



May 2023 board and committee meetings
Minnesota State Colleges and Universities
System office, 30 East 7th Street, St. Paul, MN
May 16, 2023 10:00 AM - May 17, 2023 1:45 PM CDT

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Board of Trustees
May 16 - 17, 2023
McCormick Room, 4th floor

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings. Interested parties can listen to the live stream of the proceedings from the [Board website](#). Other board members may be present at committee meetings constituting a quorum of the board.

Tuesday, May 16, 2023

- 10:00 a.m. Joint Meeting of Academic and Student Affairs and Audit Committees, Cheryl Tefer and Alex Cirillo, Co-Chairs
1. Project Results: Transfer Pathways Audit – Assurance Project
- 11:00 a.m. Outreach and Engagement Committee, Dawn Erlandson, Chair
1. **Minutes of April 18, 2023**
 2. Brand Outreach and Engaging Adult Learners
- 11:45 a.m. Lunch, 3309/3310
- 12:30 p.m. Finance and Facilities Committee, Jay Cowles, Chair
1. **Minutes of April 18, 2023**
 2. **Contracts Requiring Board Approval**
 - a. **Helicopter Aviation Training, Lake Superior College**
 - b. **Advance Manufacturing Lab Training Equipment Contract, St. Cloud Technical & Community College**
 3. **Proposed Amendment to Board Policy 7.4 Financial Reporting (Second Reading)**
 4. **Proposed Amendment to Board Policy 5.11 Tuition and Fees (Second Reading)**
 5. FY2024 Annual Operating Budget (First Reading)
 6. FY2024 Capital Program Recommendations (First Reading)
 7. System Procurement Strategy
- 3:00 p.m. Joint Meeting of Diversity, Equity and Inclusion and Finance and Facilities Committees, George Soule and Jay Cowles, Co -Chairs
1. Supplier Diversity Update
- 3:45 p.m. Meetings end

Wednesday, May 17, 2023

- 8:30 a.m. Closed Session: Workforce and Organizational Effectiveness Committee, George Soule, Chair
Pursuant to Minn. Stat. § 13D.03, Closed Meetings for Labor Negotiations Strategy
1. Update on Labor Negotiations Strategy
- 9:30 a.m. Committee of the Whole, Roger Moe, Chair
1. Workday Change Order Approval
2. Revised NextGen Project Timeline/Budget Approval
- 10:45 a.m. BREAK
- 11:00 a.m. Academic and Student Affairs Committee, Cheryl Tefer, Chair
1. Minutes of March 21, 2023
2. Proposed Amendment to Board Policy 3.24 College or University Type and Mission, System Mission (Second Reading)
3. Mission Statement Change: Lake Superior College
4. Effective Strategies for Tackling Transfer
- 12:15 p.m. Lunch, Conference Room C (trustees only)
- 12:45 p.m. Board of Trustees, Roger Moe, Chair
- 1:45 p.m. Meetings end

Bolded items indicate action is required.



FY2023 and FY2024 Board Meeting Dates

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

Revised FY2023 Meeting Calendar

NOTE: if agendas require less time, the second date will be cancelled for joint Board and Leadership Council meetings and the first date will be cancelled for all other meetings

MEETINGS	OTHER IMPORTANT DATES
<p>July 19-20, 2022 Board Meeting/Combined meeting Leadership Council Location: System office</p>	
<p>August 2022 New Trustee Orientation – date TBD pending governor appointments</p>	
<p>September 7, 2022 Executive Committee</p> <p>September 20-21, 2022 Board Retreat Location: Riverland Community College</p>	
<p>October 5, 2022 Executive Committee</p> <p>October 18-19, 2022 Committee / Board Meetings</p>	<p><i>ACCT Leadership Congress: October 26-29, 2022, New York</i></p>
<p>November 2, 2022 Executive Committee</p> <p>November 15-16, 2022 Committee / Board Meetings Combined with Leadership Council Location: TBD</p>	

MEETINGS	OTHER IMPORTANT DATES
<p>December 2022 No meetings</p>	
<p>January 4, 2023 Executive Committee</p> <p>January 24-25, 2023 Committee/Board Meetings Combined meeting with Leadership Council Location: TBD</p>	
<p>February 2023 No meetings</p>	<p><i>ACCT National Legislative Summit: February 5-8, 2023, Washington, D.C.</i></p>
<p>March 1, 2023 Executive Committee</p> <p>March 21-22, 2023 Committee / Board Meetings</p>	
<p>April 5, 2023 Executive Committee</p> <p>April 18-19, 2023 Committee / Board Meetings</p>	<p><i>AGB National Conference on Trusteeship: April 2-4, 2023, San Diego</i></p>
<p>May 3, 2023 Executive Committee</p> <p>May 16-17, 2023 Committee / Board Meetings</p>	
<p>June 7, 2023 Executive Committee</p> <p>June 20-21, 2023 Committee / Board Meetings</p>	

Proposed FY2024 Meeting Calendar

MEETINGS	OTHER IMPORTANT DATES
<p>July 18-19, 2023 Board Meeting/Combined meeting Leadership Council Location: TBD</p>	
<p>August 2023 New Trustee Orientation – date TBD pending governor appointments</p>	
<p>September 19-20, 2023 Board Retreat Location: TBD</p>	
<p>October 4, 2023 Executive Committee</p> <p>October 17-18, 2023 Committee / Board Meetings</p>	<p><i>ACCT Leadership Congress:</i> October 9-12, 2023, Las Vegas</p>
<p>November 1, 2023 Executive Committee</p> <p>November 14-15, 2023 Committee / Board Meetings Combined with Leadership Council Location: TBD</p>	
<p>December 2023 No meetings</p>	
<p>January 3, 2024 Executive Committee</p> <p>January 23-24, 2024 Committee/Board Meetings Combined meeting with Leadership Council Location: TBD</p>	
<p>February 2024 No meetings</p>	

MEETINGS	OTHER IMPORTANT DATES
<p>March 6, 2024 Executive Committee</p> <p>March 19-20, 2024 Committee / Board Meetings</p>	
<p>April 3, 2024 Executive Committee</p> <p>April 16-17, 2024 Committee / Board Meetings</p>	
<p>May 1, 2024 Executive Committee</p> <p>May 21-22, 2024 Committee / Board Meetings</p>	
<p>June 5, 2024 Executive Committee</p> <p>June 18-19, 2024 Committee / Board Meetings</p>	

National Higher Education Conferences:

AGB is the Association of Governing Boards of Universities and College

ACCT is the Association of Community College Trustees

Committee Rosters*
2022- 2023

Executive

Roger Moe, Chair
George Soule, Vice Chair
Jay Cowles, Treasurer
Dawn Erlandson
April Nishimura
Kathy Sheran
Cheryl Tefer

Academic and Student Affairs

Cheryl Tefer, Chair
Alex Cirillo, Vice Chair
Victor Ayemobuwa
Jerry Janezich
Javier Morillo
Kathy Sheran
New Student Trustee 1

President Liaisons:
Deidra Peaslee
Scott Olson

Audit

Alex Cirillo, Chair
Jay Cowles, Vice Chair
Dawn Erlandson
Tim Huebsch
April Nishimura
New Student Trustee 2

President Liaisons:
Lori Kloos
Anne Blackhurst

Diversity, Equity, and Inclusion

George Soule, Chair
Javier Morillo, Vice Chair
Victor Ayemobuwa
Jim Grabowska
April Nishimura
Kathy Sheran
New Student Trustee 2

President Liaisons:
Annette Parker
Ginny Arthur

Finance and Facilities

Jay Cowles, Chair
April Nishimura, Vice Chair
Victor Ayemobuwa
Jim Grabowska
Tim Huebsch
Jerry Janezich
Kathy Sheran

President Liaisons:
Joe Mulford
Edward Inch



Outreach and Engagement Committee

Dawn Erlandson, Chair
Jerry Janezich, Vice Chair
Alex Cirillo
Jim Grabowska
Cheryl Tefer

New Student Trustee 1

New Student Trustee 2

President Liaisons:

Michael Raich

Kumara Jayasuriya

Workforce and Organizational

Effectiveness

George Soule, Chair
Kathy Sheran, Vice Chair
Dawn Erlandson
Tim Huebsch
Javier Morillo
Cheryl Tefer

New Student Trustee 1

President Liaisons:

Carrie Brimhall

Robbyn Wacker

Nominating Committee

Jerry Janezich, Chair
Jay Cowles, Vice Chair
Cheryl Tefer

Chancellor Performance Review

Roger Moe, Chair
George Soule, Vice Chair
Alex Cirillo
April Nishimura



Joint Meeting: Audit and Academic and Student Affairs Committees
May 16, 2023
10:00 a.m.
McCormick Room, 4th Floor

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

1. Project Results: Transfer Pathways Audit - Assurance Project

Audit Committee Members

Alex Cirillo, Chair
Jay Cowles, Vice Chair
Dawn Erlandson
Tim Huebsch
April Nishimura

President Liaisons

Anne Blackhurst
Lori Kloos

Academic & Student Affairs Committee Members

Cheryl Tefer, Chair
Alex Cirillo, Vice Chair
Victor Ayemobuwa
Jerry Janezich
Javier Morillo
Kathy Sheran

President Liaisons

Scott Olson
Deidra Peaslee

Bolded items indicate action required.





MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Joint Audit and Academic and Student Affairs Committees

DATE: May 16, 2023

TITLE: Project Results: Transfer Pathways Audit - Assurance Project

Proposed New Policy or Amendment to Existing Policy

Approvals Required by Policy

Other Approvals

Monitoring/Compliance

Information

PRESENTERS

Amy Jorgenson, Chief Audit Officer

Satasha Green-Stephen, Senior Vice Chancellor for Academic Affairs

Jesse Mason, Interim Associate Vice Chancellor for Academic Affairs

Ashley Deihr, Partner, Baker Tilly

PURPOSE

The purpose of this presentation will be to present the results of the recent assurance project for Transfer Pathways associate degree programs within Minnesota State. We have identified observations and provided recommendations to support Transfer Pathways across Minnesota State, including the colleges, universities, and system office.

BACKGROUND INFORMATION

In June 2022, the Board of Trustees Audit Committee approved an assurance project for Transfer Pathways associate degree programs within Minnesota State. Our objective was to assess the impacts of and needed enhancements for Transfer Pathways, including evaluating processes for establishing and accepting Transfer Pathway course credits at four-year institutions.



April 28, 2023
Office of Internal Auditing

Transfer Pathways Audit

Assurance Project

MINNESOTA STATE

Reference Number: 2023-04
Report Classification: Public

April 28, 2023

Members of the Minnesota State Board of Trustees
Devinder Malhotra, Chancellor
Satasha Green-Stephen, Senior Vice Chancellor for Academic and Student Affairs
Jesse Mason, Associate Vice Chancellor of Academic and Student Affairs

In June 2022, the Audit Committee approved an audit of the Minnesota State Transfer Pathways program. The attached report presents the summary results of our Transfer Pathways audit.

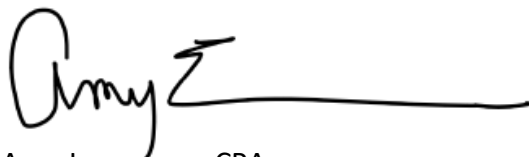
We have identified observations and provided recommendations to support Transfer Pathways across Minnesota State, including the colleges, universities, and system office. Attached is an executive summary of our results as well as a detailed report providing specific results and recommendations.

On March 30th and April 11th, we met with system office leadership to discuss the project results. We also met with leaders at the universities we reviewed to discuss project themes and testing results.

This project was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing.

We appreciate the excellent cooperation and assistance we received from system office staff and university employees.

Sincerely,



Amy Jorgenson, CPA
Chief Audit Officer, Office of Internal Auditing

C: Melissa Primus, Deputy Director, Office of Internal Auditing



TRANSFER PATHWAYS AUDIT

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Executive Summary

In June 2022, the Board of Trustees Audit Committee approved an assurance project for Transfer Pathways associate degree programs within Minnesota State. Below, we provide a summary and overall project conclusion. We also provide specific observations and recommendations in the attached Detailed Report.

Executive Summary	
<p>Scope <i>What did we do?</i></p>	<p>The objective of this audit was to assess the impacts and needed enhancements to the Transfer Pathways associate degree programs (Transfer Pathways), including corresponding transferring and transfer pathway credit acceptance at four-year institutions, at Minnesota State. We requested and reviewed documentation, performed information gathering interviews, analyzed data, and completed sample testing to understand the goals of Transfer Pathways.</p> <p>We selected a sample of three universities for detailed review, analysis, and sample testing. We identified instances of non-compliance with system policies, and identified obstacles to success of Transfer Pathways. We developed recommendations and assigned priority levels for each observation identified in the audit to assist the Academic and Student Affairs (ASA) Division, in collaboration with two and four-year institutions, in evolving Transfer Pathways.</p>
<p>Conclusion <i>What did we find?</i></p>	<p>Minnesota State has developed the Transfer Pathways program, including 27 academic programs, to facilitate transferring from its two-year institutions into one of Minnesota State’s seven universities. In alignment with key strategic initiatives, including Equity 2030, and overall goals related to maintaining strong enrollment, Transfer Pathways was designed to enhance access to education and support student success within Minnesota State. While the Transfer Pathways programs have numerous participants, retention within the system after pathway completion remains low. Minnesota State’s continuation rate for those graduating in years 2019-2022 was approximately 22%, while an industry peer had a much higher rate¹.</p> <p>There have been challenges with the implementation of the program. These include:</p> <ul style="list-style-type: none"> • Process for establishing course equivalencies

¹ The University of Illinois System had a published retention rate between 65-70% for system-sponsored transfer programs.

Executive Summary	
	<ul style="list-style-type: none"> • Accountability, roles, and responsibilities • Data quality and completeness • Communication • Collaboration <p>The ASA Division does not have adequate oversight and mechanisms to fully support the success of Transfer Pathways. Without target metrics, there is limited ability for the ASA Division to monitor the progress and success of Transfer Pathways. Finally, the current level of communication and collaboration between the ASA Division, colleges, and universities is not sufficient to facilitate the success and growth of Transfer Pathways.</p>
<p>Risk <i>Why does it matter?</i></p>	<p>Without increased oversight, improved procedures, and target metrics for Transfer Pathways, there is increased risk of declining enrollment within Minnesota State. Declining enrollment can lead to negative tuition revenue impacts. Further, nationwide transfer trends show a decrease in transfer enrollment of 7% between 2020 and 2022, and rates have decreased at a higher percentage for both females (9%) and non-traditional students (up to 20%).² This further emphasizes the importance of retaining transfer students within Minnesota State. Additionally, Minnesota State’s Equity 2030 goal aims to close the educational equity gap, and challenges with Transfer Pathways may disproportionately impact women and students of color.</p>
<p>Recommendation <i>How can we fix?</i></p>	<p>To evolve Transfer Pathways and improve the transfer experience for Minnesota State students, the ASA Division should prioritize:</p> <ul style="list-style-type: none"> • Increasing oversight and guidance to promote consistency of course evaluation processes, such as course competencies, at colleges • Establishing an accountability framework to increase compliance with board policies related to Transfer Pathways • Defining metrics to monitor the success of Transfer Pathways • Improving communication of critical Transfer Pathways requirements • Facilitating collaboration of faculty across the system to support developing and reviewing Transfer Pathways

² [5 charts breaking down demographic trends in college transfer enrollment | Higher Ed Dive](#) [5 charts breaking down demographic trends in college transfer enrollment | Higher Ed Dive](#)

Detailed Report

Background

In June 2022, the Board of Trustees Audit Committee approved an assurance project for Transfer Pathways associate degree programs within Minnesota State. Our objective was to assess the impacts of and needed enhancements for Transfer Pathways, including evaluating processes for establishing and accepting Transfer Pathway course credits at four-year institutions. The goal of the Transfer Pathway program is to facilitate completion of a specific associate degree at a Minnesota State college and transfer to a Minnesota State university to earn a bachelor's degree without losing credits or taking extra courses³.

The Transfer Pathways program includes 27 separate pathways, across 23 two-year institutions⁴ with the goal to facilitate transfer between Minnesota State two and four year institutions. Approximately 4,000 students have enrolled in Transfer Pathways since academic year 2019-2020, and the number of students enrolled in the program continues to increase each year.

Diagram 1 provides an overview of Transfer Pathways from fiscal years 2020 to 2022 across Minnesota State⁵. The diagram represents the number of Transfer Pathways available at the two-year community colleges and the Transfer Pathways concentrations at universities.

Diagram 1: Transfer Pathways Overview (Fiscal Years 2020 to 2022)

23	27	7	76
Community colleges gave awards in the Transfer Pathways program	Transfer Pathways programs available at community colleges	Minnesota State universities with students from Transfer Pathways programs	Transfer Pathways concentrations at the universities

In addition, Diagrams 2 and 3 illustrate data related to the students enrolled in the various Transfer Pathways and the retention of students after they graduate from their two-year program. Diagram 2 shows the various Transfer Pathways available at Minnesota State. The font size in Diagram 2 indicates the program popularity or enrollment level. Therefore, the

³ <https://www.minnstate.edu/admissions/transfer/transfer-pathways.html>

⁴ Anoka Technical College, Fond du Lac Tribal and Community College, and Minnesota West Community and Technical College did not have any Transfer Pathways program graduates during our review period.

⁵ Data is revised to reflect the recent Minnesota North merger.

larger the font of the program listed, the more students enrolled in the program. We also provide additional program enrollment data in Appendix B.

Diagram 2: Transfer Pathways Programs

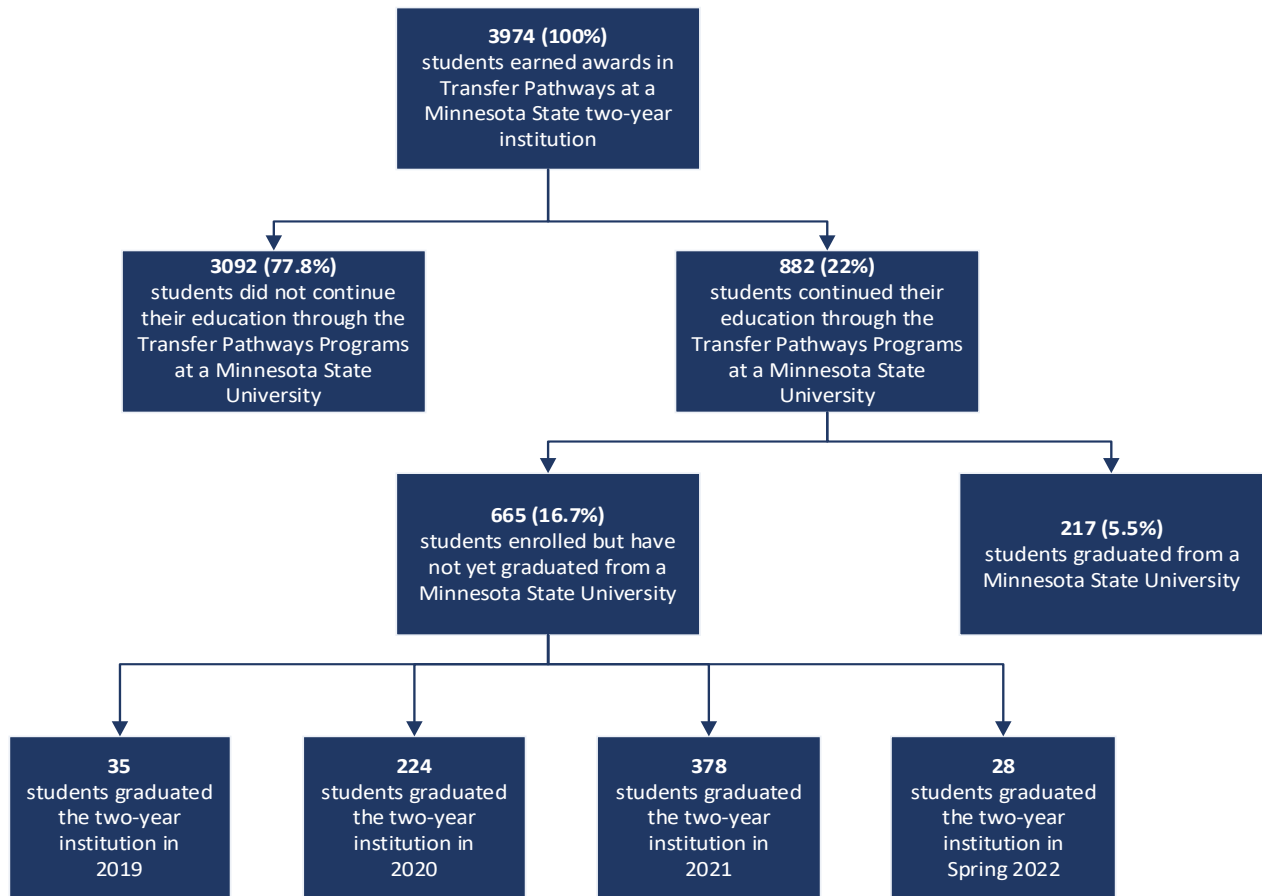


On the following page, Diagram 3⁶ shows a breakdown of student progress after they earned an award at a Minnesota State two-year institution. This data is across fiscal years 2020 to 2022. Of the 3,974 students who graduated in Transfer Pathways, 882 continued within Minnesota State. Of the 882 who continued, 217 (approximately 25%) graduated from a Minnesota State university⁷. There is an opportunity to increase persistence within the system; however, it is not possible to achieve 100% retention as some students may never intend to transfer to a four-year institution and instead enter the workforce. Additionally, a student may complete the Transfer Pathways program but not intend to transfer to a Minnesota State university, as their goal may be to attend a university outside Minnesota State, such as the University of Minnesota or a private college.

⁶ The system office provided data for Transfer Pathway students who graduated in fiscal years 2020, 2021 and 2022. FY2020 includes awards earned between July 1, 2019 through June 30, 2020 (corresponding academic year 19-20); FY2021 includes awards earned between July 1, 2020 through June 30, 2021 (corresponding academic year 20-21); and FY2022 includes awards earned between July 1, 2021 through June 30, 2022 (corresponding academic year 21-22).

⁷ Data supporting next steps for students who did not transfer to a Minnesota State university, for example, if the student transferred outside the system or entered the workforce, is not currently tracked.

Diagram 3: Transfer Pathways Retention Totals (Fiscal Years 2020 to 2022)



Audit Objectives

Our audit objectives included addressing the following questions:

- What are the similarities and differences regarding how the Transfer Pathways program is administered across the different universities at Minnesota State? *(Refer to Observation #1 Process for Establishing Course Equivalencies)*
- What data and metrics do the system office and universities maintain for the Transfer Pathways *(Refer to Observation #3 Data Quality and Completeness)*
- Is the overall monitoring structure for the Transfer Pathways program sufficient to determine how well the program is working across the system? If not, how can it be improved? *(Refer to Observation #4 Communication and Observation #5 Collaboration)*
- What is the volume and impact of noncompliance within the Transfer Pathways program? *(Refer to Observation #2 Accountability, Roles, and Responsibilities)*

Scope and Methodology

We performed our work using a variety of audit procedures, including a combination of interviews, document review, analysis of college and university data, testing of student samples, and benchmarking procedures.

- We requested and reviewed data and documentation collected by the system office regarding Transfer Pathways, such as the Isabella Presentation, Transfer Pathways Report, and Transfer Issues Analysis (see Appendix A for additional documentation reviewed).
- We met with system office and university employees who work with Transfer Pathways programs to understand current state, challenges, and work performed to date.
- We selected three universities, based on volume of Transfer Pathways students and discussion with ASA Division leadership, to focus interviews and testing.
- We requested, reviewed, and analyzed system Transfer Pathways data from our Integrated Statewide Records System (ISRS) to determine activity regarding retention of students within the system after graduating from Transfer Pathways. We also worked with the ASA Research unit to request and review Transfer Pathways applicant and admissions data.
- We evaluated a sample of 60 applicants to test compliance with Transfer Pathways policies, requirements, and guidance, including:
 - Board Policy 3.21 Undergraduate Course and Credit Transfer and the Minnesota Transfer Curriculum
 - Board Policy 3.39 Transfer Rights and Responsibilities
 - System procedure 3.21.1 Transfer of Undergraduate Courses, Credit, Associate Degrees, and the Minnesota Transfer Curriculum
- We benchmarked current practices against leading practices for transfer to identify opportunities for improvement.

Conclusion

Minnesota State has developed Transfer Pathways, including 27 academic programs, to facilitate transferring from two-year institutions into one of Minnesota State's seven four-year institutions. There is an opportunity to better support the success of Transfer Pathways by:

- Increasing oversight of course equivalency procedures by the ASA Division
- Establishing an accountability framework to increase compliance with Board policies related to Transfer Pathways
- Improving communication of critical Transfer Pathways requirements
- Facilitating collaboration of faculty across the system in developing and reviewing Transfer Pathways
- Defining metrics to monitor the success of Transfer Pathways

Observations and Recommendations

The following tables include detailed observations and recommendations. The observations are presented to address risks and improve or strengthen the operation of Transfer Pathways.

Observation #1: Process for Establishing Course Equivalencies

Minnesota State Board Policy 3.21 Undergraduate Course and Credit Transfer and the Minnesota Transfer Curriculum states each college or university should implement a policy to address the transfer of courses and credit in compliance with the requirements outlined in this policy. Specific to course equivalencies, part 4 of the policy states faculty at receiving institutions should determine course equivalencies and are encouraged to collaborate. If requested, faculty must provide rationale to explain why a course is not deemed equivalent. Individual program leadership, such as the department chair or other faculty at each university, reviews and establishes course equivalencies for Transfer Pathways. We noted it varies by institution and by program whether there is a single point of contact for each Transfer Pathways program. Of the three universities we tested, only one had a documented process for reviewing and establishing course equivalencies.

During our testing, we noted the following programs have one or more missing equivalencies across one or more universities:

- Early childhood education⁸
- English
- Theatre
- Law enforcement⁹
- Exercise science

We identified the following inconsistencies in the course evaluation and equivalency determination process:

- **Admissions process.** Equivalencies may be reviewed and determined during the admissions process if the applicant has taken a course at a two-year institution that has not yet been reviewed for equivalency, as opposed to establishing equivalencies upon creation of a new Transfer Pathways program.
- **Inconsistent or ad-hoc review of existing equivalencies.** Some academic programs review all equivalencies on a schedule, while others either do not review or review on

⁸ The Early Childhood Education Transfer Pathway is currently under review to finalize the Transfer Pathway standards and curriculum.

⁹ Missing equivalency is due to student transferring to a different major (criminal justice) at the four-year institution.

an ad-hoc basis, such as when a two-year institution communicates a change in curriculum.

- **Inconsistent documentation to support equivalencies.** Some universities had a documented workflow within the Transfer Evaluation System, while others are done via email, with varying detail for justifications.

#1 Establishing Course Equivalencies	
Observation	The institutions we examined lack a consistent or formalized process for establishing course equivalencies for Transfer Pathways courses.
Benchmarking	<p>The University of Illinois System publishes its transfer policies and procedures on its website and leverages Transferology¹⁰ to document and share established course equivalencies. The information is readily available on the system’s website for students to access and includes university admission links for program specific requirements. While it is the responsibility of each university to establish its own transfer guidance, the system retains oversight for the transfer program, similar to Minnesota State, including establishing minimum requirements and noting additional degree requirements which may be necessary for certain programs.</p> <p>Additionally, the City University of New York (CUNY) developed a public resource called the Transfer Explorer, which provides course equivalencies for all courses offered within CUNY and is updated daily from official source systems. It shows how courses taken elsewhere will transfer, and how courses fit into majors and minors across campus. The tool can be used by CUNY students, prospective students, faculty, advisors, and staff.¹¹</p>
Risk <i>Risk Prioritization</i> HIGH	<p>The lack of established equivalencies may affect students’ incentive to remain at Minnesota State upon completion of a Transfer Pathways program, increasing the risk of students not persisting. For example, a lack of established equivalencies can cause Minnesota State universities to be listed lower in the Transferology system compared to other universities, when a student looks up potential institutions to transfer their coursework. If equivalencies are not established, a Minnesota State university will not be listed as a 100% match, and therefore, any university that has established equivalencies will be listed above a Minnesota State university.</p> <p>As noted earlier in Diagram 3, based on data provided for students who earned awards in Transfer Pathways in fiscal years 2020, 2021, and 2022, only 22% of students continued their education at a system institution.</p>

¹⁰ Minnesota State also uses Transferology to list course equivalencies at each institution.

¹¹ [How colleges can reduce credit friction for transfer students | Higher Ed Dive](#) [How colleges can reduce credit friction for transfer students | Higher Ed Dive](#)

#1 Establishing Course Equivalencies

Below, Table 1 compares the Transfer Pathways graduates to the total graduation population for the two-year community colleges, illustrating the gap between students that continue at a university and those that either transfer to a non-Minnesota State university or may not have intended to continue with a four-year degree.

Table 1: Minnesota State Transfer Pathways Graduates

Transfer Pathways Students	FY 2020	FY 2021	FY 2022	Total
# who graduated from community college	909	1,455	1,610	3,974
# who later graduated at a system university	19	95	103	217

Recommendation
Recommendation
Prioritization
HIGH

- The ASA Division should work with colleges and universities to update Board Policy 3.21 Undergraduate Course and Credit Transfer and the Minnesota Transfer Curriculum to include protocols for oversight of establishing course equivalencies at the university level. It should include requirements for universities to document their procedures for establishing course equivalencies. For example, universities should:
 - Designate responsibility for establishing and reviewing equivalencies
 - Determine how equivalencies should be documented and tracked
 - Define who has the authority to review and provide exception to any established course equivalencies
 - Create deadlines or time parameters for establishing equivalencies
 - Publish relevant Transfer Pathways procedures online to ensure they are easily accessible so students can confirm course equivalencies, understand how to request evaluation, or appeal a course equivalency
- As part of its oversight role, ASA should:
 - Review university course equivalency procedures to ensure they are comprehensive and align with applicable board policies
 - Confirm faculty are complying with the definition of an equivalency as defined in system procedure 3.21.1 Transfer and Undergraduate

#1 Establishing Course Equivalencies	
	Courses, Credit, Associate Degrees and the Minnesota Transfer Curriculum where “a course from a sending college or university which is at least 75% comparable in learning outcomes and content to a course at the receiving college or university”
Management Action Plan	<p>Management intends to address issue and recommendations (FY24) lead by <i>Academic Programs, Planning, and Transfer</i>:</p> <ul style="list-style-type: none"> • The Associate Vice Chancellor and designees (Director of Support and Program Review and Director of Academic Programs, Planning, and Transfer) will be responsible for reviewing pathway equivalencies and establish an audit schedule for compliance with the revised policies and procedures (below) • Revise system operating instruction 3.21.1.3 Transfer Pathways, Part 9 University to establish course equivalencies aligned with pathway outcomes and encode in degree audit system • Revise system procedure 3.21.1 Transfer of Undergraduate Courses, Credit, Associate Degrees, and the Minnesota Transfer Curriculum, Part 12. College and University Responsibility: Work with System Director for Policy & Procedure and Intellectual Property to add review of these Operating Instructions to the Policy Council agenda for fall 2023 • Based on recommendations from the Transfer Governance Team’s sub-committee on Common Course numbering, Academic Affairs will develop an implementation steering committee (fall 2023-spring 2025)

Observation #2: Accountability, Roles, and Responsibilities

The ASA Division created a Transfer Pathways Review Timeline, which illustrates plans to review specific pathways each semester. Accordingly, 12 programs have recently undergone review, 10 programs are currently under review, and four will be reviewed in early 2024. As part of this review, the system office sends each university a list of courses which are missing equivalencies. However, there is not an accountability framework to ensure universities establish missing equivalencies. For example, we noted the following observations during our testing.

- One out of two sampled English Transfer Pathways students had to repeat a course due to a missing equivalency.

- Five programs (Early Childhood Education, English, Theatre, Exercise Science, and Law Enforcement) were missing equivalencies at one or more university.
- Seven programs (Accounting, Psychology, Biology, Business, English, Law Enforcement, and Political Science) had manual exceptions where students had to appeal or request review of a specific completed course to have an equivalency established for it.

ASA has mapped courses defined as equivalencies by universities and identified similar courses at other two-year institutions; however, we noted university programs did not consistently utilize the mapped data to set equivalencies for the other colleges. There is not a procedure in place to escalate equivalency issues. Further, Board Policy 3.21 Undergraduate Course and Credit Transfer and the Minnesota Transfer Curriculum state each college or university should establish an appeal process, provide information about a student’s right to appeal, and display a direct link entitled “Transfer” on the college or university homepage. While procedures exist for students to appeal course equivalency decisions to the Senior Vice Chancellor for ASA, the procedures are not published on the system office website or linked to university procedures or sites for students to easily access and complete an appeal.

