided services at the beginning of this fall semester, but an uptick in numbers is expected.

Not enough time has passed to reliably measure how the services have affected student persistence and retention, said Peine. However, students who utilized campus-based mental health services had a course success rate of 75 percent for the academic year 2019-2020.

Trustee Tefer thanked the presenters, adding this partnership is a great example of how students can be diagnosed and supported to help overcome the serious mental health challenges they face. Trustee Nishimura commended students who have stepped forward and asked for help to deal with their mental health issues. That's where the healing begins, she said.

The meeting adjourned at 10:39 am  
Margie Takash, Recorder

**BOARD OF TRUSTEES  
MINNESOTA STATE**

**INFORMATION ITEM**

**NAMING COLLEGES AND UNIVERSITIES**

**BACKGROUND**

Board Policy 3.23 Naming Colleges and Universities was adopted and implemented by the Board of Trustees in October 1994. The policy was reviewed as part of the 5-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 updates Part 2, Subpart B regarding the inclusion of an identifier name and the system affiliation identifier. The new writing and formatting styles were also applied.

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

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD POLICY – FIRST READING</b>		
<b>Chapter 3</b>	<b>Chapter Name</b>	Educational Policies
<b>Section 6</b>	<b>Policy Name</b>	Student Conduct

*Single underlining* represents proposed new language.  
*Strikeouts* represent existing language proposed to be eliminated.

1   **3.23 Naming Colleges and Universities**

2

3   **Part 1. Identification with Minnesota State Colleges and Universities System**

4   All colleges and universities must clearly and prominently identify the institution as a part of ~~the~~  
5   Minnesota State Colleges and Universities ~~system~~ in campus entrance signage, publications,  
6   advertising and marketing materials, website, letterhead, and other forms of communication  
7   intended for external audiences. Identification ~~must~~ shall be in accordance with system  
8   procedures.

9

10   **Part 2. Name Change**

11

12       **Subpart A. Request for name change**

13       If a college or university requests a change to its official name, or if a new institution is  
14       created through merger or other means, the college or university president shall forward  
15       the proposed name to the chancellor for recommendation to the ~~to~~ Board of Trustees. The  
16       board shall establish a name after receiving a recommendation from the chancellor.

17

18       A college or university seeking to change its name, or a new institution seeking to create a  
19       name, shall ~~must~~ clearly state the rationale for the name change or new name. The college  
20       or university shall ~~must~~ consult with key stakeholders within the campus or campuses and  
21       the surrounding communities. The rationale for the name change and the results of the  
22       market research and consultation must be presented to the chancellor at the time the  
23       request is made.

24

25       **Subpart B. Name requirements**

26       The proposed name may reflect the mission of the institution and should enhance the  
27       image of the college or university and Minnesota State.

28

29       The proposed name must ~~shall~~ not reflect the name of any individual, corporation, or other  
30       non-governmental entity.

31

32 Each accredited college and university institution may have only one name, regardless of  
33 the number of individual campuses that make up the college and university institution.

34  
35 The proposed name change ~~must~~ should adhere to the following naming convention:  
36 include “Minnesota” and/or “State,” followed by an optional reflection of mission (e.g.,  
37 community or technical), followed by a descriptor (college or university), followed by an  
38 identifier name (e.g., a community, city, region, or established descriptor of location), and  
39 the optional reflection of mission (e.g., community or technical). If “Minnesota State” is not  
40 in the name, the college or university’s official logo must include a system affiliation  
41 identifier, as outlined in System Procedure 3.23.1, and be used at all times.

42  
43 **Subpart C. Name change not required**

44 This policy does not direct any institution to change its name.

45  
46 **Subpart D. Policy amendment**

47 Approval of a name change by the board under this policy ~~shall~~ constitutes an amendment  
48 of Board Policy 1A.11 to reflect the approved name, with no further action of the board  
49 required.

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**Related Documents:**

- [System Procedure 3.23.1](#) System Affiliation Identifier

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**Policy History:**

*Date of Adoption: 10/1/94*

*Date of Implementation: 10/18/94*

*Date of Last Review: 09/21/16*

**Date & Subject of Amendments:**

*Xx/xx/20 – Updated the language in Part 2, Subpart B regarding the inclusion of an identifier name and the system affiliation identifier. Applied the new writing and formatting styles.*

*9/21/16 - Amended Part 2, Subpart A to eliminate the requirement that colleges and universities conduct market research when considering a name change. Amended Subpart B to offer naming convention guidance consistent with brand standards adopted by the board on June 21, 2016. Additional wording and formatting changes throughout for consistency and clarity.*

*9/17/08 - adds a new Part 2, Subpart D which makes approval of a college or university name change an amendment to proposed Board policy 1A.11 with no further action of the board required.*

Additional [HISTORY](#)

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**Agenda Item Summary Sheet**

**Name:** Outreach and Engagement Committee

**Date:** November 17, 2020

**Title:** Proposed Amendment to Policy 3.23 Naming Colleges and Universities

**Purpose (check one):**

Proposed  
New Policy or  
Amendment to  
Existing Policy

Approvals  
Required by  
Policy

Other  
Approvals

Monitoring /  
Compliance

Information

**Brief Description:**

Policy 3.23 was reviewed as part of the 5-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 updates the policy language with more current terminology and adds new language regarding the inclusion of an identifier name and the system affiliation identifier.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were taken into consideration.

**Scheduled Presenter(s):**

Noelle Hawton, Chief Marketing and Communication Officer





MINNESOTA STATE

**Diversity, Equity, and Inclusion Committee**

November 17, 2020

2:15 P.M.

Minnesota State

30 East 7th Street

St. Paul, MN 55101

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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. Review and Approve Committee Charter for Diversity, Equity, and Inclusion Committee (pp. 1 – 4)**

Committee Members:

Rudy Rodriguez, Chair

George Soule, Vice Chair

Ahmitara Alwal

Javier Morillo

April Nishimura

Oballa Oballa

Cheryl Tefer

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President Liaisons:

Anne Blackhurst

Jeffrey Boyd

**Bolded** items indicate action is required.



**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Diversity, Equity and Inclusion Committee

**Date:** November 17, 2020

**Title:** Committee Charter Approval

**Purpose (check one):**

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

**Brief Description:**

The Executive Committee of the Board has asked for the DEI Committee to develop and approve a committee charter.

**Scheduled Presenter(s):**

Andriel Dees, Interim System Diversity Officer

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD ACTION</b>
DIVERSITY, EQUITY AND INCLUSION COMMITTEE CHARTER

**BACKGROUND**

Board governance best practices as offered by organizations including the Association of Governing Boards, encourages the development and adoption of committee charters to guide the work of board committees.

AGB observes that:

A college or university’s bylaws often define the board’s committee structure, with many institutions including committee charges and other committee details in bylaw clauses. However, mention in the bylaws does not formally establish a board committee; that is accomplished through a separate board-approved committee charter that outlines the committee’s mission, composition, responsibilities, and procedures for conducting its business.

**RECOMMENDED COMMITTEE MOTION**

The Diversity, Equity and Inclusion Committee recommends the Board of Trustees adopt the Diversity, Equity and Inclusion Committee charter.

**RECOMMENDED BOARD MOTION**

The Board of Trustees approves the Diversity, Equity and Inclusion Committee charter.

*Date Presented to the Board of Trustees:* 11/17/2020  
*Date of Implementation:* xx/xx/xx

# Charter of the Board of Trustees Diversity, Equity and Inclusion Committee

November 17, 2020

## **Purpose:**

The Diversity, Equity and Inclusion Committee is charged with providing leadership and consultative support to advance continued progress of broad system-wide equity and inclusion goals.

The committee will set priorities, provide guidance, and monitor the implementation of Minnesota State Diversity Equity and Inclusion Tactical Plan.

The committee will (a) prioritize diversity, equity and inclusion in academic planning and student outcomes, (b) prioritize compositional diversity in leadership, student body make-up, and employee representation, (c) monitor and assess an equity focused hiring/talent management strategy, (d) prioritize programs that support supplier diversity, (e) review programs, activities, policies, and practices to emphasize the equity components of compliance.

## **Committee Structure:**

The committee will consist of no fewer than five and no more than seven members appointed by the chair of the board annually. The chair and vice chair of the Diversity, Equity and Inclusion Committee shall be appointed by the chair of the board.

## **Definitions:**

**BIPOC-** A person or group who identifies as Black, Indigenous, or Person of Color

**Disability-** person who has a physical or mental impairment that substantially limits one or more major life activity. This includes people who have a record of such an impairment, even if they do not currently have a disability. It also includes individuals who do not have a disability but are regarded as having a disability.

**Diversity** - The concept of diversity encompasses acceptance and respect. It means understanding that each individual is unique and recognizing our individual differences. These can be along the dimensions of race, ethnicity, gender, sexual orientation, socio- economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies.

**Equity** - The proactive reinforcement of policies, practices, attitudes and actions that produce equitable power, access, opportunities, treatment, impacts and outcomes for all.

**Gender** - Refers to the socially constructed roles, behaviors, activities and attributes that a given society considers appropriate for boys and men or girls and women. While aspects of biological sex are similar across different cultures, aspects of gender may differ.

**Inclusion** - Authentically bringing traditionally excluded individual and/or groups into processes, activities, and decision/policy making in a way that shares power.

**Authority:**

The principal elements of the Charter of the Diversity, Equity, and Inclusion Committee shall be:

1. Provides advice and counsel to the chancellor. (This duty is shared with all other board members).
2. Preparation/adoption of an annual committee workplan.
3. Recommend proposed board policies within the purview of the committee.
4. The committee's oversight considers critical/strategic Equity and Inclusion components focused on but not limited to:
  - a. Access for Students from Marginalized Populations
  - b. Campus Climate
  - c. Developing a Strategic Equity Lens Review for Policy and Practice
  - d. Recruit/Retain/Retention of a diverse workforce to include underrepresented populations including but not limited to, BIPOC, Women, and Persons with Disabilities
  - e. Equity in Academic Outcomes
  - f. Civil Rights and Title IX Compliance
  - g. Supplier Diversity
5. This charter is subject to an annual review.



MINNESOTA STATE

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## Facilities Committee

November 17, 2020

2:45 PM

Virtual Meeting

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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 17, 2020 (pp. 1-2)**
2. **Lease Agreement: Metropolitan State University And 131-280 Energy Park (pp. 3-5)**
3. **Capital Bonding Update and 2021 Recommendation and Approval (pp. 6-10)**

### Committee Members:

Jerry Janezich, Chair  
Javier Morillo, Vice Chair  
Kathleen Sheran  
Roger Moe  
Oballa Oballa

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### President Liaisons:

Kent Hanson  
Faith Hensrud

**Bolded** items indicate action is required.



**Minnesota State Board of Trustees  
Facilities Committee Meeting Minutes  
June 17, 2020**

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**Facilities Committee members present by phone or online:** Jerry Janezich, Chair; Louise Sundin, Vice Chair; Trustees, Bob Hoffman, Roger Moe, and Chancellor Devinder Malhotra

**Facilities Committee members absent:** Trustee Samson Williams

**Other board members present by phone or online:** Jay Cowles, Chair; Trustees, Alex Cirillo, April Nishimura, George Soule, Michael Vekich, Dawn Erlandson, Ashlyn Anderson, Rudy Rodriguez, and Cheryl Tefer

**Cabinet members present:** Bill Maki, Interim Vice Chancellor

**Others present:** Associate Vice Chancellor for Facilities, Brian Yolitz

Committee Chair Janezich called the virtual meeting of the Facilities Committee to order at 9:20 AM.

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

*Committee Chair Janezich called for a motion to approve the May Facilities Committee meeting minutes. A motion was made by Trustee Moe and seconded by Trustee Hoffman. The minutes were approved as written.*

**2. Proposed Amendment to Board Policy 5.17: Sustainability, Resources Conservation and Recovery, and Environmentally Responsible Practices (Second Reading)**

Committee Chair Janezich asked if Associate Vice Chancellor Yolitz wanted to say anything regarding the amendment.

Associate Vice Chancellor Yolitz said the proposed amendment is around broadening the application of the expectations of our sustainability practices focusing on carbon dioxide emissions, energy/water conservation, solid waste management, alternative transportation, and our dining practices. He said that these initiatives emerged from campuses and their sustainability programs. They had asked that more attention be paid to these areas and requested our assistance in gaining board support. He stated that this proposed amendment had been shared with our campuses and has received strong support from administrations and student groups and we look forward to implementing the actual action plan and processes associated with this policy.

Committee Chair Janezich asked for any questions. Trustee Cowles noted that the policy stated the system office would report on process and accomplishments periodically to the board and asked how often that would happen. Associate Vice Chancellor Yolitz said the intention is to follow up on an annual basis which would allow time to implement the B3 benchmarking program to document energy utilization. He continued that it takes time to get the bills from 54 campuses into the database and analyzed. He said a report could be available later in the Board calendar year. Trustee Cowles added to do it in a way that makes the most sense for the gathering of useful data. Associate Vice Chancellor Yolitz agreed.

Committee Vice Chair Sundin pointed out that under 5.17, part 3, accountability section, the first line says the system office shall appoint a point of contact for sustainability and questioned what the point of contact would be exactly, and suggested clarification. Associate Vice Chancellor Yolitz responded that the point of contact is an individual that would serve as a center point for all sustainability practices. Some campuses have a sustainability office, and sometimes student workers are a part of that group. The system office has a staff member who serves as our lead. She has been marshalling the charge as well as working with the state's climate change subcabinet staff as well as the sustainability office. Committee Vice Chair Sundin suggested point of contact be edited to read "a staff person to act as a point of contact." Associate Vice Chancellor Yolitz agreed to make the edit.

Facilities Chair Janezich asked for a motion to approve the proposed amendment. Trustee Moe made the motion to adopt the proposed amendment to Board Policy 5.17 Sustainability, Resources Conservation and Recovery, and Environmentally Responsible Practices. Trustee Hoffman seconded. The motion was approved.

Associate Vice Chancellor Yolitz added that there is no bonding bill yet but was still hopeful something would happen in the next couple of days. Committee Vice Chair Sundin asked if the last amount was for \$1.5 billion. Associate Vice Chancellor Yolitz said that was the number but the committees have not reported back what the distribution might look like.

Chancellor Malhotra asked Bernie Omann if he knew anything about the bonding bill. Bernie Omann said they are still in negotiations and that House Republicans are saying that unless the executive orders are lifted there will be no bonding bill. He said the Senate has indicated they would go to \$1.1 billion that would include \$95 million in HEAPR for Minnesota State and there has been discussion around an agreement to go to \$1.3 billion that would be tied to other legislation. The Senate and House are trying to work on public safety bills. There is some confidence a bonding bill is still in the works, maybe June/July but the intent to adjourn the session is just a few hours away and they are nowhere near an agreement, not even with a global number.

Chair Janezich adjourned the meeting at 9:40 AM.

