

**MINNESOTA STATE
BOARD OF TRUSTEES
EXECUTIVE COMMITTEE MEETING MINUTES
MAY 2, 2018**

Executive Committee Members Present: Chair Michael Vekich, Vice Chair Dawn Erlandson, Treasurer Jay Cowles, and Trustees Roger Moe, and Louise Sundin

Executive Committee Members Absent: Trustees Ann Anaya and Alex Cirillo

Other Trustees Present: Trustees Bob Hoffman and Cheryl Tefer

Convene and Call to Order

Chair Michael Vekich called the meeting to order at 8:00 am. Vice Chair Dawn Erlandson participated by phone.

Chair's Updates

The Senate Higher Education Finance and Policy Committee met on April 19, 2018, for a confirmation hearing for Trustees Basil Ajuo, Amanda Fredlund, Jerry Janezich, Roger Moe, Rudy Rodriguez, Cheryl Tefer, and Chair Vekich. Everyone was confirmed by the committee and we await action by the full Senate. Trustees AbdulRahmane Abdul-Aziz and George Soule were not able to attend the hearing. The committee will take up their confirmations at a later date.

The board will elect a chair and vice chair at the annual meeting on June 20. Trustees will receive a memo from Chair Vekich on May 4 with information about the election process.

Chair Vekich and Trustees Bob Hoffman and Jerry Janezich, along with Chancellor Devinder Malhotra and members of the executive staff, interviewed four finalists for president of St. Cloud State University. Chancellor Malhotra will bring forward his recommendation at the May meeting. Additionally, Trustee Hoffman is the chair of the search committee for the executive director of Internal Audit. Later today, Trustees Hoffman, Janezich, Soule, and Chair Vekich will interview a finalist for the position. Chair Vekich commented that a special meeting of the Audit Committee may be convened to act on an appointment.

Six trustees' terms will end sometime this summer when the governor announces new appointments to the board. They are Trustees Basil Ajuo, Ann Anaya, Alex Cirillo, Dawn Erlandson, Amanda Fredlund, and George Soule. In addition, several presidents are either retiring or leaving at the end of June. They are: Larry Anderson of Fond du Lac Tribal and Community College; Mary Davenport of Rochester Community and Technical College; Peggy Kennedy of Minnesota State Community and Technical College; Lori Kloos of St. Cloud Technical and Community College; Ashish Vaidya of St. Cloud State University, and Tim Wynes of Dakota County Technical College and Inver Hills Community College. A reception will be held to thank the trustees and presidents for their service after the board meeting on June 20, 2018.

Chair Vekich attended the groundbreaking for Winona State University's Education Village on April 28, 2018. Trustee Cowles attended the ribbon-cutting ceremony for the Philip Danielson Vacuum Technology Center at Normandale Community College on April 27. It is a state-of-the-art center and the only one of its kind in the country.

Revised FY2019 and Proposed FY2020 Calendars

The revised FY2019 and proposed FY2020 calendars were presented as information. They will be presented as a first reading at the May Board meeting, and then for action in June.

A meeting has been added on July 25 and 26 for a board training seminar and study session with the Leadership Council.

The Board orientation and retreat are on September 18-19 in Duluth. If the governor appoints the new trustees before then, orientation can be scheduled earlier. The October 16-17 meeting will be in Winona. The board will also schedule another meeting on a campus, and this meeting will most likely be on a campus in the Twin Cities metropolitan area. The dates of the January 2019 meeting changed from the 15th and 16th to January 29-30 for another joint meeting with the Leadership Council. The proposed FY2020 follows the same pattern as FY2019.

Chair Vekich explained that there will be more details at the July meeting on a project that is currently referred to as "reimagining higher education." As the plan unfolds, the vision is for a small committee comprised of representatives outside of the academe, from business and industry, and a few trustees. The work will be facilitated by a nationally known individual. One outcome from the project is that it may result in helping to develop additional partnerships between business and industry and our colleges and universities. Trustee Moe suggested enlisting folks who have their "feet on the ground" as they are the ones thinking and working on the dynamic changes in the workplace.