#2 Accountability, Roles, and Responsibilities	
Observation	There is not an established accountability framework to enforce compliance with Transfer Pathways. Additionally, roles and responsibilities for decision makers in the Transfer Pathways programs are not formally defined. The ASA Division has begun developing an accountability framework. However, it is still in draft form.
Benchmarking	The State University of New York (SUNY) publishes all course equivalencies on its website . The website also states the campus registrar makes the final determination of credit acceptance. If a student does not agree with a university’s course equivalency determination, SUNY has a two-phase appeal process in which the student must first appeal to the receiving university, and if the decision is unchanged, the student may then appeal to the system. The system’s decision is final, and universities are required to comply.
Risk <i>Risk Prioritization</i> HIGH	The success of Transfer Pathways is at risk if there is not a mechanism in place to hold universities accountable for establishing course equivalencies in support of successful execution of Transfer Pathways.
Recommendation <i>Recommendation Prioritization</i> HIGH	The ASA Division should work with colleges and universities to complete the accountability framework and define roles and responsibilities of those involved in the processes of Transfer Pathways. The framework should include: <ul style="list-style-type: none"> • A formal escalation process which designates authority when colleges and universities do not comply with requests or

#2 Accountability, Roles, and Responsibilities	
	<p>requirements related to the Transfer Pathways Program, such as establishing missing course equivalencies identified during the Transfer Pathways program review process</p> <ul style="list-style-type: none"> • Designation of specific leadership positions at the university, such as the dean or provost, to be the contacts for process owners to contact if there is non-compliance with system policies and procedures • Designation of authority to hold the colleges and universities accountable by defining the roles and responsibilities of those involved in making Transfer Pathways decisions • Formalization of an appeal process for students to easily access and utilize if a university does not establish a course equivalency for a course
Management Action Plan	<p>Management intends to address issue and recommendations (FY24-FY25) lead by <i>Academic Programs, Planning, and Program Support/ Program Review</i>:</p> <ul style="list-style-type: none"> • An internal workgroup will create a Transfer Accountability Framework for recommendation to the Senior Vice Chancellor for ASA • Along with the above planned audit schedule, a Transfer Accountability Framework will establish a process and procedure for escalation of non-compliance. • A Transfer Accountability Framework will establish a process and procedure for designation of authority for transfer pathway compliance. • A Transfer Accountability Framework will establish a process and procedure for the Academic Programs, Planning, and Program Support / Program Review that uses the current Transfer Evaluation System for all campuses to route course evaluations to decision makers (to be monitored by Academic Affairs).

Observation #3: Data Quality and Completeness

The ASA Division established data and target metrics for transfer as a whole; however, there is limited formal reporting available specific to the Transfer Pathways program at the system level.

Two of three universities reviewed do not distinguish Transfer Pathways students from the general transfer student population. The third university identified students as Transfer

Pathways on their degree audit reports; however, three of the 20 students we tested from that university had a different Transfer Pathways program listed on their degree audit report than program listed in the Transfer Pathway enrollment population data provided by the system office. There appears to be incomplete or inaccurate data available for universities to monitor and report on the success of the Transfer Pathways program.

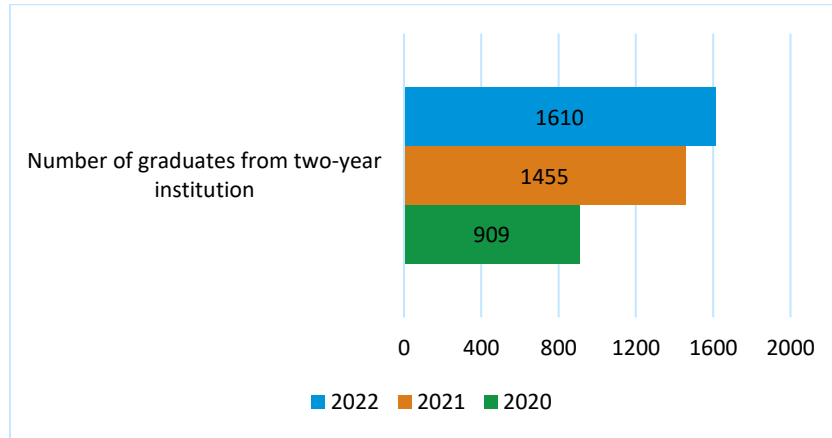
#3 Data Quality and Completeness	
Observation	Universities do not consistently identify students who have completed Transfer Pathways programs and the system office is not actively monitoring or reporting data for students who complete the program when graduating from a university. Therefore, there are limited formal reports to track and monitor the success of the program.
Benchmarking	The University of California system tracks data such as retention within the system to quantify and measure the success of its transfer program both at a system level and a university level. It is a leading practice for both the system and its institutions to define target data to monitor progress and success of its transfer program. ¹²
Risk <i>Risk Prioritization</i> HIGH	Without established metrics and consistent reporting of data, there is a lack of insight into the success of the Transfer Pathways program.
Recommendation <i>Recommendation Prioritization</i> HIGH	<p>The ASA Division, in consultation with colleges and universities, should establish more formal reporting of data specific to Transfer Pathways, such as enrollment targets, graduation rates, and retention rates within the system. Metrics should be communicated to the ASA Research unit to ensure data is tracked to analyze and document progress. Metrics could include:</p> <ul style="list-style-type: none"> • Demographic information to identify trends in support of Equity 2030 • Community colleges attended before transfer • Credits completed at the community college before transfer • Percentage of students enrolled in an Associate of Arts, Associate of Fine Arts, Associate of Science, or specific Transfer Pathways program • Percentage of enrollment by program • Percentage of students who are transfers • Percentage of baccalaureate graduates who begin as Transfer Pathways students

¹² [Transfer admit data | UC Admissions \(universityofcalifornia.edu\)](https://www.universityofcalifornia.edu/admissions/transfer-admit-data) [Transfer admit data | UC Admissions \(universityofcalifornia.edu\)](https://www.universityofcalifornia.edu/admissions/transfer-admit-data)

#3 Data Quality and Completeness

- Number and percentage of students transferring in the fall and spring
- Increase year-over-year of Transfer Pathways students (Diagram 4, below, illustrates 3,974 Transfer Pathways graduates discussed earlier in Diagram 3)

Diagram 4: Year-Over-Year Increase in Transfer Pathways Graduates



Management Action Plan

Management intends to address issue and recommendations (TBD, depending on the capacity of our ASA Research unit and Data analytic system and its impact on Workday) lead by *Academic Programs, Planning, and Transfer, ASA Research, and Program Support and Program Review*:

- Academic Affairs, working with Research and the Executive Director of Center for Data Access & Analytics, to establish a formal and interactive data dashboard based on the recommendations above.

Observation #4: Communication

Board Policy 3.39 Transfer Rights and Responsibilities outlines college and university responsibilities related to transfer requirements. It specifies Minnesota State sending and receiving colleges and universities have the responsibility to update and publish specific transfer-related documents online. The policy requires the following information be published on a university’s website:

- Transfer policies and procedures, requirements, and course offerings

- Current Minnesota Transfer Curriculum, transfer agreements, and other transfer related agreements
- Transfer guides and course equivalencies

However, during testing, we noted one of the three universities we reviewed did not publish the required information on its website. In addition, we noted universities do not have a consistent method of communicating to community colleges about important information to be shared with prospective university students. For example, our data analysis noted students had, on average, between 12 and 27 excess credits when transferring to a university.

We noted all three universities utilize liaisons in some capacity, but there is no defined mechanism for a feedback loop, as it is often based on prior relationships between institutions. The role of liaisons includes facilitating communication between community colleges and universities, assisting prospective students with the application process, and providing information on transfer requirements. There is not a formal mechanism in place to share feedback if a student was misadvised at a two-year institution, admission requirements were not communicated, or if credit hours vary.

#4 Communication	
Observation	There is not a consistent and formalized feedback loop between community colleges’ academic advisors and various university personnel, such as admissions counselors and academic advisors, limiting the ability to stay up-to-date on information. Also, changes to the Transfer Pathways programs and associated activities, such as establishing course equivalencies, are not consistently communicated. Further, universities do not consistently publish information online regarding Transfer Pathways such as course equivalencies, transfer guides, or the appeal process to request additional review related to equivalencies.
Benchmarking	The University of Illinois System has published guides for community college counselors to help promote consistent, accurate, and comprehensive academic advising.
Risk <i>Risk Prioritization</i> MODERATE	Without a defined feedback loop, students at community colleges could be misadvised, which could lead to repeated coursework or excess courses, which do not count towards degree requirements. This increases risk of a student’s inability to successfully complete a Transfer Pathways program in a timely and cost-efficient manner.
Recommendation <i>Risk Prioritization</i> MODERATE	1. The ASA Division should work with universities to formalize the liaison role to promote more consistent and accurate advising for Transfer Pathways students at the two-year institutions, such as establishing a feedback loop to discuss:

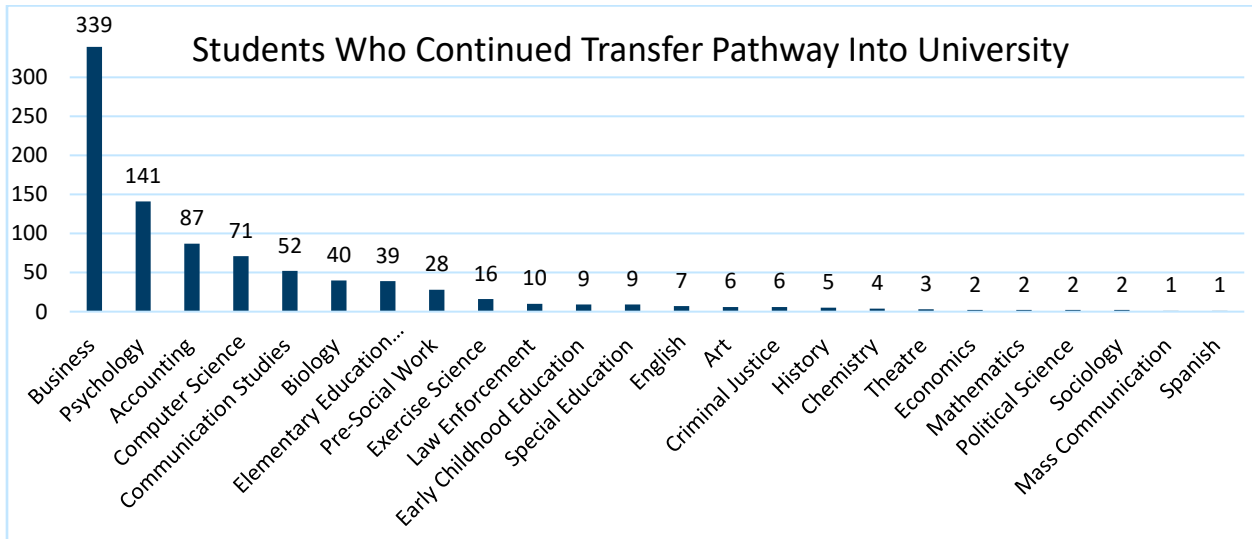
#4 Communication	
	<ul style="list-style-type: none"> • Program requirements, including agreed-upon course equivalencies • Curriculum or course changes, including evaluation of and impact on course competencies • Connecting prospective students with university admissions or academic advisors to review transcripts and provide accurate information on program transfer <p>2. The ASA Division should ensure proper oversight is in place to confirm institutions are complying with Board Policy 3.39 Transfer Rights and Responsibilities.</p>
Management Action Plan	<p>Management has begun to address and intends to address issues and recommendations with the establishment and maturity of a transfer accountability framework and annual audits FY24-FY26 (TBD, based on student Workday progress) lead by <i>Academic Programs, Planning, and Transfer and Program Support and Program Review</i>:</p> <ul style="list-style-type: none"> • A Transfer Accountability Framework will establish processes and procedures for serving transfer students (including transfer pathways equivalencies/competencies), including Transfer Pathway students, and ensuring compliance with Board Policy 3.39 Transfer Rights and Responsibilities. • Working with Information Technology Service, Research, and the Center for Data Access and Analytics, we will establish a platform/dashboard, to provide a feedback loop, that list program requirements and course evaluations that is both student-facing and staff-facing.

Observation #5: Collaboration

Current Transfer Pathways program working sessions to establish or review curriculum take place on an ad-hoc basis, either as needed, or at least once every five years, and attendees are determined based on recommendations from the system office and university faculty and administration. As a result, there may be key faculty missing from decision-making processes. Further, faculty who are not included in the working sessions indicated they are more resistant to the Transfer Pathways program. Based on our review, programs with higher enrollment and more frequent engagement of faculty, such as the Business Transfer Pathways, have a more seamless transfer process compared to programs with lower enrollment. For example, one institution hosted a Business Transfer Pathways program workshop to facilitate collaboration with the other institutions.

Below, Diagram 5 shows the distribution of 882 retained Transfer Pathways graduates discussed earlier in Diagram 3. As noted, many of the programs have very few students compared to the top five programs. 15 programs have ten or less graduates. Based on feedback we received, those programs appear to have a higher chance of more inconsistencies related to the course equivalencies.

Diagram 5: Transfer Pathways Programs for Retained Students (Fiscal Years 2020-2022)



#5 Collaboration	
Observation	Minnesota State has a Transfer Governance Team, whose purpose is to improve student transfer experiences between Minnesota State colleges and universities and to support equitable education outcomes for Minnesota State students. There is an opportunity to formally define the role and charge the Transfer Governance Team to conduct working sessions for existing Transfer Pathways programs. Specifically, a committee has not been tasked with overseeing regular, such as at least annual, working sessions, where two and four-year faculty, department chairs, or deans come together to discuss curriculum, including challenges and potential solutions, as well as proposed curriculum changes for each active Transfer Pathways program.
Benchmarking	SUNY has developed the Student Mobility Steering Committee to regularly review and make recommendations on their Transfer Path program. The committee’s charter includes who should be represented in the committee, reporting lines of the committee, as well as required activities.

#5 Collaboration	
<p>Risk</p> <p><i>Risk Prioritization</i> MODERATE</p>	<p>Inconsistent or lack of established collaboration processes and practices regarding Transfer Pathways can lead to duplication of efforts as well as negatively impact faculty buy-in and willingness to support the success of the program.</p>
<p>Recommendation</p> <p><i>Recommendation Prioritization</i> MODERATE</p>	<ol style="list-style-type: none"> 1. The Transfer Governance Team and System Director of Academic Program and Transfer should coordinate with faculty committees to develop and document a calendar for program review workshops and identify rotating representatives from two and four-year institutions. Any information or outcomes from the sessions should be documented and disseminated to all program faculty. 2. The ASA Division should work with leaders in more established Transfer Pathways programs, such as the Business Pathway, to identify and disseminate positive practices, including: <ul style="list-style-type: none"> • Regular meetings of faculty and program chairs • Hosting transfer summits to discuss curriculum changes and program needs • Strong tone at the top, signifying leadership support of Transfer Pathways program implementation • Discussion of course competencies
<p>Management Action Plan</p>	<p>Management has begun to address and intends to address issues and recommendations with the establishment and maturity of a transfer accountability framework, annual audits, and convenings (as described below) (FY24-FY25) lead by <i>Academic Programs, Planning, and Transfer and Education Development Technology, and Program Support and Program Review</i>:</p> <ul style="list-style-type: none"> • Along with the audit schedule and proposed revisions to related policy, we will develop training, discipline specific Communities of Practice (based on lessons learned from the current Transfer Pathways reviews). • A Transfer Accountability Framework with expectations and compliance mechanism addressing course equivalencies / competencies will be established and reinforced at regional senior academic officers and academic deans meetings.

Appendices

Appendix A: Documentation Reviewed

Below, we have listed various internal and external documentation we reviewed for this audit.

Internal Documentation

- 2007 Office of Internal Auditing Student Success Measures and Systems Report
- [System procedure 3.21.1 Transfer of the Undergraduate Courses, Credit, Associate Degrees, and the Minnesota Transfer Curriculum](#)
- [Board Policy 3.21 Undergraduate Course and Credit Transfer and the Minnesota Transfer Curriculum](#)
- [Board Policy 3.39 Transfer Rights and Responsibilities](#)
- ASA Division Pilot Transfer Pathways Community of Practice Approved Recommendations
- Campus Transfer Pathways Implementation Toolkit (November 2017)
- Equity 2030 and the Transfer Student Experience
- Transfer application data for selected universities
- Report of Survey Findings - Transfer Within System
- System Transfer Pathways Data
- FY2022 Transfer at Minnesota State Review
- FY2022 Transfer Pathways Report
- Transfer Pathways for Baccalaureate Completion
- Transfer Pathways Frequently Asked Questions (FAQs)
- Transfer Pathways History
- Transfer Pathways Review Timeline

External Documentation

- The City University of New York (CUNY) Series on Transfer
- The Effects of Structured Transfer Pathways in Community Colleges

Appendix B: Student Testing Sample Additional Demographics

We have provided additional detail related to the sample of 60 Transfer Pathways students we tested. Below, Tables B-1 through B-4 provides additional demographic data related to our student sample population.

Table B-1 illustrates the Transfer Pathways programs associated with the 60 students we tested. The data also illustrates the overall distribution of Transfer Pathways programs the continuing 882 students graduated (discussed in Diagram 3).

Table B-1: Student Testing Population by Transfer Pathways Program

Name of Transfer Pathways Program	# of Student Samples Tested	Total Students Continuing Transfer Pathways into University
Business	20	339
Psychology	5	141
Accounting	7	87
Computer Science	3	71
Communication Studies	0	52
Biology	2	40
Elementary Education Foundations	0	39
Pre-Social Work	5	28
Exercise Science	1	16
Law Enforcement	2	10
Early Childhood Education	3	9
Special Education	0	9
English	3	7
Art	1	6
Criminal Justice	2	6
History	0	5
Chemistry	2	4
Theatre	1	3
Mathematics	0	2
Economics	0	2
Political Science	1	2
Sociology	1	2
Mass Communication	1	1
Spanish	0	1
Total	60	882

Table B-2: Student Testing Population by Race and Ethnicity

Race / Ethnicity	# of Student Samples Tested
White	37
Hispanic	9
Asian	5
Black	5
Two or more	3
International	1

Table B-3: Student Testing Population by Gender

Gender	# of Student Samples Tested
Female	37
Male	23

Table B-4: Student Testing Population by Birth Year

Student Birth Year	# of Student Samples Tested
Before 1990	7
Between 1990-1996	15
Between 1997-1999	21
2000 or after	17

Appendix C: Benchmarking

We reviewed and analyzed data from similar universities with specific transfer programs to identify best practices, tracked information and metrics, and areas of opportunity within the Transfer Pathway programs at Minnesota State.

	Minnesota State	University of California (UC)	State University of New York (SUNY)	University of Illinois (U of I)
Name of Program	Transfer Pathways	Transfer Pathways and Transfer Admissions Guarantee (TAG)	Transfer Guarantee Program	Guaranteed Transfer Program (GTP)
General Information	<ul style="list-style-type: none"> The framework permits students to transfer from any college to any university offering a parallel baccalaureate degree Application fees range from no charge to \$20 	<p>Specifically for California Community College (CCC) transfer students</p> <ul style="list-style-type: none"> Suggested to apply for several campuses to improve chances of getting in Students can apply for a Transfer Admissions Guarantee (TAG) at one campus while preparing for other campuses Transfer Admission Guarantee (TAG): guaranteed admission into UC <ul style="list-style-type: none"> Can do a TAG without doing Pathways+. If your major is not one of the Transfer Pathways, this might be the best option for 	<ul style="list-style-type: none"> 64 colleges and universities and over 7,000 academic programs SUNY application fee is waived for up to four campuses for all students who graduate from a SUNY community college with an A.A. or A.S. degree Transfer Guarantee Program: New York state residents who are graduates of a state university of New York two-year college or a city university two-year college, including university community colleges operating under the program of the university, and who possess an A.A. or A.S. 	<ul style="list-style-type: none"> Students can transfer to Illinois Urbana-Champaign, University of Illinois Chicago, and University of Illinois Springfield Application fees <ul style="list-style-type: none"> \$50 for domestic and \$75 for international The University of Illinois Transfer Scholarship: awarded to high-achieving students transferring to the University of Illinois from an Illinois community college. The scholarship is geared towards first generation students and is based on academic performance at the community college. Consideration may be made of demonstrated financial need.

Transfer Pathways Audit

	Minnesota State	University of California (UC)	State University of New York (SUNY)	University of Illinois (U of I)
		<p>guaranteed admission to one of the six TAG campuses</p> <ul style="list-style-type: none"> ○ With Pathways+, students have a guaranteed spot at a one of the six UCs which offer TAG 	<p>degree, shall be guaranteed an opportunity to continue their education on a full-time basis at a baccalaureate campus of the university</p> <ul style="list-style-type: none"> ○ A.A. and A.S. graduates will be granted full credit transfer for general education courses taken and not be required to repeat successfully completed course with similar curricular content. ● Apply 2 semesters before transfer and enroll 1 semester before transfer 	
Statistics and Metrics	<ul style="list-style-type: none"> ● Transfer students are 82.49% White, 6.42% Black/African American, 5.1% Asian ● University attended: 14.37% Minnesota State University, Mankato, Minnesota State University, Moorhead, 	<ul style="list-style-type: none"> ● 92% of transfers come from a California community college ● Almost one third of students are transfers 	<p>More than 45% of baccalaureate graduates begin as transfer students</p>	<ul style="list-style-type: none"> ● Total fall transfer to U of I <ul style="list-style-type: none"> ○ 426 students transfer from Springfield to U of I ○ 2,244 students transfer from Springfield to U of I ○ 1,266 students transfer from Springfield to U of I ● Fall transfer to the U of I by source type <ul style="list-style-type: none"> ○ 832 of the 1,266 (65.7%) fall transfers went from

Transfer Pathways Audit

	Minnesota State	University of California (UC)	State University of New York (SUNY)	University of Illinois (U of I)
	<p>7.02% Bemidji State University</p> <ul style="list-style-type: none"> • 35% finished and 58.4% did not finish an associate degree at a community college before transferring • 42.4% of students completed 61-90 credits at the community college and 29.3% of students completed 31-60 credits • In FY2020, 84.5% were enrolled in an AA, AFA, or AS degree and 15.5% were enrolled in a Transfer Pathways Associates degree. In FY2022, 78.6% of students were enrolled in an AA, AFA, or AS degree and 21.4% were enrolled in a Transfers Pathways Associates degree • Top enrollment areas in years 2018 to 2022: Business, Psychology, 			<p>community college to U of I at Urbana-Champaign (UIUC)</p> <ul style="list-style-type: none"> ○ 1,654 of the 2,242 (73.8%) fall transfers went from community college to University of Illinois at Chicago (UIC) ○ 305 of the 426 (71.6%) fall transfers went from community college to University of Illinois Springfield (UIS) • Of the fall transfers from community college to the U of I, the most come from city colleges of Chicago, College of Du Page, and William Rainey Harper College

Transfer Pathways Audit

	Minnesota State	University of California (UC)	State University of New York (SUNY)	University of Illinois (U of I)
	Computer Science, Biology			
Requirements for admission	Guaranteed admission to Minnesota State university if students complete the Minnesota Transfer Curriculum and earn the minimum grade point average in an associate of arts degree	<ul style="list-style-type: none"> Students have completed 30 or more semester units at California Community College (CCC), with a CCC as their most-recent institution of attendance Basic requirements to be considered include: <ul style="list-style-type: none"> At least 60 credits completed Earn 2.4 GPA or higher TAG campuses have a requirement of 2.8 to 3.6 	<ul style="list-style-type: none"> At least 30 credits of approved SUNY-GER courses (minimum of 7 of 10 areas listed on website) Guaranteed admission if: <ul style="list-style-type: none"> Student graduates from a SUNY community college Student has an A.A. or A.S. degree at the time of the application The guarantee becomes effective if a student is denied admission at all of their SUNY four-year college choices (campus choice and academic program are not guaranteed) 	<ul style="list-style-type: none"> Guaranteed admission if: <ul style="list-style-type: none"> Enrolled only at an Illinois Community College after graduating from an Illinois high school Earned a minimum of 36 graded, transferable semester hours Attained a minimum grade point average of 3.0 Satisfied the university's English language proficiency requirement Optional to submit ACT/SAT test scores
Guidance and Technology Available for Students	System website has links to each college and university with a list of requirements	System website has application deadlines and requirements	<ul style="list-style-type: none"> Have transfer advisors for students Information available on System website about transfer policies, steps to transfer, transfer paths, planning coursework, course equivalencies, 	<ul style="list-style-type: none"> System website has a Transfer Handbook Information is on the system website System website has a link to the Transfer Guide for Urbana-Champaign (explains requirements)

Transfer Pathways Audit

	Minnesota State	University of California (UC)	State University of New York (SUNY)	University of Illinois (U of I)
			campus requirements, and a list of transfer offices	after student enters intended major, class level, enrollment term, and transferring college)
Appeals system	Appeals document on system website (note, appeal document is for general transfer and is not specific to Transfer Pathways)	Appeals can be submitted online from May 1 through May 15, does not guarantee a response by June 1st which is the date many institutions require transfer students to make a decision	<ul style="list-style-type: none"> • Appeal process is done through the receiving campus • If the decision is unchanged or a student doesn't hear back in 15 business days, they can take their appeal to the SUNY System Provost by submitting this form 	Appeal process and links are at a campus level
Is information on a system website or an institution website?	Information is on the system website	Information is on the System website	<ul style="list-style-type: none"> • Information is on System website • Specific information about each college's transfer requirements are on the specific college's website 	Information is on the System and campus websites as it relates to certain items
How to apply?	<ul style="list-style-type: none"> • System website has a page with the application • Must contact the institutions to receive specific admissions requirements 	System website has a page with the application	System website has a page with the application	<ul style="list-style-type: none"> • The application links are on the campus websites • Can apply via myillini or common app

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Outreach and Engagement Committee
May 16, 2023
11:00 a.m.
McCormick Room, 4th Floor

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

- 1. Minutes of April 18, 2023**
2. Brand Outreach and Engaging Adult Learners

Committee Members

Dawn Erlandson, Chair
Jerry Janezich, Vice Chair
Alex Cirillo
Jim Grabowska
Cheryl Tefer

President Liaisons

Michael Raich
Kumara Jayasuriya

Bolded items indicate action required.





**Outreach and Engagement Committee
Meeting Minutes
April 18, 2023**

A meeting of the Outreach and Engagement Committee of the Board of Trustees was held on April 18, 2023, in the McCormick Room, 4th Floor.

Committee members present: Dawn Erlandson, Chair; Jerry Janezich, Vice Chair; Alex Cirillo, Jim Grabowska, and Cheryl Tefer.

Other board members present: Victor Ayemobuwa, Jay Cowles, Tim Huebsch, Roger Moe, Kathy Sheran, and George Soule.

Staff present: Devinder Malhotra, Chancellor; Noelle Hawton, Chief Marketing and Communications Officer.

The meeting materials for this meeting are available [here](#), starting on page 11. An audio recording of the meeting is available [here](#).

Committee Chair Erlandson called the meeting to order at 10:02 a.m.

Agenda Item 1: Approval of the Meeting Minutes for January 24, 2023

Committee Chair Erlandson asked if there are any changes or amendments to the minutes then asked for a motion to approve. Trustee Cirillo made the motion and Trustee Grabowska provided a second.

A roll call vote was conducted and the minutes were approved unanimously.

Agenda Item 2: Developing Minnesota's Energy Workforce

Committee Chair Erlandson invited Noelle Hawton, Rose Patzer, Executive Director, Minnesota State Energy Center of Excellence, and Bruce Peterson, Special Projects Manager, Minnesota State Energy Center of Excellence, to present an overview on the Center's educational initiatives and industry collaborations that benefit students and overall workforce development across the state. The presentation materials are available [here](#), beginning on page 2. Industry collaboration was highlighted with a presentation on the Energy Careers Academy by Patzer; Peterson; Tony Gagliardo, Assistant Vice President, Enterprise and Technical Learning, Xcel Energy; Doug Barber, Director of Maintenance and Energy Supply Training, Xcel Energy; DeCarlo Canty and Marcus Davis, students in the Energy Careers Academy; and Carrie Brimhall,

President, Minnesota Community and Technical College. The Energy Careers Academy, which is a partnership with Xcel Energy, the Minnesota State Energy Center of Excellence, and Minnesota State Community and Technical College, works to create a more diverse energy workforce by offering metro access to energy career training and recruitment efforts focused on students of color, women and veterans.

This being an informational item, there was no vote taken.

Adjournment

The committee chair adjourned the meeting at 11:05 a.m.



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Outreach and Engagement Committee

DATE: May 16, 2023

TITLE: Brand Outreach and Engaging Adult Learners

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

PRESENTERS

- Noelle Hawton, Chief Marketing and Communications Officer
- Barbara Hein, Director of Marketing, Minnesota State
- Jeff Wild, Vice President of Advancement and Outreach, Alexandria Technical & Community College
- Nichole Aber, Director of Marketing and Communications, Alexandria Technical & Community College
- Audrey Bergengren, Vice President of Strategic Enrollment and Marketing, Metro State University
- Laura Lindahl, Director of Marketing and Communications, Metro State University

PURPOSE

The Outreach and Engagement Committee will learn about marketing outreach efforts and results at the system level, as well as the outreach efforts to adult learners, from two member institutions and their results to date.

BACKGROUND INFORMATION

Following the Minnesota State brand survey conducted in 2022, a new approach to content development and channel deployment was launched to increase web traffic and applications. At the same time, as enrollment numbers among traditional age students continue to decline across higher education institutions and the so called “enrollment cliff” of 2025 gets closer, Alexandria Technical & Community College and Metro State University launched innovative efforts to reach prospective students who are older than the traditional age college student with positive results.



Finance and Facilities Committee
May 16, 2023
12:30 p.m.
McCormick Room, 4th Floor

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

1. **Minutes of April 18, 2023**
2. **Contracts Requiring Board Approval:**
 - a. **Helicopter Aviation Training, Lake Superior College**
 - b. **Advance Manufacturing Lab Training Equipment Contract, St. Cloud Technical & Community College.**
3. **Proposed Amendment to Board Policy 7.4 Financial Reporting (Second Reading)**
4. **Proposed Amendment to Board Policy 5.11 Tuition and Fees (Second Reading)**
5. FY2024 Annual Operating Budget (First Reading)
6. FY2024 Capital Program Recommendations (First Reading)
7. System Procurement Strategy

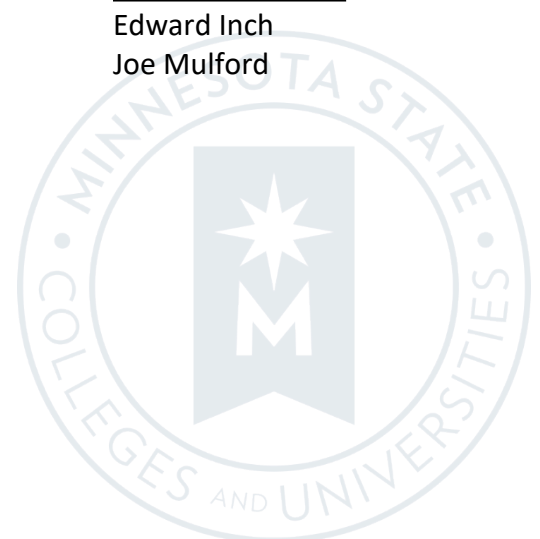
Committee Members

Jay Cowles, Chair
April Nishimura, Vice Chair
Victor Ayemobuwa
Jim Grabowska
Tim Huebsch
Jerry Janezich
Kathy Sheran

President Liaisons

Edward Inch
Joe Mulford

Bolded items indicate action required.