Respectfully submitted: Kathy Kirchoff, Recorder



**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Facilities Committee

**Date:** November 17, 2020

**Title:** Lease Amendment: Metropolitan State University And 1380 Energy Park

**Purpose (check one):**

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

**Brief Description:**

Board Policy 5.14, *Procurement and Contracts*, requires Board of Trustees approval of any procurement, lease agreement, or amendment thereto, with a value in excess of \$1,000,000 or contract amendment that would increase the total value of a contract to more than \$1,000,000. The actions requested in this report concern contracts with campus specific impact.

Metropolitan State University seeks Board approval to extend an existing lease at 1380 Energy Park Place on a month-to-month basis for up to six (6) months.

**Scheduled Presenter(s):**

Brian Yolitz, Associate Vice Chancellor for Facilities

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**BOARD ACTION**

**LEASE AMENDMENT: METROPOLITAN STATE UNIVERSITY AND 1380 ENERGY PARK**

**REQUEST**

Metropolitan State University seeks Board approval for a six-month lease extension at 1380 Energy Park Place.

**AUTHORITY**

Board Policy 5.14, *Procurement and Contracts*, requires Board of Trustees approval of any procurement, lease agreement, or amendment thereto, with a value in excess of \$1,000,000 or contract amendment that would increase the total value of a contract to more than \$1,000,000. The actions requested in this report concern contracts with campus specific impact.

Metropolitan State University seeks Board approval to extend an existing lease at 1380 Energy Park Place on a month-to-month basis for up to six (6) months.

**BACKGROUND**

Metropolitan State University has leased space at 1380 Energy Park Drive, St. Paul since 2002, for classrooms and office space. The lease was most recently renewed in 2013 and was scheduled to expire December 31, 2019. At the November 2019 Board meeting, the University received approval to extend the lease for Suite 104 through April 30, 2020, while the University negotiated with the landlord for a possible longer term extension of the lease or possible relocation if negotiations were unsuccessful. The University came to the Board in March 2020 requesting an extension of the month-to-month agreement through December 31, 2020, to finalize a new long term lease agreement as the impact of COVID-19 was moving employees and work to a remote mode.

As the pandemic continued, the University realized the impact on how their use of space in the future may be changed. As such, the University has been reassessing their space needs for their programs housed at 1380 Energy Park Drive and determined that programs offered can remain in an on-line format for the next 2-3 years. This provides the University an opportunity to begin reducing their overall space footprint at this location as the departments that are located at 1380 are successfully working and offering on -line training and instruction.

Within that context, the University is requesting an extension of the existing month-to-month agreement for six (6) months from January 1, 2021 through June 30, 2021 to allow time to finalize plans that will relocate departments currently housed in this leased space to other university space. The extension is to be at the same rental rate as the current term rates of \$15.12/SF of leased space, with a total obligation to the University over the potential 6-month additional term of approximately \$122,000.

When this lease was originally executed, and subsequently amended, different Board thresholds existed. Since the lease is already in excess of the \$1 million threshold, Board approval is sought to ensure policy compliance with current requirements.

**RECOMMENDED COMMITTEE ACTION:**

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

The Board of Trustees authorizes the chancellor or the chancellor’s designee to modify, amend and extend the lease at 1380 Energy Park Drive, Suite 104, St. Paul, which contains approximately 7,946 sq. ft., for up to six (6) months, through June 30, 2021.

**RECOMMENDED BOARD OF TRUSTEES MOTION:**

The Board of Trustees authorizes the chancellor or the chancellor’s designee to modify, amend and extend the lease at 1380 Energy Park Drive, Suite 104, St. Paul, which contains approximately 7,946 sq. ft., for up to six (6) months, through June 30, 2021.

Date Presented to the Board of Trustees: November 17, 2020  
Date of Implementation: November 17, 2020

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**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Facilities Committee

**Date:** November 17, 2020

**Title:** Capital Bonding Update and 2021 Recommendation and Approval

**Purpose (check one):**

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

**Brief Description:**

The Board of Trustees is asked to consider and approve a capital bonding request of \$188.226 million for higher education asset preservation and replacement (HEAPR) and capital projects as part of the 2021 legislative session. While the 2021 session is not considered a bonding year, it is prudent for the board to communicate their priorities should a bonding bill be considered as part of the session's proceedings.

**Scheduled Presenter(s):**

Brian Yolitz, Associate Vice Chancellor for Facilities

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD ACTION</b>
<b>CAPITAL BUDGET RECOMMENDATION</b>

**BACKGROUND**

On October 21, 2020, Governor Walz signed a \$1.87 billion bonding bill that included \$90.888 million for Minnesota State colleges and universities. This included \$46.347 million for higher education asset preservation and replacement (HEAPR) and \$44.541 million for 4 major capital projects. This funding represented 34 percent of the board’s total 2020 program request, 31 percent of the requested HEAPR, and 37 percent of the requested capital projects. **See Attachment A.**

While the upcoming legislative session is focused primarily on the operating budget and considered an “off” bonding year, there have been occasions where bonding bills have emerged as part of session outcomes. Board recommendation on capital investment priorities will inform deliberations on a bonding bill should one be considered in 2021.

**2021 CAPITAL INVESTMENT PLANNING**

A total of \$180.3 million of the board’s priorities, including \$103.653 million in HEAPR and \$76.6 million for 12 projects, was not funded in the 2020 bonding bill. Aging facilities and consistently low HEAPR funding have led to the system’s estimated backlog of maintenance reaching more than \$1.3 billion in FY2020, a 9.7% increase from FY2019.

There are generally two options to consider as the board’s approach to 2021 capital investment priorities: funding unmet priorities from 2020 or HEAPR funding only. Both have been pursued in the past. Urgency of need, clarity of priorities, messaging during the legislative session, and program executability are among the factors to consider in advancing a 2021 request.

A request that funds unmet priorities for 2021 would align best with these factors. **See Attachment B.** Several of the major capital projects unfunded in the 2020 bonding bill have sought funding for two or more biennia; two of the projects (MSU Moorhead’s Weld Hall, and Inver Hills Community College’s Technology and Business Center) have completed design and only need construction funding to complete the project. The project for Minneapolis College in support of their partnership with Metropolitan State University had requested design and Phase 1 construction in 2020 but was only funded for design (\$990,000). The proposed 2021 request would fund both phases of construction for this project. Delays in funding have led to additional

inflation costs for these projects. Addressing unfunded capital project needs in 2021 will allow the board to fully consider new capital project needs in the 2022 program.

The need for HEAPR funding is urgent and growing, impacting all institutions. The 2020 bonding bill left \$103.653 million or 69% of the board's number one priority for bonding unmet. The estimated backlog of maintenance grew by over \$116 million, a 9.7 percent increase from 2019 as our facilities and their systems have aged. To simply sustain the state of our campus physical plant, a request that includes this unfunded balance of HEAPR funding should be pursued for the 2021 legislative session. This would provide funding for at least 60 projects at all colleges and universities.

**RECOMMENDED COMMITTEE ACTION:**

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

The Board of Trustees approves a capital bonding request of \$188.226 million for higher education asset preservation and replacement (HEAPR) and major capital project funding and authorizes submission to the executive and legislative branches for consideration as part of the 2021 legislative session. As funding is authorized and appropriated by the legislature and approved by the governor, the chancellor or their designee is authorized to execute contracting actions necessary to deliver on individual project scopes and intent.

**RECOMMENDED MOTION:**

The Board of Trustees approves a capital bonding request of \$188.226 million for higher education asset preservation and replacement (HEAPR) and major capital project funding and authorizes submission to the executive and legislative branches for consideration as part of the 2021 legislative session. As funding is authorized and appropriated by the legislature and approved by the governor, the chancellor or their designee is authorized to execute contracting actions necessary to deliver on individual project scopes and intent.

Date Presented to the Board of Trustees: November 17, 2020

Date of Implementation: November 17, 2020

**Minnesota State  
Capital Bonding Funding – 2020 Results**

Board Priority	College / University	Project Title	Requested Amount	2020 FINAL (HF 1)
1	Higher Education Asset Preservation and Replacement	HEAPR	\$ 150,000,000	\$ 46,347,000
2	Anoka-Ramsey -- Coon Rapids	Business and Nursing Renovation	\$ 16,282,000	\$ 16,282,000
3	Normandale Community College	College Services Phase II	\$ 26,634,000	\$ 26,634,000
4	Minnesota State University Moorhead	Weld Hall Renovation and Addition	\$ 17,290,000	
5	Inver Hills Community College	Technology and Business Center	\$ 14,653,000	
6	Saint Paul College	Academic Excellence Renovation and Renewal	\$ 937,000	
7	Minneapolis College/Metro State	Management Education Center Metro Baccalaureate Initiative	\$ 10,254,000	\$ 990,000
8	NHED - Vermilion Community College	Classroom Building Renovation	\$ 2,576,000	
9	Central Lakes College	Brainerd Student Services Renovation	\$ 8,275,000	
10	Northland Community and Technical College	Effective Teaching and Learning Labs	\$ 2,220,000	
11	Minnesota State University, Mankato	Armstrong Hall Replacement	\$ 6,691,000	
12	Winona State University	Ctr for Interdisciplinary Collab., Engagement, & Learning	\$ 3,218,000	
13	Lake Superior College	Integrated Manufacturing Workforce Labs	\$ 985,000	
14	North Hennepin Community College	Center for Innovation & the Arts @ Brooklyn Park*	\$ 6,598,000	
15	Metropolitan State University	Cyber Security Program	\$ 3,923,000	
16	Pine Technical and Community College	Technical/Trades Lab Addition and Renovation	\$ 635,000	\$ 635,000
<b>Total Program</b>			<b>\$ 271,171,000</b>	<b>\$ 90,888,000</b>
Total - Capital Projects Only			\$ 121,171,000	\$ 44,541,000
State Support (GO)			\$ 230,780,667	\$ 76,041,000
User Financing (UF)			\$ 40,390,333	\$ 14,847,000



## Minnesota State 2021 Capital Bonding Request - \$188.226M

Board Priority	College / University	Project Title	Requested Amount
1	Higher Education Asset Preservation and Replacement	HEAPR	\$ 103,653,000
2	Minnesota State University Moorhead	Weld Hall Renovation and Addition	\$ 17,290,000
3	Inver Hills Community College	Technology and Business Center	\$ 14,653,000
4	Saint Paul College	Academic Excellence Renovation and Renewal	\$ 937,000
5	Minneapolis College/Metro State	Management Education Center Metro Baccalaureate Initiative	\$ 17,207,000
6	NHED - Vermilion Community College	Classroom Building Renovation	\$ 2,576,000
7	Central Lakes College	Brainerd Student Services Renovation	\$ 8,275,000
8	Northland Community and Technical College	Effective Teaching and Learning Labs	\$ 2,220,000
9	Minnesota State University, Mankato	Armstrong Hall Replacement	\$ 6,691,000
10	Winona State University	Ctr for Interdisciplinary Collab., Engagement, & Learning	\$ 3,218,000
11	Lake Superior College	Integrated Manufacturing Workforce Labs	\$ 985,000
12	North Hennepin Community College	Center for Innovation & the Arts @ Brooklyn Park	\$ 6,598,000
13	Metropolitan State University	Cyber Security Program	\$ 3,923,000
<b>Total Program</b>			<b>\$ 188,226,000</b>
Total - Capital Projects Only			\$ 84,573,000
<b>State Support (GO)</b>			<b>\$ 160,035,000</b>
<b>User Financing (UF)</b>			<b>\$ 28,191,000</b>



MINNESOTA STATE





MINNESOTA STATE

**Finance Committee  
November 18, 2020  
9:15am  
McCormick Room  
30 7<sup>th</sup> Street East  
St. Paul MN**

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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

*Other board members may be present constituting a quorum of the board.*

- 1. Minutes of October 21, 2020** (pp. 1-8)
- 2. Contracts exceeding \$1 Million:** (pp 9-12)
  - a. Contract Extension for University Heights Student Housing, Bemidji State University**
  - b. Lease Amendment: Metropolitan State University and 1380 Energy**
- 3. FY2022-2023 Biennial Budget Request (Second Reading)** (pp. 13-26)

Committee Members:

Roger Moe, Chair  
April Nishimura, Vice Chair  
Ahmitara Alwal  
Jerry Janezich  
Kathy Sheran  
George Soule  
Michael Vekich

President Liaisons:

Joe Mulford  
Scott Olson

**Bolded** items indicate action is required.



**Minnesota State Board of Trustees**  
**Finance Committee Meeting Minutes**  
**October 21, 2020**  
**McCormick Room**  
**30 7th Street East**  
**St. Paul, MN**

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**Finance Committee members present:** Roger Moe, Chair; April Nishimura, Vice Chair; Trustees Ahmitara Alwal, Jerry Janezich, Kathy Sheran, George Soule, Micheal Vekich and Chancellor Devinder Malhotra.

**Other board members present:** Board Chair Jay Cowles, Trustees Asani Ajogun and Dawn Erlandson

**Cabinet Members Present:** Vice Chancellor Bill Maki, Senior Vice Chancellor Ron Anderson

**President Liaisons Present:** President Joe Mulford, Pine Technical and Community College and President Scott Olson, Winona State University.

*This meeting was hosted online via Zoom. Committee Chair Moe called the virtual meeting to order at 8:37 am.*

*Chair Moe outlined the agenda for this meeting.*

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

*Committee Chair Moe called for any questions or changes to the Finance Committee Meeting Minutes from June 17, 2020. Hearing none, Chair Moe called for a motion to approve the minutes as written. Vice Chair Nishimura made the motion, Trustee Soule seconded. A roll-call vote was taken. The minutes were approved.*

*The Chair recognized Vice Chancellor Bill Maki.*

*Vice Chancellor Maki gave updates on the following topics:*

- *FY2020 Bonding bill—\$1.365B passed. This bill funds approximately \$90.9M of Minnesota State’s \$271.2M request for FY2020 or about 34%. It includes \$46.3M for HEAPR funds representing about 31% of our \$150M request. It includes \$16.3M to renovate the nursing and business classroom building at Anoka Ramsey Community College as well as \$26.6M for the phase II classroom and student services renovation at Normandale Community College, \$990,000 to begin design of the renovation of the management education center at Minneapolis College, and \$635,000 to design the technical trades lab at Pine Technical and Community College.*
- *The 2021 committee workplan priorities for this year include today’s first reading of the FY2022-2023 biennial budget request. Also on our agenda is the NextGen ERP project when that is ready to come to the board. As we transition to the first quarter*

*of calendar year 2021, we will see fewer action items but will spend time discussing financial performance and long-term financial sustainability. In the second quarter of 2021, our focus will shift to passing an operating budget for FY2022 as well as capital program recommendations.*

- *In November, we will present through the Audit Committee, the system's audited financial statements.*

## **2. Contracts Exceeding \$1 Million:**

### **a. Student Internet and Cable services – Minnesota State University Mankato**

*Vice Chancellor Maki provided a summary of the proposed contract. Committee Chair Moe called for questions.*

*Trustee Sheran asked for a brief explanation of the expected outcome for this investment.*

*Vice President Rick Straka stated that the agreement would provide internet and wireless service to residence hall students as well as cable tv and networking capabilities. This new contract lowers the cost of these services from what it was under the prior provider and allows the elimination of end-of-life equipment in the network. Under this agreement, the networking equipment is owned and managed by Apogee whereas under the prior provider, MSU Mankato owned the equipment and the provider managed it. These efficiencies help keep the cost of room and board rates down.*

*There being no further questions, Committee Chair Moe asked for a motion to adopt the following:*

#### **RECOMMENDED COMMITTEE ACTION:**

The Board of Trustees authorizes the chancellor or his designee to execute a five-year agreement with Apogee for networking/Internet service and Cable TV/IP TV service for a total amount of \$3,100,000 at Minnesota State University, Mankato student residential housing facilities. The board directs the chancellor or his designee to execute all necessary documents.

