



**BOARD OF TRUSTEES  
MEETING AGENDA  
WEDNESDAY, JANUARY 21, 2009  
1:00 P.M.**

**SAINT PAUL COLLEGE  
235 MARSHALL AVENUE  
SAINT PAUL, MN**

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**Board Policy Decisions**

- a. Proposed Amendment to Policy 3.18 Honorary Degrees (Second Reading) (pp. 1-4)**
- b. Proposed Amendment to Policy 3.36 Academic Programs (Second Reading) (pp. 5-21)**
- c. Century College Mission Approval (pp. 22-28)**
- d. Ridgewater College Mission Approval (pp. 29-34)**
- e. Review External Audit Plan and Select Colleges Subject to Annual Financial Statement Audits (pp. 35-39)**

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

**Agenda Item Summary Sheet**

**Committee:** Academic and Student Affairs

**Date of Meeting:** January 20, 2009

**Agenda Item:** Proposed Amendment to Policy 3.18 Honorary Degrees (Second Reading)

Proposed Policy Change       Approvals Required by Policy       Other Approvals       Monitoring

Information

**Scheduled Presenter(s):**

Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs

Mike López, Associate Vice Chancellor for Student Affairs

Manuel López, Associate Vice Chancellor for Academic Quality

**Background Information:**

The Board of Trustees approved policy 3.18 Honorary Degrees on October 16, 1996.

Changes were made to make Minnesota State Colleges and Universities policy consistent with national practice. The proposed revisions remove procedural language from the policy. A new procedure has been developed to provide guidance to the colleges and universities on implementing the remaining policy language.

**Cite policy requirement, or explain why item is on the Board agenda:**

Second reading to change policy 3.18 Honorary Degrees based on regular review of policies.

*Second Reading*

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

**PROPOSED AMENDMENT TO POLICY 3.18 HONORARY DEGREES  
(SECOND READING)**

1 **INTRODUCTION**

2  
3 The Office of the Chancellor is submitting an amendment to Policy 3.18 Honorary Degrees.  
4

5 **BACKGROUND**

6  
7 Policy 3.18 was originally adopted in 1996. The proposed amendment was developed as a part of the  
8 policy review process.  
9

10 These documents come out of a routine five-year review of all board policies. Major changes to the policy  
11 comprise eliminating much of the language because it is more appropriately placed in the procedure  
12 document, and generally clarifying language and correcting format. The proposed procedure is modeled  
13 after general national practice. It establishes the specific degrees that may be awarded, places limits on  
14 the number of honorary degrees that may be awarded, and provides colleges and universities with  
15 maximum flexibility to develop their own internal procedures and processes.  
16

17 **CONSULTATION**

18  
19 Consultation for the policy and procedure amendments has occurred as follows:  
20

- 21 • This proposed policy amendment was developed by a committee of system employees and  
22 students.
- 23 • Reviewed at Academic & Student Affairs Policy Council – 11/27/07; 9/22/08; 12/2/08
- 24 • Reviewed at Academic & Student Affairs Leadership Council - 11/3/08; 1/6/09
- 25 • Mailed out for review and comment – October 2008
- 26 • Reviewed at IFO Meet and Confer – 10/10/08; 11/14/08; 12/12/08
- 27 • Reviewed at MSUAASF Meet and Confer – 10/17/08
- 28 • Reviewed at MSCF Meet and Confer – 12/4/08  
29

30 **RECOMMENDED COMMITTEE ACTION**

31  
32 The Academic and Student Affairs Committee recommends that the Board of Trustees adopt the  
33 following motion:  
34

35 **RECOMMENDED MOTION**

36  
37 The Board of Trustees approves the amendment to Policy 3.18 Honorary Degrees.

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

*Second Reading*

**BOARD POLICY**

Chapter 3. EDUCATIONAL POLICIES

Section 18. HONORARY DEGREES

**3.18 Honorary Degrees**

Honorary degrees offered by colleges and universities shall be guided by the following policies.

**Part 1. General Provisions Purpose.** The purpose of this policy is to establish the rationale for honorary degrees, authorize colleges and universities to grant honorary degrees, and provide for standards and guidelines under which honorary degrees will be conferred.

**Subpart A.** ~~The Board of Trustees grants to each college and university the authority to award honorary degrees. The decision to use such authority shall be determined by the college or university President.~~

**Subpart B.** ~~A college or university choosing to award an honorary degree shall establish its own internal process for determining honorary degree recipients. This process is to include appropriate consultation. That process must involve faculty and other members of the college or university community. Any campus committee formed as a part of the honorary degree process should contain a majority of faculty members.~~

**Part 2. Honorary Degrees Definition.** An honorary degree is a degree title awarded as an honor for an outstanding contribution in some field, rather than as the result of matriculating and earning a degree based on studies at the institution.

**Subpart A.** ~~Colleges may select from the following categories of honorary degrees based upon the intended recipient's field(s) of contributions, achievement, service, and distinction:~~

- ~~1. Associate of Arts~~
- ~~2. Associate of Science~~
- ~~3. Associate of Applied Science~~

**Subpart B.** ~~Universities may select from the following categories of honorary degrees based upon the intended recipient's field(s) of contribution, achievement, service, and distinction:~~

- ~~1. Doctor of Fine Arts~~
- ~~2. Doctor of Humane Letters~~
- ~~3. Doctor of Laws~~
- ~~4. Doctor of Literature~~
- ~~5. Doctor of Music~~
- ~~6. Doctor of Pedagogy~~
- ~~7. Doctor of Science~~

**Part 3. Rationale.** The rationale for honorary degrees is to:

- ~~1. recognize and honor persons who have made exceptional men and women who have given a substantial part of their lives to serving others and who have distinguished themselves through~~

1 ~~their professional careers and/or volunteer service~~ contributions to a specific field or to society in  
2 general;

- 3  
4 2. ~~to~~ establish a public association between Minnesota State Colleges and Universities and such  
5 exceptional ~~men and women~~ persons, thereby providing testimony to the values and quality of the  
6 state colleges and universities; and  
7  
8 3. ~~to~~ assist the state colleges and universities with the goals and objectives of their educational  
9 programming, their service and outreach missions, and their institutional advancement ~~objectives~~.