FY2023 Board Committee Work Plan - Revised

Finance and Facilities Committee

	Oct 2022	Nov 2022 <i>Joint with Leadership Council</i>	Dec 2022	Jan 2023 <i>Joint with Leadership Council</i>	Feb 2023	March 2023	April 2023	May 2023	June 2023
Operational	FY2024-2025 Biennial Budget Request 1 st Reading FY2023 Operating Budget Update Contracts Requiring Board Approval	FY2024-2025 Biennial Budget Request 2 nd Reading FY2023 Capital Program Recommendations Approval Contracts Requiring Board Approval		College and University Financial Performance Update: System Procedure 7.3.16 Financial Health Indicators Contracts Requiring Board Approval		Minnesota State Environmental Health & Safety Overview Contracts Requiring Board Approval	FY2023-FY2024 Budget Update Contracts Requiring Board Approval	FY2024 Annual Operating Budget 1 st Reading 2023 Legislative Summary FY2024 Capital Program Recommendations 1 st Reading Contracts Requiring Board Approval	FY2024 Annual Operating Budget 2 nd Reading FY2024 Capital Program Recommendations 2 nd Reading Contracts Requiring Board Approval
Board Policy Considerations						Board Policy 5.24 Safety and Security Compliance 1 st Reading	Board Policy 5.11 Tuition & Fees 1 st Reading Board Policy 6.7 Real Estate Transactions 1 st Reading Board Policies 7.4 Financial Reporting 1 st Reading Board Policy 5.24 Safety and Security Compliance 2 nd Reading	Board Policy 5.11 Tuition & Fees 2 nd Reading Board Policy 6.7 Real Estate Transactions 2 nd Reading Board Policies 7.4 Financial Reporting 2 nd Reading	
Strategic				Long-Term Financial Trends (Training Session)			Minnesota State Facilities Overview	System Procurement Strategy: Board Policy 5.14 Contracts, Procurement and Supplier Diversity	

**Finance and Facilities Committee
Meeting Minutes
April 18, 2023**

A meeting of the Finance and Facilities Committee of the Board of Trustees was held on Tuesday, April 18, 2023.

Committee members present: Jay Cowles, Chair; Victor Ayemobuwa, Jim Grabowska, Tim Huebsch, Jerry Janezich, and Kathy Sheran.

Committee members absent: April Nishimura

Other board members present: Alex Cirillo, Dawn Erlandson, Roger Moe, Javier Morillo, George Soule, and Cheryl Tefer

Staff present: Devinder Malhotra, Chancellor; Bill Maki, Vice Chancellor for Finance and Facilities

The meeting materials for this meeting are available <[here](#)>, starting on page 60. An audio recording of the meeting is available <[here](#)>.

Committee Chair Cowles called the meeting to order at 1:50 p.m.

Agenda Item 1: Approval of the Meeting Minutes for March 22, 2023

Committee Chair Cowles asked if there were any changes or amendments to the minutes, then asked for a motion. Trustee Grabowska made the motion and Trustee Huebsch provided a second.

A roll call vote was conducted. The vote was as follows:

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Aye
Trustee Nishimura	Absent
Trustee Sheran	Aye

The committee voted to approve the minutes.



Agenda Item 2: Contracts Requiring Board Approval

Committee Chair Cowles invited System Director Anderson and Associate Vice Chancellor Yolitz to present the three contracts that required board approval as detailed in the meeting materials. The meeting materials for this item begin on page 69.

Committee Chair Cowles asked committee members to consider the following recommended committee motion for **Agenda Item 2a: Exclusive Sports Medicine Provider for Athletics, Minnesota State University Mankato:**

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Mayo Clinic Health System, not to exceed \$4,500,000 and with term of five years and seven months for the purposes of providing exclusive sports medicine coverage. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.

Trustee Sheran made the motion and Trustee Grabowska seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Aye
Trustee Nishimura	Absent
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

Committee Chair Cowles asked committee members to consider the following recommended committee motion for **Agenda Item 2b: Athletics Apparel Contract, Southwest Minnesota State University:**

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract amendment with BIG Athletics for one year and an additional \$225,000 to bring the total contract to six years and \$1,100,000 for the purposes of providing athletics apparel and accessories. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.

Trustee Grabowska made the motion and Trustee Huebsch seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Aye
Trustee Nishimura	Absent
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

Committee Chair Cowles asked committee members to consider the following recommended committee motion for **Agenda Item 2c: Student Center/Library Bookstore Renovation, Metropolitan State University:**

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter into a construction contract not to exceed \$1,500,000 to renovate the library and student center at Metropolitan State University. The Board of Trustees directs the chancellor or their designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Huebsch seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Aye
Trustee Nishimura	Absent
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

Agenda Item 3: Proposed Amendment to Board Policy 5.24 Safety and Security Compliance (Second Reading)

Committee Chair Cowles invited Associate Vice Chancellor Brian Yolitz, to present the proposed amendments to the policy as detailed in the meeting materials. The meeting materials for this item begin on page 76.

Committee Chair Cowles asked committee members to consider the following recommended committee motion:

The Finance and Facilities Committee recommends that the Board of Trustees approve the proposed amendment to Policy 5.24 Safety and Security Compliance.

Trustee Grabowska made the motion and Trustee Sheran seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Aye
Trustee Nishimura	Absent
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

Agenda Item 4: Proposed Amendment to Board Policy 7.4 Financial Reporting (First Reading)

Committee Chair Cowles invited Vice Chancellor Maki to provide information on the first reading of the proposed amendments to Board Policy 7.4 Financial Reporting as detailed in the meeting materials. The meeting materials for this item begin on page 81. This being the first reading of the item, there was no vote taken.

Agenda Item 5: Proposed Amendment to Board Policy 5.11 Tuition and Fees (First Reading)

Committee Chair Cowles invited Vice Chancellor Maki to provide information on the first reading of the proposed amendments to Board Policy 5.11 Tuition and Fees as detailed in the meeting materials. The meeting materials for this item begin on page 86. This being the first reading of the item, there was no vote taken.

Agenda Item 6: FY2023 -2025 Operating Budget and Enrollment Update

Committee Chair Cowles invited Vice Chancellor Maki to provide the FY2023 -2025 Operating Budget and Enrollment Update as detailed in the meeting materials. The meeting materials for this item begin on page 125. This being an informational item, there was no vote taken.

Agenda Item 7: Minnesota State Facilities Review

Committee Chair Cowles invited Associate Vice Chancellor Yolitz, and System Director for Capital Planning and Analysis Michelle Gerner, to provide the Minnesota State Facilities Review as detailed in the meeting materials. The meeting materials for this item begin on page 132. This being an informational item, there was no vote taken.

Adjournment

The committee chair adjourned the meeting at 4:07 p.m.



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: May 16, 2023

TITLE: Contracts Requiring Board Approval:

- a. Helicopter Aviation Training, Lake Superior College
- b. Advance Manufacturing Lab Training Equipment Contract, St. Cloud Technical & Community College.

Proposed New Policy or
Amendment to Existing Policy

Approvals Required by
Policy

Other Approvals

Monitoring/Compliance

Information

PRESENTERS

Bill Maki, Vice Chancellor for Finance and Facilities

Tim Anderson, System Director for Procurement and Contract Management

Al Finlayson, Vice President of Administration, Lake Superior College

Linda Kingston, Vice President of Academic and Student Affairs, Lake Superior College

Daniel Holtz, Interim Vice President of Administration, St. Cloud Technical & Community College

Jason Theisen, Director of Facilities, St. Cloud Technical & Community College

PURPOSE

Board Policy 5.14, Contracts, Procurements, and Supplier Diversity, requires Board of Trustees approval of any procurement, lease agreement, or professional, technical, or 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.

Income contracts, Inter-agency agreements, Joint powers agreements, system master contracts, and grant agreements other than federal grants or grants from Minnesota state agencies must be approved in advance by the board if the total value of the initial contract/agreement and/or subsequent amendments exceeds \$3,000,000.

Contract Requiring Board Approval: Helicopter Aviation Training, Lake Superior College

BACKGROUND

The proposed action item is for Board approval of a professional/technical services contract estimated to total not more than \$5,000,000 for an initial three-year term. An optional two-year renewal would bring the estimated total to not more than \$8,300,000 over five years.

The terms of the project were put out for an RFP, which was posted on February 13 and February 20, 2023, and was published to the State Register. Submissions were due on March 17, 2023. We received one submission, Lake Superior Helicopter (LSH), who was chosen as the preferred vendor.

Lake Superior College (LSC) has been an aviation provider since 2006. Since 2010, Lake Superior College has engaged in a contractual relationship with Lake Superior Helicopters to provide helicopter equipment and certified flight instruction to train students in the Lake Superior College helicopter pilot program. Students interested in helicopter training may choose either the 45-credit diploma program or the 60-credit AAS degree.

Lake Superior Helicopter (LSH) has over 14 years of flight training experience. LSC has successfully contracted with LSH to provide flight training for the helicopter program since 2010 and recently began contracting with LSH/Ascent Aviation to provide flight training for our fixed wing program as well. They are uniquely qualified to provide training and related services as needed to ensure students are provided with high quality flight training.

The benefits of contracting with LSH include:

- LSH is located at the Duluth International Airport
- LSH has extensive experience in providing flight training
- LSH employs certified flight instructors and chief flight instructors
- LSH employs staff to ensure accurate flight scheduling to get students through training in a timely fashion.

FINANCIAL TERMS

Hourly rates for aircraft use, simulation, instruction, and FAA check rides will be set annually. These fees must be agreed to by LSC and LSH each year and then published on the LSC website. The total amount for this three-year contract will not exceed \$5,000,000. The length of the contract will be July 1, 2023 – June 30, 2026. There is an option to extend the contract for an additional period of two (2) years, if agreed to by both parties. The total amount for an extended contract of up to five years will not exceed \$8,300,000.

As with our current helicopter contract, students are charged course fees for the flight lab courses that are in alignment with the hourly rates identified above. Fees are reviewed annually and published on our college website (<https://www.lsc.edu/current-students/student-payment-office/fees-and-program-differential/professional-pilot-lab-fees/>). There are a small number of helicopter flight training programs in the country and the LSH rates are comparable to other programs, the University of North Dakota's program being the closest one geographically. LSH will

also make additional investments in aircrafts and services to ensure our students' needs are met.

By continuing our educational partnership with LSH, LSC will remain compliant in the delivery of helicopter flight training curriculum through the Federal Aviation Administration and funding through the Veterans Administration. Not entering into a contract with Lake Superior Helicopters for flight training would risk LSC's ability to continue to provide this program for its students and the aviation workforce.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Lake Superior Helicopter, not to exceed \$8,300,000 and with term of up to five years for the purposes of Helicopter flight training. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor's designee to enter a contract with Lake Superior Helicopter, not to exceed \$8,300,000 and with term of up to five years for the purposes of Helicopter flight training. The Board of Trustees directs the chancellor or his designee to execute all necessary documents.

<i>Date Presented to the Finance and Facilities Committee:</i>	<i>5/16/2023</i>
<i>Date Presented to the Board of Trustees:</i>	<i>5/17/2023</i>
<i>Date of Implementation:</i>	<i>5/17/2023</i>

Contract Requiring Board Approval: Advance Manufacturing Lab Training Equipment Contract, St. Cloud Technical & Community College

BACKGROUND

St. Cloud Technical & Community College (SCTCC) was awarded a \$2.5 million grant from the U.S. Department of Commerce's Economic Development Administration (EDA) in 2020 to develop an Advanced Manufacturing Training Lab and outfit the new lab space with updated equipment. Conversations among SCTCC, the City of St. Cloud's Economic Development Authority, GSDC, the Chamber of Commerce, Career Solutions, DEED, and St. Cloud State University resulted in SCTCC applying for the US Dept. of Commerce's EDA grant to expand the manufacturing portion of the College. This initiative will increase the pipeline of skilled workers to meet current and future needs of area manufacturers, while training workers for well-paid jobs that are in high demand in the region. The lab connects and supports cross-training among existing programs and provides SCTCC with the opportunity to add new programming for high-demand occupations.

At the groundbreaking event last October, President Kloos noted that the 8,000 square feet of additional space for the college's advance manufacturing programs allows the college to increase the capacity in these programs from 24 students to 48 students.

To complete the Advance Manufacturing Training Lab project where the construction contract was originally approved by the Board in November 2021, SCTCC is now procuring the equipment portion of this project. The request for bids included the equipment outlined in the grant application which includes the following items: Water Jet Cutter, Flexible Manufacturing System Training Cells, 3D Metal Printer, Advanced Instrumentation Trainers, CNC/Manual Milling Machine System, Geared Head Lathe and associated tooling. This equipment will be used to train students in advanced manufacturing as identified as a need in the economic region. This purchase will fulfill the equipment requirement of the grant participation reimbursement.

A public request for bid was used for source selection. A small group reviewed each bid to assure compliance with the specifications approved by the Economic Development Administration (EDA). The RFB was published on February 13, 2023. Bids were accepted on Friday, March 3, 2023. The bidding documents and vendor submittals were sent to our liaison with EDA on March 28, 2023. The delay was due to waiting on a response from the EDA liaison on the paperwork required for submittal. Approval to move forward from EDA occurred on April 6, 2023.

The main outcome from the contract is it provides the necessary equipment as outlined in the grant with the Economic Development agency. St. Cloud Technical & Community College must procure the equipment to be eligible for grant participation.

FINANCIAL TERMS

Funds are committed from the college's General Fund designated fund balance, unencumbered, and available for the proposed project. The construction and equipment phases of the project have a \$2,500,000 reimbursement from the Economic Development Administration.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the

chancellor or the chancellor’s designee to enter a contract with First Technologies, Inc., not to exceed \$1,864,782 and with a term of one year for the purposes of Equipment purchase, installation and training. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor’s designee to enter a contract with First Technologies, Inc., not to exceed \$1,864,782 and with term of one year for the purposes of Equipment purchase, installation and training. The Board of Trustees directs the chancellor or his designee to execute all necessary documents.

<i>Date Presented to the Finance and Facilities Committee:</i>	<i>5/16/2023</i>
<i>Date Presented to the Board of Trustees:</i>	<i>5/17/2023</i>
<i>Date of Implementation:</i>	<i>5/17/2023</i>



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: May 16, 2023

TITLE: Board Policy 7.4 Financial Reporting (Second Reading)

- Proposed New Policy / Amendment to Existing Policy
- Approvals Required by Policy
- Other Approvals
- Monitoring/Compliance
- Information

PRESENTERS

Bill Maki, Vice Chancellor for Finance and Facilities
Denise Kirkeby, System Director for Financial Reporting

PURPOSE

Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6. Board Policies and System Procedures requires board review and approval of proposed board policy changes and that each board policy is reviewed at least once every five years.

BACKGROUND INFORMATION

The proposed amendment consists of technical edits and the application of new formatting and writing standards.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees approve the proposed amendment to Policy 7.4 Financial Reporting.

RECOMMENDED BOARD MOTION

The Board of Trustees approve the proposed amendment to Policy 7.4 Financial Reporting.

Date Presented to the Finance and Facilities Committee: 5/16/2023
Date Presented to the Board of Trustees: 5/17/2023
Date of Implementation: 5/17/2023

PROPOSED CHANGES (SECOND READING DRAFT)

Single underlining represents proposed new language

Strikeouts represent existing language proposed to be removed

1 **7.4 Financial Reporting**

2
3 **Part 1. Policy Statement.**

4 ~~It is the policy of t~~The Board of Trustees ~~shall to~~ provide financial statement information
5 that is accurate, timely, reliable, and consistent. Information provided to the state as part
6 of the state-wide financial audit will be of high quality and consistent with standards of
7 excellence. The chancellor and presidents will be dedicated to continuous improvement
8 of financial reporting.

9 ~~It is the policy of the Board of Trustees to~~ The board shall seek audited financial
10 statements for Minnesota State Colleges and Universities the system as a whole, the
11 Revenue Fund, and individual colleges and universities institutions as designated by
12 ~~B~~board action. Additionally, individual activity financial statements may be required
13 through bond covenants and other statutory requirements. To that end, the ~~board~~ Board
14 ~~of Trustees~~ has adopted a multi-year audit plan. The chancellor shall periodically advise
15 the ~~B~~board of progress toward the ~~B~~board's audit plan.

16 **Part 2. Responsibilities.**

17 All financial reports ~~must shall~~ be prepared in accordance with the provisions of
18 Minnesota ~~Statutes~~ statutes, official directives of Minnesota Management and Budget,
19 and in conformity with the guidelines of the Governmental Accounting Standards Board
20 (GASB), and the guidelines of the National Association of College and University Business
21 Officers (NACUBO). The colleges, ~~and~~ universities, and system office must provide
22 accurate, timely, reliable, and consistent financial information necessary for the prudent
23 stewardship of the colleges, ~~and~~ universities, and system office and for systemwide
24 reporting. The reports ~~must shall~~ be approved by the Vice Chancellor for Finance and
25 Facilities vice chancellor chief financial officer.

26 The annual Minnesota State ~~Colleges and Universities~~ financial report ~~must shall~~ be
27 prepared under the direction of the ~~vice chancellor chief financial officer~~ Vice Chancellor
28 for Finance and Facilities and filed with Minnesota Management and Budget as specified
29 by law and governmental accounting standards.

30 **Part 3. Accountability/Reporting.**

31 Financial statements will be presented annually to the ~~B~~board ~~of Trustees for its for~~
32 review and the authorization to release.

Related Documents:

To view any of the following related statutes, go to the [Revisor's Office website](#). You can conduct a search from this site by typing in the statute number.

- Minnesota Statute 16A.50, Financial Report to Legislature
- Minnesota Statute 16A.501, Report on Expenditure of Bond Proceeds
- Audit Schedule

Date of Implementation: 06/21/00

Date of Adoption: 06/21/00

Date of Last Review: 3/17/10

Date & Subject of Amendments:

03/17/10 - Amended to reflect the name change of the Department of Finance to Minnesota Management and Budget. Amendments also clarifies that financial statements for individual institutions are designated by Board action.

Additional [HISTORY](#)



1 **7.4 Financial Reporting**

2

3 **Part 1. Policy Statement**

4 The Board of Trustees shall provide financial statement information that is accurate,
5 timely, reliable, and consistent. Information provided to the state as part of the state-
6 wide financial audit will be of high quality and consistent with standards of excellence.
7 The chancellor and presidents will be dedicated to continuous improvement of financial
8 reporting.

9 The board shall seek audited financial statements for Minnesota State , the revenue fund,
10 and individual colleges and universities as designated by board action. Additionally,
11 individual activity financial statements may be required through bond covenants and
12 other statutory requirements. To that end, the board has adopted a multi-year audit
13 plan. The chancellor shall periodically advise the board of progress toward the board's
14 audit plan.

15 **Part 2. Responsibilities**

16 All financial reports must be prepared in accordance with the provisions of Minnesota
17 statutes, official directives of Minnesota Management and Budget, and in conformity with
18 the guidelines of the Governmental Accounting Standards Board (GASB) and the
19 guidelines of the National Association of College and University Business Officers
20 (NACUBO). The colleges, universities, and system office must provide accurate, timely,
21 reliable, and consistent financial information necessary for the prudent stewardship of
22 the colleges, universities, and system office and for systemwide reporting. The reports
23 must be approved by the Vice Chancellor for Finance and Facilities.

24 The annual Minnesota State financial report must be prepared under the direction of the
25 Vice Chancellor for Finance and Facilities and filed with Minnesota Management and
26 Budget as specified by law and governmental accounting standards.

27 **Part 3. Accountability/Reporting**

28 Financial statements will be presented annually to the board for review and the
29 authorization to release.

Related Documents:

To view any of the following related statutes, go to the [Revisor's Office website](#). You can conduct a search from this site by typing in the statute number.

- Minnesota Statute 16A.50, Financial Report to Legislature

- Minnesota Statute 16A.501, Report on Expenditure of Bond Proceeds
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-

Date of Implementation: 06/21/00

Date of Adoption: 06/21/00

Date of Last Review: 3/17/10

Date & Subject of Amendments:

03/17/10 - Amended to reflect the name change of the Department of Finance to Minnesota Management and Budget. Amendments also clarifies that financial statements for individual institutions are designated by Board action.

Additional [HISTORY](#)



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: May 16, 2023

TITLE: Board Policy 5.11 Tuition and Fees (Second Reading)

- Proposed New Policy /
Amendment to Existing
Policy Approvals Required by Policy Other Approvals
- Monitoring/Compliance Information

PRESENTERS

Bill Maki, Vice Chancellor for Finance and Facilities

PURPOSE

Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6. Board Policies and System Procedures requires board review and approval of proposed board policy changes and that each board policy is reviewed at least once every five years.

BACKGROUND INFORMATION

Board Policy [5.11](#) Tuition and Fees and its related documents provide the framework under which colleges and universities set tuition and fee rates that are appropriate to their institutions. Student fees are generally assessed to support specific student services or activities, such as instructional and classroom technology, student life/activity, health services, athletics, and parking. Fees are also assessed to support facilities funded through the sale of revenue bonds such as wellness centers, student unions, parking facilities, and student housing. The board reviewed and approved updates to this policy in June 2018.

Policy 5.11 authorizes four types of fees and charges 1) Required fees, 2) Campus Discretionary fees, 3) Personal Property Charges, Service Charges, and Assessments, and 4) Revenue Fund fees. All fees are subject to board-mandated student consultation requirements. In addition, Minnesota Statute Section [135A.0434](#) requires a campus-wide student referendum approving an increase to mandatory student activity fees by more than two percent. Student activities are defined in section [136F.01](#).

Campus Discretionary Fees

Four of the campus discretionary fees described above are generally charged to all students attending the campus opting to assess the fee: technology, health services, student life/activity, and athletics. Table 1 summarizes by sector how many colleges and universities assess the four major discretionary fees charged to all students and the range of fees charged per student.

**Table 1
Campus Discretionary Fees Charged to all Students, Fiscal Year 2023**

Institutions Charging Fee	Technology (per credit)	Health services (per term)	Student life/activity (per term)	Athletics (per term)
Colleges	26	15	26	5
College Average Rate	\$10.36	\$27.32	\$84.77	\$42.08
Universities	7	7	7	6
University Average Rate	\$10.76	\$62.08	\$97.90	\$53.69
System	33	22	33	11
System Average Rate	\$10.43	\$37.90	\$86.91	\$48.41
System Range	\$7.74-\$12.00	\$9.60-\$75.00	\$21.45-\$112.50	\$16.20-\$55.00

Board Fee Maximums

Fee maximums are established by the board for individual fee types. Colleges and universities may charge up to the fee maximum but may not exceed it without specific authorization from the board. The board sets fee maximums to maintain oversight over the level of fees charged to students while allowing individual colleges and universities the ability to assess differing fee rates within those limits based on individual campus needs. The fee maximums are the same for colleges and for universities; they are not sector specific.

The board has set fee maximums for the following campus discretionary fees charged to all students: technology, health services, student/life activity, and athletics. Table 2 shows the current fee maximums, the number of colleges and universities currently charging the maximum, the last fiscal year the maximum was changed, and the inflation adjusted maximum.

**Table 2
Maximum Campus Discretionary Fees Charged to all Students, Fiscal Year 2023**

	Technology	Health services	Student life/activity	Athletics
26 Colleges: # at max/ # charging fee	2/26	0/15	6/26	1/5
7 Universities: # at max/ # charging fee	1/7	2/7	3/7	4/6
Last year maximum increased	FY2020	FY2020	FY2000	FY2009
Current fee maximum	\$12 per credit	\$75 per term	\$112.50 per term	\$55 per term
Inflation-adjusted maximum*	\$14.00	\$87.00	\$194.00	\$74.50

* Based on CPI-U as of October 2022, rounded to nearest \$0.50

As has been discussed both before the pandemic and increasingly since then, increased demand for fee-funded services has put additional pressure on fee-supported budgets.

It is important to stress that setting fee maximums at certain rates does not mean that student fees assessed at colleges and universities will necessarily be increased to those rates. Depending on the fee type, more than three-fourths of the colleges are not at the current fee maximums and less than half the universities are for three of the four fee maximums that are being proposed to be increased. The purpose of fee maximums is to provide colleges and universities with reasonable options for the rates at which each sets these fees. All fee rate proposals follow the student consultation process defined in system procedure 2.3.1 and parameters defined by the chancellor. Over the last decade or so, the system generally has held colleges and universities to an aggregate 3 percent annual increase in all other fees required and campus discretionary fees.

2023 REVIEW AND RECOMMENDATIONS

Board Policy 5.11 Tuition and Fees is a policy managed by the board's Finance and Facilities Committee, and as such, changes are shepherded through the finance division, under the direction of the Vice Chancellor for Finance and Facilities. The vice chancellor has a Financial Resource Allocation and Policy (FRAP) advisory group that reviews matters of interest and provides advice for consideration. This group is comprised of campus subject matter experts in the areas of finance, academic and student affairs, and diversity, equity and inclusion.

The FRAP group reviewed tuition and fee policy and procedure modifications during their January, February, and March meetings. The proposed changes to policy, procedure, and the attachment were submitted first to the Vice Chancellor for Finance and Facilities as advice, then to the Chancellor for review, and lastly, to the System Director for Policy, Procedure and Intellectual Property and the Office of General Counsel. After passing through each of these reviews, the proposal was posted to the system's policy and procedure review site for a 30-day consultation and comment by the system's students, faculty, and staff. This comment period concluded on March 31, 2023.

PROPOSED CHANGES TO POLICY, PROCEDURE, AND ATTACHMENT

The proposed changes to Board Policy 5.11 Tuition and Fees does three things:

- modifies the order of policy objectives in Part 1 and provides edits throughout the document for style, formatting, and clarity;
- aligns review of fee maximums with standard review cycle (at least every 5 years);
- adds a sustainability fee under campus discretionary fees.

Changes to policy require changes to procedure to ensure alignment. In this case, the proposed changes to System Procedure 5.11.1 Tuition and Fees provides two things:

- edits throughout the document for style, formatting, and clarity;
- adds sustainability fee language that creates the campus discretionary fee and provides the parameters under which it may be charged—an affirmative vote of the campus student association, the kinds of expenses allowable under the fee, and the process by which the annual budget for use of these funds is developed. This fee would support student-led, campus-based efforts to further the goals of existing Board Policy [5.17](#) Commitment to Environmental Sustainability.

Finally, changes in policy and procedure generally result in changes to the attachment that lists

fee maximums. The modifications to the Fee Amount attachment include:

- edits throughout the document for style, formatting, and clarity
- amends the graduate application fees to market driven
- amends residential learning community to no maximum
- amends existing fee maximum amounts according to Table 3, below
- adds a sustainability fee with maximum of \$20 per term

**Table 3
Recommended Maximum Campus Discretionary Fees Charged to all Students**

	Technology	Health services	Student life/activity	Athletics
Last year maximum increased	FY2020	FY2020	FY2000	FY2009
Current fee maximum	\$12 per credit	\$75 per term	\$112.50 per term	\$55 per term
Proposed maximum	\$14 per credit	\$90 per term	\$174.00 per term	\$75 per term

FOLLOW-UP TO FIRST READING FROM APRIL 2023 COMMITTEE MEETING

At the April meeting of this committee, members expressed interest in learning more about the specific services provided by the health services fee. The Health Services fee assessed to students is used to establish and maintain medical and mental health services on campus. The fees collected provide the college or university with the necessary funding to create the infrastructure needed to provide such services—to acquire professional staff (hired or by contract with an external agency) and establish adequate and appropriate space on campus for such activity. The cost of care is frequently supplemented by student insurance (when available) and self-pay structures, however, the fees assessed to all students help keep the out-of-pocket costs for individuals affordable. Additionally, many on campus clinics provide specific free services and/or initial visits to all students.

Health services on college and university campuses look different but can generally be described to fit one of three models. Some, notably universities, have a long-standing history of providing a full menu of health services to their students. They operate fully staffed clinics that offer medical and mental health general preventative care and treatment such as physical exams, vaccinations, care for general illnesses, therapy, counseling, and general laboratory testing and screening. Other institutions have established partnerships with local providers that are contracted to visit campus or be available off-campus to provide similar services on a regular basis. And some institutions are able to offer limited services (mental health screening, vaccinations, COVID testing). In addition to in-person services, many colleges and universities have also implemented tele-health and tele-psychiatry options and other health and mental health focused technology platforms to address student needs. Student health fee revenue also supports student training and educational experiences that are focused on proactive health and mental health topics.

Colleges and universities report increased demand for medical and mental health services on campus. As student demographics have changed in recent years, their medical and mental health

needs have changed as well, and what they seek from the colleges and universities has changed. In an effort to respond to these wants and needs, colleges and universities have established new services, and, with the support of students, the fees needed to implement and maintain these services.

Another discussion at the April meeting raised questions about the frequency that fee maximums should be reviewed. While the recommendation was to align review of maximums with the normal five-year timeframe the board has set for policy and procedure review in general, it is acknowledged that some fee-use needs can change more quickly than that. For example, while the full procedure was last reviewed five years ago, changes to the technology and health services fee maximums were made three years ago. To acknowledge the possibility for off-cycle review, the proposed language is now amended to say that maximums should be reviewed at least every five years. This allows students to propose increases in fee limitations at any time they feel local concerns push them to do so.

SUMMARY OF INPUT AND FEEDBACK FROM MINNESOTA STATE COMMUNITY

In the fall of 2022, the seven universities sent a joint letter requesting a review of fee maximums with the goal of adjusting the established maximums by the rate of inflation. In addition, Students United, the statewide student association for the universities, passed a resolution in November 2022, in favor of increasing the cap on the student life/activities fee for the seven state universities. They stated that student engagement and belonging is crucial for each campus, and each campus should have the ability to decide on increasing student fees to ensure funding is available to support campus programs, events and organizations that help create a culture of belonging.

Additionally, the student senates at a number of universities individually expressed their support for increasing the student life/activity fee maximum. Also, some university senates requested the establishment of a new sustainability fee to support focused funding for student-led environmental sustainability efforts. Some institutions, such as Bemidji State University, Minnesota State University Moorhead, and Winona State University have had sustainability-type fees (hosted under the student life/activity fee) for many years. Bemidji's current \$7.50 "green fee," for example, has paid for such things as Sustainability Office activities, reusable BSU water bottles and recycling bins. At Winona, the Student Green Fee provides funding for projects and resources to promote environmental sustainability, integrate sustainability broadly across the curriculum and student life so that all students are able to advance their knowledge, skills and awareness of environmental stewardship and sustainability, and use the campus as a living laboratory by enhancing opportunities for students, faculty, and staff to work together to develop and implement solutions to campus sustainability challenges.

During the formal 30-day comment period, constituent groups provided additional feedback on these proposed changes. The creation of a discretionary sustainability fee received favorable comments with a few exceptions. Increasing fee maximums received favorable comments from almost all of the responders that provided comments in this area. In addition, several university commenters suggested we align graduate application fees with our tuition policy for graduate programs, resulting in a modification to the proposal, making these items market driven.

Students United expressed support for both requests and has encouraged the system to move forward in this area. At both the March and April 2023 Board of Trustees meeting, the chair of Students United submitted written remarks supporting the proposed changes. The Students United Board of Directors supported raising fee maximums in Board Policy 5.11 and System Procedure 5.11.1 and the proposed addition of a discretionary sustainability fee. The April remarks stated that the “support for this discretionary fee stems from the power it grants to students. Students will have the ability to choose what is most suitable for their campuses' Financial capacity and student preferences, which is very important to our student leaders.” The remarks also stated that “we can confidently say our students and staff were well informed of the changes being made to 5.11 and 5.11.1 throughout the semester. Overall, we received tremendous student support From our Board members and the larger student body on these proposals, which we communicated to the Chancellor, his cabinet members, and now to you all as well.”

LeadMN, the statewide student association for the colleges, submitted a letter during the March 2023 comment period and shared remarks at the April Board of Trustees meeting that indicated they had several concerns regarding the proposed changes and requested that they be sent back for further review. The concerns focused on the following areas:

- Contention that the consultation process is broken and there is no formal mechanism to address issues if student leaders believe that Board Policy 2.3 is not being followed. LeadMN is concerned about the lack of consultation on the current policy and procedure process, and reiterated concerns about the annual process. These concerns were also documented in a consultation letter from the association and shared with the Board at the 2nd reading of the annual operating budget in June.
- The review process for this policy, procedure, and fee maximums was rushed and did not provide ample time for feedback.
- There are no clear definitions of what are and what are not legitimate expenses related to use of student fees.
- The sustainability fee proposal should not be a fee that students are required to pay. Existing campus budgets should bear the expenses of investing in environmental sustainability initiatives.
- Students cannot afford increases.

To address these concerns, the system office will take the following steps over the next year:

- The system will consult with constituent groups to review the policy and procedures that govern the student consultation process. The process will include students, campus administrators, and system office staff, and will be convened under the direction of Academic and Student Affairs. This process could result in a designated work group, additional training opportunities, or other strategies to better identify opportunities to improve the process. The conclusion of this process will take Board Policy 2.3 Student Involvement in Decision-Making and System Procedure 2.3.1 Student Involvement in Decision-Making through the formal review process as this policy and procedure were last updated in April 2019.

- The Vice Chancellor for Finance and Facilities will work with LeadMN to address specific concerns related to fee-related expenses identified in their letter and to review parameters of Board Policy 2.8 Student Life and System Procedure 2.8.1 Student Life as they related to approval of student life/activity fee expenses. Additionally, the system office will update and provide additional guidance to campuses related to determining the eligibility of expenses from these accounts.