#### **RECOMMENDED BOARD OF TRUSTEES ACTION:**

The Board of Trustees authorizes the chancellor or his designee to execute a five-year agreement with Apogee for networking/Internet service and Cable TV/IP TV service for a total amount of \$3,100,000 at Minnesota State University, Mankato student residential housing facilities. The board directs the chancellor or his designee to execute all necessary documents.

*Trustee Janezich made the motion. Trustee Nishimura seconded. A roll-call vote was taken. The motion was adopted.*

**b. Student Internet and Cable services – Minnesota State University Moorhead**

*Vice Chancellor Maki provided a summary of the proposed contract. Committee Chair Moe called for questions.*

*Trustee Soule asked for a brief summary of the expected outcome for this proposal.*

*Chief Information Officer Daniel Heckaman stated that the internet service has been moved from the contracted service provider to the campus network for residential students. Cable television services will still be offered to residential students through the original vendor until such time that an RFP can be initiated for cable-only services.*

*There being no further questions, Committee Chair Moe then asked for a motion to adopt the following:*

**RECOMMENDED COMMITTEE ACTION:**

The Board of Trustees authorizes the chancellor or his designee to execute an Amendment for one additional year in the amount of \$120,000 for a total contract amount not-to-exceed \$1,095,000. The board directs the chancellor or his designee to execute all necessary documents.

**RECOMMENDED BOARD OF TRUSTEES ACTION:**

The Board of Trustees authorizes the chancellor or his designee to execute an Amendment for one additional year in the amount of \$120,000 for a total contract amount not-to-exceed \$1,095,000. The board directs the chancellor or his designee to execute all necessary documents.

*Trustee Nishimura made the motion. Trustee Janezich seconded. A roll-call vote was taken. The motion was adopted.*

**c. Extension for HVAC and Mechanical Services - Metropolitan State University**

*Vice Chancellor Maki provided a summary of the proposed contract. Committee Chair Moe called for questions.*

*There being no questions, Committee Chair Moe then asked for a motion to adopt the following:*

**RECOMMENDED COMMITTEE MOTION:**

The Board of Trustees authorizes the chancellor or the chancellor's designee to execute the contract amendment for HVAC service and maintenance for up to \$1,250,000 through June 30, 2021. The board directs the chancellor or his designee to execute all necessary documents.

**RECOMMENDED BOARD OF TRUSTEES MOTION:**

The Board of Trustees authorizes the chancellor or the chancellor's designee to execute the contract for HVAC service and maintenance for up to \$1,250,000 through June 30, 2021. The board directs the chancellor or his designee to execute all necessary documents.

*Trustee Janezich made the motion. Trustee Nishimura seconded. A roll-call vote was taken. The motion was adopted.*

*Committee Chair Moe was excused to attend another meeting. Vice Chair Nishimura assumed leadership of the meeting in his absence.*

**3. FY2021 Operating Budget Update**

*Vice Chancellor Maki provided a comprehensive informational overview of the operating budget. Steve Ernest, System Director for Financial Planning and Analysis, joined the Vice Chancellor for the presentation.*

*Trustee Janezich asked if the staffing levels had been trimmed and how this effected the compensation numbers.*

*Director Ernest stated that if there were no activities happening, then there would be no staff on hand.*

*Trustee Janezich asked if the assumption in June was that activities would occur and these costs were built into the forecast, but the current numbers reflect what actually occurred.*

*Director Ernest stated that there would be an assumption that there would be a need to cover staffing costs for activities but it turned out that there was not as much need.*

*Trustee Sheran asked if there was more income from tuition than originally anticipated and if this was related to the additional costs that students paid for online courses.*

*Director Ernest responded that the additional income was a result of higher enrollment than the June estimates. It represents across the board tuition for more credits being sold.*

*Trustee Sheran asked if it was true that the additional costs for online courses would also impact this number.*

*Director Ernest answered that yes, online tuition differential is part of tuition.*

*Chancellor Malhotra added that for the last two years, online tuition fees have been frozen and they will continue to be frozen for the next two years. Our guidance to colleges and universities is that if courses in fall are being offered online, just for this fall because of the pandemic, then those courses will not be charged the online tuition differential. However, if courses move to an online status on a permanent basis, then they will be subject to all ways in which we charge for online courses.*

*Trustee Janezich asked if the revenue fund was self-sufficient.*

*Vice Chancellor Maki answered that yes, the revenue fund is set up to be self-sufficient and has its own operating reserves and reserves for improvements to facilities, but by nature, the revenue bonds are sold based on the revenue streams that support it and those revenue streams have been compromised due to the pandemic. The longer it goes on, campuses may need to look at using general fund money to help support that if reserve levels get below the acceptable thresholds.*

*Trustee Janezich asked about the level of reserves in the revenue fund.*

*The Vice Chancellor said that he did not have the numbers in front of him, but indicated that as we completed the financial statements for FY2020, we were still in a stable position and are monitoring this as we move into FY2021. He offered to follow-up and provide this information to the committee.*

*Trustee Erlandson asked about the long-term enrollment decline. How much is the result of population decline (pool of people that can attend) versus loss of enrollment to “mega” universities?*

*Vice Chancellor Maki responded that pre-pandemic, colleges and universities were planning on a 2.5% decline in enrollment. A portion of that decline was based on demographic considerations as well as the strong economic conditions at that time. Related to competition from other higher education providers within Minnesota State’s share, Senior Vice Chancellor Anderson was asked to provide more information on this topic.*

*Senior Vice Chancellor Anderson stated that we have not done a deep dive into what those enrollment patterns have been, particularly with the for-profit and online space. We are looking at different opportunities to get at some of the data to see if there have been the same kinds of shifts. We can look at overall enrollments within those different institutions as well, but the question of Minnesota residents who are our primary draw and to what extent they are increasing their enrollment in outbound institutions, we don't yet know.*

*There being no further questions, Vice Chair Nishimura thanked the Vice Chancellor and Director Ernest for the report.*

*Committee Chair Moe returned and resumed leadership of the meeting from Vice Chair Nishimura. Chair Moe asked the Vice Chancellor to begin the presentation of the FY2022-2023 biennial budget request.*

#### **4. FY2022-2023 Biennial Budget Request (First Reading)**

*Vice Chancellor Maki provided a comprehensive overview of the proposed biennial budget request. Joining Vice Chancellor Maki for the presentation were President Scott Olson and President Joe Mulford.*

*Chair Moe called for comments or questions.*

*Trustee Soule asked if the funding requests within the specific brackets would be more specifically defined prior to presentation to the legislature.*

*VC Maki stated yes, the final budget request will have specific amounts related to all of the items. The approach taken here for the first reading is to provide for some flexibility and to encourage input and feedback. This is to develop more thoroughly the highest priorities for both Academic and Student Affairs and Inclusion and Equity for putting programs together that best utilize the scope of the funding that we are seeking. The final budget presented to the legislature will be specific.*

*Trustee Erlandson stated her support for the scholarship proposals in the budget request and appreciated the testimonies from Presidents Olson and Mulford.*

*Trustee Janezich asked about the \$75M request and the statement that campuses require ongoing revenue in order to maintain a core level of programs and services. Does this represent a different way of thinking on how we will do the budget formula?*

*The Vice Chancellor replied that it is similar to our approach for an increase in operating support for our campuses in the past. This is our system request to the legislature so it does not address any internal methodology we use for how to allocate those funds.*

*Chair Cowles asked if the \$75M fully covered our inflationary cost projections for the next two years and as we forward the budget request to the governor, are we planning to continue the budgeting discipline of last fall which included several levels of expectations for enrollment outcomes, so that we clearly have alternative scenarios when looking at our biennium budget.*

*Vice Chancellor Maki stated that the \$75M comes close to covering the full 3% inflation. This is a projection because we do not know what our costs are until we are through the collective bargaining process and what our enrollments are for the next two academic years. The estimates were calculated in a fashion similar to how it has been in the past when we go to the legislature for increased operating support. Related to the alternative scenarios, we will continue those practices into the spring, especially given more volatility than we have seen recently, as we bring to you an approved budget for FY2022 at the May and June board meetings.*

*Chair Moe called for any additional questions. There being none, and this being the first reading, Chair Moe called for the trustees to review the following recommended motion and provide feedback to VC Maki:*

**RECOMMENDED COMMITTEE MOTION**

The FY2022-FY2023 legislative request strengthens the state's commitment to inclusive excellence and ensuring our students receive an extraordinary, affordable, and accessible education. The Board of Trustees approves the FY2022-FY2023 biennial budget request in the amount of \$808,534,000 in FY2022 and \$836,534,000 in FY2023 for a total of \$1,645,068,000.

The Board of Trustees has been granted the authority in state statute to govern and operate Minnesota State. The board, after full consultation with Minnesota State constituencies, will make final budget decisions, including setting tuition rates, at the conclusion of the legislative session.

**RECOMMENDED BOARD MOTION**

The FY2022-FY2023 legislative request strengthens the state's commitment to inclusive excellence and ensuring our students receive an extraordinary, affordable, and accessible education. The Board of Trustees approves the FY2022-FY2023 biennial budget request in the amount of \$808,534,000 in FY2022 and \$836,534,000 in FY2023 for a total of \$1,645,068,000.



The Board of Trustees has been granted the authority in state statute to govern and operate Minnesota State. The board, after full consultation with Minnesota State constituencies, will make final budget decisions, including setting tuition rates, at the conclusion of the legislative session.

*VC Maki asked if Chancellor Malhotra could add his comments to this proposal.*

*Chancellor Malhotra stated that the Vice Chancellor had laid out very well, the priorities for this proposal. These priorities haven't changed from what we presented in the last biennium. These priorities are core to who we are and what we need to do on an ongoing long-term basis. Embedded in these numbers are two aspects. One, our long-term sustainability goals from a financial standpoint, and two, the short-term impact of the pandemic and how it has altered some of our long-term sustainability issues. As a result, the issue of equity and affordability has risen as a priority.*

*Committee Chair Moe adjourned the meeting at 10:08am.*

Respectfully submitted: Don Haney, Recorder

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Finance Committee

**Date:** November 18, 2020

**Title: Contracts exceeding \$1 Million:**

- a. **Contract Extension for University Heights Student Housing, Bemidji State University**
- b. **Lease Amendment: Metropolitan State University and 1380 Energy\***

**Purpose (check one):**

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

**Brief Description:**

Board Policy 5.14, Contracts, Procurements, and Supplier Diversity, requires Board of Trustees approval of any procurement, lease agreement, or professional/technical/consulting service contract with a value in excess of \$1,000,000 or contract amendment that would increase the total value of a contract to more than \$1,000,000.

*\*This item was previously reviewed by the Facilities Committee.*

**Scheduled Presenter:** Bill Maki, Vice Chancellor for Finance and Facilities  
Brian Yolitz, Associate Vice Chancellor for Facilities

MINNESOTA STATE  
BOARD OF TRUSTEES

BOARD ACTION

CONTRACTS EXCEEDING \$1 MILLION: CONTRACT EXTENSION FOR UNIVERSITY  
HEIGHTS STUDENT HOUSING, BEMIDJI STATE UNIVERSITY

**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.

*In 2016, Bemidji State University and JT Properties, LLC, executed a 5-year Property Management Agreement (“contract”) for management of University Heights, a 16-unit, 56 bed apartment building used for non-REV Fund student housing for Bemidji State University and Northwest Technical College. The original contract was approved by the Board of Trustees at its meeting on March 18, 2015. The contract became effective on June 15, 2016 and expires June 15, 2021. The contract contains a clause to extend the expiration for up to five (5) additional years for a total term not to exceed ten (10) years. Under the contract, Bemidji State University collects rent from the students and pays JT Properties the net rent after deduction of expenses.*

*Bemidji State University is seeking approval to extend the contract for up to five (5) additional years for a total term not to exceed ten (10) years at an estimated total cost, including the 5-year extension, not to exceed \$4,250,000, and a revised expiration date of June 14, 2026.*

**RECOMMENDED COMMITTEE ACTION:**

The Board of Trustees authorizes the chancellor or the chancellor’s designee to execute an Amendment to the Property Management Agreement for five (5) additional years for a total term not to exceed ten (10) years with a total amount not to exceed \$4,250,000. The board directs the chancellor or his designee to execute all necessary documents.

**RECOMMENDED BOARD OF TRUSTEES ACTION:**

The Board of Trustees authorizes the chancellor or the chancellor’s designee to execute an Amendment to the Property Management Agreement for five (5) additional years for a total term not to exceed ten (10) years with a total amount not to exceed \$4,250,000. The board directs the chancellor or his designee to execute all necessary documents.

Date of Adoption: November 18, 2020

Date of Implementation: November 18, 2020

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD ACTION</b>
<b>LEASE AMENDMENT: METROPOLITAN STATE UNIVERSITY AND 1380 ENERGY PARK</b>

**REQUEST**

Metropolitan State University seeks Board approval for a six-month lease extension at 1380 Energy Park Place.

**AUTHORITY**

Board Policy 5.14, *Procurement and Contracts*, requires Board of Trustees approval of any procurement, lease agreement, or amendment thereto, with a value in excess of \$1,000,000 or contract amendment that would increase the total value of a contract to more than \$1,000,000. The actions requested in this report concern contracts with campus specific impact.

Metropolitan State University seeks Board approval to extend an existing lease at 1380 Energy Park Place on a month-to-month basis for up to six (6) months.

**BACKGROUND**

Metropolitan State University has leased space at 1380 Energy Park Drive, St. Paul since 2002, for classrooms and office space. The lease was most recently renewed in 2013 and was scheduled to expire December 31, 2019. At the November 2019 Board meeting, the University received approval to extend the lease for Suite 104 through April 30, 2020, while the University negotiated with the landlord for a possible longer term extension of the lease or possible relocation if negotiations were unsuccessful. The University came to the Board in March 2020 requesting an extension of the month-to-month agreement through December 31, 2020, to finalize a new long term lease agreement as the impact of COVID-19 was moving employees and work to a remote mode.

As the pandemic continued, the University realized the impact on how their use of space in the future may be changed. As such, the University has been reassessing their space needs for their programs housed at 1380 Energy Park Drive and determined that programs offered can remain in an on-line format for the next 2-3 years. This provides the University an opportunity to begin reducing their overall space footprint at this location as the departments that are located at 1380 are successfully working and offering on -line training and instruction.