10  
11 **Part 4. Guidelines for Selection Authorization.** ~~Following are commonly used criteria for selecting~~  
12 ~~honorary degree recipients at colleges and universities. They are intended as guidelines:~~ Colleges and  
13 universities may confer honorary degrees according to procedures established by, and with the approval  
14 of, the chancellor.

15  
16 **Subpart A.** ~~Eminent contribution to the college or university, the system, the community, the State of~~  
17 ~~Minnesota, or society;~~

18  
19 **Subpart B.** ~~Eminent achievement in a particular field of endeavor;~~

20  
21 **Subpart C.** ~~Personal status that will enhance the reputation of the college or university (or the~~  
22 ~~system) and serve as an example to its students and its alumni;~~

23  
24 **Subpart D.** ~~Potential for contribution to the goals or welfare of the college or university;~~

25  
26 **Subpart E.** ~~While recipients may be alumni, former employees, former Board of Trustees members,~~  
27 ~~or public officials, they may not be (at the time of the award) current employees, incumbent members~~  
28 ~~of the Board of Trustees, or incumbent officials of federal, state or local government.~~

29  
30 **Part 5. Presentation of Honorary Degrees Internal Process.** ~~Honorary degrees normally will be given~~  
31 ~~during commencement exercises, and the recipient should agree to be present as a condition of receiving~~  
32 ~~the award. On occasion, honorary degrees may be awarded at convocations or presidential inaugurations.~~  
33 A college or university choosing to award an honorary degree shall establish its own internal process for  
34 determining honorary degree recipients consistent with the chancellor's procedure.

35  
36 **Part 6. Limitations on the Number of Honorary Degrees Limits to Eligible Recipients.** ~~It is expected~~  
37 ~~that colleges and universities granting honorary degrees would limit their usage to no more than two per~~  
38 ~~academic year. Honorary degrees may not be conferred on currently serving faculty or staff members~~  
39 within the Minnesota State Colleges and Universities system, current members of the Board of Trustees,  
40 or current holders of elected political office.

*Date of Implementation: 10/16/96,*

*Date of Adoption: 10/16/96,*

*Date & Subject of Revisions:*

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

**Agenda Item Summary Sheet**

**Committee:** Academic and Student Affairs

**Date of Meeting:** January 20, 2009

**Agenda Item:** Proposed Amendment to Policy 3.36 Academic Programs (Second Reading)

Proposed Policy Change       Approvals Required by Policy       Other Approvals       Monitoring

Information

**Scheduled Presenter(s):**

Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs  
Mike López, Associate Vice Chancellor for Student Affairs  
Manuel López, Associate Vice Chancellor for Academic Quality

**Outline of Key Points/Policy Issues:**

- 2007 session law sets the maximum number of credits for associate degrees (60 credits) and baccalaureate degrees (120 credits) and allows waivers based on industry or professional accreditation standards.
- Reduce program credit lengths and waiver request decisions are expected to be completed by the end of FY 2012.
- Standard policy revision processes were followed. The Academic and Student Affairs Policy Council did not recommend any changes to the proposed policy at its last meeting (December 2, 2008).

**Background Information:**

The Board of Trustees approved Policy 3.36 Academic Programs at their July 2007 meeting. Since then, a task force has made recommendations in response to the 2007 state law that directs the Board of Trustees to adopt policy setting the maximum number of credits required for a baccalaureate degree at 120 credits and the number of credits required for an associate degree at 60 credits. The law allows a process for granting waivers in which industry or professional accreditation standards require a greater number of credits.

After approval of the proposed policy by the Board of Trustees, existing procedure 3.36.1 Academic Programs Procedure will be amended and submitted to the chancellor for approval.

**Cite policy requirement, or explain why item is on the Board agenda:**

Second reading to change Policy 3.36 Academic Programs due to 2007 session law that limits the program credit length of associate and baccalaureate degree programs.

*Second Reading*

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

***ACTION ITEM***

**PROPOSED AMENDMENT TO POLICY 3.36 ACADEMIC PROGRAMS  
(SECOND READING)**

**INTRODUCTION**

The Board of Trustees approved policy 3.36 Academic Programs at their July 2007 meeting. Procedures 3.36.1 Academic Programs, which require review and approval by the chancellor, were approved on August 1, 2007. Since then, several recommendations have been made for revision to these procedures. Some of the proposed revisions reflect state law, passed in 2007, that directs the Board of Trustees to adopt policy setting the maximum number of credits required for a baccalaureate degree at 120 credits and the number of credits required for an associate degree at 60 credits. The law allows for a process for granting waivers in which industry or professional accreditation standards require a greater number of credits.

Procedures are reviewed and approved by the chancellor. After approval of the proposed policy by the Board of Trustees, existing procedure 3.36.1 Academic Programs Procedure will be amended and submitted to the chancellor for approval.

**BACKGROUND**

State law, which was passed during the 2007 legislative session, directed that:

*By January 1, 2009, the board must adopt a policy setting the maximum number of semester credits required for a baccalaureate degree at 120 semester credits or the equivalent and the number of semester credits required for an associate degree at 60 semester credits or the equivalent. The board policy may provide for a process for granting waivers for specific degree programs in which industry or professional accreditation standards require a greater number of semester credits.*

Higher Education Funding Bill [H.F. 1063 (Chapter 144)]  
Article 1 Higher Education Appropriations  
Section 4. Board of Trustees of the Minnesota State Colleges and Universities  
Subdivision 3. Board policies

In response to the legislation, a task force on degree credit caps was established in the fall of 2007 by the Senior Vice Chancellor for Academic and Student Affairs, Office of the Chancellor, Minnesota State Colleges and Universities. Members included representatives from the following:

- Academic and Student Affairs Leadership Council,
- College and university academic administrators,
- Inter Faculty Organization (IFO),
- Minnesota State College Faculty (MSCF),
- Administrative and Service Faculty (MSUAASF)
- Minnesota State College Student Association (MSCSA),
- Minnesota State University Student Association (MSUSA), and the
- Office of the Chancellor.

1 The task force charge was to recommend policy and procedure related to statutory requirements for credit  
 2 limitations on associate and baccalaureate degree programs within the system. Deliberation over the  
 3 course of five meetings led to recommendations that have been considered in the development of  
 4 proposed policy and procedure.

5  
 6 Notable Changes. In addition to changes recommended to the policy, several changes have been  
 7 proposed for the procedures. As listed in the table below, the proposed policy and procedure would make  
 8 several changes.