SUMMARY

Board Policy 5.11 Tuition and Fees and related procedures are due for a five-year review and are recommended to be modified in order to adjust fee maximums and create a discretionary fee in support of student-led environmental sustainability efforts.

The proposed changes have gone through the 30-day review and comment period that are required of policy and procedure revisions.

These increases in fee maximums do not automatically increase the fees that students pay. Instead, they provide additional flexibility at each institution for the students and administration to make decisions that best serve local needs and desires. All campuses are still subject to limited annual increases (2 percent annually) in both student life/activity and athletic fees unless student referendums approve higher increases. Additionally, over the past decade or so, the system generally has held colleges and universities to an aggregate 3 percent annual increase in all other fees required and campus discretionary fees.

This is the second reading of the proposed changes.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees approve the proposed amendments to Board Policy 5.11 Tuition and Fees, System Procedure 5.11.1 Tuition and Fees, and the Fee Maximum Amount attachment.

RECOMMENDED BOARD MOTION

The Board of Trustees approves the proposed amendments to Board Policy 5.11 Tuition and Fees, System Procedure 5.11.1 Tuition and Fees, and the Fee Maximum Amount attachment.

Date Presented to the Finance and Facilities Committee: May 16, 2023

Date Presented to the Board of Trustees: May 17, 2023

Date of Implementation: May 17, 2023

PROPOSED CHANGES (SECOND READING DRAFT)

Single underlining represents proposed new language

Strikeouts represent existing language proposed to be removed

1 **5.11 Tuition and Fees**

2
3 **Part 1. Policy objectives**

4 The tuition and fees policy of Minnesota State Colleges and Universities seeks to balance five
5 values:

6 a. **Affordable access to higher education:** Minnesota State will champion a quality
7 affordable higher education that all Minnesotans can access.

8 b. **Equity:** Minnesota State students taking similar academic programs are charged similar
9 rates across Minnesota State colleges and universities.

10 c. **Transparency:** Minnesota State students will know what they are paying for and how
11 their total tuition and fee charges are calculated.

12 ~~b.d.~~ **Institutional Financial Sustainability:** Minnesota State seeks to provide
13 the resources needed for colleges and universities to support quality higher education
14 and long term financial viability.

15 ~~c.a. **Equity:** Minnesota State students taking similar academic programs are charged similar~~
16 ~~rates across Minnesota State colleges and universities.~~

17 ~~d.a.~~ **Transparency:** Minnesota State students will know what they are paying
18 for and how their total tuition and fee charges are calculated.

19 e. **Flexibility for innovation and emerging markets:** Minnesota State seeks to support the
20 flexibility to be innovative, respond to the marketplace, and address emerging program
21 and course development requirements.

22
23 **Part 2. Authority**

24 Minnesota Statutes § 136F.06, Powers and Duties, and ~~Minnesota Statutes~~ § 136F.70, Tuition;
25 Fees; Activities Funds provide that the Board of Trustees board shall set tuition, ~~and~~ fees, and
26 refunds adopt suitable policies for the colleges and universities it governs. All colleges and
27 universities shall charge tuition and fees consistent with Minnesota Statutes, board policies,
28 and system procedures. The board shall approve the tuition and fee structure for all colleges
29 and universities.

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31 The chancellor may establish limits on tuition and fee rate increases that are presented to the
32 board as part of the annual operating budget. The chancellor or designee is authorized to make
33 any necessary technical adjustments to the tuition rates and fees. Technical adjustments are
34 defined as changes in tuition and fee rates ~~which~~that are deemed a correction or the addition
35 of a program rate for a new program established in the interim.

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Part 3. Tuition

Tuition shall be charged by all colleges and universities. The tuition categories are:

- a. Per credit
- b. Banded
- c. Differential course and program
- d. Market driven

Each tuition category may include resident, reciprocity, and nonresident rates. All tuition must be identified separately on a tuition and fee statement.

Part 4. Authorization and notice.

Subpart A. Authorization of required and campus discretionary fees.

The board authorizes ~~the following~~ four categories of fees to be charged to Minnesota State students. The amount of the fees and how they are charged are determined by ~~a~~ each college ~~and/or~~ university, subject to Minnesota statutes and board policy.

- 1. Required fees are in statute or established by board policy and are required to be charged by all colleges and universities.
- 2. Campus discretionary fees are established by board policy and adopted at campus discretion.
- 3. Personal property charges, service charges, and assessments are established by board policy and adopted at campus discretion.
- 4. Revenue Fund fees are established in accordance with statutes, board policy, and bond indenture.

Subpart B. Notice required

All fees must be identified separately on a tuition and fee statement. On an annual basis, colleges and universities shall publish all fees that are charged to their students.

Part 5. Fees

Subpart A. Required fees

There are five required fees:

- 1. Senior citizen fee in lieu of tuition
- 2. Parking fee, permits, or charges
- 3. Late fee
- 4. Payment plan fee
- 5. Statewide student association fee

All colleges and universities shall charge these fees consistent with Minnesota Statutes, board policies, and system procedures.

79 **Subpart B. Campus discretionary fees**

80 The board authorizes the campus discretionary fee categories and approves the fee
81 maximums. The system office shall review, report, and make recommendations to the
82 board regarding fee maximum levels at least once every ~~two~~five years.

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84 The authorized campus discretionary fees are:

- 85 1. Application fee
- 86 2. Credit for prior learning assessment fee
- 87 3. Student life/activity fee
- 88 4. Athletics fee
- 89 5. Health services fee
- 90 6. Special events fee
- 91 7. Residential learning community fee
- 92 8. Technology fee
- 93 9. New student orientation fee
- 94 10. Sustainability fee

95
96 Colleges and universities may establish policies to charge campus discretionary
97 fees. These fees are not to exceed the maximum amount approved by the board
98 and published as an attachment to board policy. If an institution has multiple
99 campuses or sites, they may choose to assess the fees on a campus by campus or
100 site by site basis.

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102 **Subpart C. Personal property charges, service charges, and assessments.**

103 Colleges and universities may charge students the cost of property retained by the student
104 and services received by the student. The allowable charge must be based on actual costs.
105 Colleges and universities may also assess charges to discourage certain behaviors.

106
107 **Subpart D. Revenue fund facility fees.**

108 Adequate fees must be charged for the use of revenue fund facilities to meet the
109 requirements of Minn~~esota~~ Stat~~utes~~ §§136F.93 and 136F.95 and the Master Indenture of
110 Trust. The fees must be sufficient to cover debt, operating cost~~s~~, ~~and~~ all repair and
111 replacement costs, and reserves.

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113 There are two types of revenue fund fees:

- 114 1. Revenue fund fees. Colleges and universities shall charge revenue fund fees for
115 facilities that were constructed, renovated or acquired using revenue bonds or
116 facilities that the board designated as part of the revenue fund. Revenue fund fees
117 include but are not limited to:
 - 118 a. Room and board fees
 - 119 b. Student union facilities fees
 - 120 c. Wellness center and recreation facility fees
 - 121 d. Parking ramp and surface lot facility fees

- 122 e. Other revenue fund fees for eligible projects as may be approved by the
123 board
- 124 2. Revenue fund fees charged for use of facilities. Colleges and universities shall charge
125 fees for the use of revenue fund facilities, which must be reported to the board as
126 part of the annual operating budget. On an annual basis, colleges and universities
127 shall publish all fee schedules or explanation of fees that are charged to their
128 students for revenue fund facilities. Revenue fund fees include but are not limited to
129 event or facility usage fees, service charges, and equipment charges. The president
130 of the college or university shall have final approval on all fees and subsequent rates
131 for the use of revenue fund facilities.

133 Part 6. Student Consultation

134 All tuition and fees are subject to the student consultation requirements in as defined by
135 Board Policy 2.3 Student Involvement in Decision-making and associated system procedures.

Related Documents:

- ~~System Procedure 5.11.1 Fees~~
- ~~Fee Amounts~~
- [Board Policy 2.2](#) State Residency Requirements
- [Board Policy 2.3](#) Student Involvement in Decision-Making
- ~~[Board Policy 5.9 Biennial and Operating Budget Planning & Administration Including Revenue Fund](#)~~
- [System Procedure 2.3.1](#) Student Involvement in Decision-Making
- ~~[Board Policy 5.9 Biennial and Operating Budget Planning & Administration Including Revenue Fund](#)~~
- [System Procedure 5.11.1 Fees](#)
- [Operating Instruction 5.11.1.3](#) - Senior Citizen Charges and Fees
- [Fee Amounts](#)

To view any of the following related statutes, go to the [Revisor's Office website](#). You can conduct a search from this site by typing in the statute number.

- Minn. Stat. §135A.04 Variable Tuition
- Minn. Stat. §135A.51 Definitions
- Minn. Stat. §135A.52 Program and Qualifications (Senior Citizens Higher Education Program)
- Minn. Stat. §136F.06 Powers and Duties [of Board of Trustees]
- Minn. Stat. §136F.50 Cooperation or Promotion of a State College or University
- Minn. Stat. §136A.08 Reciprocal agreements relating to nonresident tuition and other states or provinces

Policy History:

Date of Adoption: 06/21/00

Date of Implementation: 08/15/07

Date of Last Review: 06/20/18

Date & Subject of Amendments:

Xx/xx/23 (Add summary)

06/20/18 – Effective July 1, 2018. Added new Part 1 Policy Objectives. Additional amendments codify the chancellor’s authority to establish limits on tuition and fee increases, clarifies and provides further guidance on tuition types, establishes the ability for colleges and universities to create guaranteed tuition rates for undergraduate programs, clarifies definitions of ‘mandatory’ and ‘optional’ fees, clarifies assessments to discourage certain behaviors are permitted by policy, establishes a requirement for system office review and recommendations regarding board maximum rates for campus discretionary fees, establishes a new campus discretionary fee to support new student orientation, and requires an affirmative vote of the campus student association in order to implement this fee, clarifies that colleges and universities with multiple campuses or sites may assess fees on a campus by campus or site by site basis and modifies Revenue Fund fee language.

Additional [HISTORY](#)



Chapter 5 – Administration

Board Policy 5.11 Tuition and Fees

Part 1. Policy objectives

The tuition and fees policy of Minnesota State Colleges and Universities seeks to balance five values:

- a. **Affordable access to higher education:** Minnesota State will champion a quality affordable higher education that all Minnesotans can access.
- b. **Equity:** Minnesota State students taking similar academic programs are charged similar rates across Minnesota State colleges and universities.
- c. **Transparency:** Minnesota State students will know what they are paying for and how their total tuition and fee charges are calculated.
- d. **Institutional Financial Sustainability:** Minnesota State seeks to provide the resources needed for colleges and universities to support quality higher education and long term financial viability.
- e. **Flexibility for innovation and emerging markets:** Minnesota State seeks to support the flexibility to be innovative, respond to the marketplace, and address emerging program and course development requirements.

Part 2. Authority

Minnesota Statutes § 136F.06 Powers and Duties and § 136F.70 Tuition; Fees; Activities Funds provide that the Board of Trustees shall set tuition, fees, and refunds for the colleges and universities it governs. All colleges and universities shall charge tuition and fees consistent with Minnesota Statutes, board policies, and system procedures. The board shall approve the tuition and fee structure for all colleges and universities.

The chancellor may establish limits on tuition and fee rate increases that are presented to the board as part of the annual operating budget. The chancellor or designee is authorized to make any necessary technical adjustments to the tuition rates and fees. Technical adjustments are defined as changes in tuition and fee rates that are deemed a correction or the addition of a program rate for a new program established in the interim.

Part 3. Tuition

Tuition shall be charged by all colleges and universities. The tuition categories are:

- a. Per credit
- b. Banded
- c. Differential course and program
- d. Market driven

Each tuition category may include resident, reciprocity, and nonresident rates. All tuition must be identified separately on a tuition and fee statement.

Part 4. Authorization and notice

Subpart A. Authorization of required and campus discretionary fees

The board authorizes four categories of fees to be charged to Minnesota State students. The amount of the fees and how they are charged are determined by each college and university, subject to Minnesota statutes and board policy.

1. Required fees are in statute or established by board policy and are required to be charged by all colleges and universities.
2. Campus discretionary fees are established by board policy and adopted at campus discretion.
3. Personal property charges, service charges, and assessments are established by board policy and adopted at campus discretion.
4. Revenue Fund fees are established in accordance with statutes, board policy, and bond indenture.

Subpart B. Notice required

All fees must be identified separately on a tuition and fee statement. On an annual basis, colleges and universities shall publish all fees that are charged to their students.

Part 5. Fees

Subpart A. Required fees

There are five required fees:

1. Senior citizen fee in lieu of tuition
2. Parking fee, permits, or charges
3. Late fee
4. Payment plan fee
5. Statewide student association fee

All colleges and universities shall charge these fees consistent with Minnesota Statutes, board policies, and system procedures.

Subpart B. Campus discretionary fees

The board authorizes the campus discretionary fee categories and approves the fee maximums. The system office shall review, report, and make recommendations to the board regarding fee maximum levels at least once every five years.

The authorized campus discretionary fees are:

1. Application fee
2. Credit for prior learning assessment fee
3. Student life/activity fee
4. Athletics fee
5. Health services fee

6. Special events fee
7. Residential learning community fee
8. Technology fee
9. New student orientation fee
10. Sustainability fee

Colleges and universities may establish policies to charge campus discretionary fees. These fees are not to exceed the maximum amount approved by the board and published as an attachment to board policy. If an institution has multiple campuses or sites, they may choose to assess the fees on a campus by campus or site by site basis.

Subpart C. Personal property charges, service charges, and assessments

Colleges and universities may charge students the cost of property retained by the student and services received by the student. The allowable charge must be based on actual costs. Colleges and universities may also assess charges to discourage certain behaviors.

Subpart D. Revenue fund facility fees

Adequate fees must be charged for the use of revenue fund facilities to meet the requirements of Minn. Stat. §§136F.93 and 136F.95 and the Master Indenture of Trust. The fees must be sufficient to cover debt, operating cost, all repair and replacement costs, and reserves.

There are two types of revenue fund fees:

1. Revenue fund fees. Colleges and universities shall charge revenue fund fees for facilities that were constructed, renovated or acquired using revenue bonds or facilities that the board designated as part of the revenue fund. Revenue fund fees include but are not limited to:
 - a. Room and board fees
 - b. Student union facilities fees
 - c. Wellness center and recreation facility fees
 - d. Parking ramp and surface lot facility fees
 - e. Other revenue fund fees for eligible projects as may be approved by the board
2. Revenue fund fees charged for use of facilities. Colleges and universities shall charge fees for the use of revenue fund facilities, which must be reported to the board as part of the annual operating budget. On an annual basis, colleges and universities shall publish all fee schedules or explanation of fees that are charged to their students for revenue fund facilities. Revenue fund fees include but are not limited to event or facility usage fees, service charges, and equipment charges. The president of the college or university shall have final approval on all fees and subsequent rates for the use of revenue fund facilities.

Part 6. Student Consultation

All tuition and fees are subject to the student consultation requirements in Board Policy 2.3 Student Involvement in Decision-making and associated system procedures.

Related Documents:

-
- [Board Policy 2.2](#) State Residency Requirements
- [Board Policy 2.3](#) Student Involvement in Decision-Making
- [Board Policy 5.9](#) Biennial and Operating Budget Planning & Administration Including Revenue Fund
- [System Procedure 2.3.1](#) Student Involvement in Decision-Making
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PROPOSED CHANGES (SECOND READING DRAFT)

Single underlining represents proposed new language

Strikeouts represent existing language proposed to be removed

5.11.1 Tuition and Fees

Part 1. Authority

Board Policy 1A.1 delegates authority to the chancellor to develop procedures on behalf of the Board of Trustees~~board~~ for purposes of implementing board policy.

All tuition and fee rate structures are authorized by the board. Tuition and fees collected must~~shall~~ be deposited and reported through the business office at each college or university.

Discretion is given to presidents to establish certain tuition and fee rates in accordance with board policy and system procedure. Before any new fee category is added or any increase is made in the fee maximums, the system office shall consult with the statewide student associations.

Part 2. Tuition

All colleges and universities shall charge tuition consistent with Minnesota statutes and policies. The tuition categories are per credit, banded, differential course and program, and market driven. Any tuition category may include international, resident, reciprocity, and nonresident rates. All tuition must~~shall~~ include the cost of consumable supplies used in the classroom or laboratory. Advance deposits are considered prepayment of tuition and are refundable in accordance with ~~b~~Board ~~p~~Policy 5.12.

Subpart A. Per credit tuition

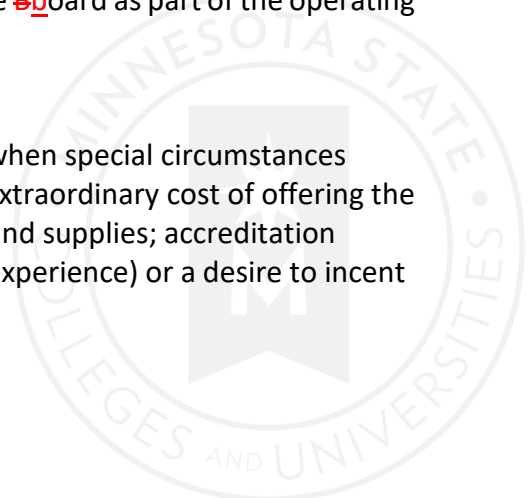
Colleges and universities may charge tuition on a per credit basis for undergraduate and graduate programs. Per credit tuition rates are approved for individual colleges and universities by the board as part of the annual operating budget process.

Subpart B. Banded tuition

Banded tuition is defined as charging a single-rate tuition for credits registered within an identified range of credits. Individuals falling above or below the identified range pay per credit tuition rates. Banded tuition rates are approved for colleges and universities by the ~~B~~board as part of the operating budget process.

Subpart C. Differential course and program tuition

Colleges and universities may charge tuition by course or program when special circumstances exist. These circumstances may include, but are not limited to, an extraordinary cost of offering the course or academic program (e.g., need for specialized equipment and supplies; accreditation standards; delivery methods, e.g., off site locations, online, clinical experience) or a desire to incent enrollment in a specific course or program.



Part 3. Required Fees

Required fees are in statute or policy and ~~are required to~~ must be charged at all colleges and universities. All required fees must be at or below board specified maximums.

Subpart A. Senior citizen fee in lieu of tuition

Each college and university shall charge an administrative fee in lieu of tuition to senior citizens pursuant to Minn.~~esota~~ Stat.~~ute~~ §135A.51 and ~~Minnesota Statute~~ §135A.52. A senior citizen enrolled under this section must pay any materials, personal property, or service charges for the course.

Subpart B. Parking fees, permits, or charges

1. Colleges and universities shall develop a policy to charge parking fees to generate revenue for parking lot repair or construction, pursuant to Minn. Stat. §136F.67 ~~improvements and maintenance,~~ and parking operations including enforcement, ~~pursuant to Minn.esota Stat.ute §136F.67.~~
2. The president shall determine the fees, permits or charges, and how they are assessed.
3. Students shall pay an amount that is equal to or less than that paid by the colleges' and universities' employees for the same type of parking (e.g. reserved, general, etc.).
4. Colleges and universities have the option to collect fines and towing fees for parking violations pursuant to Minn.~~esota~~ Stat.~~ute~~ §136F.53.

Subpart C. Statewide student association fees

All colleges and universities shall collect a statewide student association fee as authorized by Minn.~~esota~~ Stat.~~utes~~ §136F.22 and in accordance with board policy.

Subpart D. Fees associated with tuition and fee payments

1. Colleges and universities shall establish a policy to charge a fee for late payment of tuition and/or fees. A late fee may also be charged for late payment under an approved payment plan. Consistent with Minn.~~esota~~ Stat.~~ute~~ §197.775, students who are eligible and have applied for but not yet received veterans benefits are exempt from being charged a late fee.
2. The policy may provide for specific situations wherein the president of the college or university may waive this fee. Documentation concerning waivers must be retained and made available upon request.
3. Colleges and universities shall establish a policy to charge a fee for payment plans. This fee ~~must~~shall allow students to pay their tuition and fees over the course of the semester.

Part 4. Campus Discretionary Fees

Colleges and universities may choose among the fees detailed below in determining those that are appropriate to the college or university and may establish the appropriate level of the fees consistent with board policy and system procedure. ~~All~~ campus discretionary fees must be at or below board specified maximums. The president of the college or university shall have final approval on all campus discretionary fees and subsequent rates, subject to limits established at the discretion of the chancellor.

After consultation with the recognized campus student association, the president may exempt certain campuses, sites, or specific groups of students (e.g., fully online students) from all or a percentage of any campus discretionary fees when deemed to be in the best interests of the college or university. Colleges and universities shall maintain and appropriately disseminate policies that define the terms under which students are not charged specific fees covered by this policy. Upon request, the specific group exemption and number of exempt students ~~must~~ be published and disseminated to students, and the number of exempt students ~~must~~ be reported to the appropriate campus student associations.

Subpart A. Student application fee

1. Colleges and universities may establish a policy to charge a fee for student applications, consistent with ~~b~~Board ~~p~~Policy 3.4 and ~~s~~System ~~p~~Procedure 3.4.1. The local college or university policy ~~must~~ list situations in which students are not charged this fee.
2. Undergraduate or graduate application fees may be assessed at each college or university to all credit-seeking applicants. Students denied enrollment to the college or university due to program size limitations or closure ~~must~~ receive a refund of this fee.

Subpart B. Credit for prior learning assessment fee

1. Colleges and universities shall establish policies for credit for prior learning pursuant to board policy and system procedure. The policies may include fees for credit for prior learning as indicated below.
2. The fees charged ~~must~~ reasonably reflect the cost of services provided in assessing the learning and awarding of credit, and are reviewed by system office personnel for consistency and compliance with procedure.
3. A fee ~~must~~ not be charged for previously evaluated credit for prior learning students seeking transfer of credits from other regionally or nationally accredited higher education institutions.
4. A fee ~~must~~ not be charged for transcribing credits for an award of credit for prior learning.
5. A fee ~~must~~ not be charged for students seeking faculty consent for enrollment in a course or waiver of prerequisites that does not involve an award of credit for prior learning.
6. A fee ~~must~~ not be charged for analysis and awarding of credit for military courses and military training pursuant to Minn.~~esota~~ Stat.~~utes~~ §197.775.

Subpart C. Student life/activity fee

1. Colleges and universities may establish a policy to charge a fee for student life activities as defined by Minn.~~esota~~ Stat.~~ute~~ §136F.01, subd. 5 and Board Policy 2.8; Student Life.
2. College or university programming and budgeting processes for the use of these funds ~~must~~ be governed by ~~b~~Board ~~p~~Policy 2.8; Student Life.
3. Colleges and universities must not increase student life activity fees by greater than two percent relative to the previous academic year unless the increase is approved by a majority of students voting in a campus referendum, pursuant to Minn.~~esota~~ Stat.~~utes~~ §135A.0434.

Subpart D. Athletics fee

1. Colleges and universities, by an affirmative vote of the campus student association, may establish a policy to charge a fee for athletics. This fee will support student athletics and replace annual requests for funding from the student life/activity fee.
2. College or university programming and budgeting processes for the use of these funds ~~mustshall~~ be similar to those processes used for student life activities.
3. For this fee, students will receive admission to regular athletic contests, pursuant to an agreement with the campus student association and based on ticket availability.
4. Colleges and universities must not increase student athletic fees by greater than two percent relative to the previous academic year unless the increase is approved by a majority of students voting in a campus referendum, pursuant to Minn.~~esota~~ Stat.~~ute~~s §135A.0434.

Subpart E. Health services fee

1. Colleges and universities may establish a policy to charge students a fee for health services as defined by Minn.~~esota~~ Stat.~~ute~~ §136F.20 including mental health services.
2. College or university programming and budgeting processes for the use of these funds ~~mustshall~~ be similar to those processes used for student life activities.
3. The decision to charge the fee as per credit (including the number of credits the fee is assessed on) or per term ~~mustshall~~ be made after consultation with the campus student association.

Subpart F. Fees for voluntary special events

1. Colleges and universities may establish a policy to charge students for special campus events in which participation is voluntary. Colleges and universities may only charge students who participate in the special campus event.
2. These voluntary events may include, but are not limited to, activities such as seminars, workshops, lectures, orientations, Welcome week activities, enrichment events, concerts, convocations, ceremonies such as graduation, and athletic events.

Subpart G. Residential learning community fee

1. Colleges and universities may establish a policy to charge a residential learning community fee.
2. The fee ~~mustshall~~ be charged only to students participating in this program.
3. Student program participants ~~mustshall~~ be included in the process for allocating this fee.

Subpart H. Technology fee

1. Colleges and universities may establish a policy to charge a fee to students for the acquisition, upgrading and/or maintenance of technology for academic and student support activities that provide or enhance student access to technology. Academic and student support activities include, but are not limited to, technology infrastructure, computer labs, wireless networks, ongoing technology support, and software licensing.
2. ~~A~~Each college and university shall have a technology fee advisory committee. ~~shall exist for each college or university.~~ A majority of the committee members ~~mustshall~~ be students. The campus student association(s) shall appoint the student members of the technology fee advisory committee. Prior to making recommendations to the college or university

president, the technology fee advisory committee will present the recommendations to the campus student association(s) for advice and recommendation.

The campus student association(s) and the college or university institution president or designee shall jointly determine a schedule for the technology fee advisory committee to ensure that the plan and budget for the technology fee will be completed for action prior to the end of the spring semester. The college or university shall provide the necessary background materials in advance to the technology fee advisory committee in accordance with System Procedure 2.3.1, ~~p~~Part ~~32~~, subpart B.

3. The college or university president shall review any modifications to the recommendation with the campus student association(s) and the technology fee advisory committee prior to the implementation for that year.

Subpart I. New student orientation fee

1. Colleges and universities, by affirmative vote of the campus student association, may establish a policy to charge a new student orientation fee. -This fee will be assessed to all new students enrolling for the first time at the college or university. -Students who are permitted to enroll but are not candidates for diplomas, certificates, or degrees at that college or university mustshall not be charged the new student orientation fee.
2. The new student orientation fee will support new student orientation activities and other strategies designed to assist new students in making a successful academic and social transition to the college or university. -Examples of strategies include, but are not limited to, orientation and welcome week activities. -The new student orientation fee should not fund course registration activities.
3. Initiatives funded by the new student orientation fee must be open and accessible for all new students to participate.
4. The budgeting process used for the allocation of these funds mustshall be similar to the processes used for student life activities.

Subpart J. Sustainability fee

1. Colleges and universities, by affirmative vote of the campus student association, may establish a policy to charge a sustainability fee.
2. The sustainability fee will be used in support of progress toward the system's commitment to environmental sustainability as outlined in Board Policy 5.17 and System Procedure 5.17.1, excluding capital projects.
3. The budgeting process used for the allocation of these funds shall be similar to the processes used for student life activities.

Part 5. Personal ~~p~~Property ~~e~~Charges, ~~s~~Service ~~e~~Charges, and ~~a~~Assessments

Personal property charges, service charges, and assessments are authorized by the board and adopted at campus discretion. -Students may not be charged for consumable supplies related to instruction.

Individual personal property charges, service charges, and assessments mustshall be approved by the president. The approximate range or rate mustshall be available to students at the time of registration.

A list of these charges ~~must~~ be available to students upon request at each campus. Documentation of charge calculations must be maintained for audit purposes.

Subpart A. Personal property charges

Personal property charges ~~must~~ be for items that become the personal property of a student and have an educational or personal value beyond the classroom. These items may include, but are not limited to, tools, books, and materials retained by the student. It also includes official transcripts, identification cards, and replacement or additional diplomas.

Subpart B. Service charges

Service charges ~~must~~ be for services for or on the behalf of the student and may include:

1. Equipment, including purchases, special leases, or rentals as required by ~~an institution or~~ program, ~~college, or university~~. Situations requiring students to purchase or lease college- or university-wide technology ~~must~~ be reviewed by the technology fee advisory committee and the campus student association(s) ~~must~~ be consulted.
2. Special testing, including, but not limited to, testing for counseling (e.g. career interest inventories, type indicators, etc.); occupational certification, licensure, or assessment; retesting of entry level assessment; and optional testing requested by the student. Students ~~must~~ not be charged for initial entry assessment or required outcome assessment.
3. Other instructional services, such as:
 - a. additional instructional costs not included in tuition but paid by the student to a vendor or auxiliary service (e.g. theater tickets, bowling lane rentals, green fees, ski lift tickets, etc.) may be a service charge if identified at the time of registration.
 - b. costs of private lessons or services associated with a credit-bearing course (e.g. flight training, voice or instrument, art, etc.) may be charged in addition to tuition.
 - c. electronic course materials, including online subscriptions but not including open educational resources (OER) materials.
4. Other non-instructional services provided to students such as legal services, health services, background checks, drug and alcohol screening, and insurance.
5. Actual course-related travel costs required for transportation, room, board and other expense.

Subpart C. Assessments

Colleges and universities may assess charges to discourage certain behaviors, such as a library overdue charge, a non-sufficient funds bank charge, restitution charge to pay for damage incurred, or violations of campus health and safety policies.

Part 6. Revenue Fund Fees

Revenue fund fees must be charged to generate sufficient revenue to pay the debt service, equip, operate, maintain, and repair revenue fund facilities. Fees ~~must~~ be sufficient to provide adequate operating reserves. Revenue fund fees are charged for room and board, student union facilities, wellness center, ~~and~~ outdoor recreation, parking, and for any other revenue generating facility that is designated as part of the revenue fund by the ~~B~~board. Optional fees may be charged and include other usage, service, and equipment fees.

Subpart A. Room and board fees

The room fee is the amount an enrolled student pays for occupying a residence hall room while attending a college or university. The board fee is the amount an enrolled student pays for their selected meal plan offerings.

Subpart B. Student union facilities fees

The amount an enrolled student pays to support the debt operations and maintenance of a student union facility while attending a college or university.

Subpart C. Wellness center and recreation facility fees

The amount an enrolled student pays to support the debt, operations, and maintenance of a student wellness center or recreation facility or area while attending a college or university.

Subpart D. Parking ramp and surface lot fees

The amounts that students, faculty, staff, and visitors pay for parking in or on parking facilities in the revenue fund.

Subpart E. Other facilities fees

The board may from time to time approve fees for revenue fund facilities that are not otherwise contemplated above. Those facilities fees ~~must~~ shall be charged to an enrolled student to support such a revenue generating facility, which ~~must~~ shall be designated by the board as part of the revenue fund.

Subpart F. Revenue fund fees charged for use of facilities

Colleges and universities shall charge revenue fund fees for the use of revenue fund facilities. Revenue fund fees charged for use of facilities are items such as event or facility usage fees, service charges, and equipment charges. -The president of the college or university shall have final approval on all such ~~usage~~ usage fees and subsequent rates. The president may exempt specific groups from all or a percentage of room or facility usage or rental fees provided the revenue fund program remains financially viable and such exemption is deemed to be in the best interests of the college or university and consistent with the waiver process established by the campus. -The three major categories of optional revenue fund ~~usage~~ usage fees are listed below:

1. Room or facility usage or rental fees, such as for use of rooms in the student union, athletic facilities, fields, and residence hall common rooms. Fees may also be charged for facility usage outside a typical academic year, such as for summer or conference activities, storage, and early or between semester occupancy of residence halls. -It is usual and customary that recognized campus student organizations (as defined under Student Life System Procedure 2.8.1 Student Life) are exempt from ordinary room or facility usage or rental fees.
2. Service charges, such as for lost or damaged items or modification of contractual terms. -A sampling of such fees may include, but are not limited to, a fee for early release from a residence hall contract, residence hall cancellation fee, late charges, installment payment charges, lost key charge, loaner key charge, room changes charge, damages to residence hall room or common areas.

3. Equipment and personal property fees for use in Revenue fund facilities, such as fees for rental of athletic equipment, installation of equipment (i.e. air conditioning in residence halls), technology, or other items or services otherwise available for use by students who use the facility.