FY2019 Board Operating Budget

Trustee Jay Cowles, treasurer, reviewed the current status of the board's FY2018 operating budget and the proposed recommendation for the board's FY2018 budget. As of April 27, 2018, the board has spent \$144,500 or about 66 percent of its budget. Projected expenses through June 30, the end of the fiscal year, are about \$187,000, or 86 percent of the budget.

By the end of the fiscal year, the board will have had 25 meeting days, including:

- A retreat in September;
- A meeting at Southwest Minnesota State University in November;
- Two joint meetings with the Leadership Council (January and May);
- Four special meetings (approval of the IFO bargaining agreement and amendments to Policy 1B.3 Sexual Violence, the chancellor search, and appointment of the chancellor);
- Five training sessions on governance.

Trustees also attended numerous events, including fall and spring commencement ceremonies, events sponsored by Students United, LeadMN, Nellie Stone Johnson Scholarship, and national

higher education conferences sponsored by the Association of Community College Trustees and the Association of Governing Boards.

The proposed FY2019 includes the following:

- Per diem - recommend \$30,000
- Meeting expense - recommend \$40,000
- Audio/amplification – recommend \$14,000
- Travel in-state -recommend increase to \$53,000
- Outstate travel/development/ National Conferences - recommend \$25,000
- Memberships – recommend \$24,000
- Travel / accident insurance – recommend \$3,000
- Consultants – recommend \$20,000
- Chair Expense – recommend \$10,000

Attachment A shows the board's approved operating budget compared to actual expenditures from 2010-2018. The board has never exceeded its budget.

Trustee Cowles made the following motion. It was seconded by Trustee Roger Moe and carried unanimously.

The Executive Committee approves the FY2019 Board Operating Budget of \$219,000, plus carry-forward funds from the FY2018 Board Operating Budget, and refers it to the Finance and Facilities Committee to be included in the overall FY2019 budget that will be presented to the Board of Trustees for a first reading in May and second reading and approval in June.

Trustee Cowles explained that the Board's FY2018 Operating Budget will be included in the FY19 system office budget that will be presented as a first reading at the Finance and Facilities Committee meeting in May, followed by a second reading and approval at the June meeting.

Trustee Louise Sundin commented that the Board of Trustees will nominate one of the 2018 Educators of the Year for the Association of Community College Trustees Faculty Member Award. Nominations are due on June 18, 2018. If the board's nominee is chosen as the recipient of the Central Region Award, then that individual will become a contender for the national award that will be announced at ACCT's Annual Congress in the fall.

Trustee Sundin made the following motion that was seconded by Trustee Cowles and carried unanimously:

The Board of Trustees will nominate a faculty member for the Association of Community College Trustees Faculty Member Award. Should the individual receive the Central Region Award and travel to the National Congress, then the Board of Trustees will reimburse the faculty member for travel expenses, including airfare and lodging.

Vice Chair Dawn Erlandson commented that she will become the chair of the ACCT Board of Directors in the fall of 2019. As chair, she will host a retreat for the ACCT Board in the summer of 2020 in Minnesota. She inquired about expenses related to the retreat. Chair Vekich replied that those expenses will not impact the FY19 budget, but they will be considered in planning the board's budget for FY2020 operating budget.

Draft Schedule, May 15-16, 2018 Meetings

Chair Vekich reviewed the draft schedule for the committee and board meetings on May 15 and 16. The schedule also includes a joint session with the Leadership Council to hear from Dr. Karen Stout, president and CEO of Achieving the Dream.

There was a discussion about career and technical education and how the cultural perception of a four-year degree is pervasive. Chief of Staff Jaime Simonsen explained that Chancellor Devinder Malhotra has charged the Leadership Council to look at the vision and operational pieces of career/technical education and what additional work colleges and universities can do to reach out to companies and manufacturers to ascertain their workforce needs. This will be discussed at the May Leadership Council meeting.

Chair Vekich invited President Kevin Lindstrom, Minnesota State College Faculty, for his thoughts on the topic. President Lindstrom suggested that the board may want to do an initial assessment of what is going on now at the campuses. The information can be used to inform the board and the system on how to proceed and it will make the campuses more comfortable as the board engages in their plans.

Adjournment

The meeting adjourned at 9:25 am.