Minnesota State Colleges and Universities
Board of Trustees Meeting Minutes
Southwest Minnesota State University
Marshall, Minnesota
November 15, 2017

Present: Chair Michael Vekich, Treasurer Jay Cowles, and Trustees AbdulRahmane Abdul-Aziz, Alex Cirillo, Amanda Fredlund, Bob Hoffman, Jerry Janezich, Roger Moe, George Soule, Louise Sundin, Cheryl Tefer, and Interim Chancellor Devinder Malhotra

Absent: Trustees Basil Ajuo, Ann Anaya, and Dawn Erlandson

Call to Order
Chair Michael Vekich called the meeting to order at 12:30 pm at Southwest Minnesota State University in Marshall, Minnesota. He acknowledged Trustees Alex Cirillo and Rudy Rodriguez who were participating by telephone.

Chair's Report, Michael Vekich
Chair Vekich introduced Trustee AbdulRahmane Abdul-Aziz who was appointed to the Board of Trustees by Governor Mark Dayton on October 24, 2017. Trustee Abdul-Aziz is a junior at Minnesota State University, Mankato.

Chair Vekich thanked President Connie Gores for hosting the meetings. He also thanked the students, faculty, and staff for their hospitality and for making sure that all of the logistics worked well. He added that the university is celebrating its 50th anniversary this year. The trustees learned about the university's academic programs and were very impressed with the knowledge of the students who led the campus tours. President Gores thanked the board for coming to Southwest Minnesota State University. She spoke of the university's essential vitality for the region and that it is made possible by the support and good work of all of the people.

Chancellor's Report, Interim Chancellor Devinder Malhotra
Interim Chancellor Devinder Malhotra reported that the presidents and cabinet have reaffirmed the three priorities that he mentioned at the board's retreat in September. The special focus is on student success. With Dr. Clyde Wilson Pickett joining our team as the chief diversity officer, the approach to student success and financial sustainability will be built on the foundation of our diversity, equity, and inclusion work. George Mehaffey, vice president for academic leadership and change, American Association of State Colleges and Universities, will join us in January for the joint meeting of the Board of Trustees and the Leadership Council to continue the discussion on the changing context of higher education and the alignment of the changing needs of our learners and alignment with the emerging needs of the knowledge-based economy.

Related to that alignment, Dr. Malhotra gave a recent example of how our presidents are responding to the changing needs of the economy. President Bill Maki, Northeast Higher

Education District, and others have been working on a community and regional response to serve 150 workers who will be dislocated with the pending shutdown of the UPM Blandin Paper Mill in Grand Rapids.

Dr. Malhotra commented that he recently concluded listening sessions at six colleges and universities that are in the process of searching for new presidents. Throughout October and November, he met with members of various organizations and informed them of our priorities, goals, and work plans. He attended LeadMN's fall student summit, met with the Minnesota Business Partnership, and attended the key communicators' conference. Along with Vice Chancellor Laura King and others, he presented the 2018 Capital request to staff at the governor's office and at Minnesota Management and Budget. Last week, 59 colleagues in the system office were recognized for reaching milestones in their careers.

The chancellor and Senior Vice Chancellor Ron Anderson met with the Minnesota State College Faculty leadership for informal conversations. They also met with the leadership of the Inter Faculty Organization. There will be more of these conversations in the future.

The chancellor also met with the members of the Nellie Stone Johnson Scholarship Board. Trustees Basil Ajuo and Louise Sundin are members of the board and he thanked them for their service. We sent letters to the five Minnesota ethnic councils sharing our story and inviting them to meet with us to start an ongoing dialog. The chancellor, Senior Vice Chancellor Ron Anderson, and Chief Diversity Officer Clyde Pickett met recently with the Council on Asian Pacific Minnesotans.

Dr. Malhotra introduced Chief Diversity Office Pickett. Dr. Pickett first met the trustees at their September retreat, but he did not officially begin his duties until mid-October.

Chief Diversity Officer Pickett reported that since arriving last month, he has worked aggressively to connect with constituents both inside and outside of the system to further connect our relationships and equity and inclusion initiatives. Equity and inclusion impacts every aspect of our organization and we need to be intentional and proactive in making sure we address, interact, and engage in the issues of diversity, equity, and inclusion. He hosted several listening sessions with the students at the LeadMN conference, met with a student diversity taskforce, and had a retreat with the chief diversity officers in the system. He presented the strategic framework for diversity, equity, and inclusion that will be the guiding principles to help advance our initiatives. The inclusive intentional excellence model called transformative inclusion has three primary characteristics:

- Intentionality on an opening and welcoming climate;
- Intentional focus on student success and completion; and
- Equity based policy and review.

With these priority areas, we believe that we can aggressively move the needle on diversity,

equity, and inclusion. He has identified strategic priorities and is putting a work plan in place to examine our work and advance our initiatives over the next three to six months. The strategic priorities for the short term and the long term include the following:

- a comprehensive review of diversity strategic plans;
- internal and external stakeholder visits to make sure we are listening proactively to concerns;
- review of climate tools and strategies to examine how we advance equity as a system.

We have discussed the Office of Equity and Inclusion and model strategies for what the system office should look like in terms of staffing and how we prioritize what we want to accomplish. As we think about this work long term, we want to think about models for strategy in terms of metrics and how we can continue to advance the work. In addition to his work locally, Chief Diversity Officer Pickett will participate in a national summit of chief diversity officers for the American Association of Community Colleges (AACC). He will join the group, along with Dr. Walter Bumphus, the president of AACC, to talk about our work at Minnesota State and how it can advance the work of chief diversity officers across the country.

Consent Agenda
Chair Vekich called for a motion to approve the Consent Agenda. The motion carried unanimously.