Related Documents:

- [Board Policy 2.2](#) State Residency Requirement
- [Board Policy 2.3](#), Student Involvement in Decision-Making
- ~~[Board Policy 3.4 Undergraduate Admissions](#)~~
- [Board Policy 5.9](#) Biennial and Operating Budget Planning & Administration Including Revenue Fund
- [Board Policy 5.11](#) Tuition and Fees
- ~~[Board Policy 5.12 Tuition and Fee Due Dates, Refunds, Withdrawals and Waivers](#)~~
- [System Procedure 2.3.1](#) Student Involvement in Decision-Making ~~for Board Policy 2.3~~
- ~~[System Procedure 3.4.1 Undergraduate Admissions](#)~~
- [System Procedure 7.3.5](#) Revenue Fund Management
- [Fee Amounts](#)
- [Operating Instruction 5.11.1.3](#) - Senior Citizen Charges and Fees Board Action on Tuition and Fees
 - [June 20, 2018](#) (FY2019)
 - [June 17, 2015](#) (FY2016)
 - [June 18, 2014](#) (FY2015)
 - [June 19, 2013](#) (FY2014)
 - [June 20, 2012](#) (FY2013)
 - [June 21, 2011](#) (FY2012)
 - [May 19, 2010](#) (FY2011)
 - [July 22, 2009](#) (FY2010)
 - [May 21, 2008](#) (FY2009)
 - [June 20, 2007](#) (FY2008)
 - [June 21, 2006](#) (FY2007)
 - [July 19, 2005](#) (FY2006)
 - [June 16, 2004](#) (FY2005 - Revised)
 - [July 16, 2003](#) (FY 2004 & FY2005)
 - [May 22, 2002](#) (FY2003)
 - [July 18, 2001](#) (FY2002)
 - [January 19, 2000](#) (FY2001)
 - [July 21, 1999](#) (FY2000)

To view any of the following related statutes, go to the [Revisor's Office website](#). You can conduct a search from this site by typing in the statute number.

- Minn. Stat. § 135A.04, Variable Tuition
- Minn. Stat. § 135A.0434 Mandatory Student Activity Fees Referendum
- Minn. Stat. §135A.165, Deaf Student; Tuition Assistance

- ~~Minn. Stat. §135A.51 [Definitions](#) and [135A.52, Senior Citizens Higher Education Program](#)~~
- [Minn. Stat. §135A.55 Program and Qualifications \(Senior Citizens Higher Education Program\)](#)
- [Minn. Stat. §136F.01 Definitions](#)
- Minn. Stat. §136F.06, Powers and Duties [of Board of Trustees]
- [Minn. Stat. §136F.20 Student Health](#)
- [Minn. Stat. §136F.22 Student Associations](#)
- Minn. Stat. §136F.50, Cooperation or Promotion of a State College or University
- [Minn. Stat. §136F.53 Parking and Traffic Regulation](#)
- [Minn. Stat. §136F.67 Financing of Child Care; Parking.](#)
- [Minn. Stat. §136F.70 Tuition; Fees; Activity Funds](#)
- ~~Minn. Stat. §136F.70 Tuition; Fees; Activity Funds~~
- Minn. Stat. §136A.08, Reciprocal agreements relating to nonresident tuition and other states or provinces
- [Minn. Stat. §197.775 Higher Education Fairness](#)

Procedure History:

Date of Adoption: 06/21/00

Date of Implementation: 08/06/08

Date of Last Review: 08/02/18

Date and Subject of Amendments:

[Xx/xx/xx - Add Summary](#)

11/30/18 – Part 4, Subpart I, was amended to directly define a special student status.

08/02/18 - Procedure 5.11.1 went through a periodic review, substantive changes were made throughout the procedure. Part 4, Subpart I, New student orientation fee was added. Part 5, Subpart C, Assessments was added. The language and formatting were updated with the new writing and formatting styles.

Additional [HISTORY](#)



Chapter 5 – Administration

Procedure 5.11.1 Tuition and Fees

Part 1. Authority

Board Policy 1A.1 delegates authority to the chancellor to develop procedures on behalf of the Board of Trustees for purposes of implementing board policy.

All tuition and fee rate structures are authorized by the board. Tuition and fees collected must be deposited and reported through the business office at each college or university.

Discretion is given to presidents to establish certain tuition and fee rates in accordance with board policy and system procedure. Before any new fee category is added or any increase is made in the fee maximums, the system office shall consult with the statewide student associations.

Part 2. Tuition

All colleges and universities shall charge tuition consistent with Minnesota statutes and policies. The tuition categories are per credit, banded, differential course and program, and market driven. Any tuition category may include international, resident, reciprocity, and nonresident rates. All tuition must include the cost of consumable supplies used in the classroom or laboratory. Advance deposits are considered prepayment of tuition and are refundable in accordance with Board Policy 5.12.

Subpart A. Per credit tuition

Colleges and universities may charge tuition on a per credit basis for undergraduate and graduate programs. Per credit tuition rates are approved for individual colleges and universities by the board as part of the annual operating budget process.

Subpart B. Banded tuition

Banded tuition is defined as charging a single-rate tuition for credits registered within an identified range of credits. Individuals falling above or below the identified range pay per credit tuition rates. Banded tuition rates are approved for colleges and universities by the board as part of the operating budget process.

Subpart C. Differential course and program tuition

Colleges and universities may charge tuition by course or program when special circumstances exist. These circumstances may include, but are not limited to, an extraordinary cost of offering the course or academic program (e.g., need for specialized equipment and supplies; accreditation standards; delivery methods, e.g., off site locations, online, clinical experience) or a desire to incent enrollment in a specific course or program.

Part 3. Required Fees

Required fees are in statute or policy and must be charged at all colleges and universities. All required fees must be at or below board specified maximums.

Subpart A. Senior citizen fee in lieu of tuition

Each college and university shall charge an administrative fee in lieu of tuition to senior citizens pursuant to Minn. Stat. §135A.51 and §135A.52. A senior citizen enrolled under this section must pay any materials, personal property, or service charges for the course.

Subpart B. Parking fees, permits, or charges

1. Colleges and universities shall develop a policy to charge parking fees to generate revenue for parking lot repair or construction, pursuant to Minn. Stat. §136F.67 and parking operations including enforcement.
2. The president shall determine the fees, permits or charges, and how they are assessed.
3. Students shall pay an amount that is equal to or less than that paid by the colleges' and universities' employees for the same type of parking (e.g. reserved, general, etc.).
4. Colleges and universities have the option to collect fines and towing fees for parking violations pursuant to Minn. Stat. §136F.53.

Subpart C. Statewide student association fees

All colleges and universities shall collect a statewide student association fee as authorized by Minn. Stat. §136F.22 and in accordance with board policy.

Subpart D. Fees associated with tuition and fee payments

1. Colleges and universities shall establish a policy to charge a fee for late payment of tuition and/or fees. A late fee may also be charged for late payment under an approved payment plan. Consistent with Minn. Stat. §197.775, students who are eligible and have applied for but not yet received veteran benefits are exempt from being charged a late fee.
2. The policy may provide for specific situations wherein the president of the college or university may waive this fee. Documentation concerning waivers must be retained and made available upon request.
3. Colleges and universities shall establish a policy to charge a fee for payment plans. This fee must allow students to pay their tuition and fees over the course of the semester.

Part 4. Campus Discretionary Fees

Colleges and universities may choose among the fees detailed below in determining those that are appropriate to the college or university and may establish the appropriate level of the fees consistent with board policy and system procedure. All campus discretionary fees must be at or below board specified maximums. The president of the college or university shall have final approval on all campus discretionary fees and subsequent rates, subject to limits established at the discretion of the chancellor.

After consultation with the recognized campus student association, the president may exempt certain campuses, sites, or specific groups of students (e.g., fully online students) from all or a

percentage of any campus discretionary fees when deemed to be in the best interests of the college or university. Colleges and universities shall maintain and appropriately disseminate policies that define the terms under which students are not charged specific fees covered by this policy. Upon request, the specific group exemption and number of exempt students must be published and disseminated to students, and the number of exempt students must be reported to the appropriate campus student associations.

Subpart A. Student application fee

1. Colleges and universities may establish a policy to charge a fee for student applications, consistent with Board Policy 3.4 and System Procedure 3.4.1. The local college or university policy must list situations in which students are not charged this fee.
2. Undergraduate or graduate application fees may be assessed at each college or university to all credit-seeking applicants. Students denied enrollment to the college or university due to program size limitations or closure must receive a refund of this fee.

Subpart B. Credit for prior learning assessment fee

1. Colleges and universities shall establish policies for credit for prior learning pursuant to board policy and system procedure. The policies may include fees for credit for prior learning as indicated below.
2. The fees charged must reasonably reflect the cost of services provided in assessing the learning and awarding of credit, and are reviewed by system office personnel for consistency and compliance with procedure.
3. A fee must not be charged for previously evaluated credit for prior learning students seeking transfer of credits from other regionally or nationally accredited higher education institutions.
4. A fee must not be charged for transcribing credits for an award of credit for prior learning.
5. A fee must not be charged for students seeking faculty consent for enrollment in a course or waiver of prerequisites that does not involve an award of credit for prior learning.
6. A fee must not be charged for analysis and awarding of credit for military courses and military training pursuant to Minn. Stat. §197.775.

Subpart C. Student life/activity fee

1. Colleges and universities may establish a policy to charge a fee for student life activities as defined by Minn. Stat. §136F.01, subd. 5 and Board Policy 2.8 Student Life.
2. College or university programming and budgeting processes for the use of these funds must be governed by Board Policy 2.8 Student Life.
3. Colleges and universities must not increase student life activity fees by greater than two percent relative to the previous academic year unless the increase is approved by a majority of students voting in a campus referendum, pursuant to Minn. Stat. §135A.0434.

Subpart D. Athletics fee

1. Colleges and universities, by an affirmative vote of the campus student association, may establish a policy to charge a fee for athletics. This fee will support student athletics and replace annual requests for funding from the student life/activity fee.
2. College or university programming and budgeting processes for the use of these funds must be similar to those processes used for student life activities.
3. For this fee, students will receive admission to regular athletic contests, pursuant to an agreement with the campus student association and based on ticket availability.
4. Colleges and universities must not increase student athletic fees by greater than two percent relative to the previous academic year unless the increase is approved by a majority of students voting in a campus referendum, pursuant to Minn. Stat. §135A.0434.

Subpart E. Health services fee

1. Colleges and universities may establish a policy to charge students a fee for health services as defined by Minn. Stat. §136F.20 including mental health services.
2. College or university programming and budgeting processes for the use of these funds must be similar to those processes used for student life activities.
3. The decision to charge the fee as per credit (including the number of credits the fee is assessed on) or per term must be made after consultation with the campus student association.

Subpart F. Fees for voluntary special events

1. Colleges and universities may establish a policy to charge students for special campus events in which participation is voluntary. Colleges and universities may only charge students who participate in the special campus event.
2. These voluntary events may include, but are not limited to, activities such as seminars, workshops, lectures, orientations, Welcome week activities, enrichment events, concerts, convocations, ceremonies such as graduation, and athletic events.

Subpart G. Residential learning community fee

1. Colleges and universities may establish a policy to charge a residential learning community fee.
2. The fee must be charged only to students participating in this program.
3. Student program participants must be included in the process for allocating this fee.

Subpart H. Technology fee

1. Colleges and universities may establish a policy to charge a fee to students for the acquisition, upgrading and/or maintenance of technology for academic and student support activities that provide or enhance student access to technology. Academic and student support activities include, but are not limited to, technology infrastructure, computer labs, wireless networks, ongoing technology support, and software licensing.
2. Each college and university shall have a technology fee advisory committee. A majority of the committee members must be students. The campus student association(s) shall appoint the student members of the technology fee advisory committee. Prior to making recommendations to the college or university president, the technology fee advisory committee will present the recommendations to the campus student association(s) for 94 and recommendation.

The campus student association(s) and the college or university president or designee shall jointly determine a schedule for the technology fee advisory committee to ensure that the plan and budget for the technology fee will be completed for action prior to the end of the spring semester. The college or university shall provide the necessary background materials in advance to the technology fee advisory committee in accordance with System Procedure 2.3.1, Part 3, subpart B.

3. The college or university president shall review any modifications to the recommendation with the campus student association(s) and the technology fee advisory committee prior to the implementation for that year.

Subpart I. New student orientation fee

1. Colleges and universities, by affirmative vote of the campus student association, may establish a policy to charge a new student orientation fee. This fee will be assessed to all new students enrolling for the first time at the college or university. Students who are permitted to enroll but are not candidates for diplomas, certificates, or degrees at that college or university must not be charged the new student orientation fee.
2. The new student orientation fee will support new student orientation activities and other strategies designed to assist new students in making a successful academic and social transition to the college or university. Examples of strategies include, but are not limited to, orientation and welcome week activities. The new student orientation fee should not fund course registration activities.
3. Initiatives funded by the new student orientation fee must be open and accessible for all new students to participate.
4. The budgeting process used for the allocation of these funds must be similar to the processes used for student life activities.

Subpart J. Sustainability fee

1. Colleges and universities, by affirmative vote of the campus student association, may establish a policy to charge a sustainability fee.
2. The sustainability fee will be used in support of progress toward the system's commitment to environmental sustainability as outlined in Board Policy 5.17 and System Procedure 5.17.1, excluding capital projects.
3. The budgeting process used for the allocation of these funds shall be similar to the processes used for student life activities.

Part 5. Personal Property Charges, Service Charges, and Assessments

Personal property charges, service charges, and assessments are authorized by the board and adopted at campus discretion. Students may not be charged for consumable supplies related to instruction.

Individual personal property charges, service charges, and assessments must be approved by the president. The approximate range or rate must be available to students at the time of registration. A list of these charges must be available to students upon request at each campus. Documentation of charge calculations must be maintained for audit purposes.

Subpart A. Personal property charges

Personal property charges must be for items that become the personal property of a student and have an educational or personal value beyond the classroom. These items may include, but are not limited to, tools, books, and materials retained by the student. It also includes official transcripts, identification cards, and replacement or additional diplomas.

Subpart B. Service charges

Service charges must be for services for or on the behalf of the student and may include:

1. Equipment, including purchases, special leases, or rentals as required by program, college, or university. Situations requiring students to purchase or lease college- or university-wide technology must be reviewed by the technology fee advisory committee and the campus student association(s) must be consulted.
2. Special testing including, but not limited to, testing for counseling (e.g. career interest inventories, type indicators, etc.); occupational certification, licensure, or assessment; retesting of entry level assessment; and optional testing requested by the student. Students must not be charged for initial entry assessment or required outcome assessment.
3. Other instructional services, such as:
 - a. additional instructional costs not included in tuition but paid by the student to a vendor or auxiliary service (e.g. theater tickets, bowling lane rentals, green fees, ski lift tickets, etc.) may be a service charge if identified at the time of registration.
 - b. costs of private lessons or services associated with a credit-bearing course (e.g. flight training, voice or instrument, art, etc.) may be charged in addition to tuition.
 - c. electronic course materials including online subscriptions but not including open educational resources (OER) materials.
4. Other non-instructional services provided to students such as legal services, health services, background checks, drug and alcohol screening, and insurance.
5. Actual course-related travel costs required for transportation, room, board and other expense.

Subpart C. Assessments

Colleges and universities may assess charges to discourage certain behaviors, such as a library overdue charge, a non-sufficient funds bank charge, restitution charge to pay for damage incurred, or violations of campus health and safety policies.

Part 6. Revenue Fund Fees

Revenue fund fees must be charged to generate sufficient revenue to pay the debt service, equip, operate, maintain, and repair revenue fund facilities. Fees must be sufficient to provide adequate operating reserves. Revenue fund fees are charged for room and board, student union facilities, wellness center, outdoor recreation, parking, and for any other revenue generating facility that is designated as part of the revenue fund by the board. Optional fees may be charged and include other usage, service, and equipment fees.

Subpart A. Room and board fees

The room fee is the amount an enrolled student pays for occupying a residence hall room

while attending a college or university. The board fee is the amount an enrolled student pays for their selected meal plan offerings.

Subpart B. Student union facilities fees

The amount an enrolled student pays to support the debt operations and maintenance of a student union facility while attending a college or university.

Subpart C. Wellness center and recreation facility fees

The amount an enrolled student pays to support the debt, operations, and maintenance of a student wellness center or recreation facility or area while attending a college or university.

Subpart D. Parking ramp and surface lot fees

The amounts that students, faculty, staff, and visitors pay for parking in or on parking facilities in the revenue fund.

Subpart E. Other facilities fees

The board may from time to time approve fees for revenue fund facilities that are not otherwise contemplated above. Those facilities fees must be charged to an enrolled student to support such a revenue generating facility, which must be designated by the board as part of the revenue fund.

Subpart F. Revenue fund fees charged for use of facilities

Colleges and universities shall charge revenue fund fees for the use of revenue fund facilities. Revenue fund fees charged for use of facilities are items such as event or facility usage fees, service charges, and equipment charges. The president of the college or university shall have final approval on all such usage fees and subsequent rates. The president may exempt specific groups from all or a percentage of room or facility usage or rental fees provided the revenue fund program remains financially viable and such exemption is deemed to be in the best interests of the college or university and consistent with the waiver process established by the campus. The three major categories of optional revenue fund usage fees are listed below:

1. Room or facility usage or rental fees, such as for use of rooms in the student union, athletic facilities, fields, and residence hall common rooms. Fees may also be charged for facility usage outside a typical academic year, such as for summer or conference activities, storage, and early or between semester occupancy of residence halls. It is usual and customary that recognized campus student organizations (as defined under System Procedure 2.8.1 Student Life) are exempt from ordinary room or facility usage or rental fees.
2. Service charges, such as for lost or damaged items or modification of contractual terms. A sampling of such fees may include, but are not limited to, a fee for early release from a residence hall contract, residence hall cancellation fee, late charges, installment payment charges, lost key charge, loaner key charge, room changes charge, damages to residence hall room or common areas.
3. Equipment and personal property fees for use in Revenue fund facilities, such as fees for rental of athletic equipment, installation of equipment (i.e. air conditioning in residence halls), technology, or other items or services otherwise available for use by students who use the facility.

Related Documents:

- [Board Policy 2.2](#) State Residency Requirement
- [Board Policy 2.3](#), Student Involvement in Decision-Making
- [Board Policy 3.4](#) Undergraduate Admissions [Board Policy 5.9](#) Biennial and Operating Budget Planning & Administration Including Revenue Fund
- [Board Policy 5.11](#) Tuition and Fees
- [Board Policy 5.12](#) Tuition and Fee Due Dates, Refunds, Withdrawals and Waivers
- [System Procedure 2.3.1](#) Student Involvement in Decision-Making
- [System Procedure 3.4.1](#) Undergraduate Admissions
- [System Procedure 7.3.5](#) Revenue Fund Management
- [Fee Amounts](#)
- [Operating Instruction 5.11.1.3](#) - Senior Citizen Charges and Fees Board Action on Tuition and Fees
 - [June 20, 2018](#) (FY2019)
 - [June 17, 2015](#) (FY2016)
 - [June 18, 2014](#) (FY2015)
 - [June 19, 2013](#) (FY2014)
 - [June 20, 2012](#) (FY2013)
 - [June 21, 2011](#) (FY2012)
 - [May 19, 2010](#) (FY2011)
 - [July 22, 2009](#) (FY2010)
 - [May 21, 2008](#) (FY2009)
 - [June 20, 2007](#) (FY2008)
 - [June 21, 2006](#) (FY2007)
 - [July 19, 2005](#) (FY2006)
 - [June 16, 2004](#) (FY2005 - Revised)
 - [July 16, 2003](#) (FY 2004 & FY2005)
 - [May 22, 2002](#) (FY2003)
 - [July 18, 2001](#) (FY2002)
 - [January 19, 2000](#) (FY2001)
 - [July 21, 1999](#) (FY2000)

To view any of the following related statutes, go to the [Revisor's Office website](#). You can conduct a search from this site by typing in the statute number.

- Minn. Stat. § 135A.04 Variable Tuition
- Minn. Stat. § 135A.0434 Mandatory Student Activity Fees Referendum
- Minn. Stat. §135A.165, Deaf Student; Tuition Assistance
- Minn. Stat. §135A.51 Definitions Minn. Stat. §135A.55 Program and Qualifications (Senior Citizens Higher Education Program)
- Minn. Stat. §136F.01 Definitions
- Minn. Stat. §136F.06 Powers and Duties [of Board of Trustees]
- Minn. Stat. §136F.20 Student Health
- Minn. Stat. §136F.22 Student Associations
- Minn. Stat. §136F.50 Cooperation or Promotion of a State College or University
- Minn. Stat. §136F.53 Parking and Traffic Regulation
- Minn. Stat. §136F.67 Financing of Child Care; Parking.

- Minn. Stat. §136F.70 Tuition; Fees; Activity Funds
- Minn. Stat. §136F.582 Local Contracting Authority [for customized training]
- Minn. Stat. §136A.08 Reciprocal agreements relating to nonresident tuition and other states or provinces
- Minn. Stat. §197.775 Higher Education Fairness

Procedure History:

Date of Adoption: 06/21/00

Date of Implementation: 08/06/08

Date of Last Review: 08/02/18

Date and Subject of Amendments:

Xx/xx/xx - Add Summary

11/30/18 – Part 4, Subpart I, was amended to directly define a special student status.

08/02/18 - Procedure 5.11.1 went through a periodic review, substantive changes were made throughout the procedure. Part 4, Subpart I, New student orientation fee was added. Part 5, Subpart C, Assessments was added. The language and formatting were updated with the new writing and formatting styles.

Additional [HISTORY](#)

PROPOSED CHANGES (SECOND READING DRAFT)

Single underlining represents proposed new language.

Strikeouts represent existing language proposed to be removed.

Attachment to Procedure 5.11.1 - Fee Maximums and Amounts**Required Fees**

	Amount
Senior Citizen in Lieu of Tuition	Maximum of \$20 per credit
Parking	No maximum
Statewide Student Association	Students United: \$.80 per credit Lead Minnesota: \$.35 per credit
Payment Plan	Maximum \$30 per term
Late	Maximum \$50 per term

Campus Discretionary Fees

	Amount
Application	\$20 per undergraduate application; Maximum \$40 masters application; Maximum \$55 doctoral application <u>Graduate applications: market driven</u>
Credit for prior learning assessment	Reflects Cost
Student life/activity	Maximum of \$112.50 <u>174.00</u> per term
Athletics	Maximum \$55 <u>75</u> per term
Health services	Maximum of \$75 <u>90</u> per term
Special event	No maximum
Residential learning community	Lourdes Hall (Winona) \$150 per term Engineering program (Itasca Community College) \$50 per term <u>No maximum</u> Residential learning community (MSU Moorhead) \$150 per term
Technology	Maximum \$12 <u>14</u> per credit
<u>Sustainability</u>	<u>Maximum - \$20 per term</u>

Personal property charges and service charges Reflects cost

Revenue Fund Fees No maximums

Date of Implementation: 08/15/07 Date
of Adoption: 05/20/98
Date of Last Review: 06/20/18

Date and Subject of Amendments:

6/22/22 – Students United fee increased from \$0.61 to \$0.80 per credit hour beginning fall semester 2022

11/14/18 – Changed Mandatory Fees to Required Fees and Optional Fees to Campus Discretionary Fees. Increased Health services maximum to \$75 per term and Technology maximum to \$12 per credit.

6/20/18 – increased Students United fee from \$.47 to \$.61 per credit hour beginning fall semester 2018.

6/21/17 - amended MSUSA Statewide Student Association fee from \$.43 to \$.47 per credit.

Also amended the MSUSA name to Students United, and MSCSA to Lead Minnesota.

8/6/15 - amended MSCSA Statewide Student Association fee from \$.31 to \$.35 per credit.

6/20/12 - amended to add an optional Residential learning community fee for MSU Moorhead.

5/19/11 - Amended language to permit fee assessments by term rather than semester. Added Revenue Fund Fees as per Procedure 5.11.108/15/07 - Late and Payment Plan fees are added to the mandatory fee category and are removed from the optional fees category.

6/20/07 - amended application fee from graduate to masters and added doctoral application fee.

6/21/06 - amended to increase health services maximum to \$60 per semester and increase the Technology maximum to \$10 per semester credit.

05/17/06 - amended to increase MSCSA fee to \$.31 per semester credit hour and increase MSUSA fee to

\$.43 per semester credit beginning fall semester, academic year 2006-2007.

12/20/05 - Removes Drop fee and Career Services fee as optional fees (note: Career Services costs are recoverable as a personal property and services charge per Procedure 5.11.1 Tuition and fees.)

05/18/05 - Increased MSCSA Fee from \$.28 from \$30

06/16/04 - Adds Residential Learning Community at Itasca Community College - Engineering program - \$50 per semester

07/16/03 - Maximum of \$40 was applied to the graduate application fee; late fee maximum went up from \$30 per semester to \$50 per semester; a payment plan fee of maximum \$30 per semester was added; Credit for Prior Learning Assessment fee maximum language was changed to "Reflects Cost"; Health Services fee maximum went up from \$45 per semester to \$51 per semester; Personal Property and Service Charge fee maximum language was changed to "Reflects Cost"

05/21/03 - MSCSA Fee went down from \$.30 from \$.28

06/19/02 - MSCSA Fee went up to \$.30 from \$.25

06/21/00 - Moved language formerly in system procedure 5.2.1.

7/21/99 - MSCSA Fee went up to \$.25 from \$.23 and the Technology Fee went up to \$8 from \$5



Chapter 5 – Administration

Attachment to Procedure 5.11.1 - Fee Maximums and Amounts

Required Fees

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Payment Plan	Maximum \$30 per term
Late	Maximum \$50 per term

Campus Discretionary Fees

	Amount
Application	\$20 per undergraduate application; Graduate applications: market driven
Credit for prior learning assessment	Reflects Cost
Student life/activity	Maximum of \$174.00per term
Athletics	Maximum \$75 per term
Health services	Maximum of \$90 per term
Special event	No maximum
Residential learning community	
No maximum	
Technology	Maximum \$14 per credit
Sustainability	Maximum - \$20 per term

Personal property charges and service charges Reflects cost

Revenue Fund Fees No maximums

Date of Implementation: 08/15/07 Date
of Adoption: 05/20/98
Date of Last Review: 06/20/18

Date and Subject of Amendments:

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MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: May 16, 2023

TITLE: FY2024 Annual Operating Budget (First Reading)

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

PRESENTERS

Bill Maki, Vice Chancellor for Finance and Facilities
Steve Ernest, System Director, Financial Planning & Analysis

PURPOSE

Board Policy 5.9, Biennial and Annual Operating Budget Planning and Approval, requires the Board of Trustees to approve the systemwide annual all funds operating budget plans for colleges, universities and the system office. Board Policy 5.11, Tuition and Fees, requires the Board of Trustees to approve the tuition and fee structure for all colleges and universities. This agenda item occurs annually in May (first reading) and June (second reading) so that colleges and universities can begin the fiscal year with approved tuition and fee rates and operating budgets. The fiscal year begins on July 1, 2023 and ends on June 30, 2024. This is the first reading of the FY2024 Operating Budget and as such, no action will be required.

ROLE OF STATE FUNDING AND SYSTEM BIENNIAL REQUEST

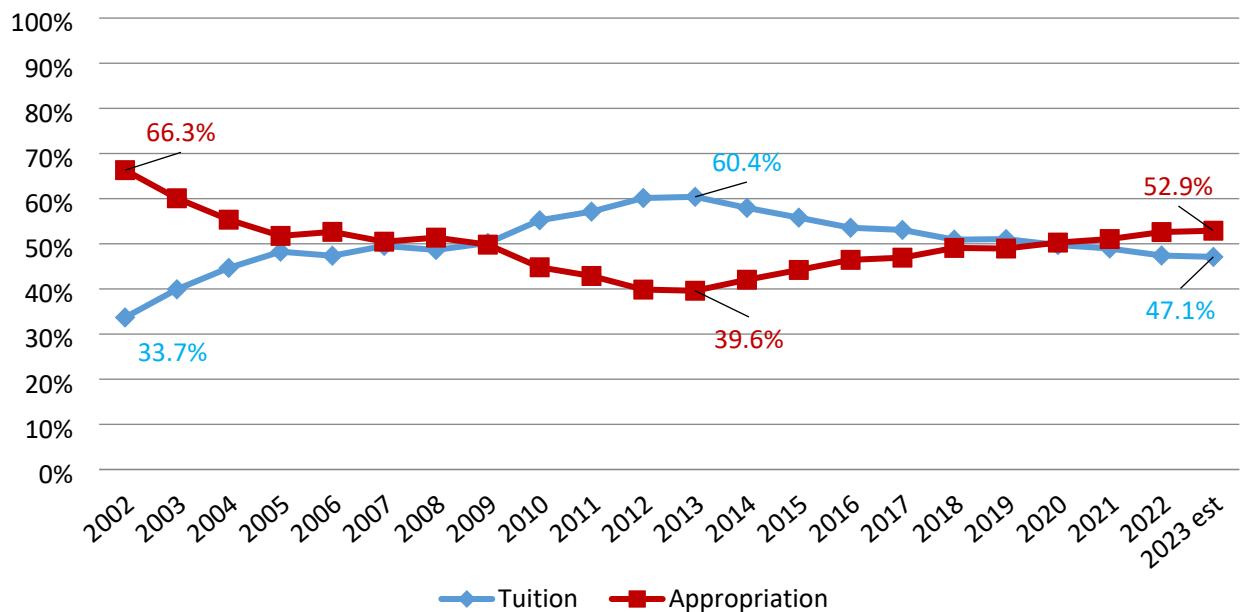
State appropriations are the largest single source of funding for our colleges and universities. At its November 16, 2022, meeting, the board approved a biennial budget request of a \$350 million increase for the 2024-2025 biennium. Prioritizing students first, this request includes \$125 million to freeze undergraduate tuition rates, expand student support services, reduce student costs with scholarships and expanded free course materials, and provide emergency grants to students with unforeseen financial challenges.

Also included in the request is \$125 million for system stabilization. This request would increase the state appropriation for campus operations by roughly 6 percent each year. This state appropriation currently makes up just over half of the funding for our system's general operating costs. The other roughly half of operating funds comes from tuition revenue. Funding for the tuition freeze is calculated to take the place of a 3.5 percent increase in this half of general fund operating revenue. Together, these two increases in funding are of crucial importance for our colleges and universities to be able address the inflationary pressures they are facing, in non-

personnel and personnel costs.

During the 2018-2019 and 2020-2021 bienniums, the system-level relationship between appropriation dollars and tuition revenue was approximately fifty-fifty. For the 2022-2023 biennium, this relationship has shifted to approximately 53 percent appropriation dollars to 47 percent tuition dollars. Graph 1 shows the history of this relationship. This recent shift means the relationship has moved closer to the 67 percent appropriation to 33 percent tuition relationship set in Minnesota Statute as the intended policy of the legislature. However, a significant reason for this shift has been lower tuition revenues due to lower enrollment.

Graph 1
Appropriation and Tuition Relationship



The biennial budget request also includes \$100 million to partner with local businesses and organizations to invest in regionally significant programs that produce the skilled workforce most needed in communities across Minnesota need. These funds would help make sure the right technology is available for students to use in their learning, make sure the focus of programs is tailored to the most relevant and important skills needed locally, and provide scholarship dollars so that student costs for these programs can be significantly lowered.

GENERAL FUND BUDGET UPDATE

In February 2023, in an effort to better understand the need for Minnesota State’s biennial budget request, the House Higher Education Finance Committee asked for an institution-specific analysis of the sources-versus-uses structural balances. Included in this request was an update of fiscal year 2023 college and university operating budgets.

Table 1 shows the system level fiscal year 2023 General Fund budgetary balance as of Spring semester.

Table 1
Fiscal Year 2023 General Fund Budget Gap as of Spring Semester

\$s in millions	FY 2023
Revenue/Sources	\$1,624.7
Expenses/Uses	\$1,699.6
Budget gap	(\$74.8)

Structural gaps can be caused by pre-planned one-time spending on projects where the revenue may have come in over many years, but the spending occurs in just one or two years. Other causes of gaps can be changes that are more difficult to plan for. Since planning for changes to programs and courses that will be offered in an upcoming academic year needs to be completed many months before the year begins, expenditure budgets usually take longer to catch up with changes in revenue streams.

For years, college and university gaps have been caused by long-term declines in enrollment (tuition revenues) and state appropriations that provided smaller shares of overall budgets than they had in the past. More recently, gaps have been exacerbated by unforeseen external variables such as the pandemic supply chain issues and low unemployment. These changes have been difficult to anticipate and plan for.

Many recent revenue declines have hit universities harder than colleges because most universities have a residential component and more on-campus activities that contribute to revenue streams as well as needing a longer time period to recover from enrollment declines during the pandemic. While some colleges are still able to claim federal HEERF dollars to replace lost revenues in fiscal year 2023 and apply those towards their budgetary gaps, most universities utilized available HEERF resources much more quickly than colleges did. One of the main reasons for this was the losses related to on-campus housing and other on-campus activities.