Within that context, the University is requesting an extension of the existing month-to-month agreement for six (6) months from January 1, 2021 through June 30, 2021 to allow time to finalize plans that will relocate departments currently housed in this leased space to other university space. The extension is to be at the same rental rate as the current term rates of \$15.12/SF of leased space, with a total obligation to the University over the potential 6-month additional term of approximately \$122,000.

When this lease was originally executed, and subsequently amended, different Board thresholds existed. Since the lease is already in excess of the \$1 million threshold, Board approval is sought to ensure policy compliance with current requirements.

**RECOMMENDED COMMITTEE ACTION:**

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

The Board of Trustees authorizes the chancellor or the chancellor’s designee to modify, amend and extend the lease at 1380 Energy Park Drive, Suite 104, St. Paul, which contains approximately 7,946 sq. ft., for up to six (6) months, through June 30, 2021.

**RECOMMENDED BOARD OF TRUSTEES MOTION:**

The Board of Trustees authorizes the chancellor or the chancellor’s designee to modify, amend and extend the lease at 1380 Energy Park Drive, Suite 104, St. Paul, which contains approximately 7,946 sq. ft., for up to six (6) months, through June 30, 2021.

Date Presented to the Board of Trustees: November 18, 2020

Date of Implementation: November 18, 2020

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Finance Committee

**Date:** November 18, 2020

**Title:** FY2022-2023 Biennial Budget Request (Second Reading)

**Purpose (check one):**

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

**Brief Description:**

Board Policy 5.9, *Biennial and Annual Operating Budget Planning and Approval*, requires the Board of Trustees to approve the system's legislative biennial operating budget request. This is the second reading of the FY2022-FY2023 legislative operating request.

**Scheduled Presenters:**

Bill Maki, Vice Chancellor for Finance and Facilities  
Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs  
Steve Ernest, System Director, Financial Planning and Analysis  
Joe Mulford, President, Pine Technical and Community College  
Scott Olson, President, Winona State University

**BOARD OF TRUSTEES  
MINNESOTA STATE**

**BOARD ACTION**

**FY2022-2023 LEGISLATIVE BIENNIAL BUDGET REQUEST (SECOND READING)**

**INTRODUCTION**

Board Policy 5.9, *Biennial and Annual Operating Budget Planning and Approval*, requires the Board of Trustees to approve the system’s legislative biennial operating budget request. This is the second reading of the FY2022-FY2023 legislative operating request.

**LEGISLATIVE BIENNIAL OPERATING BUDGET REQUEST**

Every two years the Board of Trustees submits its biennial operating budget request to the governor and the state legislature for their review and consideration. The proposed FY2022-FY2023 legislative operating budget proposal is designed to serve our students, our communities and our state. It focuses on protecting Minnesota State’s commitment to inclusive excellence and ensuring our students receive an extraordinary, affordable, and accessible education.

In developing the proposal, both statewide student associations, all statewide bargaining units, and the Leadership Council were invited to provide input and guidance. This input and guidance resulted in making some adjustments in the proposal between the first and second reading. Many of the themes and suggestions identified by these groups have been incorporated into the legislative operating budget proposal.

The proposal requests \$120 million in additional funding over the biennium (\$50.5 million in FY2022 and \$69.5 million in FY2023):

- \$75 million for campus responsiveness and stabilization to support increases in campus expenses due to the pandemic and inflationary costs
- \$45 million to support equity and affordability

The first part of this biennial appropriation request, for \$75 million, is to help our campuses stabilize their operations in light of COVID-19 disruptions and maintain the staff and programs that provide Minnesota communities with the workforce needed for the State’s economic recovery. This request would help support a 3 percent increase in costs, which represents the system’s traditional long-term perspective. At the same time, these cost increases will be less predictable than in the past due to operational changes resulting from the COVID-19 pandemic.

Colleges and universities rely on state appropriation to cover a significant portion of their general fund operating budgets. An increase in state appropriation is needed for Minnesota State colleges and universities to continue to provide core programs and services to serve our students. Without increases in general fund revenues, campuses will need to reduce the breadth of academic programs and student services that are available to students at the same time that demands have increased.

The second part of this request addresses four different areas that make our institutions accessible and affordable to all Minnesotans, including groups underserved as represented by racial, low-income and first-generation status in the higher education system.

First, in order to keep the cost of a higher education in reach of students facing increased financial challenges due to the COVID-19 economy, \$23 million is allocated for scholarships that help fill funding gaps after Federal and State grant resources reach their limits.

As discussed during the first reading of the biennial budget request, stakeholder consultation continued in the past weeks and the details of the scholarship programs have been defined even more in line with the current pandemic and post-pandemic environment, to provide flexibility for individual institutions to address local concerns. Rather than structured in two separate programs, the College Promise Program, which costed out as \$12.5 million, and the University Transfer Program, which costed out at \$10.5 million, the proposal is to have a single Minnesota State Access scholarship program. Money for this program would be allocated to campuses to be awarded based on student needs within system-wide parameters. Adding significant flexibility to previous program criteria, the Minnesota State Access program allows for grants to part-time students. This will allow more students to make progress on their educational goals.

Minnesota State Access scholarships will provide resources directly to Minnesota State colleges and universities to support equitable access and encourage maintenance of student progress in their educational journeys. A college credential is often viewed as a pathway to the middle class, improving the financial outlook for families and future generations. The COVID-19 pandemic has impacted many of Minnesota's most economically vulnerable families disproportionately. These are the very same families that Minnesota's workforce and industry is relying on to obtain college credentials to meet demands and keep our economy thriving.

The learner populations identified in Equity 2030 – low-income students, first-generation students, students of color, and indigenous students – have borne the brunt of job uncertainty, family disruption, lack of technical device and broadband access, and health consequences from the virus, all while filling necessary and critical roles on the front lines of the pandemic. Support for these learners must reflect their lived experiences and needs. Recognizing that those experiences and needs vary across the state, Minnesota State colleges and universities will each develop programs tailored to the needs of their students and communities.

- \$12.5 million for Access Scholarships at our colleges will provide additional aid to students pursuing an undergraduate credential at any of the 30 Minnesota State colleges.



- \$10.5 million for Access scholarships at our universities will provide additional scholarship funds for students who enroll at a Minnesota State university in pursuit of a degree.

Pell-eligible Minnesota residents who begin or return to their studies will be eligible for additional grant aid above and beyond the federal Pell grant and Minnesota State grant, up to the full cost of their tuition and fees. Part-time students will be eligible for aid on a pro-rated basis. All students will remain eligible for the Minnesota State Access scholarships if they maintain enrollment of at least 3 credits each in consecutive fall and spring terms. Individual colleges and universities may add additional eligibility criteria in order to tailor their programs to meet the most essential needs within their communities.

We recognize that there are many adult learners in Minnesota who have earned some college credits but not a full credential. Many Minnesotans may also have skills they have acquired through work or volunteer service related to problem solving, critical thinking, and analytical reasoning that are valued by Minnesota's employers. These learners represent unrealized potential for Minnesota's workforce and should be encouraged to return to complete their college credentials. Minnesota State is committed to developing opportunities for learners to receive recognition of their learning in other settings. In keeping with that commitment, institutions will be encouraged to design their scholarship programs to incentivize both new entering students (including transfer students) and students who pursue recognition of credit through alternative assessments. Such alternative assessments include post-secondary enrollment options, credit-by-exam, and internal institutional assessments of knowledge, skills, and abilities that students demonstrate from work or volunteer service.

Second, and crucial to providing equitable access to and success in learning opportunities, is addressing basic needs and bridging inequities. Among the most crucial challenges to address are mental health needs and basic resource needs such as housing, food, transportation, and child-care. Minnesota State's March 2020 #RealCollege Survey Report showed that 37 percent of respondents at two- and four-year institutions indicated food insecurity or running short on food in the prior 30 days. The same survey showed 48 percent of respondents to have some form of housing insecurity, such as difficulty in paying rent or utilities, or living with others beyond the expected capacity of the housing. This request would address these issues and empower faculty and staff to recognize gaps and inequalities in students' backgrounds and to assist students in addressing the challenges posed by those gaps and inequalities. This request provides \$15 million for a variety of efforts, including:

- Emergency financial support for students: Financial emergencies often lead to early withdrawal during a semester and/or a break in enrollment that may end up being permanent. In the COVID-19 environment, students' finances may be more precarious and susceptible to unexpected expenses that might derail their education. Guided by the work of Sara Goldrick-Rab at Temple University, emergency grants can be a critical tool to retain students if application and distribution processes are simple, accessible, and quick, and administrative burden is minimized. Campus-specific approaches are thus key to maximizing the effectiveness of this tool.

- Stigma-free and online mental health assessment tools and mental health first aid type resources: over the past five years, several studies have shown mental health issues such as anxiety and depression to be among the top public health issues on college campuses nationwide, with 28 percent to 56 percent of students expressing negative impacts from mental health issues. Some Minnesota State campuses have begun to offer online assessments and modules addressing common concerns. Other efforts focus on mental health “first aid,” teaching a step-by-step approach to identify mental health disorders, intervene, and connect individuals to the right resources. These efforts and others, including online links to local mental health providers, need to be expanded.
- Easily accessible info hub type information to connect students to local, county and state resources that address basic needs. Student Resource Center efforts need to be expanded to provide easily-accessible referral information when campus resources are not available to address basic needs. Community connections include such agencies as 360Communities, Community Action Partnership (CAP), Goodwill, Salvation Army, Neighbors, Inc., and People Incorporated.
- Providing support and professional development for all faculty, staff, and administrators towards being intentional in addressing student needs and addressing structural inequities. This includes but is not limited to training to ensure that academic programs are designed with a student first focus, specifically focusing on students from racial, ethnic, and indigenous populations, low income, and first-generational.

Third, and directly in support of the State’s economic recovery, \$6 million would be allocated to Career and Technical Education programs. These programs would include:

- Re-Skill Minnesota efforts to provide short-term education programs and industry-specific training certificates by working in partnership with organizations serving communities of color and indigenous communities.
- Local partnership efforts working with local businesses to help connect high school students with college programs that will get them into in-demand skilled and technical careers in healthcare, information technology, advanced manufacturing, agriculture, transportation, and early childhood education.
- Career and Technical Teaching program support to address shortages in high school and college teachers in career and technical areas.

Fourth, Open Educational Resources would be expanded by this proposal by providing \$1 million to expand free “textbook” offerings. This would include efforts to help faculty explore free offerings, expand current offerings, and implement new offerings. This would directly reduce students out of pocket costs since textbooks are often not covered by grant programs.

Together, these efforts would connect potential students to accessible, affordable higher education and strongly support the State’s post COVID-19 economic recovery by helping to put economic advancement within reach of historically underserved families in communities of color, in indigenous communities, families with lower income, and with first-generation students.

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

**RECOMMENDED COMMITTEE MOTION**

The FY2022-FY2023 legislative request strengthens the state’s commitment to inclusive excellence and ensuring our students receive an extraordinary, affordable, and accessible education. The Board of Trustees approves the FY2022-FY2023 biennial budget request in the amount of \$813,034,000 in FY2022 and \$832,034,000 in FY2023 for a total of \$1,645,068,000.

The Board of Trustees has been granted the authority in state statute to govern and operate Minnesota State. The board, after full consultation with Minnesota State constituencies, will make final budget decisions, including setting tuition rates, at the conclusion of the legislative session.

**RECOMMENDED BOARD MOTION**

The FY2022-FY2023 legislative request strengthens the state’s commitment to inclusive excellence and ensuring our students receive an extraordinary, affordable, and accessible education. The Board of Trustees approves the FY2022-FY2023 biennial budget request in the amount of \$813,034,000 in FY2022 and \$832,034,000 in FY2023 for a total of \$1,645,068,000.

The Board of Trustees has been granted the authority in state statute to govern and operate Minnesota State. The board, after full consultation with Minnesota State constituencies, will make final budget decisions, including setting tuition rates, at the conclusion of the legislative session.

*Date Presented to the Board of Trustees:* 11/18/20

*Date of Board action:* 11/18/20



## FY2022-2023 Biennial Budget Request

Board of Trustees  
November 2020

1

## \$120 million in new funding over the biennium

- \$75 million for **campus responsiveness and stabilization** to support increases in campus expenses resulting from the pandemic and inflationary costs over the biennium
- \$45 million for **equity and affordability** to directly support our students' critical needs:
  - Student Basic Needs
  - Mental Health Needs
  - Additional Campus Support Services
  - Career and Technical Education
  - Open Educational Resources
  - New Scholarship programs

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## **FY2022-2023 operating request focuses on:**

- Continuing to meet Minnesota’s talent needs by providing high-quality, affordable, and relevant academic programs
- Protecting our commitment to inclusive excellence and ensuring our students receive an extraordinary, affordable, and accessible education
- Closing the educational equity gaps across race and ethnicity, socioeconomic status, and geographic location

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## **Consultation with Stakeholders**

Discussions have taken place with all statewide bargaining units, both student associations, and the Leadership Council

- Primary themes to date:
  - Central to our request is the advancement of system and campus efforts to support achievement of Equity 2030 goal
  - Make the case that adequately funding higher education is critical to the State of Minnesota
  - Help address Minnesota’s economic and racial disparities
  - Stay focused on sustaining access and improving affordability
  - Support for career technical education and professional programs
  - Provide operating support to the campuses to protect students, programs, and campuses

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## **FY2022-2023 operating request reflects:**

- Focus on Minnesota State's top strategic priorities
- Support to move the State of MN towards historical level of investment
- Acknowledgement of our structural general fund budgetary deficit
- Recognition of the current and projected financial condition of the State of MN

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## **Campus Responsiveness and Stabilization \$75M**

- Supporting Minnesota State is critical for the state of Minnesota's economic recovery
- Campuses require on-going revenue in order to maintain a core level of programs and services
- Funding of inflationary costs and increased campus expenses due to the pandemic

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## Equity and Affordability \$45M

- Scholarship programs to support economically-vulnerable students
  - \$23M of the \$45M
- Expansion of support for basic student needs including mental health needs and campus student support services
  - \$15M of the \$45M
- Career and Technical Education support
  - \$6M of the \$45M
- Open educational resources
  - \$1M of the \$45M

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## Minnesota State Access Scholarship Programs \$23M

New programs responsive to the economy's needs

- System-wide criteria with flexibility for individual institutions to address local needs
- Ability for students to make progress without attending full-time
- \$12.5 million for college access scholarships
- \$10.5 million for university access scholarships

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## Minnesota State Access Scholarship Programs \$23M

Supporting students with greatest financial need

- Pell-eligible Minnesota residents
- New or transfer students at any Minnesota State college or university
- Returning students enrolled at any Minnesota State college or university prior to the start of the Access and Momentum program
- Students pursuing an undergraduate diploma, certificate, associate degree, or bachelor degree
- Enrollment of at least 3 credits per term, up to 60 credits at two-year colleges and 30 credits at universities
- Students with remaining need after federal and state grants are applied to tuition and fees

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## Equity and Affordability Basic Needs and Support Services \$15M

- Emergency grants
  - Application and distribution processes that are easy, accessible and quick
  - Targeted to students whose odds of completion are most increased
- Stigma-free and online mental health assessment tools and mental health first aid type resources

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## **Equity and Affordability**

### **Basic Needs and Support Services \$15M**

- Easily accessible information hub to connect students to local, county, and state resources that address basic needs
- Training and support for faculty, staff, and administrators to ensure that programs are designed to be easily accessible to all students, specifically focusing on students from racial, ethnic, and indigenous populations, low-income and first generational

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## **Equity and Affordability**

### **Career and Technical Education \$6M**

- Short-term education programs and industry-specific training certificates partnering with organizations serving communities of color and indigenous communities
- Local partnership efforts with local businesses to help connect high school students with college programs that will get them into in-demand skilled and technical careers
- Career and Technical Teaching program support to address shortages in high school and college teachers in career and technical areas

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## **Equity and Affordability**

### **Open Educational Resources \$1M**

Directly reducing students out of pocket costs by removing textbook costs; this effort would include

- Searching out new free resources
- Expanding current offerings
- Implementing new offerings

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# **Presidential Perspectives**

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## FY2022-FY2023 legislative operating budget request summary

*\$s in millions*

	FY2022	FY2023	FY2022-23
Campus responsiveness and stabilization	\$25	\$50	\$75
Equity and Affordability	\$25.5	\$19.5	\$45
<b>Total Request</b>	<b>\$50.5</b>	<b>\$69.5</b>	<b>\$120</b>

*FY2023 appropriation continues as base funding into the future*

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## Recommended board motion for November meeting

The FY2022-FY2023 legislative request strengthens the state's commitment to inclusive excellence and ensuring our students receive an extraordinary, affordable, and accessible education.