Description of Change	Policy or Procedure	Rationale
1. New language sets degree program credit lengths and gives the chancellor authority to decide program credit length waiver requests.	Policy part 3, subpart C	State law directs that the Board adopt policy.
2. Revised language sets program credit length limits for associate and baccalaureate degree programs compliant with law and defines waiver criteria and processes.	Procedure part 3, Subparts B & C	State law: <ul style="list-style-type: none"> <li>• Directs that associate and baccalaureate degree programs be limited to 60 and 120 credits.</li> <li>• Allows a process for granting waivers.</li> </ul>
3. Minor language changes: a. Bachelor of Arts and Bachelor of Science degrees b. Master of Arts & Master of Science degrees c. Doctorate	Procedure part 3, Subpart B, items 7, 9 & 11	Improve language
4. Revised language that aligns procedure with policy 3.36 Academic Programs regarding program suspension.	Procedure part 5, Subpart B, item 4	Align procedure with policy
5. Revised language that sets additional documentation requirements for new program applications.	Procedure part 5, Subpart A	Additional documentation requirements for curriculum and external program standards
6. New and revised language clarifies scope and criteria for academic program review.	Procedure part 7 & Part 7, Subpart A	Define scope of program review and edit review criteria

9 **CONSULTATION**

10  
 11 Consultation for the policy and procedure amendments has occurred as follows:

- 12 • Reviewed at Academic & Student Affairs Policy Council – 11/27/07; 2/19/08; 9/22/08; 12/2/08
- 13 • Reviewed at Academic and Student Affairs Leadership Council – 5/6/08; 11/3/08; 1/6/09
- 14 • Mailed out for review and comment – April, 2008; 9/30/08; 10/22/08
- 15 • Reviewed at the IFO Meet and Confer – 9/12/08; 11/14/08
- 16 • Reviewed at Graduate Education Council – 10/10/08
- 17 • Reviewed at MSUAASF Meet and Confer – 10/17/08
- 18 • Reviewed at MSCF Meet and Confer – 12/4/08
- 19

1 **DEGREE CREDIT CAPS – AN OVERVIEW**

2  
3 Session law from 2007<sup>1</sup> directs the Minnesota State Colleges and Universities Board of Trustees to set the  
4 maximum number of semester credits required for a baccalaureate degree at 120 credits, and for an  
5 associate degree at 60 credits. The law also permits the Board of Trustees to grant waivers for specific  
6 degree programs in which industry or professional accreditation standards require a greater number of  
7 credits.

8  
9 In response to this legislation, revised policy and procedure have been drafted. The proposed policy is  
10 being presented to the Board of Trustees for a second reading at its January 2009 meeting. The purpose  
11 of this document is to inform the Board of Trustees about the proposed policy and its implications.

12  
13 The proposed policy decreases the credit length of associate and baccalaureate degrees, identify criteria  
14 under which a credit length waiver may be granted. The proposed policy delegates authority to the  
15 chancellor to set credit length requirements and waiver criteria for other awards.

16  
17 Legislation from 2008<sup>2</sup> requires the Board of Trustees to annually report to the house and senate higher  
18 education committees regarding waivers that have been requested and granted.

19  
20 **DEGREE CREDIT CAPS - BACKGROUND**

21  
22 Current procedure sets credit length limits for academic programs. Associate degrees may range from 60  
23 to 64 credits except for associate in applied science degrees that may be up to 72 credits. Baccalaureate  
24 degrees may range from 120 to 128 credits. Current procedures allow individual academic programs to  
25 exceed these limits when criteria have been met; however, at the present time there is no expectation that  
26 similar programs adopt a common credit length.

27  
28 The motivation to set lower credit length limits for associate and baccalaureate degrees did not emanate  
29 from an academic policy initiative. Rather, the impetus came from student concern about debt load  
30 variations based on the observation that credit lengths of seemingly similar programs varied across  
31 colleges and universities. Students also expressed an interest in minimizing tuition costs.

32  
33 **Task Force**

34  
35 A Task Force on Degree Credit Caps was established in the fall of 2007 by the Senior Vice Chancellor for  
36 Academic and Student Affairs, with representatives from the Academic and Student Affairs Leadership  
37 Council, college and university academic administrators, Inter Faculty Organization (IFO), Minnesota  
38 State College Faculty (MSCF), Minnesota State College Student Association (MSCSA), Minnesota State  
39 University Student Association (MSUSA), Administrative and Service Faculty (ASF, formerly  
40 MSUAASF), and the Office of the Chancellor.

41  
42 The task force charge was to recommend policy and procedure related to statutory requirements for credit  
43 limitations on associate and baccalaureate degree programs within the system. The final report included  
44 recommendations on (1) applicability to degree program categories, (2) program waiver processes, (3)  
45 program-length waiver criteria for all awards, (4) timelines, and (5) policy language. The full report is  
46 available at <http://www.academicaffairs.mnscu.edu/academicprograms/index.html>.

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<sup>1</sup> Minnesota Session Laws 2007, Regular Session, Chapter 144, article 1, section 4, subdivision 3, paragraph (b)

<sup>2</sup> Minnesota Statute, Chapter 136F, sec. 19 [136F.301]

1 **Examples From Other States**

2  
3 Other states have practices that limit academic program credit lengths.

4  
5 Several states have implemented credit length caps: Florida, Georgia, Ohio, Texas and Wisconsin. The  
6 CUNY system in New York and the California State University System have also implemented policies  
7 addressing credit length limits and comparability.

8  
9 In 1995 the state of Florida undertook a national survey of 75 universities and the common practices in  
10 baccalaureate programs.<sup>3</sup> The study found that programs clustered in three groups: disciplines with low  
11 credit hour requirements, 120-124 credits; disciplines of moderate length, 124-126; and disciplines at 128  
12 credits and a few exceeding 128. Florida subsequently reduced 506 of 614 baccalaureate programs to 120  
13 credit hours.

14  
15 A California State University system report noted that “. . . three-fourths of the programs now require 120  
16 total semester units. About 85% have lowered their total unit requirement.” At the College of DuPage  
17 (the largest community college in Illinois), most AAS programs are 64 credits (consistent with the Illinois  
18 Community College System policy). Florida’s community college system has established a formal list of  
19 approved program credit lengths. Programs may not exceed the approved limits.