Of the 26 colleges, 15 currently show remaining fiscal year 2023 budgetary gaps of less than five percent of their budgeted expenditures; 9 show gaps from five to ten percent; and 2 show gaps from ten to fifteen percent. Of the 7 universities, 4 currently show remaining fiscal year 2023 budget gaps of less than five percent of their budgeted expenditures; 2 show gaps from five to ten percent; and 1 shows a gap from ten to fifteen percent.

At the system level, the general fund budgetary gap is less than five percent of the year's budgeted spending. It is anticipated that approximately one-third of this will be covered using institutions' remaining HEERF funds and approximately two-thirds will be covered with programmed use of fund balance. Individual colleges and universities will experience various levels of strain on resources and the system office is actively working with several to help manage these issues. Continued prudent planning and decision-making will make it possible for our institutions to close out the year's budgets successfully.

LEGISLATIVE SUPPORT FOR SYSTEM REQUEST

As of May 10, the House and Senate have both passed the higher education funding bill as agreed to after conference committee discussions of the differences in the House and Senate bills. Table 2 summarizes Minnesota State’s budget request compared to the provisions in the Governor’s budget, the House and Senate bills, and the final agreement sent to the Governor or his signature.

Table 2
2024-2025 State Biennial Budget Bill Appropriations

New Appropriations in Thousands of Dollars	System Request	Governor's Budget	House Bill	Senate Bill	Conference Committee	Conf. vs Request
System Stabilization	125,000	125,000	125,000	125,000	128,000	3,000
One-time Operation Support			50,000	74,000	50,000	50,000
Tuition Freeze	75,000		75,000		75,000	0
Student Support, Basic Needs	26,000	26,000	26,000	26,000	6,316	(19,684)
Transfer Scholarships	12,000	12,000				(12,000)
Emergency Grants	10,000					(10,000)
Z-degrees/Free Materials	2,000		2,000		2,000	0
Advanced Technology/Facilities	49,000	11,500	25,000	20,000	13,500	(35,500)
Industry Sector Development	25,500		12,500	10,000	13,500	(12,000)
Workforce Scholarships	25,500		12,500			(25,500)
IRAP Employer Contributions		521	1,733	521	1,733	1,733
Unemployment Insurance			1,618		1,618	1,618
Menstrual Products				764	764	764
Child Development Pathway					475	475
Total	350,000	175,021	331,351	256,285	292,906	(57,094)

For Minnesota State, the bill sent to the Governor includes \$292.9 million in the FY2024-2025 biennium and \$168.3 million in the tails. Specifically for Minnesota State, the bill includes:

- Minnesota State Stabilization:** The bill appropriates \$128 million for Minnesota State Stabilization, which includes \$61.5 million in FY2024 and \$60.5 million in FY2025, with \$37.5 million ongoing in the tails to help address college and university inflationary needs. Also included is \$3 million for central office and shared services, which is \$1 million in FY2024 and \$2 million in FY2025, with \$2 million ongoing in the tails. This funding will help address inflationary needs for system operations. Also included is \$3 million for enterprise-wide technology, including upgrading the Integrated Statewide Record (ISRS) system, which is \$1.5 million each year of new money over the biennium.
- Campus One-Time Support:** The bill appropriates \$50 million of one-time funding in FY2024 for campus support. This funding is provided in response to the structural gaps remaining in institutional budgets as the effects of the pandemic continue to recede. Allocation of this money would be based upon each institution’s estimated tuition revenue loss due to declines in enrollment from fiscal year 2019 to fiscal year 2023, except that no institution would receive less than \$300,000.

- **Tuition Freeze:** The bill appropriates \$75 million for a tuition freeze, which is \$25 million in FY2024 and \$50 million in FY2025, with \$37.5 million in the tails. Undergraduate tuition rates will remain at their current levels for the 2024-2025 biennium.
- **Student Support:** The bill includes \$6.316 million for student support, which is \$3.158 million each year of the biennium and ongoing in the base. The funding will help campuses address basic needs insecurity, mental health and other high-need student support services by increasing the amount of available resources to students. In addition, this funding will provide systemwide resources and coordination.
- **Z-Degree Textbook Program/Open Educational Resources:** The bill appropriates \$1 million in one-time additional funds each year of the biennium for a total of \$2 million to reduce students' out-of-pocket costs by expanding free offerings in course materials and resources, including through open educational resources, open textbooks, and implementation of Z-Degrees. While this is one-time funding, the bill does fund the \$50,000 already in the base.
- **Equipment and Learning Environments:** The bill appropriates \$13.5 million in one-time funding for equipment and learning environments, which is \$6.75 million each year of the biennium for upgrades to college and university equipment and learning environments. The \$6.75 million appropriated in FY2025 is to be matched with cash or in-kind contributions from non-state sources.
- **Develop and Expand Industry Sector Programming:** The bill appropriates \$13.5 million in one-time funding for program development, which is \$6.75 million each year of the biennium to develop and expand industry sector programming to build capacity and support new and redesigned curricular options with an emphasis on offering students work-based learning experiences. The \$6.75 million appropriated in FY2025 is to be matched with cash or in-kind contributions from non-state sources.
- **Workforce Development Scholarships:** There is no new funding for this program, but the bill does fund the \$4.5 million each year of the biennium already in the base. There is language in the bill that adds construction, education and public safety to the list of eligible programs for the workforce development scholarship program.
- **IRAP Contribution Increase:** The bill appropriates \$861,000 in FY2024 and \$872,000 in FY2025 for costs associated with the increased employer contribution rates for the higher education Individual Retirement Account Plan (IRAP). The employer contribution rate on behalf of participants in the IRAP will increase from 6% to 8.75% of salary. The tail amounts are slightly higher at \$883,000 in FY2026 and \$894,000 in FY2027.
- **Unemployment Insurance Reimbursement:** The bill appropriates \$809,000 in both FY2024 and FY2025 for unemployment insurance aid. This is base funding. Language in the bill requires Minnesota State to report to the Legislature every January the balances in unemployment insurance aid accounts and information

about the annual changes in reimbursable costs for higher education workers receiving unemployment insurance benefits.

- **Menstrual Products:** The bill appropriates \$482,000 in FY2024 and \$282,000 in FY2025 and ongoing in the base for Minnesota State campuses to provide menstrual products in campus restrooms free of charge.
- **Child Development Associate Pathway:** The bill appropriates \$475,000 in one-time funding in FY2024 to develop a transparent pathway for current child development associate credential holders to be awarded academic credit that aligns with related academic certificate, diploma and degree programs. Funds are to be used to develop curriculum at eight college and universities and develop training and advising tools.

Other provisions in the bill that have an impact on Minnesota State and students include:

- **North Star Promise:** The bill creates a scholarship program beginning in the 2024-2025 academic year to award scholarships to eligible students in an amount not to exceed 100 percent of tuition and fees after grants and other scholarships are deducted. Each scholarship is for one semester but may be renewed provided the eligible student continues to meet the conditions of eligibility. Eligibility for the scholarship includes that the student has completed the FAFSA, has a family adjusted gross income below \$80,000, has not earned a baccalaureate degree at the time the scholarship was awarded, is enrolled in at least one credit per semester, and is making satisfactory progress. \$117.226 million in FY2025 is appropriated for this program, with \$49,500 ongoing in the tails.
- **State Grant Program:** The bill includes an increase in the living and miscellaneous expense allowance (LME) in the State Grant program of \$12 million in FY2024 and \$9.1 million in FY2025. There is \$10 million ongoing in the base. The bill increases the LME from 109% to 115% of the federal poverty guidelines when calculating the LME. The bill also includes \$12.7 million in FY2024 and \$5 million in FY2025 and ongoing in the tails, to conform the State Grant program with changes to the federal needs analysis and Pell Grant calculation that were passed by Congress in December 2021 and are currently scheduled to be implemented for the 2024-2025 aid year. These changes will have a significant impact on State Grant administration and spending. The changes impact two key areas – the calculation of the student and family contributions or EFC, and the calculation of and eligibility for the Pell Grant award.
- **Student Parent Support Initiative:** The bill includes \$3 million in FY2024 and \$3 million in FY2025 and in the base for grants to support student parents. In order to address the needs and support the educational goals of expectant and parenting college students across Minnesota, grants will be awarded by OHE, and services will be provided to assist parents.
- **Emergency Assistance for Students:** The bill includes an additional \$3.26 million in both years of the biennium and in the base for a total of \$3.579 million each year for emergency assistance grants to meet emergency needs of students. Of

- that funding, \$2.25 million each year of the biennium is for direct emergency grants to students attending a Minnesota State college or university.
- **Direct Admissions Program:** The bill includes an additional \$575,000 each year in the base for the Direct Admissions Program intended to leverage existing K-12 and higher education student information systems to automate the admissions process for students and offer conditional admission to Minnesota colleges and universities to high school seniors based on the students' high school performance.
 - **Grants to Underrepresented Teacher Candidates:** The bill adds an additional \$800,000 each year of the biennium in one-time funds for grants to underrepresented student teachers for a total of \$1.925 million each year of the biennium. The base amount for this program is \$1.125 million.
 - **Grants to Student Teachers in Shortage Areas:** The bill adds an additional \$800,00 each year of the biennium in one-time funds for a total of \$1.3 million each year, for a grant program for student teaching stipends for low-income students who intend to teach in a license shortage area or rural school district after graduating and receiving their teaching license. The base amount for this program is \$500,000.
 - **Teacher Shortage Loan Repayment Program:** The bill adds an additional \$800,00 each year of the biennium in one-time funds for the teacher shortage loan repayment program, for a total of \$1 million each year of the biennium. The base amount for this program is 200,000. The bill also amends this program that to the extent funds are available, eligibility extends to teachers who teach in a rural district or in a license shortage area.
 - **Next Generation Nursing Assistant Training Program:** The bill appropriates \$3 million in one-time funds in FY2024 for a transfer to Minnesota State for HealthForce Minnesota to coordinate and implement the Next Generation Nursing Assistant Training Program for the recruitment and training of students to become certified nursing assistants.
 - **Minnesota American Indian Scholarships:** The bill includes \$8.5 million each year of the biennium and in the base to establish a program to provide a first-dollar tuition and fee free pathway for eligible Minnesota American Indian students to complete an undergraduate education. Of this amount, \$4.468 million in each year of the biennium is for a transfer to Minnesota State to provide a full tuition and fee waiver to a student eligible for this program. To be eligible, a student must be enrolled in an undergraduate certificate, diploma or degree program, be either a Minnesota resident or an enrolled member or citizen of a Minnesota Tribal Nation, regardless of resident status, and have not obtained a baccalaureate degree or been enrolled for 180 credits or the equivalent.
 - **Inclusive Higher Education:** The bill appropriates \$1 million each year of the biennium and in the base to the Office of Higher Education to enter into a contract establishing the Inclusive Higher Education Technical Assistance Center and establish a competitive grant program for Minnesota institutions of higher

education to develop new or enhance existing inclusive higher education initiatives to enroll or increase enrollment of students with an intellectual disability.

- **Hunger-Free Campus Grants:** The bill appropriates an additional \$1.4 million in FY2024 and \$898,000 in FY2025 and ongoing in the tails, for the Hunger-Free Campus Grant program. The base amount for this program is \$1 million. The program was also amended to require the student advisory council established under current law to create an application process and make final recommendations to the higher education commissioner; and expands the hunger-free grants to non-profit private postsecondary institutions (no more than 20% of the total grant awards shall be for non-profit private postsecondary institutions) and increases the campus maximum awards. The initial institution designation award is increased from \$8,000 to \$25,000 and the sustaining award is increased from \$5,000 to \$15,000.
- **Postsecondary Student Basic Needs Working Group:** Included in the bill is \$44,000 in one-time funding in FY2024 to administer a postsecondary student basic needs working group to review, assess, and make specific recommendations on strategies to meet the basic needs of higher education students.
- **Report on Minnesota State Colleges and Universities Course Placement Practices:** The bill appropriates \$250,000 in one-time funding in FY2024 for the Office of Higher Education to document, review, and analyze college admission and course placement policies, practices, and assessments used by Minnesota State.
- **Paramedic Scholarships:** The bill appropriates \$3.2 million in one-time funding in FY2024 for the paramedic scholarship program; \$3 million is for awarding 600 student scholarships, \$100,000 is for promotion of the program and student recruitment efforts, and \$100,000 is for administering the program.
- **Fostering Independence Grants:** The bill appropriates an additional \$486,000 in FY2024 and \$655,000 in FY2025 and ongoing in the base for the grant program for individuals currently or formerly in foster care to receive a grant for up to five years for higher education costs. The total cost for the program is \$4.247 million in FY2024 and \$4.416 in FY2025 and ongoing in the tails.
- **Foster Care Grant Wraparound Services:** The bill appropriates \$500,000 in one-time funds in both FY2024 and FY2025 for an education support and wraparound service program that provides assistance and support to individuals who were in foster care at the age of 13 or later; and for individuals who are transitioning from foster care to adulthood, up to age 27, to improve the likelihood of completing a degree and securing a stable career.

While funding for the 2024-2025 biennium is significant, the one-time nature of much of the funding will pose some challenges for college and university long-term planning. In addition to the one-time funding of \$50 million going away in the 2026-2027 biennium, the system operation funding is also set to be reduced from \$128 million to \$83 million in the next biennium. These

amounts are not actual appropriations but are the starting point for the following legislature. Since employee compensation comprises about 75% of expenses in institutional budgets, colleges and universities will need to ensure they have sufficient on-going revenue to cover FY2024-2025 collective bargaining settlements into the next biennium as well as investments that are made in new positions to advance strategic priorities.

TUITION

In preparing the tuition freeze option for the legislative request, a 3.5 percent rate was used to calculate the appropriation amount that would fund the freeze. This rate was used because it is the limitation in legislation for the current biennium. Based on this legislation, colleges and universities have been consulting with students in anticipation of possible tuition increases of up to this amount, but since the tuition freeze language was included in the bill sent to the Governor, undergraduate tuition rates will remain where they currently are. Under the language in the bill, *“The Board of Trustees may not set the tuition rates in any undergraduate degree-granting program for the 2023-2024 and 2024-2025 academic years at a rate greater than the 2022-2023 academic year rates. The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student.”*

In addition to freezing undergraduate tuition rates, the bill language would also stipulate that *“Colleges and universities are permitted to increase differential tuition charges in fiscal years 2024 and 2025 where costs for course or program delivery have increased due to extraordinary circumstances beyond the control of the college or university. Rates and rationale must be approved by the Board of Trustees.* This limitation has been paired with tuition freeze language in the past in order to provide for very specific expenses that are in addition to normal instructional costs. It is anticipated that some college and university programs will be requesting board approval for increases in differential tuition rates because of cost increases due to extraordinary circumstances beyond their control. If so, descriptions of these requests will be included in the board’s June packet.

FEE-SUPPORTED ACTIVITIES

Where campus discretionary fees are charged for purposes different from what tuition dollars are used for, fee rates may be increased within the parameters of board policy. It is anticipated that some colleges and universities will be requesting board approval to support or enhance activities in several areas.

Technology Fees

The most common activity where fee increases will likely be seen is in technology. Support for increasing these fees comes from increased use of technology during the pandemic, increases in hardware and software costs, decreases in fee revenues as enrollments went down, and the loss of one-time HEERF funding which allowed significant technology investments on many campuses. The current board maximum rate for this fee is \$12 per credit. Based on interest in enhancing technology at campuses, this maximum is proposed to be increased to \$14. While only 2 colleges and 1 university are currently at the maximum rate, five colleges and universities will likely increase fees by \$1.00 to \$2.00 per credit. If the maximum is increased, it is likely that three of these would go above the current maximum.

Student Life/Activity Fees

The second most common type of fee increase request reported to date is in the student life/activity fee. Six of colleges and universities held referendums to increase this fee more than two percent, and all the referendums passed. The increases students were voting on were mostly in the range of \$1.00 to \$2.00 per credit. The things students value that are supported by these fees include student clubs, outdoor recreation options, student resources like weight rooms, and other student activities. If the maximum is increased, three of these would go above the current maximum.

Athletics Fees

Some colleges and universities are also planning to increase athletics fees. Increased costs--in transportation, for example--is a key driver. Two universities and one college held referendums to increase athletic fees more than two percent, as required by law, and had those referendums passed. If the maximum is increased, two of these would go above the current maximum and on additional college, with 1.5 percent increase, would also go above the current maximum. Two other colleges are planning to implement an athletics fee for the first time.

Health Services Fees

The Health Services fee assessed to students is used to establish and maintain medical and mental health services on campus. Colleges and universities report increased demand for medical and mental health services on campus. Increases in these fees are anticipated to be less than \$1.00 per credit for most campuses, though one college is proposing a new health services fee of \$2.00 per credit, citing increased needs expressed by students for mental health and therapy services, and at least two other colleges are proposing increases in the \$1.00 to \$2.00 per credit range. If the maximum is increased, four of these would go above the current maximum.

Revenue Fund Fees

Fees that flow through the Revenue Fund to support specific facilities or services are also being reviewed for possible increases. It is anticipated that fees for student unions will be increased on five campuses by 1.4 to 4.6 percent. Residence hall fees are anticipated to increase by 1.9 to 4.9 percent on four campuses and decrease on another campus by 14.8 percent. Dining hall fees, where food costs have significantly recently, are anticipated to increase between 4 and 10 percent on five campuses. Most residence hall students have room and board plans so universities strive to balance the adjustments made in residence hall fees and meal plans. The FY2023 weighted average of room and board fee increases was 3.4%. It is anticipated the overall amount will be in that range for FY2024.

Fee rates and rate changes by college and university will be listed in the June packet.

COLLEGE AND UNIVERSITY PRIORITIES

As each college and university finalizes the details of its budget, each one identifies the most important distribution of budgetary resources based systemwide focus areas such as student success and equity, workforce and economic development, data democratization, and organizational effectiveness. Budgetary development is also driven by local strategic enrollment management priorities. The June committee report will provide additional information on how

the proposed budgets support these priorities.

JUNE COMMITTEE MATERIALS

Assuming the legislative session concludes on time, the June committee report will include the following information:

- Enterprise-level all funds and general fund operating budgets
- Tuition and fee tables
- College and university FY2024 operating budgets
- Revenue fund financing information and proposed charges
- Enrollment projections
- Net cost of tuition analysis
- Budget reserves by college and university
- Health service fee budgets
- Student consultation letters

These materials will be provided to the committee as soon as they are available prior to the June meeting.

Below is a draft of the motion expected to be presented at the June committee meeting after the conclusion of the legislative session. The attachments referenced will be provided at that time.

RECOMMENDED COMMITTEE MOTION (draft)

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

- Adopt the annual total all funds operating budget for fiscal year 2024 as shown in Table X.
- Approve the proposed tuition structure recommendations and differential tuition rationale for fiscal year 2024 as detailed in Attachments X through X.
- Tuition rates are effective summer term or fall term 2024 at the discretion of the president. The chancellor or designee is authorized to approve any required technical adjustments and is requested to incorporate any approvals at the time fiscal year 2024 tuition recommendations are presented to the Board of Trustees.
- Continue the policy of market-driven tuition for closed enrollment courses, customized training, and non-credit instruction, continuing education, and contract postsecondary enrollment option programs.
- Approve the Revenue Fund and related fiscal year 2024 fees for room and board, student union, wellness and recreation facilities, and parking ramps/surface lots as detailed in Attachments xx through xx, including any housing fees that the campuses may charge for occupancy outside the academic year.
- Authorize the chancellor or their designee to enter into an agreement with the Learning Network of Minnesota to provide the funding appropriated to the organization in Minnesota Laws 2023, Chapter xx, Article x, Section x, Subdivision x, in the amount of \$4,115,000.

Date Presented to the Finance and Facilities Committee:
Date Presented to the Board of Trustees:
Date of Implementation:

xx/xx/xxxx
xx/xx/xxxx
xx/xx/xxxx



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: May 16, 2023

TITLE: FY2024 Capital Program Recommendations (First Reading)

- Proposed New Policy /
Amendment to Existing
Policy Approvals Required by Policy Other Approvals
- Monitoring/Compliance Information

PRESENTERS

Brian Yolitz, Associate Vice Chancellor for Facilities

Michelle Gerner, System Director, Capital Planning and Analysis

PURPOSE

- This first reading is intended to introduce the chancellor’s recommendation for the board requesting capital investments by the State of Minnesota in Minnesota State college and university academic facilities.
- The recommendation is built upon the [board’s capital program guidelines](#) approved in April 2022.
- Because as no bonding bill funding capital investments was passed in 2022 and there is uncertainty in what may be funded in the final days of the 2023 legislative session, this first reading will outline the Minnesota State capital program development process, present the scope of potential candidate projects, and propose adjustments to the board’s guidelines around program size.
- As outcomes of the 2023 legislative session become clear, the presentation will be updated and a recommendation developed and finalized.

BACKGROUND INFORMATION

- Board [Policy, 6.9](#), *Capital Planning*, calls for the chancellor to make recommendations to the board for approval of capital investments for academic facility projects and asset preservation by the State of Minnesota.
- This capital program recommendation is for the 2024 legislative session.



May 16, 2023
Finance and Facilities Committee

2024 Capital Budget Recommendation

First Reading

MINNESOTA STATE

1


Agenda

2023 Request and Outcomes

Capital Planning Process

2024 Program:

- Guidelines and proposals
- Recommendation framework
- Recommendation



2

2023 Session Outcomes

Board Request

- \$348.7 million program request
 - \$173.7 million asset preservation – HEAPR
 - \$175.0 million for 19 individual major capital projects
 - 4 projects – Construction of prior year funded design work
 - 8 projects – Design for future construction
 - 7 projects – Design and construction
 - Inflation adjusted from 2022 request of \$292.9 million

Outcomes – General

- Session ends Monday, May 22, 2023
- Current status:
 - House: Passed \$179.8 million total program
 - \$44.7 million asset preservation – HEAPR
 - \$135.1 million for 13 p individual major capital projects
 - Senate: Failed to pass similar bill
 - Next steps - TBD



3

2023 Session Outcomes

Funded – Project List

- \$TBD
- \$TBD

Unmet priorities

- \$TBD
- \$TBD
- \$TBD



4

Capital Planning Process

Comprehensive Facilities Plans

- Facility Condition Assessments

Board Guidelines

- Themes and Priorities
- Scope

Candidate Project Predesigns

Review and Scoring

Chancellors Recommendation

Board Approval

Advocacy

Legislative Session



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Capital Planning Process

Event	2022				2023				2024		
	January	April	July	October	Jan	April	July	October	Jan	April	July
Board Guidelines - 2024		★ April 2022									
Project Predesign Work (campus/architect)		█									
Project Predesign Review and Scoring				★ January 2023							
Legislative Session - 2023					█						
Chancellors Recommendation						█					
Board Approval 2024 Request						★ June 2023					
Advocacy Legislative Tours							█				
Legislative Session - 2024									█		
Board Guidelines - 2026											★ April 2024



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2024 Program - Board Guidelines

Approved April 2022

Context

- Enrollment and space trends
- State support, especially asset preservation (HEAPR)
- Project size
- Pandemic disruption

Themes and Priorities

- Adapt and modernize academic and support spaces critical to student success.
- Facilitate fulfilling the vision of Equity 2030.
- Advance resilience and environmental sustainability.
- No net increase in academic footprint.

Scope - Financials

- \$350 million - total program request, including HEAPR and projects
- Priority on projects that are quickly deliverable and focused on improving specific programmatic or student support needs.
- Limit potential future requests to \$75 million (Construction tails)



7

2024 Program - Candidate Projects

Note: 2023 outcomes unknown at this time

Prior year projects

- 16 prior year projects - **\$494.6 million**
- 1 project withdrawn satisfied through other means

Reimagined prior year projects

- 5 projects proposed from two (2) 2022 projects - **\$68.6 million**

New candidate projects

- 9 projects - **\$173.3 million**

Total of all candidate projects for 2024: **\$736.5 million**

- Construction tails for the future **\$353.2 million**



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2024 Program

Proposed Guideline Adjustments

Original Guidance

Program Request

- Total Program: **\$350 million**
- Future requests: **\$75 million**

Asset Preservation – 2022

- **\$150 million**

Inflation adjustment + 25%

Program Request

- Total Program: \$437.5 million
 - Use **\$450 million**
- Future requests: \$93.8 million
 - Use **\$100 million**

Asset Preservation

- Total Program: \$187.5 Million
 - Use **\$200 million**



2024 Recommendation - TBD

Total

- \$XXX

Asset Preservation – HEAPR

- XXX

Projects - List

- XXX
- XXX
- XXX



Impacts / Challenges

Small and large projects

- XXX

Not recommended at this time

- In past programs
 - XXX
 - XXX



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Next Steps

Assess final outcomes of the 2023 session

- Asset preservation
- Follow on construction needs and timing
- Unfunded priorities

Apply Board's 2024 Guidance (Updated) to candidate projects

- Draft Chancellors Recommendation
 - Chancellor Designate coordination
- Leadership Council consultation

2024 Recommendation – Second Reading

- June 20/21, 2023

Submit program request to MMB

- Capital Budget System – June 30, 2023



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MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: May 16, 2023

TITLE: System Procurement Strategy

- Proposed New Policy /
Amendment to Existing
Policy Approvals Required by Policy Other Approvals
- Monitoring/Compliance Information

PRESENTERS

Bill Maki, Vice Chancellor for Finance and Facilities

Tim Anderson, System Director for Procurement and Contract Management

PURPOSE

Present to the Finance and Facilities Committee an overview of the system office's procurement history, strategy, and opportunities to support procurement and contract efforts across colleges, universities, and the system office. The system office procurement department is committed to supporting electronic procurement, contracting, and sourcing functionality using the Jaggaer Marketplace solution. Insights and updates are shared regarding system office procurement efforts and how the procurement and contract management team are leveraging technology to streamline systemwide procurement processes.

BACKGROUND INFORMATION

Minnesota State has been utilizing Jaggaer's Marketplace solution since 2016, which includes e-Procurement, e-Contracting, and most recently e-Sourcing in 2022. Under the leadership of a new System Director of Procurement and Contract Management, the Procurement department recently conducted a maturity assessment with Gartner to evaluate current processes. Based on the findings, several opportunities for improvement were identified. The Procurement department adheres to several policies and state statutes related to procurement and contracting and is committed to ensuring that these practices follow policy guidelines. Specific opportunities that have been identified include the threshold and processes for presenting contracts to the Board of Trustees.



May 16, 2023
Procurement and Contract Management


System Procurement Strategy

Presentation to the Board of Trustees (BOT)

1

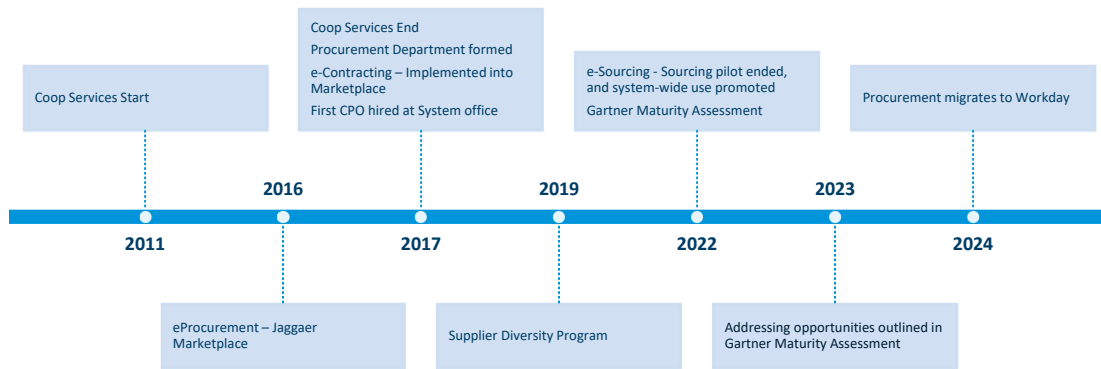
Overview of Presentation

- **Minnesota State Procurement**
 - William Maki – Vice Chancellor Finance and Facilities
- **Guiding State Statutes and System Policies**
 - Tim Anderson – System Director Procurement and Contract Management
- **Procurement and Contract Management**
 - Tim Anderson
- **Policy Considerations**
 - Tim Anderson



2

Minnesota State Procurement



3

State Statutes 16A, 16B, and 16C

Statute 16A

- Comprehensive framework for managing the state's financial resources, including the development and implementation of budgets, accounting systems, and financial reporting requirements

Statue 16B

- Legal framework that establishes the state procurement code, which governs the process by which state agencies and entities purchase goods and services.

Statue 16C

- Sets standards for the competitive bidding process, contract awarding, and procurement practices, among other things. The statute is designed to ensure that public procurement processes are fair, transparent, and in compliance with state laws and regulations

4

Procurement's Alignment with Strategic Objectives at Minnesota State

- **Financial Stability**
 - e-Sourcing, e-Contracting, Cost Efficiencies
- **Equity 2030**
 - Data democratization
 - Supplier diversity
- **Transformational Change**
 - NextGen
 - Training and Development



5

Procurement and Contract Management

College and University

- Autonomy within policy and procedures with supplier selection
 - Independent sourcing and creation of contracts
- Ability to purchase from consortium contracts
 - Educational & Institutional Cooperative Services (E&I),
 - State of Minnesota,
 - University of Minnesota,
 - Midwest Higher Education Compact (MHEC),
 - and Other Consortium Suppliers
- Monitor compliance of statutes, policies, and procedures

System Office

- Collaborative sourcing and support for umbrella and enterprise contracts
- Manage supplier and consortium contracts
- Support e-Procurement system modules:
 - Procurement,
 - Contracting,
 - Sourcing,
 - Reporting,
 - e-Signature
- Along with Office of General Counsel (OGC), support campuses with compliance of statutes, policies, and procedures



6

Supplier Solicitations (Sourcing)

- **68 Sourcing Events**
 - Three pilot institutions 2022
 - Minnesota State Community and Technical College, Saint Paul College, St. Cloud State University
 - Since pilot ended and systemwide rollout began in 2023
 - 10 Colleges
 - 5 Universities
 - System Office

7

The Procurement and Contract Mgt Team



8

Primary Responsibilities

- Ticketing and Support
 - 2,400 tickets since 2021
- Training and Development
- e-Procurement System Administration
- Supplier Relationships (including Supplier diversity)
 - 105,000 Suppliers in e-Procurement system
- e-Signature administration
- Reporting and Data Management



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High Priority Improvement Areas Defined by Benchmarking Survey to Procurement Unit

- **Finalize Strategic Plan**
 - Working with Procurement Advisory Group
 - Roll out to CFOs at summer conference
 - Present to college and university presidents
- **Supplier Diversity**
 - Process improvement
 - Training of suppliers and staff
 - Identifying technology to support the work
- **Sourcing Rollout**
 - Gradual rollout of sourcing module to colleges and universities
- **Transition Procurement to NextGen**



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Risk Mitigation

- **Migration of Procurement to NextGen**
 - System knowledge of NextGen
 - Sustainability with current staff
 - Support for contracts and procurement data into two disparate systems
- **Change Management and System Adoption**
 - Jaggaer
 - NextGen
- **Contract Compliance**
 - Train on system abilities to support campuses
- **Volume of contracts**
 - Leveraging state, consortium, and umbrella contracts

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Contracts Approved by BOT Since FY18

FY	Type	\$1M – \$3M	\$3M - \$5M	\$5M – 10M	>\$10M	> 5yrs	Total	FY TTL
2018	Construction	1				1	2	22
	Non-Construction	5	2	5	4	4	20	
2019	Construction	4	2			4	10	13
	Non-Construction	7	1	3	1	1	13	
2020	Construction	3	2	1		3	9	18
	Non-Construction	6	1			2	9	
2021	Construction	2	1		1	1	5	30
	Non-Construction	10	4	4	6	1	25	
2022	Construction	14		4		2	20	36
	Non-Construction	8	1	5	2		16	
2023	Construction	11			1	2	14	31
	Non-Construction	8	3	1		5	17	
Total		79	17	23	13	26	160	160

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Board Policy 5.14 - Contracts, Procurements, and Supplier Diversity

The Minnesota State Board of Trustees (BOT) requires approval for the following contract types:

- Standard contracts that exceed \$1,000,000
- Non-Standard contracts that exceed \$3,000,000, which include
- Inter-Agency,
 - Intra-Agency,
 - Joint Powers,
 - Master (Enterprise),
 - Cooperative, Income, and Grants.

Exceptions to BOT approval include

- Design and construction contracts associated with projects approved by the Board as part of a capital bonding request or revenue bond sale.
- Purchase orders made under a master contract of the Minnesota Department of Administration or MnIT.
- Federal grants and grants from Minnesota state agencies.
- On-going Utility Contracts for colleges and universities where the area provider is the only feasible source of services such as electricity, gas, and other energy sources (steam, propane, or fuel oil).