The Board of Trustees approves the FY2022-FY2023 biennial budget request in the amount of \$813,034,000 in FY2022 and \$832,034,000 in FY2023 for a total of \$1,645,068,000.

The Board of Trustees has been granted the authority in state statute to govern and operate Minnesota State. The board, after full consultation with Minnesota State constituencies, will make final budget decisions, including setting tuition rates, at the conclusion of the legislative session.

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MINNESOTA STATE

**Committee of the Whole  
November 18, 2020  
10:45 AM  
McCormick Room  
30 7<sup>th</sup> Street East  
St. Paul MN**

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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.

Committee of the Whole, Jay Cowles, Chair

1. NextGen Update and Project Risk Review #6 (pp. 1-9)
2. **NextGen Phase 2, including Revised Finance Plan** (pp. 10-16)
3. **NextGen Vendor Contract** (pp. 17-20)

**Bolded** items indicate action is required.



**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Committee of the Whole

**Date:** November 18, 2020

**Title:** NextGen Update and Project Risk Review #6

**Purpose (check one):**

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

**Brief Description:**

Minnesota State launched the Next Gen Enterprise Resource Planning (ERP) replacement project in March 2016 with the endorsement of the business case. Phase 1 is nearing completion. Staff will provide a review of progress to date.

Internal auditing will provide an overview of the results of the sixth NextGen Project Risk Review (PRR). The PRR provides ongoing and objective assessments of NextGen to provide assurance to the board on project risk management and also provide assurance and advisory guidance to the project steering committee on project risk leading practices.

**Scheduled Presenter(s):**

Bill Maki, Vice Chancellor for Finance and Facilities  
Eric Wion, Executive Director of Internal Auditing  
Mike Cullen, Baker Tilly

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**BOARD INFORMATION**

**NEXTGEN UPDATE AND PROJECT RISK REVIEW #6**

**BACKGROUND**

Minnesota State launched the Next Gen Enterprise Resource Planning (ERP) replacement project in March 2016 with the endorsement of the business case. Phase 1 is nearing completion. Staff will provide a review of progress to date.

Internal auditing will provide an overview of the results of the sixth NextGen Project Risk Review (PRR). The PRR provides ongoing and objective assessments of NextGen to provide assurance to the board on project risk management and also provide assurance and advisory guidance to the project steering committee on project risk leading practices.

**PAST BOARD AND COMMUNITY ENGAGEMENTS**

In 2013-2014, Replacement of the system's ERP first emerged as a priority in strategic listening sessions held across the system. There was widespread support expressed for the wholesale replacement of ISRS with functionality that was more student centric and mobile friendly.

A business case for the effort was reviewed and endorsed by the Leadership Council and Board of Trustees in March 2016. A funding request was subsequently included in the system's 2018-2019 legislative request and supported in part by the Governor and the legislature. Funding for the project was then included in the system's 2019 supplemental budget request and was not supported. Funding was once again included in the system's 2020-2021 legislative request and supported in part by the Governor and the legislature. Funding for the project was also included in the system's 2021 supplemental budget request and not supported.

The Board authorized the launch of Phase 1 in June 2017. The ERP Steering Committee and the Phase 1 vendor, CampusWorks, were introduced to the Leadership Council and Board in January 2018. At that time the board approved the overall project design and the Phase 1 timeline. The project organization structure, dashboard, communication plan and change management strategy were reviewed with the Leadership Council and endorsed by the board at meetings in March and June 2018.

On June 2019, the Board approved the project plan and finance plan. Including giving the project authorization to issue two key request for proposals (RFPs): (1) Third Party Owners Representative Request; (2) Software as a Service (SaaS) Vendor and Implementation Vendor RFP.

Approval to enter into negotiations with one or more SaaS Vendors was provided by the Board in January 2020. In addition, BerryDunn was selected and approved by the Board as the project Third Party Owners Representative.


### STATUS UPDATE

The phase 1 project schedule has been OFF TRACK since June with resources and budget AT RISK due to the following:

- COVID-19 caused delays in receiving vendor contracts and caused internal resource constraints with unplanned priorities that arose in response to the pandemic..
- There were multiple significant issues requiring resolution through negotiations resulting in additional time required for negotiations – impacting the originally proposed implementation timeline.

The overall status will remain OFF TRACK until a new implementation timeline is approved by the Board of Trustees and successfully executed.

### Status Report Dated 10/26/2020:



**MINNESOTA STATE**  
NextGen

## NEXTGEN ERP | PH1 STATUS REPORT

PREPARED BY : Melinda Clark  
REPORT DATE : 10/26/2020

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**PHASE 1 HEALTH STATUS**

	OVERALL	SCOPE	SCHEDULE	BUDGET	RESOURCES
<b>CURRENT STATUS</b>	OFF TRACK	ON TRACK	OFF TRACK	AT RISK	AT RISK
<b>LAST STATUS</b>	OFF TRACK	ON TRACK	OFF TRACK	ON TRACK	AT RISK

**Phase 1 Budget (FY18-FY20)**

Legislative Funds	\$ 24,000,000.00
Campus/System Office Contributions	\$ 33,000,000.00
<b>Total Funding Sources</b>	<b>\$ 57,000,000.00</b>
Spent to Date	\$ 8,406,847.00
Current Obligations	\$ 2,299,818.25
<b>REMAINING BUDGET</b>	<b>\$ 46,293,334.75</b>

**PHASE 1 HEALTH STATUS NOTES:** Overall status remains OFF TRACK  
 The phase 1 project schedule remains OFF TRACK, while resources and budget are AT RISK due to the following:

- COVID-19 caused delays in receiving vendor contracts and caused resource constraints with other COVID-19 initiatives.
- There are multiple significant issues to be resolved through negotiations. The schedule will remain off track until the project team and executive sponsor feel concerns have been sufficiently addressed. The additional time required for negotiations may result in unbudgeted time from Dorsey & Whitney and BerryDunn.
- Pushing negotiations beyond November may impact resource availability for the proposed vendor team.

Phase 1 overall status remains OFF TRACK due to the impact of the above items to phase 2's tentative implementation plan (see page 2). The overall status will remain OFF TRACK until a new plan is approved by the Board of Trustees.

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**PHASE 1 TIMELINE** 10/26/2020

FY18												FY19												FY20														
Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q1		Q2		Q3													
JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	JAN 2019	FEB 2019	MAR 2019	APR 2019	MAY 2019	JUN 2019	JUL 2019	AUG 2019	SEP 2019	OCT 2019	NOV 2019	DEC 2019	JAN 2020	FEB 2020	MAR 2020						
Business Process Reviews (HR, Finance & Student)																																						
RFP for BPE and ERP Consulting Services			Planning			Current State			Future State & Gap Analysis																													
												RFP Process, Evaluation, Vendor Selection for ERP Solution																										
												RFP Planning & Draft Requirements						Conduct Final Reviews						Post RFP, Evaluation, Vendor Selection, Contract Negotiations														
Legacy Technology Preparation																																						



PREPARED BY : Melinda Clark

REPORT DATE : 10/26/2020

**PHASE 1 MILESTONE STATUS**

MILESTONES	PLANNED START DATE	PLANNED END DATE	REVISED START DATE	REVISED END DATE	LEADERSHIP COUNCIL REVIEW	BOARD OF TRUSTEES REVIEW	STATUS
Business Case w/ High-level Timeline	7/2015	3/2016			3/2016	3/2016	COMPLETE
Funding Strategy	1/2016	6/2017			6/2017	6/2017	COMPLETE
Project Charter	9/2017	9/2017				1/2018	COMPLETE
Risk Management Plan	1/2018	1/2018			--	--	COMPLETE
Communications Plan	1/29/18	4/03/18			5/2018	6/2018	COMPLETE
Change Management Plan	1/24/18	7/27/18			9/10/18	--	COMPLETE
<b>PHASE 1</b>							
Planning	1/23/18	4/04/18			--	3/2018	COMPLETE
Current State Process Reviews	2/12/18	6/29/18			--	--	COMPLETE
Future State Business Process Mapping	7/16/18	1/18/19			1/2019	1/2019	COMPLETE
Conduct ERP Request for Proposal	7/16/18	11/2019	7/16/18	1/2020	--	1/28/20	COMPLETE
Finalize Phase 2 Funding Strategy	5/2019	5/2019			5/2019	5/2019	COMPLETE
Vendor Selection (Selection, Negotiations)	12/2019	3/2020	1/2020	10/2020	--	9/2020	OFF TRACK
Legacy Technology Updates	7/2016	3/2020			--	--	COMPLETE

**PHASE 2 TENTATIVE TIMELINE**

(for reference only - these dates will change during planning with the ERP vendor)

Finance Planning & Implementation	6/2020	9/2022
HR Planning & Implementation	4/2021	12/2022
Student Planning & Implementation	4/2022	8/2024



PREPARED BY : Melinda Clark

REPORT DATE : 10/26/2020

**PHASE 1 SUMMARY OF ACTIVITIES**

**ACCOMPLISHMENTS**

- ✓ BPR: Conducted Vendor Showcases
- ✓ BPR: Student, HR, and Finance Teams finalized current state business processes
- ✓ BPR: Student, HR, and Finance Teams began mapping future state
- ✓ BPR: Conducted Data Management Team and IT Team Kickoff
- ✓ BPR: Data Management and IT Teams began mapping current & future state
- ✓ BPR: Student, HR, and Finance Teams mapped future state
- ✓ BPR: Data Management and IT Teams mapped current & future state
- ✓ BPR: Conducted Data Management Tech Talk with Minnesota State Community
- ✓ BPR: Conducted IT Tech Talks with Minnesota State Community to identify current & future state 3<sup>rd</sup> party integration needs
- ✓ BPR: Conducted Future State Regional Reviews
- ✓ BPR: Finalized Future State Processes (all teams)
- ✓ RFP: Began ERP RFP Planning
- ✓ RFP: Finalized ERP RFP Timeline
- ✓ RFP: Identified ERP RFP Team
- ✓ RFP: RFP Team Kickoff
- ✓ RFP: 3<sup>rd</sup> party review of RFP requirements
- ✓ RFP: Completed final reviews of ERP RFP requirements
- ✓ RFP: Identified funding strategy
- ✓ RFP: Post ERP RFP
- ✓ RFP: ERP RFP published for vendor responses
- ✓ RFP: Vendor proposals received
- ✓ RFP: RFP Teams scored proposals
- ✓ RFP: Conduct vendor demonstrations and interviews

BPR – Business Process Review

CM – Change Management

RFP – Request for Proposal

**ACCOMPLISHMENTS – continued...**

- ✓ CM: Finalized Change Management Plan
- ✓ CM: Launched Readiness Assessment
- ✓ CM: Conducted Transition Management Team Kickoff
- ✓ CM: Conducted Readiness Assessment
- ✓ CM: Identified Transition Management Teams
- ✓ CM: Filled Minnesota State Change Management Lead Position
- ✓ CM: Published Organizational Readiness Assessment
- ✓ CM: Identified timeline and resource plans for Wave 1 (Awareness) materials. Conducted planning meeting.
- ✓ CM: Identified timeline and resource plans for Wave 1 (Awareness) materials. Conducted planning meeting.
- ✓ CM: Finalized a high-level change management timeline for training and communications throughout Phase 2 (Implementation)
- ✓ CM: Filmed NextGen Videos
- ✓ CM: Planned content for Wave 1 (Awareness) materials
- ✓ CM: Published NextGen Video
- ✓ CM: Draft Phase 2 Change Management Strategy (March 2020)

**UPCOMING ACTIVITIES**

- RFP: Selection and negotiations (Jan – TBD)
- CM: Develop Wave 1 (Awareness) Materials (Sept 2019– TBD)



## PROJECT RISK REVIEW #6



November 18, 2020  
Office of Internal Auditing

# Internal Audit Report

NextGen Project Risk Review – Checkpoint 6 – Results

## NextGen PRR – Background

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- Approved as part of the annual Audit Plan
- Provides ongoing and objective assessments of NextGen for two purposes:
  1. Providing assurance to the Board on project risk management
  2. Providing assurance and advisory guidance to the project Steering Committee on project risk leading practices

## NextGen PRR – Categories of Risk Areas Reviewed

### Project governance and management

Leadership, oversight, guidance, and decision-making over the project

### Organizational change management

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

### Stakeholder involvement

Participation of key business process and control owners in definition and validation of requirements

### Project execution

Evidence of all implementation activities, including operational, technical, and compliance controls



MINNESOTA STATE

## NextGen PRR – Leading Practices for Board's Role

### Project governance and management

- Approve upcoming key milestones as recommended by the Steering Committee
- Monitor project risks (via regular project team updates and PRRs)

### Organizational change management

- Promote and support the project goals
- Direct any individual wanting to provide feedback to the project team

### Stakeholder involvement

- Promote and support the participation of key stakeholder constituencies in the project

### Project execution

- No board role in project execution



MINNESOTA STATE

## NextGen PRR Checkpoint 6 – Conclusion



### Current Checkpoint Conclusion

Current stage of NextGen Phase 1 is selecting and negotiating with the vendor(s); while Internal Audit has yet to review final versions of key project deliverables (e.g., contract documents, risk management plans), through our participation in project activities we understand that appropriate risk management plans are in progress; additionally, the project timeline has been altered due to the longer negotiations, which may impact the Phase 2 timeline; however the overall risk of not achieving success for Phase 1 is still low.