20  
21 **Revenues and Expenditures**

22  
23 Reducing the credit length of programs will affect colleges and universities revenues and expenditures.  
24 The impact on revenue is easier to estimate than it is for expenditures.

25  
26 Revenue from student tuition, which accounts for nearly half of system revenue, will decline in  
27 proportion to the full year equivalent student enrollment eliminated as a result of course credits being  
28 dropped from an academic program. Some academic programs will be granted a waiver to exceed the 60  
29 or 120 credit length limits, which would lessen revenue losses.

30  
31 Colleges and universities have several options for reducing expenditures. Expenditures may be reduced  
32 when courses or course-sections in the major are no longer offered. Work loads may be adjusted and  
33 reductions in other budget categories may occur. Expenditures on new courses, sections or programs may  
34 lessen the impact of reduced tuition revenue.

35  
36 **Status of Academic Programs**

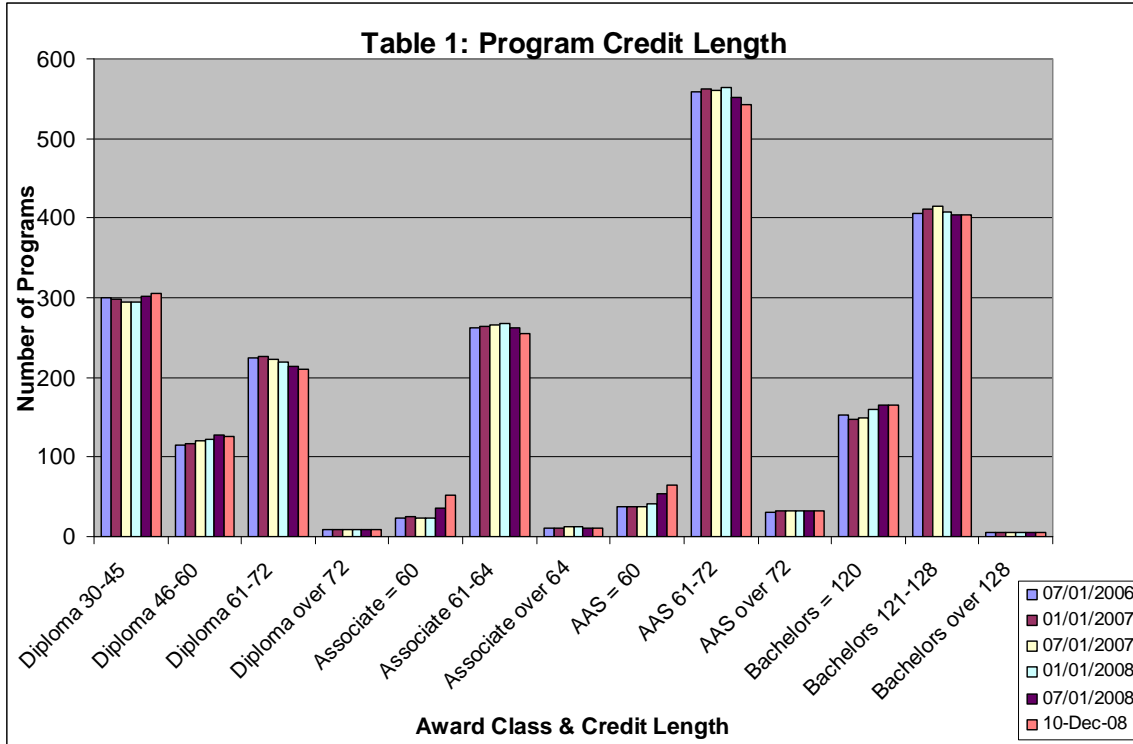
37  
38 As of December 2008, 1,543 academic programs led to an associate or baccalaureate degree. Of these,  
39 291 programs have a length of 60 or 120 credits and 1,252 exceed these limits.

40  
41 For colleges, there are 829 degree programs that have a credit length over 60 credits. Table 1 summarizes  
42 the number of programs by type of award and credit length over time. The data indicate that program  
43 credit lengths already are being reduced. In 2008 the number of associate degree programs over 60  
44 credits has declined by 36.

45  
46 For universities, there are 423 degree programs that have a credit length over 120 credits. As shown in  
47 Table 1, in 2008 the number of baccalaureate degree programs over 120 has decreased by 3.

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<sup>3</sup> Hours to Graduation: A National Survey of Credit Hours Required for Baccalaureate Degrees, 1995.



1 About 70 percent of university programs are above 120 credits in length. Variation exists among  
 2 universities in the percent of baccalaureate degrees that exceed 120 credits. As shown in Table 2, 17  
 3 percent of baccalaureate degrees at Saint Cloud State University exceed 120 credits. Metropolitan State  
 4 University and Minnesota State University Moorhead have 43 percent and 59 percent above 120 credits,  
 5 respectively. Nearly all of the programs at the remaining four universities are above 120 credits. Not  
 6 shown in the table are associate degree programs offered by universities; 14 of 17 exceed 60 credits.

Table 2: Baccalaureate Degrees

University	Equal to 120 credits	Over 120 credits	Percent over 120 credits
Bemidji State University	0	69	100%
Metropolitan State University	29	22	43%
Minnesota State University, Mankato	1	125	99%
Minnesota State University Moorhead	32	46	59%
Saint Cloud State University	109	23	17%
Southwest State University	1	55	98%
Winona State University	0	69	100%
TOTAL	172	409	70%

7 For colleges, Table 3 displays associate in applied science degrees separately from other associate degrees  
 8 – associate in arts, associate in science and associate in fine arts. The percentage of associate in applied  
 9 science degree programs over 60 credits varies from 25 percent to 100 percent. Twenty-two colleges  
 10 have over 85 percent of their associate in applied science degrees above 60 credits. Similarly, 15 colleges  
 11 have over 85 percent of other associate in science degree programs above 60 credits.