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Policy Considerations

Contracts Approved by BOT

- Timing of contracts
- RFP complete
- vendor selected
- Process for when contracts are brought to the Board
- Lack of consistency in requests (e.g., dollar amount, exemptions, etc.)

Responsive to campus needs



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Joint Meeting of Diversity, Equity and Inclusion and Finance and Facilities Committees

May 16, 2023

3:00 p.m.

McCormick Room, 4th Floor

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

1. Supplier Diversity Update

Finance and Facilities Committee Members

Jay Cowles, Chair
April Nishimura, Vice Chair
Victor Ayemobuwa
Jim Grabowska
Tim Huebsch
Jerry Janezich
Kathy Sheran

President Liaisons

Edward Inch
Joe Mulford

Diversity, Equity, and Inclusion Committee Members

George Soule, Chair
Javier Morillo, Vice Chair
Victor Ayemobuwa
Jim Grabowska
April Nishimura
Kathy Sheran

President Liaisons

Annette Parker
Ginny Arthur



Bolded items indicate action required.



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Joint Meeting of Diversity, Equity and Inclusion and Finance and Facilities Committees

DATE: May 16, 2023

TITLE: Supplier Diversity Update

- Proposed New Policy / Amendment to Existing Policy Approvals Required by Policy Other Approvals
 Monitoring/Compliance Information

PRESENTERS

Andriel Dees, Vice Chancellor for Equity and Inclusion
Bill Maki, Vice Chancellor for Finance and Facilities
Ginny Arthur, President, Metro State University
Stephen Kent, Vice President for Finance and Operations, Metro State University
Tim Anderson, System Director, Procurement and Contract Management
Babatope Adedayo, Vendor Management Specialist

PURPOSE

Provide the Diversity, Equity and Inclusion Committee and the Finance and Facilities Committee with an overview of the history, updates, and opportunities of the Minnesota State supplier diversity program. The procurement department of the system office is committed to promoting supplier diversity by fostering strong vendor relationships, aligning efforts with Equity 2030, and ensuring the system is working within set policy and statues to ensure that colleges, universities, and the system office support equitable purchasing and contracting. Through these efforts, the Procurement department is working towards reassessing and implementing supplier diversity goals with colleges and universities and to promote equity and social responsibility in Minnesota State procurement practices.

BACKGROUND INFORMATION

The 2017 the Joint Disparity Study was conducted to assess the extent to which businesses owned by women and minorities face barriers to participating in state procurement opportunities. The study highlights the disparities that exist in the state's contracting process and provides recommendations for improving access to procurement opportunities for underrepresented businesses. In response to this study, Minnesota State presented the supplier diversity pilot

program to the Board of Trustees in 2019. Under the guidance of a new System Director of Procurement and Contract Management, the supplier diversity program underwent a comprehensive reassessment, resulting in the development of a proposed supplier diversity workplan and procedure. Through this reassessment process, opportunities were identified to enhance the department's current ability to identify diverse suppliers by exploring third-party solutions that could be leveraged to further expand our reach.

Date Presented to the Finance and Facilities Committee:

5/16/2023



April 16, 2023

Procurement and Contract Management | Equity and Inclusion

Supplier Diversity Program Updates

Presentation to the Board of Trustees (BOT)

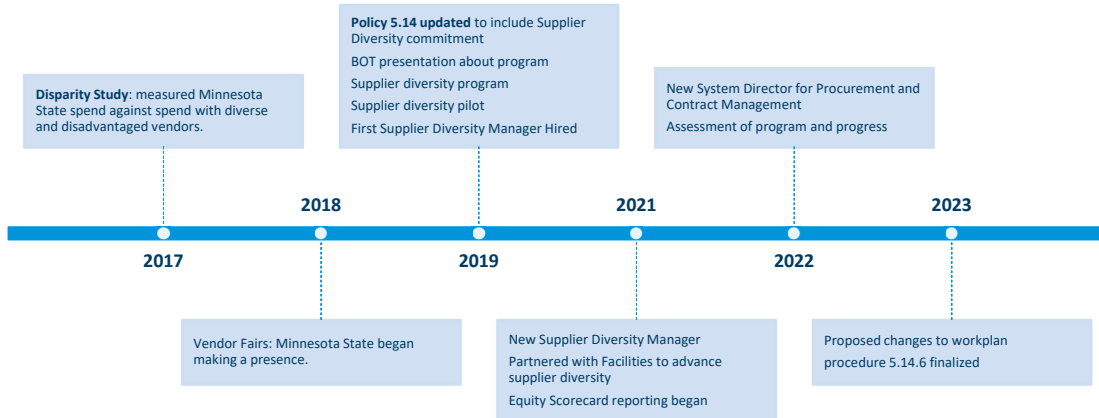
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Overview of Presentation

- **Minnesota State Supplier Diversity**
 - William Maki – Vice Chancellor Finance and Facilities
- **Equity 2030**
 - Andriel Dees - Vice Chancellor for Equity and Inclusion
- **Supplier Diversity Strategies and Results**
 - Ginny Arthur – President, Metro State University
 - Stephen Kent – Vice President for Finance and Operations, Metro State University
- **Program**
 - Tim Anderson – System Director Procurement and Contract Management
- **Guiding State Statutes**
 - Babatope Adedayo – Vendor Management Specialist
- **Commitments and Investments Needed to Increase Diverse Spend**
 - Tim Anderson – System Director Procurement and Contract Management

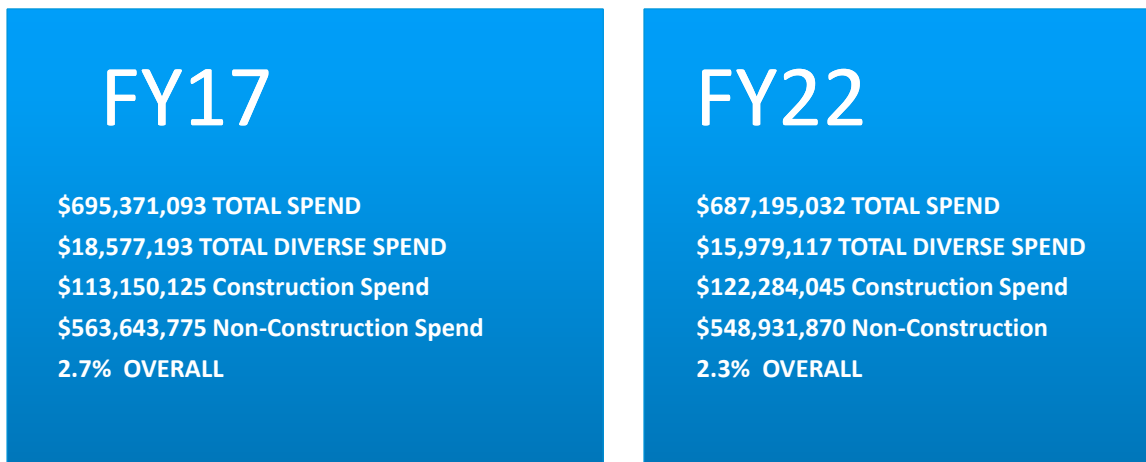
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Minnesota State Procurement Supplier Diversity



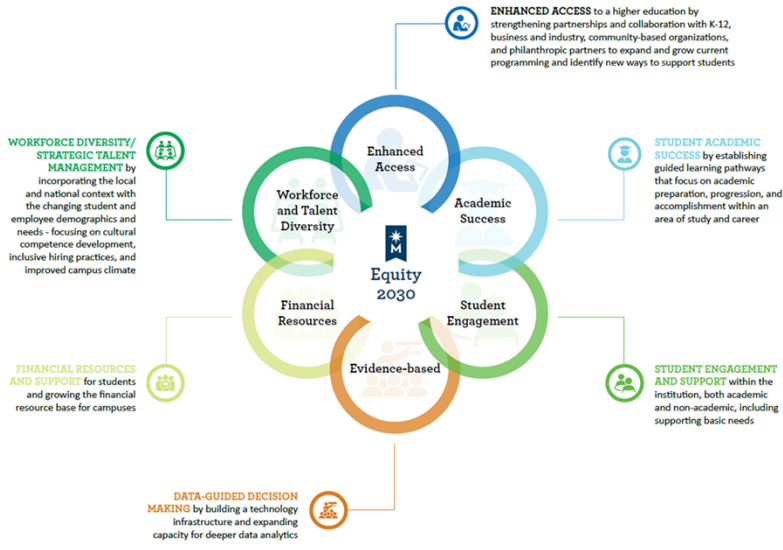
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By the Numbers – Supplier Diversity



4

Equity 2030



5

Equity Scorecard Key Performance Indicators (KPIs)



6

Equity Scorecard

- Minnesota State is committed to promoting equity in its procurement practices, which contributes to the economic development of the state and provides opportunities for underrepresented communities.
- Minnesota State commits to inclusive procurement, which helps to position Minnesota State as a pathway to higher education for communities with historically low levels of educational attainment.
- The use of **Key Performance Indicator 4** ensures accountability and alignment of spending practices with the values of Minnesota State and its goal of **Equity 2030**, while also building relationships with diverse communities for future recruitment opportunities.

7

Related State Statutes

16C.16 DESIGNATION OF PROCUREMENTS FROM SMALL BUSINESSES

Subd. 5. Defines TGB (WBE, MBE, and Businesses owned by persons with substantial disability

16C.19 ELIGIBILITY; RULES.

(a) Defines eligibility for veterans and economically disadvantaged businesses

16C.16 DESIGNATION OF PROCUREMENTS FROM SMALL BUSINESSES.

Subd. 6. Purchasing Methods.

- may award up to a **six percent** preference for specified goods or services to small targeted group businesses

8

Recognizing Diverse Suppliers

- Current Certifying Agencies Recognized by Minnesota
 - The Central Certification Program (CERT)
 - Supports database of minority business, women business, and small business enterprises limited to:
 - 13 MN counties
 - 2 WI counties
 - Women's Business Enterprise National Council (WBENC)
 - Supports database of women owned business enterprises (WBEs)
 - National Minority Supplier Development Council (NCMSDC)
 - Supports database of minority owned business enterprises (MBEs)
 - State of Minnesota
 - Targeted Group Small Businesses (TGB)
 - Economically Disadvantaged small businesses
 - Veteran-owned small businesses

9

Supplier Diversity Strategies and Results



Metro State has been working toward increasing diversity since 2019

- Anchor Learning Network project team on supplier diversity
 - Focus on catering contractors
- Rebranding project: RFP points for targeted businesses
 - Use of targeted business subcontractors required
- Key success factors:
 - leadership team commitment; collaboration with purchasing; educating purchasers; creating easily accessed database of diverse suppliers; setting clear goals
- Challenges:
 - Communication about goals; making conscious efforts to identify diverse suppliers; helping diverse suppliers register and qualify to do business



10

Supplier Diversity Strategies and Results



Despite efforts FY22 university spend was less than 1% of our funds with women, minority, disabled, and veteran (WMDV) owned vendors.

- Setting an aspirational but achievable goal by analyzing our expected spending and contracting for the next year and developing a strategy to maximize our relationships with targeted businesses.
- Primarily working with our Facilities and Technology departments.
- Building database to illustrate vendor ratings and promote spending with WMDV businesses.
- Continually renewing training for purchasing department and employees who make purchasing decisions
- Communicate commitment continually



11

Risk Mitigation Analysis by Procurement Unit

- College and University commitment to Equity 2030, which includes promoting supplier diversity.
- Our ability to report on supplier diversity is currently limited to the four available certifications.
 - The State-Wide Integrated Financial Tools (SWIFT) system only captures supplier diversity classifications from four certifying agencies.
- There is a cost associated with utilizing third-party solutions.
- Pricing with Target Group Businesses (TGBs) are often higher than with non-TGBs.
- A cultural shift is necessary for all faculty and staff to intentionally seek out TGBs for procurement and contracting opportunities.
- The willingness or ability of vendors to register with the four certifying agencies may be a limiting factor in our efforts to promote supplier diversity.

12

Addressing the Advisory Review Recommendations

April 2023 Internal Audit



Equity 2030 Information

Addressing through supplier diversity training outlined in the workplan



Supplier Data

Addressing through KPI4 by implementing additional metrics: Spend, Representation, Outreach, Development



Monitoring Vendor Expectations

Addressing through supplier diversity training with suppliers and vendors outlines in the workplan

13

Future State – What's Next

• Improving Processes

- Develop a more robust communications plan for supplier engagement
- Increase of e-Sourcing and four certifying agency databases to invite diverse suppliers to respond to contracting opportunities

• Expanding Training

- Suppliers
- College and University staff

• Identifying Technology to support the work

- External solutions that may better identify diverse spend

• Assessing and Adjust

- Continue to assess and update processes around supplier diversity
- Create additional campus dashboards to allow for segregating data

14

Commitments and Investments Needed to Increase Diverse Spend

It is essential that leadership and all stakeholders are committed to the principles of supplier diversity. We must work collaboratively to identify and engage with diverse suppliers, and to ensure that our procurement practices align with our organization's values and goals.

Third-party technology solutions that run suppliers through vast databases

- Allows for searching, tracking, and inviting diverse suppliers for business opportunities
- Allows for our intentionality in outreach to diverse suppliers



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MINNESOTA STATE

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Workforce and Organizational Effectiveness Committee
May 17, 2023
8:30 a.m.
McCormick Room, 4th Floor

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

In a closed session pursuant to Minn. Stat. §13D.03, Closed Meetings for Labor Negotiations Strategy, the Board will hear the current status of labor contract negotiations and will discuss strategy.

1. Update on Labor Negotiations Strategy

Committee Members

George Soule, Chair
Kathy Sheran, Vice Chair
Dawn Erlandson
Tim Huebsch
Javier Morillo
Cheryl Tefer

President Liaisons

Carrie Brimhall
Robbyn Wacker

Bolded items indicate action required.





MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Workforce and Organizational Effectiveness Committee

DATE: May 17, 2023

TITLE: Update on Labor Negotiations Strategy

Proposed New Policy or
Amendment to Existing Policy

Approvals Required by
Policy

Other Approvals

Monitoring/Compliance

Information

PRESENTERS

Eric Davis, Vice Chancellor for Human Resources

Chris Dale, Senior System Director for Labor Relations

William Maki, Vice Chancellor for Finance

Susan Anderson, Associate Director Financial Planning and Analysis

PURPOSE

In a closed session pursuant to Minnesota Statutes §13D.03, Closed Meeting for Labor Negotiations Strategy, the Board will hear the status of bargaining.

BACKGROUND INFORMATION

Vice Chancellor for Human Resources Eric Davis and Senior System Director for Labor Relations Chris Dale will provide an update on the status of bargaining for FY2024 and FY2025.



Committee of the Whole
May 17, 2023
9:30 a.m.
McCormick Room, 4th Floor

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

- 1. Workday Change Order Approval**
- 2. Revised NextGen Project Timeline/Budget Approval**

Bolded items indicate action required.





MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Committee of the Whole

DATE: May 17, 2023

TITLE: Workday Change Order Approval

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

PRESENTERS

Jacquelyn Bailey, Vice Chancellor for Information Technology & Chief Information Officer
Bill Maki, Vice Chancellor of Finance and Facilities

PURPOSE

Seek approval of Workday Change Order 12, which extends the go-live date of the Human Capital Management (HCM) and Finance modules by one year to July 1, 2024, and adds new scope that includes additional configuration, testing, and project cutover support. The additional cost is \$8.75 million.

BACKGROUND INFORMATION

At its November 2020 meeting, the Board approved the Workday contract for a total term not to exceed thirteen (13) years and a total amount not to exceed \$244,629,000. The authority included renewals and authority if needed to utilize up to \$10,000,000 in contingency funds for project adjustments that might occur over the (7) seven-year implementation period. The Board's approval also included a regular project status reporting program, in which the Chancellor would inform the Board the status of exercising renewal options and the use of contingency funds for the project.

Subsequently when the Office of Internal Auditing provided Project Risk Review Checkpoint 7 at the October 2021 Board meeting, one of the recommendations was for the project team to enhance the process for project change orders to formally define roles for all stakeholders (including the project team, steering committee, chancellor, and trustees). Part of that process enhancement that was presented to the Board in January 2022 included Board approval for any project change orders that exceed \$1,000,000 or changed the timeline that would impact original go-live dates.

Minnesota State continued its implementation of its NextGen ERP powered by Workday, with its focus on deploying the HCM and Finance modules first with an original go-live date of July 2023.

In April of 2022, challenges facing critical project activities were observed through project monitoring tools. May 2022 through August of 2022, specific remediation actions to stay on track were identified and executed by Team Workday and Minnesota State.

Some sample remediations strategies utilized have been increasing resource capacity to support key workstreams, increasing project resource capacity, reinforcing governance of system office senior leadership involvement, reducing scope where appropriate, and implementing specific escalation meetings for project teams.

In September and October of 2022, after much evaluation, Minnesota State and Team Workday leadership came to consensus around extending the go-live date for the HCM and Finance modules. It is a normal occurrence for a project of this magnitude and complexity to need more time to successfully complete implementation for a successful go-live.

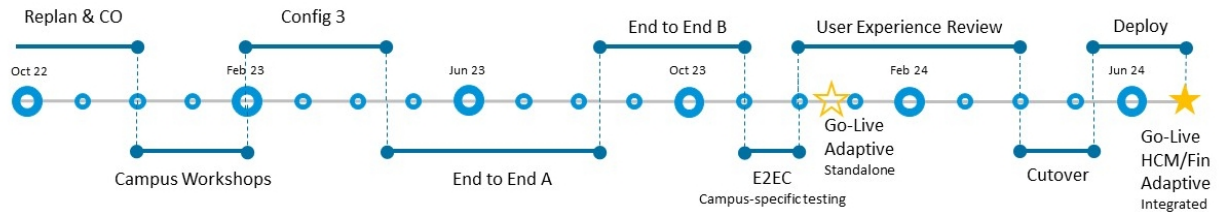
The teams worked to refine options and specifics of project plan changes and identified areas of new scope to achieve a successful go-live in July 2024. This timeline extension enables Minnesota State to go-live with a viable, usable, productive system that will serve as the foundation for NextGen Student.

November of 2022 through April of 2023, Minnesota State and Team Workday kept working with the new timeline in mind. In addition, the HCM and Finance implementation continued to be monitored. Time was also spent building the change order that included honing the areas of new scope, business terms, timeline, and quantum. These activities came to completion via a mutually agreed upon scope and quantum at the end of April 2023. This agreement was made in principle and is subject to Board approval and the execution of a contract modification by both parties.

Key activities and milestones have been identified, and a new July of 2024 timeline has been established that our teams will continue to work towards. The three newly scoped areas are Configuration 3 Tenant build and configurations; End-to-End Test Tenant 2 build and testing cycles (to include cycles corresponding, unfinished portions of A and entirely new cycle C); as well as additional cutover support for Institution Companion projects. The descriptions, deliverables, dates, milestones, payment gates, and any other corresponding project and payment details for these three new scope items are referenced in the official Change Order 12 document. The cost for these areas of scope is more than the fixed fees of the current contract as they are deemed completely new scope being added in.

Going forward, our teams will continue strengthening project planning and resource management; ensure we have disciplined task prioritization, execution and milestone achievement; building on the positive working relationships of the NextGen team; and continue investing in training and development of essential skills for sustaining and leveraging Workday and companion systems.

Timeline Extension



An area that will go live in December of 2023, just before the HCM and Finance modules, is the Adaptive Planning module. This module contains a suite of budget and planning tools that offer new, powerful capabilities in the realm of financial forecasting, reporting, and analysis to support decision-making. Adaptive integrates seamlessly with other Workday modules to provide a consistent user experience that is easily accessible, with on-demand access to comprehensive and holistic overviews of financial information and data from across the platform.

We have funded this timeline extension using our existing contingency fund. This new scope and time require no additional financial ask of colleges/universities at this time. The system office is seeking approval to amend its existing contract with Workday, the selected vendor for implementation of our ERP, for Minnesota State software licensing, and for cloud hosting. This amendment, made via change order 12, will be to approve the cost associated with adding in new scope at \$8,750,000 (fixed fee), which will be funded using the NextGen Project contingency budget.

The new scope of \$8,750,000 includes the following elements:

Configuration 3 Tenant Build and Configurations	\$2,908,705
Supports the building of campus level companion project configurations	
End-To-End Tenant Build and Test Cycles A and C	\$4,460,055
Provides additional time to ensure all configurations are working end-to-end and producing the appropriate output	
Institution Companion Project Cutover Support	\$1,381,240
Will help to ensure that campuses have the necessary supports to move their companion projects successfully into production	
TOTAL	\$8,750,000

RECOMMENDED COMMITTEE MOTION

The Committee of the Whole recommends that the Board of Trustees authorize the chancellor to execute a project adjustment via Change Order 12 with Workday on behalf of the system office for a total term not to exceed twelve (12) months past the original HCM/Finance completion date of July 2023, which will be July of 2024, and a total amount of \$8,750,000, and funded through

the NextGen project contingency budget.

The Board directs the chancellor or their designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor to execute a project adjustment via Change Order 12 with Workday on behalf of the system office for a total term not to exceed twelve (12) months past the original HCM/Finance completion date of July 2023, which will be July 2024, and a total amount of \$8,750,000, and funded through the NextGen project contingency budget.

The Board directs the chancellor or their designee to execute all necessary documents.

Date Presented to the Committee of the Whole: 5/17/2023
Date Presented to the Board of Trustees: 5/17/2023
Date of Implementation: 5/17/2023



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Committee of the Whole

DATE: May 17, 2023

TITLE: Revised NextGen Project Timeline/Budget Approval

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

PRESENTERS

Jacquelyn Bailey, Vice Chancellor for Information Technology & Chief Information Officer
Bill Maki, Vice Chancellor for Finance and Facilities

PURPOSE

Minnesota State launched the NextGen ERP replacement project in March 2016 with the endorsement of a business case. 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. In November 2020, the Board approved a revised project and finance plan and awarded the contract to Workday. Staff are seeking approval of a revised timeline and budget for the implementation of Workday’s Human Capital Management (HCM) and Finance modules.

BACKGROUND INFORMATION

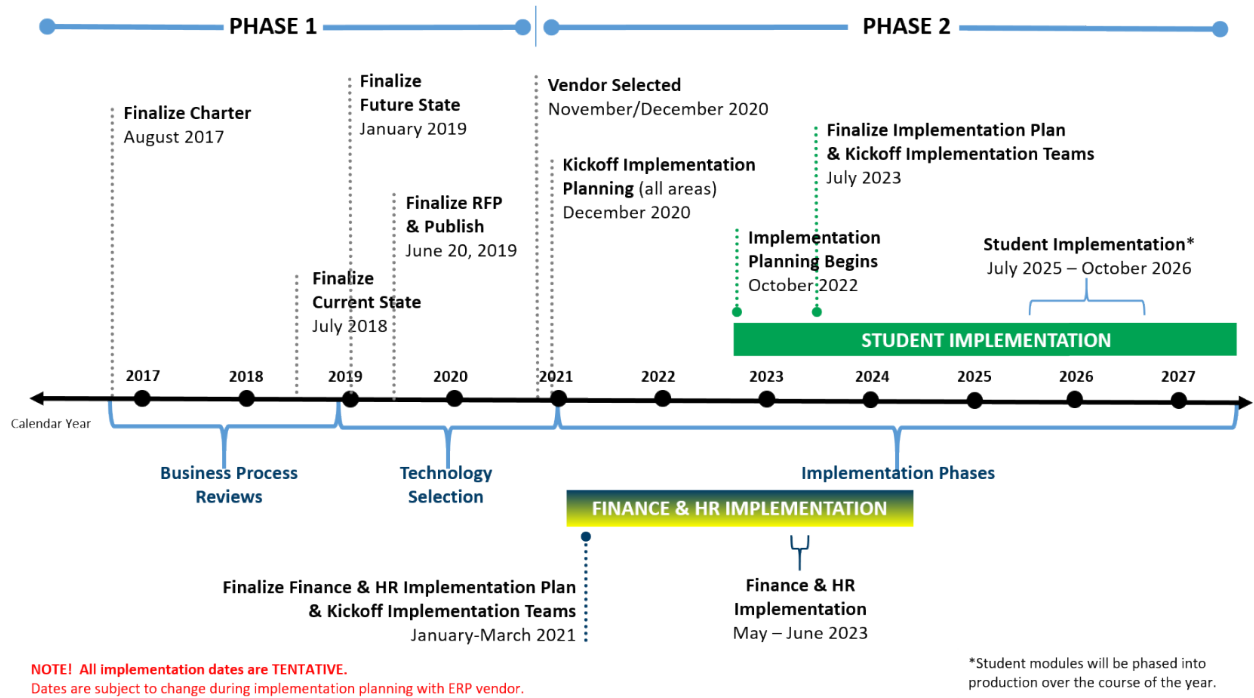
PROJECT TIMELINE

The implementation timeline that was approved in November 2020 was seven (7) years for the implementation of Workday’s HCM, Finance, and Student modules. Implementation began in early 2021 after the contract was finalized with Workday in late December 2020. 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, HCM and Finance will deploy together. The approved timeline (Figure 1) was for HCM and Finance to go-live in July 2023 in time for fiscal year 2024. A fifteen (15) month warranty period will follow implementation. Due to the scope and complexities of a student implementation, it will occur after HCM and Finance are deployed. Student modules support 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 was scheduled to start in October 2022 with planning. Functionality was set to deploy in ph starting July 2025 and concluding October 2026

with a warranty period through August 2027.

Figure 1



In spring 2022, both the Minnesota State and Workday teams started experiencing challenges that were impacting critical project activities. During the summer, additional project resources were deployed to support key workstreams, critical issues were escalated to the executive sponsors of the project, and the overall scope of the project was assessed.

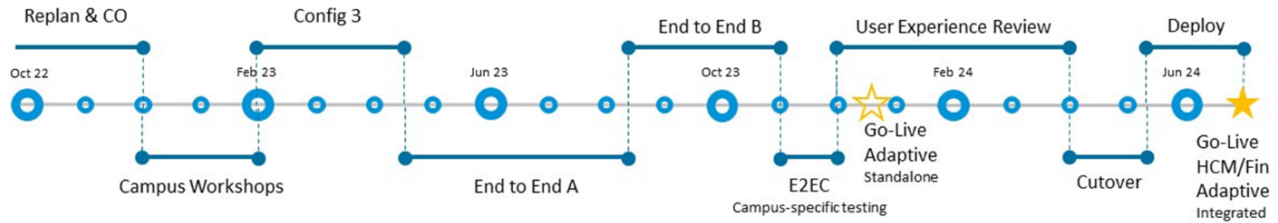
In November of 2022 and through April of 2023, the NextGen and Team Workday teams kept working with the new timeline in mind. Time was also spent building of the change order that included honing the areas of new scope, business terms, timeline, and quantum. These activities came to completion via a mutually agreed upon scope and quantum at the end of April. Work and pace have continued the entire time by both Team Workday and Minnesota State teams.

Key activities and milestones have been identified, and a new July of 2024 timeline has been established that our teams will continue to work towards. The three newly scoped areas are Configuration 3 Tenant build and configurations; End-to-End Test Tenant 2 build and testing cycles (to include cycles corresponding, unfinished portions of A and entirely new cycle C); as well as additional cutover support for Institution Companion projects. The descriptions, deliverables, dates, milestones, payment gates, and any other corresponding project and payment details for these three new scope items are referenced in the official Change Order 12 document. The cost for these areas of scope is more than the fixed fees of the current contract as they are deemed completely new scope being added in.

An area that will go live in December of 2023, just before the HCM and Finance modules, is the

Adaptive Planning module. This module contains a suite of budget and planning tools that offer new, powerful capabilities in the realm of financial forecasting, reporting, and analysis to support decision making. Adaptive integrates seamlessly with other Workday modules to provide a consistent user experience that is easily accessible, with on-demand access to comprehensive and holistic overviews of financial information and data from across the platform.

Revised HCM and Finance Timeline



Going forward, our teams will continue strengthening project planning and resource management; ensure we have disciplined task prioritization, execution and milestone achievement; building on the positive working relationships of the NextGen team; and continue investing in training and development of essential skills for sustaining and leveraging Workday and companion systems.

REVISED PROJECT BUDGET

In November 2020, the Board approved a revised project budget of \$242.7M. The \$242.7M budget, includes:

Category	Description	Total Budgeted Amount
Minnesota State Project Team	<ul style="list-style-type: none"> Implementation Teams 	\$41.6M
	<ul style="list-style-type: none"> Training Change Management 	
ERP Vendor Contract	<ul style="list-style-type: none"> Implementation Software License and Cloud Hosting 	\$168.0M
Other Professional Support	<ul style="list-style-type: none"> CampusWorks – Phase 1 Project Management 3rd Party Owner’s Rep and Legal Counsel 	\$7.2M
Technology Maintenance and Support	<ul style="list-style-type: none"> ISRS Refresh & Maintenance Integrations Data Reporting 	\$10.9M
Contingency	<ul style="list-style-type: none"> Budgeted amount for changes and adjustments over the 7 years 	\$15.0M
	Total	\$242.7M

Minnesota State Project Team (\$41.6M) includes teams for change management and implementation teams for finance, human resources, and student modules. Implementation teams include campus, system, and industry subject matter experts that provide system-level leadership and support along with specialized IT support for reporting and module testing.

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 2021. 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 systemwide enterprise technology budget.

Other Professional Support (\$7.2M) includes the Phase 1 contractor (CampusWorks), project management, third party owner's representative, and legal support. 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.

Technology Maintenance and Support (\$10.9M) includes a data hub and professional services in order to integrate ISRS with the selected SaaS. These services include the refresh & maintenance of ISRS and companion product integrations.

Contingency (\$15.0M) includes a budget for implementation changes and adjustments that may occur over the seven-year implementation period for HCM, Finance, and Student.

As the project has progressed over the past two years, it was also determined that it would be more effective to realign the existing budget so it better aligns with the project governance structure. Instead of managing and monitoring the project budget at the project level, the team is proposing the budget be realigned into three major categories: HCM/Finance, Student, and Overall Project Support. The overall project support portion includes staff, services, and functions that need to be operational through all components of the project. These functions include specific technology support, change management, project management, third party owner's representative, and legal support.

As of April 30, 2023, \$60,946,314 has been expended from the \$242,700,000 project budget with \$42,382,648 of it for the Workday contract and \$18,133,666 of it for Minnesota State project teams, professional support, and technology maintenance.

NextGen | Total Implementation Budget Realignment May 2023

	Minnesota State Project Team	ERP Vendor Contract	Other Project Support	Technology Maintenance Support	Contingency
HCM/ FIN \$100.4M	\$7.0M	\$81.0M	--	--	\$12.375M
Student \$101.1M+	\$14.1M	\$87.0M	--	--	TBD
Overall Project Support (IT/OCM/TPOR/PM/Legal) \$41.2M	\$20.5M	--	\$7.2M	\$10.9M	\$2.625M
TOTAL \$242.7M	\$41.6M	\$168.0M	\$7.2M	\$10.9M	\$15.0M



While we are not seeking an increase at this time of the overall \$242.7 million project, we are seeking approval to utilize contingency for the added scope for HCM and Finance that is detailed in change order 12 and for covering internal Minnesota State costs for adding an additional year to the implementation timeline. Besides \$23,385 that was used for additional legal services when the original contract was being negotiated in 2020, the contingency fund has remained intact through the first two years of implementation.

Contingency funds would be utilized for the following:

- \$8,750,000 for Workday Change Order #12 to cover additional scope for HCM and FIN implementation that includes:

Configuration 3 Tenant Build and Configurations \$2,908,705
Supports the building of campus level companion project configurations

End-To-End Tenant Build and Test Cycles A and C \$4,460,055
Provides additional time to ensure all configurations are working end-to-end and producing the appropriate output

Institution Companion Project Cutover Support \$1,381,240
Will help to ensure that campuses have the necessary supports to move their companion projects successfully into production

- \$5,700,000 for additional internal costs for the HCM and FIN timeline extension that includes:
 - \$3,100,000 for the HCM and Finance teams
 - \$2,600,000 for overall project support

There would be \$526,615 left in the contingency fund for the remainder of HCM and Finance implementation. As indicated above, the \$15 million contingency fund was intended to cover the entire project that included implementation of the Student modules. A new contingency budget for the Student module implementation will need to be established once final decisions are made for Student.

FINANCING NEXTGEN

Funding for the original project finance plan in June 2019 was approached with the 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

In November 2020, the Board approved a revised financing plan for \$242.7 million that included 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 is being 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 used towards the annual software licensing and cloud hosting.