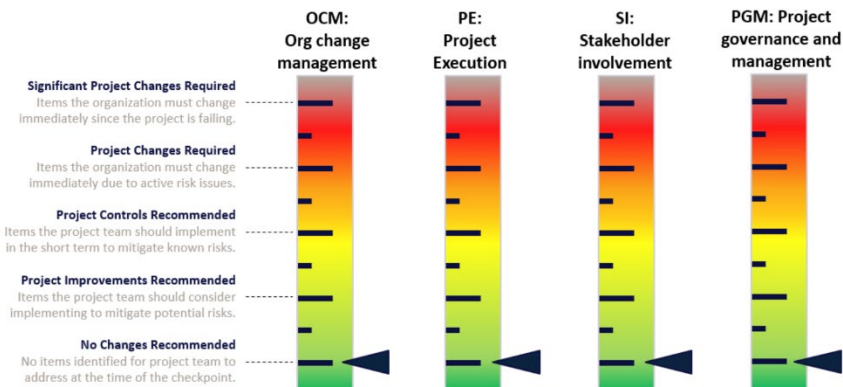
Note: Conclusion is based on the information available to Internal Audit and analyzed as of October 30, 2020.

4



## NextGen PRR Checkpoint 6 – Current Results

Internal Audit noted no new recommendations to project activities at this time.



5



## NextGen PRR Checkpoint 6 – Project Strengths

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- Hired third-party owners' representative with experience in large, complex software implementation projects to assist with project management and contract negotiations
- Hired external counsel with experience in large, complex software implementation contracts to lead negotiations
- Approached the negotiations with goal to get the best result for Minnesota State, not to solely meet original timeline or accept vendors' standard terms and conditions
- Addressed multiple risks via contract negotiations and now crafting plans to address associated residual risks

6



## NextGen PRR Checkpoint 6 – Review Activities

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- Conducted periodic check-in meetings with the NextGen program manager to stay engaged and up-to-date with project activities
- Participated in, as an ex-officio steering committee member, each of the vendor finalist's first demonstration session on the overview of their respective solutions
- Participated in multiple Chancellor and Trustee information sessions, providing guidance and insights
- Provided on-going feedback to project leadership, including recommendations for improving the reporting and tracking of project funding and project risk impacts

7



## NextGen PRR Checkpoint 6 – Recommendations

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- Internal Audit has no new recommendations for the project team at this time; once final deliverables are available, Internal Audit will review and provide any recommendations, as necessary
- Note: One prior recommendation remains open, the project team will address during future phases since the recommendation relates to system configuration implementation

*Date Presented to the Board of Trustees:*

*November 18, 2020*

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Committee of the Whole

**Date:** November 18, 2020

**Title:** NextGen Phase 2, including Revised Finance Plan

**Purpose (check one):**

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

**Brief Description:**

Minnesota State launched the NextGen ERP replacement project in March 2016 with the endorsement of a business case. Phase 1 is almost complete. Staff will provide a revised timeline for Phase 2 and seek approval of a revised finance plan. In June 2019, the Board approved a project and finance plan that in part gave authority to issue a request for proposal (RFP) for Software as a Service (SaaS) and implementation.

**Scheduled Presenter(s):**

Bill Maki, Vice Chancellor for Finance and Facilities  
Angelia Millender, President, Century College  
Scott Olson, President, Winona State University

**MINNESOTA STATE  
BOARD OF TRUSTEES**

**BOARD ACTION**

**NEXTGEN PHASE 2, INCLUDING REVISED FINANCE PLAN**

**BACKGROUND**

Minnesota State launched the NextGen ERP replacement project in March 2016 with the endorsement of a business case. Phase 1 is almost complete. Staff will provide a revised timeline for Phase 2 and seek approval of a revised finance plan. In June 2019, the Board approved a project and finance plan that in part gave authority to issue a request for proposal (RFP) for Software as a Service (SaaS) and implementation.

**PROJECT TIMELINE**

**Phase 1**

Business process reviews for HR, Finance and Student functionality began in January 2018 and were completed in January 2019. Planning for the RFP requirements and drafting of the RFP began in July 2018, and completed in June 2019.

The RFP was released to the market in June 2019 with authorization from the Board of Trustees. Approval to enter into negotiations with one or more SaaS Vendors was provided by the Board in January 2020. Execution of the SaaS contract was originally expected in the spring of 2020, but due to COVID and the nature of negotiations, more time was required to negotiate a contract.

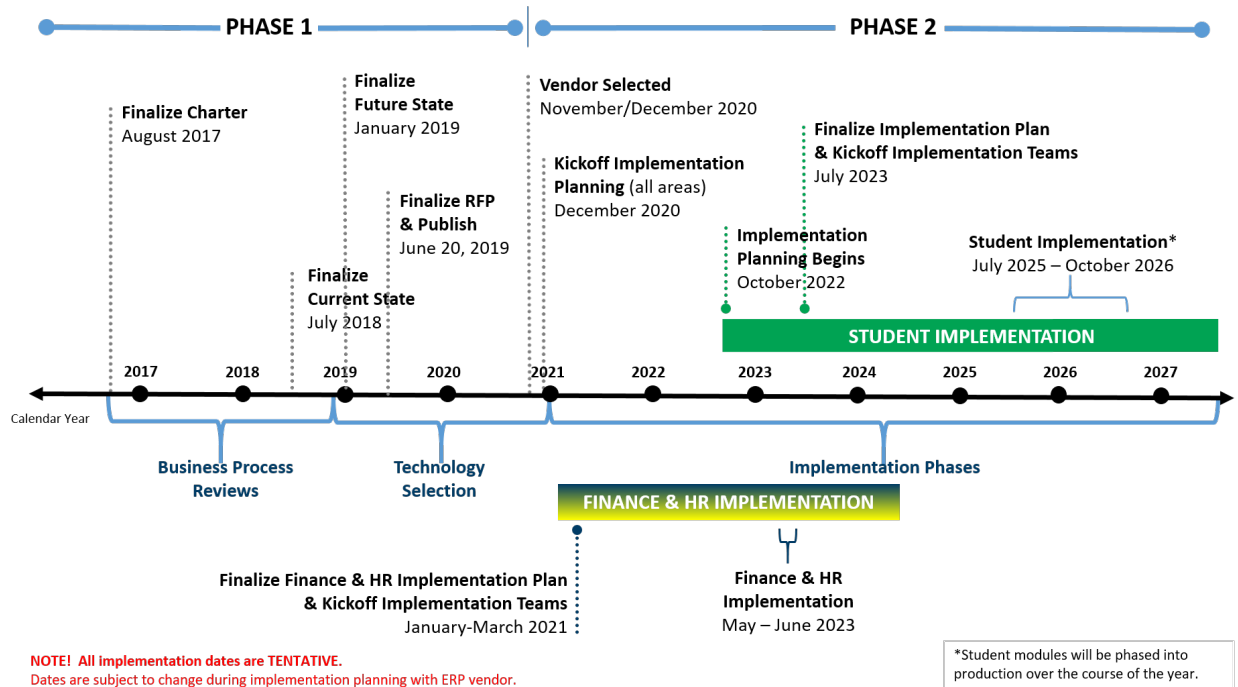
**Phase 2**

Phase 2 (Implementation) will last seven (7) years, beginning with implementation planning in December 2020/January 2021 once a contract is in place with the selected vendor. The length of phase 2 has been extended by approximately two years from the project plan last presented to the Board.

Due to business process dependencies, Finance and Human Resources/Payroll will deploy together, in time for fiscal year 2024 start in July 2023. A fifteen (15) month warranty period will follow implementation.

Due to the scope and complexities of a student implementation, it will occur after Finance and Human Resources. Student Services supports more processes and requires changes not only for staff, but for faculty and students as well. Additionally, there are many dependencies in the student system on Finance and HR. Finance and HR are considered foundational elements of ERPs and are best put in place prior to implementing student services.

The Student implementation will start October 2022 with planning. Functionality will deploy in phases starting July 2025 and concluding October 2026 with a warranty period through August 2027.



## REVISED PROJECT FINANCING PLAN (Phase 1 and phase 2)

In June 2019, the Board approved a financing plan that included a project budget of \$151.1M. It was noted that all amounts are approximate pending the advice of the implementation vendor and the bids on the software solution. At that time, it was stated that a revised budget was expected in the spring of 2020. As previously noted, the timeline was delayed so accordingly the revised project budget is too.

The revised project budget has increased from \$151.1M to \$242.7M. The revised project budget has been built on estimated internal costs, the above revised timeline and the negotiated SaaS contract. The increase of \$91.6M is primarily due to the following factors:

- Increase of the length of the project from five years to seven years
- Completion of the RFP process and negotiations with the selected vendor
- Addition of a project contingency

Estimated budget of \$242.7M, includes:

Category	Description	Total Budgeted Amount
Minnesota State Project Team	• Implementation Teams	\$41.6M



	<ul style="list-style-type: none"> <li>• Training</li> <li>• Change Management</li> </ul>	
ERP Vendor Contract	<ul style="list-style-type: none"> <li>• Implementation</li> <li>• Software License and Cloud Hosting</li> </ul>	\$168.0M
Other Professional Support	<ul style="list-style-type: none"> <li>• CampusWorks – Phase 1</li> <li>• Project Management</li> <li>• TPOR and Legal Counsel</li> </ul>	\$7.2M
Technology Maintenance and Support	<ul style="list-style-type: none"> <li>• ISRS Refresh &amp; Maintenance</li> <li>• Integrations</li> <li>• Data Reporting</li> </ul>	\$10.9M
Contingency	<ul style="list-style-type: none"> <li>• Budgeted amount for changes and adjustments over the 7 years</li> </ul>	\$15.0M
	<b>Total</b>	<b>\$242.7M</b>

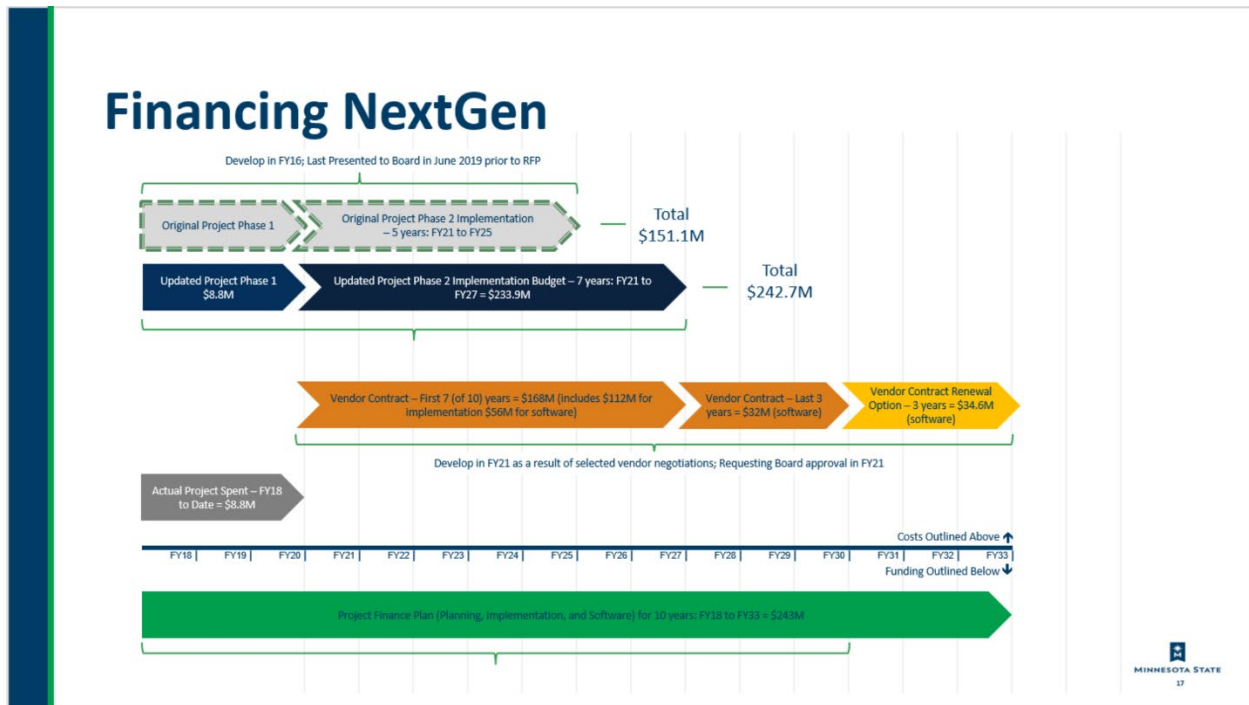
**Minnesota State Project Team** (\$41.6M) includes teams for change management and implementation teams for finance, human resources, and student services. Implementation teams will include campus subject matter experts that will provide system-level leadership and support along with specialized IT support for reporting and module testing. Funding for training has also been allocated in this line item.

**ERP Vendor Contract** (\$168.0M) includes vendor provided training, software license costs and implementation services. The project budget includes an annual license cost for the software with the assumption that the cost begins in 2020. The start date, and the annual cost will be negotiated when the vendor is selected. For project planning purposes, the project budget assumes the license cost during the period of implementation. Upon implementation, the license cost will be assumed by the ITS base budget.

**Other Professional Support** (\$7.2M) includes the Phase 1 contractor (CampusWorks), project management, owner’s representative, implementation partner, and data integrations. About \$4.3 million of this budget was spent in Phase 1 for managing the project, leading business process reviews, assisting with the RFP process, and providing advice during vendor negotiations. For Phase 2, support for project management and having a third-party owners representative (TPOR) will continue.

**Technology Maintenance and Support** (\$10.9M) includes a data hub and professional services in order to integrate ISRS with the selected SaaS. This work will continue for the next several years. About \$3.8 million of this budget was spent in Phase 1 for the refresh & maintenance of ISRS and for product integrations.

**Contingency** (\$15.0M) includes a budget for implementation changes and adjustments that may occur over the seven-year implementation period. In June 2019 as part of the approved finance plan it was understood that the total project cost may be revised once the RFP process is complete.



Funding for the project finance plan in June 2019 was approached with following goals:

- Maintain project timeline with June 2019 RFPs issuance
- Identify total finance plan with flexibility for future additional state assistance
- Commitment to partnership with colleges and universities to minimize financial impact
- Continue clear and consistent internal communications

The sources for the \$151.1 million for the project in June 2019 were anticipated to be from two sources:

- \$64 million from state appropriation to the system for NextGen
- \$88 million from annual contributions from colleges, universities, and the system office

The finance plan design goals and financing options were reviewed by the Leadership Council at its May and June 2019 meetings, and again in August and November 2020 once project funding requirements were further defined. Presidents expressed apprehension for the recognition of the stress this will place on their operating budget. Staff will work with campus leadership to execute the annual contribution. The contribution method will continue the 2019 method which is a \$12.5 million charge based on an annual calculation of student and staff headcount. This option assigns a contribution amount to the system office and each college and university and funds will pass from the colleges and universities and the system office to the project. Colleges and universities can use any appropriate resources to cover the charge.

The original finance plan assumed system contribution amounts will be level over the term, and reduced in the future with any new state support. In November 2019, the Board approved a supplemental budget request to the state of Minnesota that included \$14.5 million in annual base funding to continue the development of the NextGen information system. Our supplemental request was not funded during the 2020 legislative session so the finance plan for NextGen moved forward with its existing \$8 million annual base appropriation. Despite not being able to garner additional state funding, there is wide agreement that both for functionality and enterprise risk mitigation, NextGen must proceed.