Table 3: Associate Degree Program Credit Lengths

College	Associate in Applied Science Degree			Other Associate Degrees (AS, AFA, AA)		
	Equal to 60 credits	Over 60 credits	Percent over 60 credits	Equal to 60 credits	Over 60 credits	Percent over 60 credits
Alexandria	0	27	100%	0	9	100%
Anoka	1	19	95%	0	0	NA
Anoka Ramsey	0	2	100%	2	15	88%
Century	0	31	100%	0	13	100%
Central Lakes	3	18	86%	0	5	100%
Dakota County	6	33	85%	1	4	80%
Fond du Lac	5	2	29%	3	8	73%
Hibbing	1	12	92%	2	3	60%
Hennepin	3	40	93%	0	1	100%
Itasca	0	3	100%	0	8	100%
Inver Hills	4	1	20%	8	10	56%
Lake Superior	5	30	86%	3	8	73%
Minneapolis	5	18	78%	4	20	83%
Mesabi Range	1	7	88%	1	4	80%
Minnesota State College, Southeast Technical	1	24	96%	0	2	100%
Minnesota State Community and Technical College	3	41	93%	4	11	73%
Minnesota West	1	31	97%	0	18	100%
Northland	1	24	96%	1	6	86%
North Hennepin	1	8	89%	3	17	85%
Normandale	3	5	63%	3	11	79%
Northwest – Bemidji	2	17	89%	0	2	100%
Pine	3	6	67%	0	6	100%
Ridgewater	2	43	96%	0	11	100%
Riverland	0	12	100%	0	10	100%
Rochester	5	23	82%	8	25	76%
Rainy River	1	0	0%	3	1	25%
South Central	0	34	100%	2	4	67%
Saint Cloud	4	32	89%	0	2	100%
St. Paul	4	27	87%	3	9	75%
Vermilion	0	4	100%	0	12	100%
<b>TOTAL</b>	<b>65</b>	<b>574</b>	<b>90%</b>	<b>51</b>	<b>255</b>	<b>83%</b>

1 **Program Credit Length Consistency**

2

3 Program credit lengths for similarly named programs vary across colleges and universities because  
 4 current procedure allows program credit lengths to fall within ranges. Associate in applied science  
 5 degrees range from 60 to 72 credits. An associate in science degree, which is designed to transfer, is  
 6 limited to 60 to 64 credits.

1 Tables 4 through 6 illustrate examples of the variation in program credit lengths<sup>4</sup> in three popular program  
 2 areas: accounting, business administration and management, and law enforcement. The variation in credit  
 3 length is readily apparent.

**Program Credit Lengths for Selected Programs**

Table 4: Accounting		
Award	Credits	N of Programs
AAS	60	2
	63	2
	64	4
	67	2
	69	1
	70	2
	71	1
	72	11
AS	60	1
	62	1
	64	6
BS	120	1
	124	1
	128	5
Total		40

Table 5: Business Administration & Management		
Award	Credits	N of Programs
AAS	60	5
	63	2
	64	13
	72	2
	60	3
AS	61	1
	63	1
	64	21
	124	1
BS	128	1
	120	1
	124	2
	128	7
Total		60

Table 6: Law Enforcement		
Award	Credits	N of Programs
AAS	60	1
	65	1
	69	1
	72	4
AS	60	1
	64	10
BS	128	1
	124	1
	128	1
Total		21

4 Five different names are used for the 60 business administration and management programs. Faculty  
 5 review is required to determine if these programs have similar outcomes. If the learning outcomes are  
 6 different, credit lengths may vary within a broad program area. For example, it may be that a program  
 7 called Applied Technology: Management program may be significantly different from a general business  
 8 management program.

9  
 10 **Timeline**

11  
 12 Listed below are key dates and activities related to the degree credit cap legislation. Overall,  
 13 development and implementation processes will take about three and one-half years from the time policy  
 14 and procedure are approved. By the fall of 2012, degree programs should be reduced to 60 or 120 credits  
 15 or be granted a waiver for a longer credit length.

Date	Activity
2007	Session law on degree credit caps.
2008 – March	Task force report completed
2008	Statute requires annual reporting
2008 – Nov	Proposed policy and procedure: First reading November 2008

<sup>4</sup> In providing three examples, there is no assumption that these programs will request or will be granted a credit length waiver.

Date	Activity
2009 – Jan	Proposed policy and procedure: Second reading January 2009
2009 – Jun	Deadline for notice of intent to file a waiver application
2009 – Oct	First report to the legislature
2009 to 2011	Development and submission of waiver applications
2011 – Dec	Waiver submission deadline
2012 – July	Implementation

1 **PROGRAM APPROVAL**

2  
3 All new programs and some changes to existing programs must be reviewed and formally approved by  
4 the Office of the Chancellor. Program changes include the addition or deletion of emphases; changes to a  
5 program’s name, online delivery status, or classification code; and program suspension or closure.

6  
7 New program applications are reviewed according to the following criteria: (1) appropriateness of the  
8 proposed program to the college or university mission, (2) student interest, (3) labor market demand, (4)  
9 unnecessary program duplication, (5) adequacy of resources, and (6) compliance with policy and  
10 procedure.

11  
12 Role of Institutions The process of initiating new programs or redesigning existing programs begins with  
13 the faculty at each institution. In some cases external review boards or advisory committees also  
14 contribute to curriculum development and change. Generally, a formal institution-wide committee of the  
15 faculty then reviews and makes recommendations concerning the proposals. The faculty’s  
16 recommendation is then forwarded to the institution’s administration where it receives its final review  
17 and, if approved, is submitted to the office of the chancellor for review

18  
19 Role of the Office of the Chancellor Staff The Office of the Chancellor, Academic Programs staff, is  
20 responsible for the approval and implementation of academic program policy and procedures. The Office  
21 of the Chancellor is authorized to consider and approve new programs and program modifications.  
22 Academic program staff members review every proposal for compliance with existing academic program  
23 policy, and make a final decision.

24  
25 Role of the Board of Trustees Board of Trustees approval is required only when colleges or universities  
26 must undergo a mission change to offer a new type of award.

27  
28 **Program approval process**

29  
30 Program planning Upon request, Academic Programs staff assist with academic program planning,  
31 including identifying occupational/professional supply and demand information, designing student  
32 interest surveys, and providing information on the location of similar programs offered at both public and  
33 private institutions to address the question of unnecessary program duplication. Staff also conduct  
34 preliminary reviews of proposals.

35  
36 College or university approval Prior to submission of a program application to the office of the  
37 chancellor, all college and university approval processes should be completed.