The annual contributions from colleges, universities, and the system office currently are at \$12.5 million per year. The system office contributes \$500,000 annually from its operating budget and the colleges and universities pay their share of \$12,000,000 based on their previous year's student and employee headcount. No additional funding for this project is currently being requested of colleges and universities due to this revised timeline and budget.

With NextGen being a high priority for the system, conversations with Leadership Council in the fall of 2020 yielded the idea to examine carefully the system's current allocation (master green sheet) for state appropriations. The reallocation amount projected is \$4.6 million per year for nine years and would be effective in fiscal year 2024 to allow time for planning over the next couple of years. The \$4,600,000 that is being proposed to be reallocated include the following budgets:

- \$1,914,000 from the System Debt Service budget
- \$1,296,000 from Tuition Replacement Funds (available due to enrollment declines)
- \$1,080,000 from Collaboration Funds
- \$150,000 from the System Audit Program budget
- \$80,000 from the Leadership Transitions budget
- \$80,000 from the System Repair and Replacement budget

These reallocations will be reflected in the FY2024 operating budget request that the Board will be asked to approve at its June 2023 meeting.

Based on this revised timeline and budget, the estimated spending pattern for external and internal work peaks at \$44 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 total amount of the internal cash flow loan is now estimated to be approximately \$40 million. This is slightly less than the original projection of \$48 million. This reduction is primarily due to the extended timeline. The cash flow projections will need to be recalculated once Student module negotiations are completed.

The project plan includes both internal spending and external contractor commitments. Internal spending can be financed with annual commitments. 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 provides a solution for the entire cost of the project.

FUTURE NEXTGEN PROJECT TIMELINE AND BUDGET REVISION

As mentioned previously, the overall size of the project budget remains at \$242.7 million for now. It is anticipated that a revised timeline, implementation budget, and financing plan will be brought to the Board for approval in the future when final. The HCM/Finance timeline extension, use of nearly the entirety of the contingency, and the expected complexity of Student will increase the cost of this project beyond the current budget.

RECOMMENDED COMMITTEE MOTION

The Committee of the Whole recommends that the Board of Trustees approve the updated project plan and finance plan as outlined in this report.

RECOMMENDED BOARD MOTION

The Board of Trustees approves the updated project plan and finance plan as outlined in this report.

Date Presented to the Committee of the Whole: 05/17/2023
Date Presented to the Board of Trustees: 05/17/2023
Date of Implementation: 05/17/2023



Academic and Student Affairs Committee
May 17, 2023
11:00 a.m.
McCormick Room, 4th Floor

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings.

- 1. Minutes of March 21, 2023**
- 2. Proposed Amendment to Board Policy 3.24 College or University Type and Mission, System Mission (Second Reading)**
- 3. Mission Statement Change: Lake Superior College**
4. Effective Strategies for Tackling Transfer

Committee Members

Cheryl Tefer, Chair
Alex Cirillo, Vice Chair
Victor Ayemobuwa
Jerry Janezich
Javier Morillo
Kathy Sheran

President Liaisons

Scott Olson
Deidra Peaslee

Bolded items indicate action required.





**Academic and Student Affairs Committee
Meeting Minutes
March 21, 2023**

A meeting of the Academic and Student Affairs Committee of the Board of Trustees was held on March 21, 2023.

Committee members present: Cheryl Tefer, Chair; Alex Cirillo, Vice Chair; Victor Ayemobuwa, Jerry Janezich, Kathy Sheran, and Javier Morillo

Committee members absent: April Nishimura

Other board members present: Roger Moe, Jay Cowles, Dawn Erlandson, George Soule, Jim Grabowska, Tim Huebsch

Staff present: Devinder Malhotra, Chancellor; Satasha Green-Stephen, Sr. Vice Chancellor for Academic and Student Affairs

The meeting materials for this meeting are available [here](#) starting on page 11. An audio recording of the meeting is available [here](#).

Committee Chair Tefer called the meeting to order at 12:02 p.m.

Agenda Item 1: Approval of the Meeting Minutes for March 21, 2023

Committee Chair Tefer asked if there are any changes or amendments to the minutes, then asked for a motion to approve. Trustee Cirillo made the motion and Trustee Ayemobuwa provided a second.

A roll call vote was conducted, and the minutes were approved unanimously.

Agenda Item 2: Proposed Amendment to Board Policy 2.8 Student Life (Second Reading)

Committee Chair Tefer invited Sr. Vice Chancellor Satasha Green-Stephen to present on proposed amendment to Board Policy 2.8 Student Life, as detailed in the meeting materials.

The meeting materials for this item begin on page 15.

Committee Chair Tefer asked the committee to consider the following recommended committee motion:

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the proposed amendment to Policy 2.8 Student Life

Trustee Janezich made the motion and Trustee Sheran seconded. A roll call was conducted. The vote was as follows:

Trustee Ayemobuwa	Yes
Trustee Cirillo	Yes
Trustee Janezich	Yes
Trustee Morillo	Yes
Trustee Sheran	Yes
Trustee Tefer	Yes

Agenda Item 3: Proposed Amendment to Board Policy 3.24 College or University Type and Mission, and System Mission (First Reading)

Committee Chair Tefer invited Sr. Vice Chancellor Satasha Green-Stephen to present on proposed amendment to Board Policy 3.24 College or University Type and Mission, and System Mission, as detailed in the meeting materials.

The meeting materials for this item begin on page 18.

This being a first reading of the item, there was no vote taken.

Agenda Item 4: Proposed Amendment to Board Policy 3.32 Faculty Qualifications (First Reading)

Committee Chair Tefer invited Sr. Vice Chancellor Satasha Green-Stephen along with guest presenters listed, to present Institutional and Specialized Accreditation as detailed in the meeting materials.

The meeting materials for this item begin on page 21.

Committee Chair Tefer asked for a motion to suspend the rules and allow a vote on the first reading. Trustee Tefer made the motion and Trustee Cirillo provided a second.

A roll call vote was conducted, and the motion to suspend the rules was approved unanimously.

Committee Chair Tefer asked the committee to consider the following recommended committee motion:

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the proposed amendment to Policy 3.32 Faculty Qualifications.

Trustee Cirillo made the motion and Trustee Janezich seconded. A roll call was conducted. The vote was as follows:

Trustee Ayemobuwa	Yes
Trustee Cirillo	Yes
Trustee Janezich	Yes
Trustee Morillo	Yes
Trustee Sheran	Yes
Trustee Tefer	Yes

The committee voted to approve the recommended motion.

Agenda Item 5: Strategic Enrollment Management Approach

Committee Chair Tefer invited Sr. Vice Chancellor Satasha Green-Stephen along with Paul Shepherd, Interim Associate Vice Chancellor for Student Affairs and Enrollment Management, Lynn Akey, Vice President for Student Success, Analytics and Integrated Planning, Minnesota State University, Mankato, Gail O’Kane, Vice President of Academic Affairs, Minneapolis Community and Technical College and Heid Aldes, Dean of Enrollment Management, Minneapolis Community and Technical College to present Strategic Enrollment Management Approach as detailed in the meeting materials.

The meeting materials for this item begin on page 24.

This being an informational item, there was no vote taken.

Adjournment

The committee chair adjourned the meeting at 1:20 p.m.



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Academic and Student Affairs

DATE: May 17, 2023

TITLE: Amendment to Policy 3.24 College or University Type and Mission, and System Mission (Second Reading)

- Proposed New Policy / Amendment to Existing Policy
- Approvals Required by Policy
- Other Approvals
- Monitoring/Compliance
- Information

PRESENTERS

Satasha Green-Stephens, Senior Vice Chancellor for Academic and Student Affairs

PURPOSE

Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6. Board Policies and System Procedures requires board review and approval of proposed changes to board policy and that each board policy is reviewed at least once every five years.

BACKGROUND INFORMATION

The proposed amendment to Board Policy 3.24 consists of updating the title, creating a new Part 2. Authority, adding the definition of strategic plan, reorganizing the definition section alphabetically, and adding new Part 7. Review of Strategic Plans.

RECOMMENDED COMMITTEE MOTION (SECOND READING DRAFT)

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the proposed amendment to Policy 3.24.

RECOMMENDED BOARD MOTION (SECOND READING DRAFT)

The Board of Trustees approve the proposed amendment to Policy 3.24.

Date Presented to the ASA Committee: 05/17/23
Date Presented to the Board of Trustees: Second reading – action taken.
Date of Implementation: 05/17/23

PROPOSED CHANGES (SECOND READING)

Single underlining represents proposed new language.

Strikeouts represent existing language proposed to be removed.

1 **3.24 College or University Type, ~~and~~ Mission, and Strategic Plan, and ~~System~~ Minnesota State** 2 **Mission and Vision**

3

4 **Part 1. Purpose**

5 To establish conditions and processes for the review of college and university types, missions,
6 and strategic plans, and ~~system~~ Minnesota State mission.

7

8 **Part 2. Authority**

9 Minn. Stat. 136F.05 Missions requires the colleges and universities of Minnesota State to
10 establish their own distinct missions within certain parameters and with the approval of the
11 Board of Trustees. Minn. Stat. §135A.052 Postsecondary Missions recognizes each type of
12 postsecondary institution in the state and their distinct missions.

13

14 **Part 3. Definitions**

15 The following definitions apply to this policy and System Procedure 3.24.1.

16

17 **College or university**

18 Technical colleges, community colleges, consolidated community and technical colleges,
19 and state universities within Minnesota State., as defined in Minn. Stat. § 135A.052, Sub. 1.

20

21 **Mission**

22 The distinct purpose of the college, university, or Minnesota State.

23

24 **Strategic Plan**

25 The college or university 2 to 5-year strategic plan.

26

27 **Vision**

28 The aspirations of the college, university, or Minnesota State.

29

30

31

32 **Part 4. Change in College or University Type**

33 A request for a change in college or university type is subject to approval by the board ,
34 following a first and second reading in accordance with Board Policy 1A.1 Part 6, Subpart A. The
35 chancellor shall promulgate procedures to guide the board's review of a change in college or
36 university type.

37

38 **Part 5. Approval of College or University Mission Statement**

39 A college or university mission statement requires board approval. The chancellor has authority
40 to approve minor revisions to an approved mission statement. The mission of a college or

41 university must support achievement of the ~~system~~ Minnesota State mission and provide a
42 foundation for evaluation, accountability, and regional accreditation. Each college or university,
43 with consultation from students, faculty, staff, and members of the local civic, nonprofit, and
44 business communities, must be given considerable latitude to express its mission.

45

46 **Part 6. Review and Approval of the ~~System~~ Minnesota State Mission and Vision**

47 The ~~Bof Trustees board~~ shall periodically review, revise as appropriate, and approve the ~~system~~
48 Minnesota State mission and vision. The mission and vision must advance the higher education
49 needs of the state. The board shall assure there is consultation with students, faculty, staff, and
50 essential members of the state.

51

52 **Part 7. Review of Strategic Plans**

53 Upon request, colleges and universities shall submit their institutional strategic plans to the chancellor.

Related Documents:

- [Board Policy 1A.1](#) Minnesota State Colleges and Universities Organization and Administration
- [System Procedure 3.24.1](#) College or University Type and Mission, and Minnesota State Mission
- [Higher Learning Commission \(HLC\) Policy](#) on Criteria for Accreditation, Criterion 1. Mission

To view the following related statutes, go to the Revisor's Web site (<https://www.revisor.mn.gov/>).
You can conduct a search from this site by typing in the statute number.

- Minn. Stat. §136F.05 Missions
- Minn. Stat. §135A.052 Postsecondary Missions

Policy History

Date of Adoption: 06/16/99
Date of Implementation: 07/01/99
Date of Last Review: 05/16/18

Date & Subject of Amendments:

Xx/xx/23 – Full review, changed title from “College or University Type and Mission” to “College or University Type, Mission, and Strategic Plans, and Minnesota State Mission and Vision”, relocated 136F.05 statutory reference from Part 1 to new Part 2. Authority, replaced “system” with “Minnesota State” throughout procedure, added new Part 7. Review of Strategic Plans.

Additional [HISTORY](#)



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Academic and Student Affairs Committee

DATE: May 17, 2023

TITLE: Mission Statement Change: Lake Superior College

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

PRESENTERS

Satasha Green-Stephen, Senior Vice Chancellor for Academic and Student Affairs
Patricia L. Rogers, President, Lake Superior College

PURPOSE

The Mission, Vision, and Values statements for Lake Superior College are being presented for Minnesota State Board of Trustees approval. The Mission meets the criteria in Board Policy 3.24 College or University Type and Mission, and System Mission, Part 4. Approval of College or University Mission Statement.

Current Mission, Vision, and Values Statements

Mission: Lake Superior College serves the community and supports the economy of Northeast Minnesota and beyond by providing high-value accessible higher education and advanced training in a supportive environment.

Vision: We will strengthen our community by anticipating and meeting its needs for innovative education and training.

Values: lifelong learning, equity and diversity, innovation and initiative, trust and respect, academic freedom and free inquiry, integrity and stewardship, collaboration, community

Proposed Mission, Vision, and Values Statements

Proposed Mission: Lake Superior College serves students, the community, and the economy of Northeast Minnesota and beyond by providing high-value accessible higher education and advanced training in a supportive, inclusive environment to prepare the skilled workforce of the future.

Proposed Vision: Lake Superior College will strengthen our students and our region by

anticipating and meeting the need for innovative education and training and empowering students to reach their fullest potential.

Proposed Values:

- Community, Collaboration
- Lifelong Learning
- Equity, Diversity, and Inclusion
- Innovation and Initiative
- Integrity
- Trust and Respect
- Academic Freedom and Free Inquiry
- Stewardship

BACKGROUND INFORMATION

Lake Superior College has consistently been ranked among the 20 best community colleges in the nation for quality and affordability. LSC was also ranked among the 10 colleges with the most affordable online associate degrees in cybersecurity and among the top 25 best online associate degrees in cybersecurity. The associate in accounting online degree was named as one of the top 50 best online accounting degree programs. We offer nearly 200 online classes each semester. Whether learning at home, while serving in the military or as a guest student from another college, students enjoy the same support and resources as on-campus students.

The main campus houses general education, nursing and allied health, business courses, and trades such as autobody/auto services, carpentry, and electronics, media studies, arts, and sciences. The LSC Center for Advanced Aviation, located at the Duluth Airport, is home to our professional pilot and aviation maintenance technician programs. The LSC Emergency Response Training Center is a regional firefighting and emergency rescue training hub and also hosts LSC's truck driving program in West Duluth. The LSC Downtown Center offers state-of-the-art integrated manufacturing training and shop facilities for machining, welding, and computer-aided design.

The 2022-2023 Mission Reaffirmation/Refinement for Lake Superior College (LSC) was undertaken as part of LSC's strategic planning process to either reaffirm or refine its mission, vision, and values statements prior to the February 2024 Higher Learning Commission (HLC) comprehensive accreditation visit.

LSC's mission, vision, and values reflect a keen sense of commitment to being responsive to and supportive of current and anticipated needs of students and the region's workforce. The college has an ongoing commitment to serving its mission through career and technical education, general education and university transfer programs, lifelong learning opportunities, support of cultural and social activities, and regional economic development. This commitment is evidenced through our robust credit-based program inventory, customized training and continuing education (CECT) offerings, and the annual community report.

The college commitment to strengthening the community through innovative education and training provides direction for ongoing programmatic review and future planning. In support of

the college mission and vision, eight core values (aligned with Equity 2030) serve as the foundation for all planning and activities: lifelong learning; equity and diversity; innovation and initiative; trust and respect; academic freedom and free inquiry; integrity and stewardship; collaboration; and community. College planning and resources are expressly based on the college core values, as reflected in key operational plans and departmental work plans.

The initial LSC mission, vision, and values statements were developed in 1994-95 in anticipation of the college's candidacy for initial accreditation by HLC. The next review took place in 2004 and resulted in expanded verbiage. In 2010, the mission was taken under review again to rewrite the mission, but ultimately there was no change. In response to the college's 2014 Systems Appraisal Feedback Report, the mission, vision, and values were reviewed through an HLC AQIP Action Project in 2016. Input was solicited from faculty, staff, students, and constituents in the community through a variety of means including open forums, surveys, focus groups, and targeted personal interviews.

This same intense evaluative review was done simultaneously with the development of the strategic plan for 2016–2020. The college submitted its new mission, vision, and values statements to the Minnesota State system office for review and approval by the Board of Trustees, in accordance with Board Policy 3.24. The Board of Trustees approved the new mission statement on January 24, 2018.

At the start of a new strategic planning process, it is a best practice to reaffirm or refine an institution's mission, vision, and values statements. LSC began this process during the 2019-2020 academic year (even though the statements were still fairly recent) in anticipation of a new strategic plan beginning in 2020 and due to onboarding a new President on July 1, 2019, and a new vice president of academic and student affairs on July 1, 2020. The COVID-19 pandemic delayed this review, with most of the campus community online. During the 2020-2021 academic year, the college focused on developing the 2020-2030 strategic plan and used the existing mission, vision, and values statements throughout this process, along with the Minnesota State Equity 2030 framework. A new informal tagline of "We're the community's Community College" was created at the same time to express continued commitment to the mission, vision, and values and was used throughout the strategic planning process as an abbreviated statement of the college's commitment to serving and supporting the needs of students and the community.

A thorough campus-wide review of the mission statement was then conducted during the 2022-2023 academic year. The college held open forums (online and in-person) with faculty, staff, and students, and gathered written feedback through the website. During this review, it was determined that we would essentially re-affirm our current mission statement. However, one significant element has been missing that needed to be added to the mission and vision statements – the student. Several revised mission and vision statements were presented during the spring term and opened to all faculty, staff, and students for comment. This work culminated in slightly revised mission and vision statements, and refined values statements which will take effect following Minnesota State Board of Trustees approval in accordance with Board Policy 3.24.

Drafts of the mission, vision, and values statements were shared with the system office marketing and communications division on April 3, 2023.

RECOMMENDED COMMITTEE MOTION

Upon the recommendation of the Chancellor, the Academic and Student Affairs Committee recommends that the Board of Trustees approve the mission statement of Lake Superior College.

RECOMMENDED BOARD MOTION

The Board of Trustees approves the mission statement of Lake Superior College.

Date Presented to the Academic and Student Affairs Committee: 5/17/2023
Date Presented to the Board of Trustees: 5/17/2023
Date of Implementation: 5/17/2023



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Academic and Student Affairs Committee

DATE: May 17, 2023

TITLE: Effective Strategies for Tackling Transfer

Proposed New Policy or
Amendment to Existing Policy

Approvals Required by
Policy

Other Approvals

Monitoring/Compliance

Information

PRESENTERS

Satasha Green-Stephen, Senior Vice Chancellor for Academic and Student Affairs

Jesse Mason, Interim Associate Vice Chancellor for Academic Affairs

Ginny Arthur, President, Metropolitan State University

Sharon Pierce, President, Minneapolis Community and Technical College

PURPOSE

This informational presentation provides an update on strategies to evaluate, support, and improve transfer in Minnesota State.

BACKGROUND INFORMATION

This presentation provides an update on the November 2022 study session on transfer and progress on work to improve transfer.

Recent efforts have focused systemwide leadership attention on improving student transfer in Minnesota State. Moreover, as we emerge from the COVID-19 pandemic and work to address its impact on students and communities, we know that transfer will continue playing a critical role in achieving our Equity 2030 goals and in advancing our priorities on strategic enrollment management and the Minnesota State Guided Learning Pathways framework.

Initiatives led by academic and student affairs provide a path forward to continued improvements in transfer. From 2018-2021, Minnesota State was part of a national project with the Aspen Institute College Excellence Program, HCM Strategists, and Sova, to strengthen social mobility by improving transfer outcomes for baccalaureate-seeking students who begin at community colleges. Along with systems from Texas and Virginia, Minnesota State partnered with institutional leaders, policymakers, and practitioners to identify strategies to improve policy and practice and transfer student success.

There are several types of transfer available for students that serve the needs of a diverse student body. Strengthening pathways and ease of transfer requires quality assurance,

proactive intervention, and technological transformation that is reflective of our changing student demographics and needs. These comprehensive efforts incorporate changes in policy and practice, creating accountability processes, and scaling measurable improvements centering equity and student success.



Board of Trustees Meeting
May 17, 2023
12:45 p.m.
McCormick Room, 4th Floor

Times are tentative – meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of previous meetings. Interested parties can listen to the live stream of the proceedings from the [Board website](#).

Call to Order, Roger Moe, Chair

Chancellor’s Report, Devinder Malhotra

Posthumous Presidential Emerita Recognition

Chair’s Report, Roger Moe

Consent Agenda

- 1. Minutes of the Board of Trustees Meeting, April 19, 2023**
- 2. Contracts Requiring Board Approval**
 - a. Helicopter Aviation Training, Lake Superior College**
 - b. Advance Manufacturing Lab Training Equipment Contract, St. Cloud Technical & Community College**
- 3. Proposed Amendment to Board Policy 7.4 Financial Reporting (Second Reading)**
- 4. Proposed Amendment to Board Policy 5.11 Tuition and Fees (Second Reading)**
- 5. Proposed Amendment to Board Policy 3.24 College or University Type and Mission, System Mission (Second Reading)**
- 6. Workday Change Order Approval**
- 7. Revised NextGen Project Timeline/Budget Approval**
- 8. Mission Statement Change: Lake Superior College**

Academic and Student Affairs Committee, Cheryl Tefer, Chair

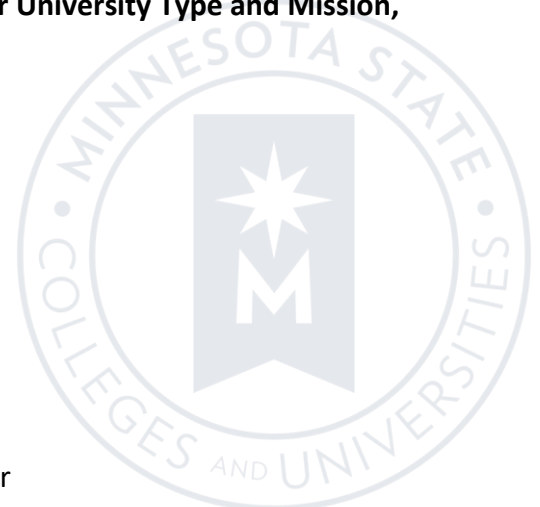
- Report of the Committee

Finance and Facilities Committee, Jay Cowles, Chair

- Report of the Committee

Outreach and Engagement Committee, Dawn Erlandson, Chair

- Report of the Committee



Joint Meeting of Academic and Student Affairs and Audit Committees, Cheryl Tefer and Alex Cirillo, Co-Chairs

- Report of the Committee

Joint Meeting of Diversity, Equity and Inclusion and Finance and Facilities Committees, George Soule and Jay Cowles, Co -Chairs

- Report of the Committee

Student Associations

1. Lead MN, John Runningen, President
2. Students United, Kaileigh Weber, State Chair

Minnesota State Colleges and Universities Bargaining Units

1. American Federation of State, County, and Municipal Employees Council 5, Minnesota State Policy Committee, Jennifer Erwin, President
2. Inter Faculty Organization, Jenna Chernega, President
3. Middle Management Association, Gary Kloos, Executive Director
4. Minnesota Association of Professional Employees, Nicole Emerson, Regional Director
5. Minnesota State College Faculty, Kevin Lindstrom, President
6. Minnesota State University Association of Administrative and Service Faculty, Kristy Modrow, President

Trustee Reports

Adjournment

Bolded items indicate action is required.



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Board of Trustees

DATE: May 17, 2023

TITLE: Posthumous Presidential Emerita Recognition

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

PRESENTERS

Devinder Malhotra, Chancellor

PURPOSE

Pursuant to Board Policy 4.8, Emeritus Status, Chancellor Devinder Malhotra will present his recommendation to confer posthumous presidential emerita status upon Stephanie Hammitt who served as president of Fond du Lac Tribal and Community College from 2019 to 2022.

RECOMMENDED BOARD MOTION

Upon the recommendation of Chancellor Devinder Malhotra, and in recognition that she served with great distinction, the Board of Trustees hereby confers the honorary title of Posthumous Presidential Emerita upon Stephanie Hammitt, Fond du Lac Tribal and Community College.

Date Presented to the Board of Trustees: 05/17/2023



Consent Agenda
May 17, 2023

-
- 1. Minutes of the Board of Trustees Meeting, April 19, 2023**
 - 2. Contracts Requiring Board Approval**
 - a. Helicopter Aviation Training, Lake Superior College**
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 - 5. Proposed Amendment to Board Policy 3.24 College or University Type and Mission, System Mission (Second Reading)**
 - 6. Workday Change Order Approval**
 - 7. Revised NextGen Project Timeline/Budget Approval**
 - 8. Mission Statement Change: Lake Superior College**





**Board of Trustees
Meeting Minutes
April 19, 2023**

A meeting of the Board of Trustees was held on April 19, 2023.

Trustees present: Roger Moe, Chair; George Soule, Vice Chair; Victor Ayemobuwa, Alex Cirillo, Jay Cowles, Dawn Erlandson, Jim Grabowska, Tim Huebsch, Jerry Janezich, Javier Morillo, April Nishimura, Kathy Sheran, Cheryl Tefer

Trustees absent: Asani Ajogun, Oballa Oballa

Staff present: Devinder Malhotra, Chancellor

The meeting materials for this meeting are available [here](#) starting on page 137. An audio recording of the meeting is available [here](#).

Chair Moe called the meeting to order at 9:57 a.m.

Chancellor's Report, Devinder Malhotra

Chair Moe, Vice Chair Soule, and trustees:

A few weeks ago, I had the opportunity to provide comment to both the House and Senate Higher Education Committees as they approached the final stages of their committee work. At that time, someone pointed out to me that I had 120 days remaining as chancellor. I believe the saying is: time flies when you're having fun. With 100 days remaining – I make you the same promise that I made both committees – I am here to make everyday count.

Chair Moe, in my last comments to the board, I mentioned that Minnesota State has champions in Chair Pelowski, Chair Fateh and Commissioner Olson, as is evident by the strong higher education omnibus bills moving in both chambers. The House and Senate have both passed their respective floors and are on their way to conference committee. I just want to let Trustee Janezich know I was right! In all seriousness, the higher education committee target of \$650 million for the next biennium is historic. Two years ago, the total higher education target was \$100 million. In the spirit of making every day count - we will continue to press our case going into the final weeks of the legislative session. While we have work to do in these final weeks, it is important to always keep in mind that with these investments comes a commitment to do right by our students and

the communities we serve. I also want to extend my appreciation to everyone for the great work telling the important story of Minnesota State to policymakers.

Chair Moe, I want to thank you for your guidance, as well as all the trustees for your work in preparing our budget request to reflect what we heard at the 12 listening sessions this fall. We heard many times during those listening sessions that our focus needs to be on serving the students, the workforce and the communities throughout our great state. Nothing rang truer to those themes than the presentation we heard yesterday from the Energy Center of Excellence and their partnership with Xcel Energy and Minnesota State Community and Technical College. The stories that DeCarlo and Marcus shared yesterday reminded us all yesterday the why behind our work. The power of education – the power of a career – that is the hope and opportunity that we strive for every day to provide to our students. The investments that are in the board's request will deepen investments in exactly these types of unique program offerings – meeting students where they are and showing up where the industry and state of Minnesota needs us the most.

Today we celebrate a new leader for Riverland Community College which leaves us with a final search for this year. The search for the next leader of Fond du Lac Tribal and Community College is well underway. My many thanks to both President Joe Mulford and Dr. Robert Peacock, Director and CEO of the Fond du Lac Tribal College Board of Directors for their leadership co-chairing this search and to the students, faculty, staff, and community members serving on the search advisory committee. We had the opportunity to brief the Tribal College Board yesterday and as we enter into the confidential interview stage, I feel confident that we will find the next leader of Fond du Lac Tribal and Community College and look forward to bringing forth my recommendation in June.

As we head into the home stretch of the spring semester, we have many opportunities to celebrate together as a community. This afternoon, we will recognize the achievements and contributions of our college and university teaching faculty and university administrative service faculty. In a few weeks, a sea of caps and gowns will flood our campuses and all our social media channels as our 33 colleges and universities celebrate our graduates. Trustees, I along with you and members of my cabinet will travel the state to participate in these ceremonies that again brings us back to the why that drives our work. I look forward to joining the faculty and staff to honor the achievements of the graduates at Minnesota West Community and Technical College, Worthington campus; Minnesota North College, Vermilion; and North Hennepin Community College.

And with that Chair Moe, that concludes my remarks.

Chair's Report

Thank you, Chancellor, for your remarks.

I want to thank the students, faculty, staff, and campus and system leadership for their advocacy so far this legislative session. Trustees, a few weeks ago I sent you an email that included the video of Chancellor Malhotra testifying in the final committees of the House and Senate Higher Education Committee. I hope all of you were able to listen to the conversation, because it is very clear that Minnesota State's request was certainly on target and received fair consideration by both committees. It is also clear that we have big shoes to fill in the search for our next leader - the respect that Chancellor Malhotra was afforded is well earned. It is clear that our legislative efforts from a broad range of advocacy groups has and will continue to pay off.

I would like to call out the investments that the Legislature is considering in our workforce request. I want Presidents, campus leaders, faculty and staff to know that this area of the budget, and how we clearly position Minnesota State as the best workforce program in the state, will drive economic prosperity in Minnesota.

Finally, along with the Chancellor, we continue to make our case for a much-needed capital investment bill. We remain optimistic that there will be a strong bill at the end of session, and we will continue to advocate for this.

Chair Moe asked Vice Chair Soule to provide an update on the chancellor search.

Consent Agenda

Chair Moe asked if anyone wanted to remove an item from the Consent Agenda. Trustee Grabowska made the motion to approve the consent agenda and Trustee Cowles seconded. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Absent
Trustee Ayemobuwa	Yes
Trustee Cirillo	Yes
Trustee Cowles	Yes
Trustee Erlandson	Yes
Trustee Grabowska	Yes
Trustee Huebsch	Yes
Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Morillo	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Sheran	Yes
Trustee Soule	Yes
Trustee Tefer	Yes

The board voted to approve the consent agenda as follows:

1. Minutes of the Board of Trustees Meeting, March 22, 2023
2. Proposed Amendment to Board Policy 5.24 Safety and Security (Second Reading)
3. Contracts Requiring Board Approval
 - a. Exclusive Sports Medicine Provider for Athletics, Minnesota State University, Mankato
 - b. Athletics Apparel Contract, Southwest Minnesota State University
 - c. Student Center/Library Bookstore Renovation, Metropolitan State University

Board Standing Committee Reports

Workforce and Organizational Effectiveness Committee, George Soule, Chair

Committee Chair Soule reported that that committee approved recommendations for one appointment.

The Workforce Organization Effectiveness Committee recommends the Board of Trustees adopt the following motion:

The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Kathleen Linaker as President of Riverland Community College, with the anticipated effective date of July 1, 2023, 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 Workforce and Organizational Effectiveness 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.

Recommendations of a committee do not require a second. A roll call vote was conducted. The vote was as follows:

Trustee Ajogun	Absent
Trustee Ayemobuwa	Yes
Trustee Cirillo	Yes
Trustee Cowles	Yes
Trustee Erlandson	Yes
Trustee Grabowska	Yes
Trustee Huebsch	Yes
Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Morillo	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Sheran	Yes
Trustee Soule	Yes
Trustee Tefer	Yes

The board voted to approve the recommended motion. Kathleen Linaker was introduced to make remarks.

The board also received reports from meetings of the following committees:

- Outreach and Engagement Committee, Dawn Erlandson, Chair
- Diversity, Equity and Inclusion Committee, George Soule, Chair
- Joint Meeting of Audit and Diversity, Equity and Inclusion Committees, Alex Cirillo and George Soule, Chairs
- Finance and Facilities Committee, Jay Cowles, Chair

Student Associations and Bargaining Units

Student associations and bargaining units were invited to submit written remarks and were given the opportunity to address the board in person. No written remarks were provided. Virtual remarks were provided by Kaileigh Weber, State Chair of Students United.

In person remarks were provided by:

- Lead MN: John Runningen, President
- Inter Faculty Organization (IFO): Jenna Chernega, President
- Minnesota Association of Professional Employees (MAPE): Nicole Emerson, Minnesota State Meet & Confer Chair
- Minnesota State University Association of Administrative and Service Faculty (MSUAAF): Kristy Modrow, President

Trustee Reports

Trustees Erlandson and Tefer provided comments.

Adjournment

Chair Moe adjourned the meeting at 10:53 a.m.