1. **Minutes, Board of Trustees Meeting, October 18, 2017**
2. **FY2017 and FY2016 Audited Financial Statements**
3. **Potential Supplement Budget Request Discussion**
4. **Contracts Exceeding $1 Million**
   a. **Lease Extension for System IT Services Space**
   b. **ISRS Next Gen Business Process Re-engineering Vendor Contract**

Board Policy Decisions (Second Readings)
Chair Vekich called for a motion to approve the amendment to Policies 3.32 College Faculty Credentialing and new Policy 6.11 Facility Management and Operations. The motion carried unanimously.

1. **Proposed Amendment to Policy 3.32 College Faculty Credentialing**
2. **Proposed New Policy 6.11 Facility Management and Operations**

Student Associations
LeadMN
Isaac Jahraus, president, addressed the Board of Trustees.

Students United
Faical Rayani, state chair, and Ashanti Payne, a student at Southwest Minnesota State University, addressed the Board of Trustees.

Minnesota State Colleges and Universities' Bargaining Units
Jim Grabowska, president, Inter Faculty Organization, addressed the Board of Trustees.

Kevin Lindstrom, president, Minnesota State College Faculty, addressed the Board of Trustees.

Board Standing Committee Reports

1. Human Resources Committee, Dawn Erlandson, Vice Chair
   a. **Appointment of Interim Vice Chancellor for Human Resources**
   Interim Chancellor Malhotra explained that Vice Chancellor Mark Carlson, is retiring at the end of December. He thanked him for his service. The chancellor recommended Sue Appelquist, who is currently serving as the associate vice chancellor for human resources, as the interim vice chancellor for Human Resources.

   The following motion was approved unanimously:
   The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Sue Appelquist as interim vice chancellor for human resources effective January 1, 2018, subject to the completion of an employment agreement. The board authorizes the chancellor, in consultation with the chair of the board and chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.

   Associate Vice Chancellor Appelquist thanked the board and the chancellor for the opportunity to serve in this role.

   b. Recognition of Vice Chancellor Mark Carlson
   Chair Vekich recognized Vice Chancellor Mark Carlson. He thanked him for his outstanding service, servant leadership, integrity, and sense of humor.

   c. Executive Searches Update
   Vice Chancellor Carlson provided an update on nine executive searches:
      - Chancellor
      - President, Fond du Lac Tribal and Community College
      - President, Minnesota State Community and Technical College
      - President, Ridgewater Community College
      - President, Rochester Community and Technical College
      - President, St. Cloud State University
      - President, St. Cloud Technical and Community College
      - Vice Chancellor for Human Resources,
      - Executive Director for Internal Audit

Vice Chancellor Carlson commented that with the current demographics, the board can

expect this level of searches as a norm over the next five years. All of the searches have search firms on contract. It is anticipated that there will be three appointments in March, three in April, and three in May.

2. Academic and Student Affairs Committee, Louise Sundin, Vice Chair
   a. Teacher Education Follow-up
      Committee Vice Chair Louise Sundin reported that the 2017 legislature passed provisions in the budget bill that will have implications for teacher education in Minnesota. In addition, there are new requirements for teacher licensing.

      Leaders of education programs at Fond du Lac Tribal and Community College, Winona State University, Southwest Minnesota State University, and Minnesota State University, Mankato made a presentation highlighting their teacher education programs.

   b. Proposed New Policy 3.41 – Education Abroad Programs
      The committee reviewed a proposed new policy that was created in response to an internal audit that recommended the need for a policy and system procedure for education abroad programs. It is a first reading and it will be presented for approval in January.

   c. Student Demographics
      The committee received a presentation on trends in college and university enrollments and student characteristics that will provide context and background for deliberations throughout the year.

3. Audit Committee, Michael Vekich, Chair
   Committee Chair Vekich reported that representatives of CliftonLarsonAllen presented the revenue fund and the FY2017 and FY2016 audited financials. There were no material adjustments, no material weaknesses, no significant deficiencies, and an unmodified opinion. Unfunded pension liabilities are a new requirement by GASB 68. The FY2017 and FY2016 audited financial statements were approved in the Consent Agenda.

4. Joint Meeting: Academic and Student Affairs and Finance and Facilities Committees, Alex Cirillo and Jay Cowles, Co-chairs
   a. Collaborative Campus and Regional Planning
      Committee Co-chair Jay Cowles reported that the collaborative campus and regional planning presentation was made by Senior Vice Chancellor Anderson and Vice Chancellor King. They reviewed the project planning assumptions, design principles, and outcomes and deliverables. The advisory group is comprised of Interim Chancellor Malhotra and Presidents Joyce Ester, Connie Gores, Faith Hensrud, and Barbara

McDonald. The work will take several years to fully implement. Southwest Minnesota region is one of the pilots.

5. Finance and Facilities Committee, Jay Cowles, Chair
   a. FY2020-2024 Capital Budget Guidelines Framing Discussion
   Committee Chair Cowles said that the committee discussed the FY2020-FY2024 capital budget guidelines. A proposal for bonding guidelines will come forward in the spring.

   b. Enterprise Wide Administrative Services and Related Financing Project Report
   Committee Chair Cowles reported that this project is in reference to developing enterprise wide services that will benefit campuses. The committee viewed it as an ongoing effort for ideas to be proposed and initiated at the campus level.

Adjournment

Chair Vekich thanked President Gores for hosting the meeting. He also thanked President Terry Gaalswyk, Minnesota West Community and Technical College, for co-hosting today's luncheon with regional legislators.

The next meeting of the Board of Trustees is January 23-24, 2018.

The meeting was adjourned at 1:51 pm.

Ingeborg K. Chapin, Secretary to the Board