38  
39 Comment period Proposals may be presented at any time during the year. Some program applications, for  
40 example an application for a new program, require that an announcement be posted to a listserv of chief

1 academic officers and presidents for 21 days. Members are given an opportunity to comment on the  
 2 program.

3  
 4 Review and approval The proposal review process is not linear, and can involve numerous questions,  
 5 discussions, and negotiations. Proposals are subject to critical editing, and suggestions may be provided  
 6 before final approval. In some cases, proposals may be modified significantly, they may be delayed,  
 7 contingencies may be assigned, or the staff and the college or university may not reach consensus that the  
 8 proposal should go forward.

9  
 10 Office of the Chancellor reviews and approves the program proposal, as appropriate. The program is  
 11 added to the official program inventory.

12  
 13 Program approval timelines The amount of time needed to prepare and process a program application  
 14 varies depending upon the type of application and extent of any issues that may arise. Applications for  
 15 new programs generally take the most amount of time to develop and review. Table 7 below provides a  
 16 summary of the tasks and timelines for preparing and processing a new program application. Changes to  
 17 existing program can be completed within 1-4 weeks.

**Table 7: Program Application Tasks and Timelines – New Programs**

<b>Timeline</b>	<b>Campus</b>	<b>Office of the Chancellor</b>	<b>Other</b>
<b>Any time</b>	Identify new program initiatives.	Provide information.	Complete cooperative arrangements  Consult steering or advisory group as appropriate
	Department/unit prepares proposal	Assist with proposal development	
	Complete internal faculty/administration approval process		
<b>21 days</b>	Submit a Notice of Intent	Using a listserv, notify all colleges and universities of the proposed program	
<b>2-6 weeks</b>	<i>Submit proposal to Office of the Chancellor</i>	Staff reviews program proposal.	
	<i>Institution reviews the staff's summary report.</i>	Consult informally with college or university about any concerns.	
	Makes adjustments to proposal, if any.	Prepare summary report/recommendations	

18 **IMPACT OF POLICY CHANGE – CREDIT LENGTH**

19  
 20 Changes in policy and procedure present challenges as well as advantages and disadvantages.

21 **Challenges**

22  
 23  
 24 Perspectives Curriculum decisions including program credit length have traditionally been made at the  
 25 local college and university level. This decentralized locus of responsibility has led to systemwide  
 26 variations among program credit lengths for similar programs. In contrast, other stakeholders, such as  
 27 students and legislators, are likely to expect similar programs to have the same credit length throughout  
 28 the system.

1 **Collaboration** For programs requesting a credit length waiver, under proposed policy and procedure,  
2 faculty from multiple colleges and universities will need to collaborate regarding program credit length.  
3 This shift requires new working relationships among faculty across colleges and universities. This will  
4 require revised processes and redirected resources.

5  
6 **Interpretation of waiver criteria** Proposed waiver criteria will require interpretation. Some credit length  
7 waiver applications will be easy to justify. For example, ABET, the recognized accreditor for college and  
8 university programs in applied science, computing, engineering, and engineering technology, requires  
9 engineering technology programs to be a minimum of 64 or 124 credits. Under the proposed waiver  
10 criteria, this explicit standard requires no additional justification for the program to exceed program credit  
11 limits. Few programs have such explicit accreditation standards.

12  
13 More typically, accredited programs are held accountable to learning outcomes rather than a specific  
14 number of credits. Justifying a program's credit length based on a curriculum designed around learning  
15 outcomes requires documentation of the program's design relative to the learning outcomes.

16  
17 Program design, including credit length, for non-accredited occupational programs may rely on national  
18 skills standards, state regulation, or employer standards to identify learning outcomes.

19  
20 In some cases, similar programs around the nation may be used for comparison.

## 21 **Advantages and Disadvantages**

22  
23  
24 The policy shift towards shorter degree programs offers advantages and disadvantages. Identified below,  
25 these perceived advantages and disadvantages that, to some extent, may be realized over time.

### 26 **Advantages**

- 27 1. Students may
  - 28 a. pay less tuition to complete a program
  - 29 b. accrue less debt
  - 30 c. find programs with similar titles to be the same credit length systemwide
  - 31 d. graduate and enter the job market sooner
- 32 2. Program curriculum review undertaken as part of degree credit cap requirements may
  - 33 a. result in program improvement
  - 34 b. reflect updated articulation agreements
  - 35 c. result in consistent program credit lengths
- 36 3. Minnesota State Colleges and Universities may
  - 37 a. Become more competitive relative to non-system colleges and universities due to lower price
  - 38 b. Increase student persistence and completion rates
  - 39 c. Establish long term faculty working relationships across campuses
- 40 4. State of Minnesota may
  - 41 a. Reduce need for as much state financial aid per student
  - 42 b. See more students attending higher education programs

### 43 **Disadvantages**

- 44 1. Students may be given less content in some programs. (For some programs it may be appropriate  
45 to add certificates to deliver advanced curriculum.)
- 46 2. Faculty positions may be reduced.

1 **IMPACT OF POLICY CHANGE – COMPARABILITY**

2  
3 The policy change that requires program credit lengths to be reduced will also introduce an expectation  
4 that similar programs across the system will have a common credit length. This change will also have  
5 advantages and disadvantages that may be realized over time.  
6

7 **Advantages**

- 8  
9 1. Transfer possibilities within the system may be enhanced  
10 2. Students and prospective students will have greater clarity regarding program comparability  
11 3. Communication of faculty across colleges and universities may increase to enrich curriculum  
12

13 **Disadvantages**

- 14  
15 1. It may be more difficult for institutions to address regional or local differences.  
16 2. Unique aspects of programs may be difficult to maintain.  
17

18 **WAIVER PROCESS**

19  
20 Program lengths may exceed limits set in procedure only with approval of the Office of Chancellor.  
21 Revised Policy 3.36 and Procedures 3.36.1 are expected to be implemented in January of 2009.  
22

23 Applications for program credit length waivers are initiated on college and university campuses using  
24 agreed upon curriculum review processes. After systemwide review, waiver applications are confirmed  
25 by colleges and universities and then submitted to the office of the chancellor.  
26

27 Guidelines have been developed to assist with the preparation of a waiver request.  
28

29 **Waiver Criteria**

30  
31 Credit length waivers may be granted when determined necessary to ensure that the degree provided  
32 meets industry or professional standards. Program advisory committee recommendations that support the  
33 standards may be submitted with the waiver request. Proposed waiver criteria include:  
34

- 35 1. Industry standards  
36 a. National or international program certification  
37 b. National or international standards, including skill standards  
38 c. Standards recommended by a primary employer or from multiple employers within a  
39 program service area  
40 2. Professional standards  
41 a. National specialized program accreditation  
42 b. State licensure requirements  
43 c. National practices or standards  
44

45 **Waiver Rationale and Evidence**

46  
47 Colleges and universities provide supportive documentation which demonstrates that the proposed  
48 program credit length is justified by externally established standards or guidelines. Documentation may  
49 include specific credit length requirements established by accrediting or certification bodies, evidence of  
50 state licensure requirements, research literature which supports industry skill standards or national

1 practices, letters of support from employers attesting to the need for specific skills requiring longer  
 2 programs.