The revised financing plan for the \$242.7 million includes the following sources:

- \$72.0 million from state appropriation to the system for NextGen
- \$129.3 million from annual contributions from colleges, universities, and the system office
- \$41.4 million from the reallocation other system or system-wide appropriations

The base state appropriation of \$8 million per year would be utilized for implementation from fiscal years 2021-2027 along with the \$16 million in state appropriations from fiscal years 2018-2020. The NextGen appropriation was \$4 million annually for fiscal years 2018 and 2019 before a base increase of \$4 million, bringing it to \$8 million per year in fiscal year 2020. After implementation, the \$8 million annual state appropriation will be utilized for the annual software licensing and cloud hosting.

The annual contributions from colleges, universities, and the system office would remain at \$12.5 million per year, but need to be extended by just over three years to help fund the increased budget. It was determined through leadership conversations that in our current financial environment, it would be problematic to increase the \$12.5 million per year so the recommendation was made to extend the same amount of contributions out to fiscal year 2029. In the original plan, the contributions would have been completed in fiscal year 2026.

With NextGen being a high priority for the system, conversations with Leadership Council yielded the idea to examine carefully the system's current allocation (master green sheet) for state appropriations. The categories that will be examined are institutional priority allocations and system wide set asides. The reallocation amount projected is \$4.6 million per year for nine years and would be effective fiscal year 2024. This allows time for planning over the next couple of years.

The project plan contemplates execution of the Phase 2 contracts outlined above in November/December 2020 and the creation of the related encumbrances. The external contracts will include work plans that are expected to execute between 2020 and 2027. The estimated spending pattern for external and internal work peaks at \$42 million in 2026. 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. The amount of the internal cash flow loan is projected to be \$48 million.

The project plan includes both internal spending and external contractor commitments. Internal spending can be financed with annual commitments. External contractor commitments require all funds secured before contract(s) signed. Under all funding scenarios, the finance plan requires internal system contributions and internal cash flow loans in order to match the revenue pattern with the expected spending pattern. The finance plan should provide a solution for the entire cost of the project.

**RECOMMENDED COMMITTEE ACTION:**

The Committee of the Whole recommends that the Board of Trustees approve the following motion:

The Board of Trustees approves the updated project plan and finance plan as outlined in this report. The Board will be asked to approve the final vendor selection and to give the Chancellor the authority to execute the contracts with the vendor. As the project enters the implementation phase, 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.

**RECOMMENDED BOARD OF TRUSTEES ACTION:**

The Board of Trustees approves the updated project plan and finance plan as outlined in this report. The Board will be asked to approve the final vendor selection and to give the Chancellor the authority to execute the contracts with the vendor. As the project enters the implementation phase, 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.

*Date of Adoption:*

*November 18, 2020*

*Date of Implementation:*

*November 18, 2020*

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Committee of the Whole

**Date:** November 18, 2020

**Title:** **CONTRACTS EXCEEDING \$1 MILLION: NextGen Vendor Contract**

**Purpose (check one):**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Proposed<br>New Policy or<br>Amendment to<br>Existing Policy | <input checked="" type="checkbox"/> Approvals<br>Required by<br>Policy | <input type="checkbox"/> Other<br>Approvals |
| <input type="checkbox"/> Monitoring /<br>Compliance                                   | <input type="checkbox"/> 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 system office is seeking approval to enter into a contract between Minnesota State and the selected vendor for implementation of an ERP, for Minnesota State software licensing, and for cloud hosting. The selected vendor will be announced at the meeting.

**Scheduled Presenter(s):** Bill Maki, Vice Chancellor for Finance and Facilities

**MINNESOTA STATE  
BOARD OF TRUSTEES**

<b>BOARD ACTION</b>
<b>CONTRACTS EXCEEDING \$1 MILLION: NEXTGEN VENDOR CONTRACT</b>

**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 system office is seeking approval to enter into a contract between Minnesota State and the selected vendor for implementation of an ERP, for Minnesota State software licensing, and for cloud hosting.

The ERP vendor agreement has been negotiated with an initial three (3) year contract with up to ten (10) one year renewals for a total of \$234,629,000. The contract would begin in fiscal year 2021 and conclude in fiscal year 2034 if all extensions are taken. The board action includes if necessary, authority to utilize implementation project contingency funds up to an additional \$10,000,000 between fiscal years 2021 and 2028 should there be any changes agreed upon by Minnesota State and the vendor. The contingency funds are included in the revised NextGen ERP project budget.

Category	Projected Time Period	Total Amount Authorized
Implementation	7 years (FY21-FY28)	\$ 112,000,000
Software License and Cloud Hosting During Implementation	7 years (FY21-FY28)	\$ 56,000,000
Implementation Project Contingency	7 years (FY21-FY28)	\$ 10,000,000
Software License and Cloud Hosting After Implementation	3 years (FY28-FY31)	\$ 32,000,000
Optional 3-year Extension of Software License and Cloud Hosting	3 years (FY31-FY34)	\$ 34,629,000

As part of the regular project status reporting program, the Chancellor will inform the Board the status of exercising renewal options and the use of contingency funds for the project.

Minnesota State followed a selection process via public procurement which considered all potential candidates. The process was also an exceedingly rich change management opportunity, because through this intense and time-consuming process, our community came away with a much deeper understanding of what ERPs can offer and how organizations select one.

**November 2018 - June 2019:** A team of 57 cross-functional Subject Matter Experts came together from campuses and the system office to draft a Request for Proposal to supply Minnesota State with a cloud-based ERP. With assistance from CampusWorks, the RFP Team drafted an RFP that included 4,000 requirements vendors were required to respond to. External consulting firm BerryDunn reviewed the RFP prior to its publication.

**September 2019 - October 2019:** Of the vendors responding to the RFP, four vendors were selected to move forward: Campus Management, Ellucian, Oracle, and Workday.

**November 2019 - January 2020:** The four vendors presented demonstrations over the course of four weeks in November and December. Each vendor demonstration lasted three days and covered the vendor's approach to Finance, Human Resources, Student Services, and IT. The vendors were required to follow a script prepared by Minnesota State, and to focus on critical requirements. At the conclusion of each demonstration, RFP Team members filled out a survey on the vendor's capabilities. One important aspect of each demonstration was the Faculty Experience and Student Experience sessions, which were published online in December and January for student, faculty, and staff review and comment. The Steering Committee took into consideration a number of inputs as a decision was made regarding a vendor: debriefs of the RFP Team, feedback from students, faculty, and staff, and reference checks. After thorough evaluation, stakeholders clearly preferred the functionality of one particular vendor over competing software options. This vendor also provided a competitive cost and value for the 37 Minnesota State colleges and universities.

**January 2020 - November 2020:** In January, the Board of Trustees approved entering into negotiations with one or many Software as a Service (SaaS) vendors. With the assistance of external counsel Dorsey & Whitney and Third-Party Owner's Representative BerryDunn, the Negotiation Team of cross-functional college, university, and system office Subject Matter Experts negotiated a contract where risks have been addressed and either mitigated or are understood. A revised project and financing plan along with approval for authority to enter into a contract with the selected vendor is on the November BOT agenda.

**RECOMMENDED COMMITTEE ACTION:**

The Committee of the Whole recommends that the Board of Trustees approve the following motion:

The Board of Trustees authorizes the chancellor to execute contracts with the proposed vendor on behalf of the system office for a total term not to exceed thirteen (13) years and a total amount not to exceed \$244,629,000. The authority includes renewals and authority if needed to utilize up to \$10,000,000 in contingency funds for project adjustments that might occur over the seven year implementation period. As part of the regular project status reporting program, the Chancellor will inform the Board the status of exercising renewal options and the use of contingency funds for the project. The Board directs the chancellor to execute all necessary documents.

**RECOMMENDED BOARD OF TRUSTEES ACTION:**

The Board of Trustees authorizes the chancellor to execute contracts with the proposed vendor on behalf of the system office for a total term not to exceed thirteen (13) years and a total amount not to exceed \$244,629,000. The authority includes renewals and authority if needed to utilize up to \$10,000,000 in contingency funds for project adjustments that might occur over the seven year implementation period. As part of the regular project status reporting program, the Chancellor will inform the Board the status of exercising renewal options and the use of contingency funds for the project. The Board directs the chancellor to execute all necessary documents.

*Date of Adoption: November 18, 2020*

*Date of Implementation: November 18, 2020*





MINNESOTA STATE

Human Resources Committee  
November 18, 2020  
1:00 PM  
Virtual / Zoom

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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. The board or committee members are adhering to the CDC social distancing guidelines and are attending either by conference call or on a virtual meeting platform.

Other board members may be present constituting a quorum of the board.

1. **Minutes of the Human Resources Committee on October 21, 2020. (pp. 1-6)**
2. **Appointment of Interim President for Northland Community and Technical College. (pp.7-8)**

Human Resources Committee Members:

Michael Vekich, Chair  
Dawn Erlandson, Vice Chair  
Ahmitara Alwal  
Alex Cirillo  
Roger Moe  
George Soule  
Cheryl Teffer

*President Liaisons:*

*Annette Parker*  
*Ginny Arthur*

**Minnesota State Board of Trustees  
Human Resources Committee  
Meeting Minutes of October 21, 2020  
Virtual, Zoom**

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**HR Committee members present:** Vice Chair, Dawn Erlandson, Trustees: Alex Cirillo, Roger Moe, George Soule, Cheryl Tefer. **Absent:** Committee Chair Michael Vekich, Trustee Ahmitara Alwal.  
**Other Leadership Council:** Devinder Malhotra, Chancellor.

1. Minutes from June 16, 2020 Joint DEI and HR Committee.

Chair Cowles took role call and announced a quorum. Vice Chair Erlandson asked for comments from the Human Resources Committee regarding the minutes presented. Hearing none a motion to approve was called. Trustees Moe and Tefer motioned and the June 16, 2020 minutes were adopted.

2. Establishment of Vice Chancellor for Equity and Inclusion.

Chancellor Malhotra addressed Chair Cowles and members of the Board. The recent departure of Clyde Pickett as System Diversity Officer provided the opportunity to ensure the functionality of this position is appropriately placed within the organizational hierarchy and to recognize the maturation of this work and the needed organizational change in establishing a cabinet position. To support this decision, The chancellor charged Vice Chancellor Davis to conduct an extensive external analysis of similar higher education systems. The chancellor engaged in many conversations with college and with university presidents, campus diversity officers and campus affirmative action and title nine officers as well as with statewide bargaining unit leaders and student association leaders. From these conversations emerged a very strong consensus and recommendation that the position of the system diversity officer should be elevated to the vice chancellor level. Vice Chancellor Davis also confirms that similar steps are being taken in other systems across the nation.

Following the Board meeting Chancellor Malhotra will send out a call to Minnesota State community to collect feedback to be taken into consideration in developing the position profile and position description and plans to launch this search in January of 2021. Meanwhile, logistical work including determining search consultants and establishing a search advisory committee representative of system and campus leaders, statewide bargaining units and student associations will take place.

Chancellor Malhotra concluded his remarks regarding the recommendation.

Chair Cowles thanked the chancellor offering his wholehearted support as this follows best practices. Chair Cowles feels very good about progress made in this regard and is eager to participate in the next phase.

Trustee Rodriguez added his support and stated during this gap we have not missed a beat with our diversity and inclusion efforts as we continue to have a strong team in place.

Trustee Soule asked about the possible downsides, perhaps cost or disruption to the organization.

Chancellor Malhotra responded first with the upside, stating the work which relates to equity 2030 permeates all that we do, and this leadership position is critical in developing the overarching strategy and initiative. This position will create more cohesion, bringing a unified approach to the senior leadership of the colleges and universities. This position will embed and project our work in the broader community in an appropriate manner and be in a stronger position to engage others who are outside our system and engaged in issues relating to equity.

Regarding the question of impact on budgets and salaries. A recent national market analysis of this position's profile search shows a gradual elevation in terms of the classification within the compensation range. Attracting the right kind of person is a strategic investment well worth the benefits.

Vice Chancellor Davis responded saying the chancellor has summarized well, confirming there has been expansion of the role in the system office. The position has been reevaluated and a corresponding adjustment in the Administrators Plan for the role has been made. Vice Chancellor Davis did not see any significant downside to the Board moving this motion.

Vice Chair Erlandson asked the committee for a motion to approve. Trustee's Soule and Moe motioned. No one opposed. The motion was adopted.

### 3. Appointment of Interim Vice Chancellor for ITS

Vice Chair Erlandson introduced Chancellor Malhotra, who addressed the members of the committee and members of the Board, informing this was Vice Chancellor Padilla's last day with Minnesota State. He has accepted an offer to serve as chief information officer for the University of Tennessee. The chancellor expressed his deep gratitude to Vice Chancellor Ramon Padilla for his over 6 ½ years of distinguished service and provided the following accolades.

From day one Ramon focused on modernizing the current IT infrastructure and strategically positioning it to meet the technology needs of today and tomorrow. He has done a phenomenal job through investing time and effort developing people, process and technology. He has successfully instituted best-in-class IT services for our colleges and universities and created a seamless experience for students, faculty and staff through the implementation of Office 365. Ramon has been instrumental in creating the plan to replace ISRS and begin the transition to NextGen. The apex of his initiatives is Ramon's leadership in advancing and enhancing our cyber security framework. In this area Ramon and his team made sustained, substantial contributions to protect our networks and systems against vulnerabilities and attacks. He was also integral in developing our data governance strategy benchmarking tools and capabilities to ensure the integrity of our data.

Chancellor Malhotra exclaimed he has greatly enjoyed working with Ramon, appreciating his sense of humor, his candid, strategic advice and counsel on IT matters and other functional areas. Ramon's analytical prowess to distill large amounts of complex information down to its base, rivals that of a poet's astuteness with language. There is no question our IT services are much stronger and safer due to Ramon's significant contributions to our colleges and universities. His work will positively impact Minnesota State for years to come.

The chancellor thanked Vice Chancellor Padilla for his outstanding service, wishing him and his family the very best as he embarks on his next professional adventure. A journey that will also bring him closer to his family in Tennessee.

Chancellor Malhotra turned his conversation to the search for a successor. He expects to launch a search beginning January 2021, with a new vice chancellor taking the reins mid-year, leaving a gap. Because this is such a critical role for our system and our colleges and universities the chancellor recommended the establishment of an interim leader.

After consulting with the CIO community, CIO advisory group and the leadership team at the system level, Chancellor Malhotra recommended to the Board the appointment of Ross Berndt as Interim Vice Chancellor for ITS.