3  
 4 **Program Analysis Guidelines**

5  
 6 An in-depth program analysis is required for all programs seeking a waiver request, except when industry  
 7 or professional standards set a specific minimum program credit length above 60/120 and the program  
 8 meets those standards or is designed to be consistent with those standards.

9  
 10 A detailed program analysis must discuss how the program meets industry or professional standards and  
 11 how it compares in credit length to similar programs within the system.

12  
 13 Programs determined to be similar will have the same program credit length. Program similarity is based  
 14 on similar learning outcomes. Curriculum design and course requirements can be different.

15  
 16 **Articulation Agreements**

17  
 18 Where applicable, articulation agreements must be revised and submitted as part of the waiver request.  
 19 Colleges and universities complete an [Articulation Agreement Table](#). Articulation agreements will be  
 20 reviewed to confirm that all courses in the associate degree program transfer and count toward completion  
 21 of a specific baccalaureate degree program.

22  
 23 **Waiver Process**

24  
 25 The process for requesting a waiver to exceed approved credit lengths is described in Table 8, below. The  
 26 process, which begins on college and university campuses and follows the institution’s academic  
 27 curriculum approval process, has five phases.

**Table 8: Waiver Process and Timeline**

Phase	Date	Description
<p><b>1. Propose</b>            Reduce credit length to 60/120 (no waiver requested)</p> <p style="text-align: center;"><u>OR</u></p> <p>Submit Notice of Intent to seek a credit waiver</p>	<p>Anytime before 12/31/2011</p> <p style="text-align: center;"><u>OR</u></p> <p>File Notice of Intent by 6/30/2009</p>	<p>If a college or university decides the program credit length should be 60 credits for associate degrees or 120 credits for baccalaureate degrees, the <a href="#">REDESIGN: Change Program and/or Emphasis Credit Length</a> form should be submitted to the Office of the Chancellor.</p> <p style="text-align: center;"><u>OR</u></p> <p>If a college or university decides to seek a waiver to exceed 60/120 credits, an individual college or university should complete a <a href="#">Notice of Intent for Credit Waiver</a> form and submit it electronically (subject: NOI Waiver) to <a href="mailto:Margie.takash@so.mnscu.edu">Margie.takash@so.mnscu.edu</a> <b>by June 30, 2009</b>. The Notice of Intent will be posted to the Waiver Listserv as an information item.</p>
<p><b>2. Single Application</b>            Complete single application</p>	<p>Date to be determined</p>	<p>A college or university completes the <a href="#">SINGLE: 60/120 CREDIT WAIVER</a> form. Submit applications electronically (subject: SINGLE WAIVER) to <a href="mailto:Margie.takash@so.mnscu.edu">Margie.takash@so.mnscu.edu</a> (Note: Colleges or universities may choose to complete a <i>GROUP WAIVER APPLICATION</i> during this time.)</p>
<p><b>3. Group Application</b></p>	<p>Complete on or before</p>	<p>The Office of the Chancellor will review the waiver request and determine whether the waiver application will be accepted as a single</p>

**Table 8: Waiver Process and Timeline**

<b>Phase</b>	<b>Date</b>	<b>Description</b>
Assess for similarity and complete group application	12/31/2011	application, or whether a group application must be completed for similar programs in the system.  If the Office of the Chancellor determines that a group waiver should be considered, all colleges or universities with similar programs must (a) review programs to determine which are or are not similar and (b) complete the <a href="#">GROUP: 60/120 CREDIT WAIVER</a> form for programs determined to be similar. Submit applications electronically (subject: GROUP WAIVER) to <a href="mailto:Margie.takash@so.mnscu.edu">Margie.takash@so.mnscu.edu</a> .
<b>4. Review, comment and decide</b>	1/1/2012 to 6/30/2012	When the Office of the Chancellor determines that the single or group application is complete, the application will be posted to the Waiver Listserv for 30 business days. Members of the listserv (Presidents, Chief Academic Officers, Student and Faculty Associations) will have an opportunity to review the application and submit comments to the listserv. Comments posted to the listserv will be considered by the Office of the Chancellor when reviewing the application.  Application decisions will be posted to the listserv.
<b>5. Appeal</b>		Waiver requests that are not approved may be appealed to the Senior Vice Chancellor for Academic and Student Affairs. Submit the request in writing within 30 business days to <a href="mailto:Margie.takash@so.mnscu.edu">Margie.takash@so.mnscu.edu</a> .

1 **Additional Assistance**

2  
3 Two Web sites provide additional information. Several supporting documents and an overview of the  
4 waiver process are available at [www.programreview.project.mnscu.edu](http://www.programreview.project.mnscu.edu). Forms and instructions are  
5 available at <http://www.academicaffairs.mnscu.edu/academicprograms/index.html>. This later site  
6 includes [Staff Contacts](#).

7  
8 **RECOMMENDED COMMITTEE ACTION**

9  
10 The Academic and Student Affairs Committee recommends that the Board of Trustees adopt the  
11 following motion:

12  
13 **RECOMMENDED MOTION**

14  
15 The Board of Trustees approves the amendment to Policy 3.36 Academic Programs.