Ross Berndt is the right person at the right time. With over 30 years of dedicated service in higher education, Ross has extensive experience with Minnesota State and IT services and infrastructure needs. He is uniquely positioned to fill this critical role. For the last six years Ross has served as Associate Vice Chancellor and Deputy Chief Information Officer at Minnesota State. In this capacity, Ross has administered management responsibilities for production of enterprise services, system managers and technical services, computer operations, production control, quality control and change management. Together with Vice Chancellor Padilla, Ross has provided major contributions in developing tactical and strategic plans including providing direction and oversight for the Minnesota State I-Cloud initiative and Office 365. Associate Vice Chancellor Berndt has a long history in higher education which enabled him to cultivate extensive relationships with system office employees and campus staff to manage the day-to-day operations and governance in serving all our 37 institutions. He has held office at many statewide and regional higher education advisory Boards. Ross has served in leadership roles at every level within Minnesota State at the college level, at the university level and most importantly at the system level making it clear that this would not be Ross' first rodeo. He is very aware of what is expected in this role and will do an outstanding job.

The chancellor addressed Vice Chair Erlandson and members of the committee and the Board, requesting the appointment of Ross Berndt as Interim Vice Chancellor of ITS, effective October 22, 2020.

Vice Chair Erlandson thanked the chancellor and asked for discussion. Hearing none, a motion was requested to adopt the recommendation of Chancellor Malhotra to appoint Ross Berndt as Interim Vice Chancellor for ITS. The vote was unanimous. The motion was adopted.

Vice Chair Erlandson, along with the committee members, congratulated and welcomed Interim Vice Chancellor Berndt.

#### 4. Executive Search Process - Overview

Vice Chair Erlandson introduced Vice Chancellor for Human Resources, Eric Davis.

Davis, together with Associate Vice Chancellor Sue Appelquist and Executive Search Manager, Renee Hogoboom presented a brief PowerPoint detailing the current executive search and the strategies to ensure a safe environment during the pandemic.

Davis began. As stated in Board policy, Minnesota State Colleges and Universities are committed to hiring extraordinary leaders through a selection process that is broadly consultative and transparent. We are committed to finding world class talent, who will honor and will implement our core values and maintain our equity goals, creating a welcome environment where all thrive. We recruit widely, to achieve an excellent and diverse candidate pool by working with qualified search consultants who are experienced in recruiting diverse candidates.

The chancellor appoints a search advisory committee (SAC) who reflect the diversity of our system and who receive discrimination training. During the interview process, candidates are probed as to how they support strengthening diversity in their current role and how they will continue to advance our diversity equity and inclusion goals and core values as president.

Davis ended by stating we are proud of our success in recruiting senior leaders who have a track record in advancing our diversity, equity and inclusion goals.

Renée Hogoboom reviewed five executive searches that are planned for this year.

- Minnesota State University Mankato
- Saint Paul College
- Northland Community and Technical College
- Northeast Higher Education District
- Minnesota State College Southeast

It is anticipated the chancellor will bring recommendations for both Mankato and Saint Paul College to the March Board meeting and the other three to the April Board meeting.

The search advisory committee chairpersons and the engaged recruiting search firms of each presidential search are as follows:

- Minnesota State University Mankato. Chaired by President Robbyn Wacker of SCSU. Search firm is Greenwood Asher.
- Saint Paul College. Chaired by President Atenuga Atewologun of Riverland College. Search firm is ACCT
- Northland Community and Technical College. Chaired by President Carrie Brimhall of M-State. Search firm is RH Perry.
- Northeast Higher Education District. Chaired by President Joe Mulford of Pine Technical and Community College. Search firm is RH Perry.
- Minnesota State College Southeast. Chaired by President Annette Parker of South-Central College. Search firm is Pauly Group.

Hogoboom concluded by stating there will be two cabinet level searches that will soon begin, with appointments anticipated by June of 2021.

- Vice Chancellor for Equity and Inclusion
- Vice Chancellor for Information Technology

Sue Appelquist outlined five stages to the executive search process.

1. Preparation to begin the search
2. The work of the search advisory committee (SAC)
3. The selection of semi-finalists

4. The Board appoints the new president
5. A post-search process evaluation

The search process involves extensive consultation with key stakeholders who are invited to multiple listening sessions with the chancellor prior to the start of each search. Stakeholders include a dozen or more campus constituents including faculty, students, staff and community members, who serve on the search advisory committees. They are invited to campus visits and interview sessions with the semifinalists and are encouraged to send the chancellor confidential feedback throughout the process.

The SAC is chaired by a college or university president and work directly with campus human resource leaders. A panel of Trustees are formed by HR Committee Chair Michael Vekich. These Trustees will interview the chosen finalists. Many more people involved in the search are simultaneously working on website design, marketing material, communications and campus (visit) logistics.

Through an effective process, all this work, collectively will result in a cost-effective and sound search, judged by the quality of the candidates, the quality of the finalists and the trust the search engenders with the campus communities, the Board and the candidates themselves.

Pandemic adjustments to ensure the safety of everyone in the process include virtual (ZOOM) chancellor listening sessions and confidential interviews with candidates. SAC members receive additional training on effective interviewing technique in a remote setting along with unconscious bias instruction. Constituents or stakeholders are provided Qualtrics Surveys to communicate and provide feedback.

Appelquist concluded by emphasizing the high level of confidence in our executive search firms to guide us through this virtual experience and keep our process confidential and on schedule.

Davis thanked Appelquist and Hogoboom and acknowledged the pandemic has presented some obstacles. Our executive search firms assure us of their continued success attracting well qualified, diverse candidates for president and executive level vacancies in a virtual environment. As the chancellor often points out; we are a resilient bunch, and in some ways relying on this technology has expanded our reach, expanded participation in different stages of the search process and helped us manage to build these critical vacancies within a tighter operating budget.

Davis turned the conversation to Vice Chair Erlandson for questions from the committee.

Trustee Rodriguez commented that he does see a great deal of diversity in the chosen candidates but wants to clarify the process for the HR Committee and he presented four questions to Vice Chancellor Davis regarding the equity process.

1. Do we require unconscious bias training for participants?
2. Are we looking for vendors that are diverse in nature?
3. Do we require diverse candidates?
4. And do we also require a diverse panel of interviewers?

Davis thanked Trustee Rodriguez for the question and responded. SAC members and panelists are expected to complete unconscious bias training in order to serve in these positions.

Hogoboom replied, yes, we do look for and hire diverse vendors. One of the criteria is approving of their track record in providing diverse candidates. Every five years we go through a request for proposal (RFP) seeking executive search firms and select the search firm best suited for the vacancy that we're filling. Davis cited the Mankato search. Greenwood Asher firm is owned and operated by a person of a protected class. Betty Asher has a remarkable background and is well suited for that search.

Regarding diverse candidates, Davis stated, the chancellor is involved with the scheduled vendor check-ins where we monitor the development of the candidacy pool. The chancellor will ask the search firms about the diversity of the pool as well as the credentials of the candidates, their past presidential experience and other related experience in training qualifications.

Davis answered question four saying yes, we develop diverse panelists so that when the chancellor performs his recommendation for the Board, he informs them with confidence, that widely diverse and inclusive groups of panelist and interviewers were an integral part of the search and interview process in choosing our leaders.

Trustee Soule asked Davis, what is the cost of hiring, and what is the added value to our process, of retaining executive search firms as opposed to doing this work internally?

Davis replied: The most important service that we get in return for our investment from the executive search firm is candidate management. They are in constant communication with the candidates, keeping them well informed of the process, next steps, how to prepare. The chancellor added that search firms will advertise with, for example, the *Chronicle of Higher Education* and will network with individuals who may not be in the market looking for a new position and bring them in as an interested candidate. Hogoboom concurred with the chancellor's statement, the search firms have far-reaching networks, and they are very well connected. Davis continued, with seven searches scheduled this year, we simply do not have the bench strength to handle the time commitment to effectively manage the work without hiring and training additional staff, which likely is not as cost effective as hiring a professional search firm. The cost of each search varies depending on the institution and the size of the firm and the position that we're trying to fill. Both Renée Hogoboom and Sue Appelquist have been very successful at negotiating successful and cost-effective contracts. Last year we negotiated one vendor to conduct three college president searches at a "volume discount". Sue estimated cost ranges from \$40,000 for a college president search to \$90,000 for a university president search. This year due to the pandemic, we are not paying additional travel expenses. A search firm will want to look at the first year's salary of the open position to use as a benchmark to what they want to charge, and we pay much less than that benchmark.

Trustee Teffer commented that she would like to know that all the Trustees' unconscious bias training is up to date, so when invited to serve on an interview panel, they are prepared and ready to do this work.

Vice Chair Erlandson thanked and agreed with Trustee Teffer's comment. Vice Chair Erlandson thanked Eric Davis, Sue Appelquist and Renée Hogoboom. Davis responded to Vice Chair Erlandson; he will work with Chair Cowles on refreshing the unconscious bias training with the Trustees.

Chair Cowles concluded the session at 11:05am  
Tamara Mansun – recorder.

**MINNESOTA STATE  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Human Resources Committee

**Date:** November 18, 2020

**Title:** Appointment of Interim President for Northland Community and Technical College

**Purpose (check one):**

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

**Brief Description:**

It is anticipated that Chancellor Malhotra will recommend a candidate to appoint as Interim President of Northland Community and Technical College

**Scheduled Presenter:** Devinder Malhotra, Chancellor  
Eric Davis, Vice Chancellor for Human Resources



**MINNESOTA STATE  
BOARD OF TRUSTEES**

**ACTION SHEET**

APPOINTMENT OF INTERIM PRESIDENT FOR NORTHLAND COMMUNITY AND TECHNICAL COLLEGE

**BACKGROUND**

It is anticipated that Chancellor Malhotra will recommend a candidate for Interim President for Northland Community and Technical College.

**RECOMMENDED COMMITTEE MOTION**

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

**RECOMMENDED BOARD MOTION**

The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints \_\_\_\_\_ as Interim President of Northland Community and Technical College, effective January 1, 2021, 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.

*Date of Adoption: November 18, 2020*

*Date of Implementation: January 1, 2021*



## **Board of Trustees Meeting**

Minnesota State

Virtual Meeting

Wednesday, November 18, 2020

1:30 PM

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*The Board of Trustees are adhering to Governor Walz's Executive Order 20-01, the State of Minnesota Peacetime Emergency Declaration, and the Center for Disease Control's social distancing guidelines. Meetings will be conducted on a virtual meeting platform. Interested parties can listen to the live stream of the proceedings from the [Board website](#). Times are tentative – committee/board meeting may begin up to 45 minutes earlier than listed if previous meeting concludes prior to end of allotted time slot.*

Convene and Call to Order, Jay Cowles, Chair

Chancellor's Report, Devinder Malhotra

Chair's Report, Jay Cowles

- Report of Closed Session Meeting of the Chancellor Performance Review Committee on November 12, 2020

### **Consent Agenda**

- 1. Minutes of the Board of Trustees Meeting, October 21, 2020**
- 2. The Minnesota State *Guided Learning Pathways* Framework**
- 3. Review Audit Results and Approve Release of Audited Financial Statements and Federal Student Financial Aid Audit**
- 4. Review and Approve Committee Charter for Diversity, Equity, and Inclusion Committee**
- 5. Capital Bonding Update and 2021 Recommendation and Approval**
- 6. Contracts Exceeding \$1 Million:**
  - a. Contract Extension for University Heights Student Housing – Bemidji State University**
  - b. Lease Amendment: Metropolitan State University and 1380 Energy Park**
- 7. NextGen Phase 2, including Revised Finance Plan**
- 8. NextGen Vendor Contract Approval**

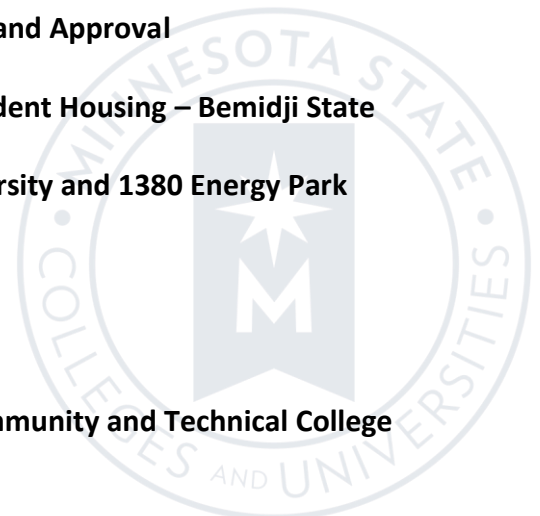
### **Board Standing Committee Reports**

Human Resources Committee, Michael Vekich, Chair

- **Appointment of Interim President for Northland Community and Technical College**

Committee of the Whole, Jay Cowles, Chair

- Report of the Committee



Academic and Student Affairs Committee, Cheryl Tefer, Chair

- Proposed Amendment to Board Policy 2.1 Campus Student Associations (1st Reading)
- Proposed Amendment to Board Policy 3.1 Student Rights and Responsibilities (1st Reading)
- Proposed Amendment to Board Policy 3.6 Student Conduct (1st Reading)

Audit Committee, George Soule, Chair

- Report of the Committee

Joint Meeting: Audit and Human Resources Committees, Co-chairs George Soule and Michael Vekich

- Human Resources Transactional Service Model (HR-TSM) Project Review Update

Outreach & Engagement Committee, Dawn Erlandson, Chair

- Proposed Amendment to Board Policy 3.23 Naming Colleges and Universities (1st Reading)

Diversity, Equity, and Inclusion Committee, Rudy Rodriguez, Chair

- Report of the Committee

Facilities Committee, Jerry Janezich, Chair

- Report of the Committee

Finance Committee, Roger Moe, Chair

- **FY2022-2023 Biennial Budget Request (Second Reading)**

Student Associations

1. Lead MN, Priscilla Mayowa, President
2. Students United, Jonathan McNicholes, State Chair

Minnesota State Colleges and Universities Bargaining Units

1. American Federation of State, County, and Municipal Employees, Jennifer Erwin, 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**

## **Consent Agenda**

Minnesota State  
Virtual Meeting  
November 18, 2020  
1:30 PM

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**Bolded items indicate action is required**



## Minnesota State Acronyms

AACC	American Association of Community Colleges
AASCU	American Association of State Colleges and Universities
ACCT	Association of Community College Trustees
ACE	American Council on Education
AFSCME	American Federation of State/County/Municipal Employees
AGB	Association of Governing Boards of Universities and Colleges
API	Application Programming Interface
AQIP	Academic Quality Improvement Program
ASA	Academic and Student Affairs
BPAC	Business Practices Alignment Committee
CAG	Cross-functional Advisory Group
CAS	Course Applicability System
CASE	Council for the Advancement and Support of Education
CCSSE	Community College Survey of Student Engagement
CFI	Composite Financial Index
CIP	Classification of Instructional Programs
COE	Centers of Excellence <ul style="list-style-type: none"><li>• Advance IT Minnesota</li><li>• 360° Manufacturing and Applied Engineering Center of Excellence</li><li>• HealthForce Minnesota</li><li>• Minnesota Center for Engineering and Manufacturing Excellence (MNCEME)</li><li>• Center for Agriculture - Southern Minnesota</li><li>• Minnesota Agriculture Center for Excellence – North – AgCentric</li><li>• Minnesota Energy Center</li><li>• Minnesota Transportation Center</li></ul>

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