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

*Second Reading*

<b>BOARD POLICY</b>
Chapter 3. EDUCATIONAL POLICIES
Section 36. ACADEMIC PROGRAMS

1    **3.36 Academic Programs**  
2

3    **Part 1. Purpose and Applicability.** The purpose of the Academic Programs policy is to direct  
4 system decision-making regarding the development, approval and management of academic  
5 programs to meet Minnesota’s educational needs. This policy applies to credit-based academic  
6 programs of system colleges and universities.  
7

8    **Part 2. Definitions.** The following definitions have the meanings indicated for all Board  
9 policies unless the text clearly indicates otherwise.  
10

11       **Subpart A. Academic award.** Academic award means a certificate, diploma or degree.  
12

13       **Subpart B. Academic program.** Academic program means a cohesive arrangement of  
14 college-level credit courses and experiences designed to accomplish predetermined  
15 objectives leading to the awarding of a degree, diploma, or certificate. ~~Most academic~~  
16 Undergraduate degree programs shall include a general education component. The  
17 purpose of an academic program is to:

- 18           1. increase students' knowledge and understanding in a field of study or discipline,  
19           2. qualify students for employment in an occupation or range of occupations,  
20           and/or  
21           3. prepare students for advanced study.  
22

23       **Subpart C. Academic program inventory.** Academic program inventory means the  
24 official list of academic programs offered by system colleges and universities.  
25

26       **Subpart D. Credit.** Credit means a quantitative measure of instructional time assigned  
27 to a course or an equivalent learning experience such as class time per week over an  
28 academic term.  
29

30       **Subpart E. General education.** General education means a cohesive curriculum  
31 defined by faculty through system college or university procedures to develop reasoning  
32 ability and breadth of knowledge through an integration of learning experiences in the  
33 liberal arts and sciences.

1 **Part 3. Authorized Academic Awards.**

2  
3 **Subpart A. System college and university award authority.** System colleges and  
4 universities have authority to confer academic awards only as specified below.

- 5  
6 1. **Community colleges.** Community colleges have the authority to confer  
7 undergraduate certificates, diplomas, associate in arts, associate in fine arts, associate  
8 in science, and associate in applied science degrees.  
9  
10 2. **Consolidated colleges.** Consolidated colleges have the authority to confer  
11 undergraduate certificates, diplomas, associate in arts, associate in fine arts, associate  
12 in science, and associate in applied science degrees.  
13  
14 3. **Technical colleges.** Technical colleges have the authority to confer undergraduate  
15 certificates, diplomas, associate in science, and associate in applied science degrees.  
16  
17 4. **Universities.** Universities have the authority to confer undergraduate and graduate  
18 certificates and associate in arts, associate in fine arts, associate in science,  
19 baccalaureate, and graduate degrees.  
20

21 Approval by the Board of Trustees is required for a system college or university to confer  
22 an academic award type for which specific authority is not granted in this policy.  
23

24 **Subpart B. Academic award characteristics.** The chancellor shall specify the  
25 characteristics of academic awards.  
26

27 **Subpart C. Academic program credit length limits.** Academic programs that lead to  
28 an associate degree shall be limited to 60 credits and academic programs that lead to a  
29 baccalaureate degree shall be limited to 120 credits unless the chancellor grants a waiver  
30 based on industry or professional accreditation standards that require a greater number of  
31 credits.  
32

33 The chancellor shall set program credit length requirements and waiver criteria for  
34 undergraduate certificates, diplomas and graduate level awards.  
35

36 **Part 4. Authority to Establish Academic Program Locations.** Approval of the chancellor is  
37 required for establishment of a location at which an academic program may be offered.  
38

39 **Part 5. Academic Program Approval.** Approval of the chancellor is required for new  
40 academic programs, changes to existing academic programs, suspension of academic programs,  
41 and closure of academic programs at system colleges and universities.  
42

43 An approved academic program shall include curricular requirements for earning an academic  
44 award, such as credits in general education, a major and/or minor, and all prerequisite courses.

1 The chancellor shall maintain the academic program inventory. Only academic programs  
2 approved by the chancellor as recorded in the academic program inventory may be offered by  
3 system colleges and universities.

4  
5 **Part 6. Student Options when Academic Programs are Suspended, Closed, or Changed.** A  
6 system college or university shall provide a student admitted to an academic program an  
7 opportunity, consistent with system college or university policy, to complete the academic  
8 program when it is suspended or closed or when the requirements have changed.

9  
10 **Part 7. Academic Review.** Each system college and university shall regularly review its  
11 academic programs for the purpose of academic planning and improvement.

12  
13 Each system college and university shall submit an annual summary of its academic program  
14 review activity to the chancellor.

15  
16 The chancellor, as appropriate, may conduct statewide or regional reviews of academic programs  
17 or program clusters, report findings to the Board of Trustees and, when necessary, impose  
18 conditions on academic programs.

*Related Documents: Procedure 3.36.1 - Academic Programs*

*Date of Implementation: 8/01/07,*

*Date of Adoption: 6/20/07,*

*Date & Subject of Revisions:*

*6/20/07 - Repealed the following policies:*

*3.2 - Academic Program Inventory*

*3.10 - Academic Program Review*

*3.12 - Academic Program Suspension and Reinstatement and Closure*

*3.14 - Academic Program Approval*

*Procedure 3.14.1 - Addressing Transfer in Approval of New Programs*

*3.17 - Degrees, Diplomas and Certificates*

*Procedure 3.17.1 - Degrees, Diplomas and Certificates*

*3.19 - Academic Program Redesign.*

*3.20 - Academic Program Replication or Relocation.*

*3.25 - Degree Granting Authority.*

*Click here for additional 3.36 [HISTORY](#)*

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

**Agenda Item Summary Sheet**

**Committee:** Academic and Student Affairs

**Date of Meeting:** January 20, 2009

**Agenda Item:** Century College Mission Approval

<input type="checkbox"/> Proposed Policy Change	<input checked="" type="checkbox"/> Approvals Required by Policy	<input type="checkbox"/> Other Approvals	<input type="checkbox"/> Monitoring
<input type="checkbox"/> Information			

**Cite policy requirement, or explain why item is on the Board agenda:**

Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions requires institutions to have new missions approved by the Board. As required by procedure, the institution must indicate:

- a. How its mission and vision respond to the definitions in procedure 3.24.1.
- b. The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision.
- c. Its purposes and the array of awards it offers.
- d. How the new mission compares with the former mission.
- e. Ample consultation with faculty, students, employers and other essential stakeholders.

**Scheduled Presenter(s):**

John O'Brien, Acting President, Century College  
Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs

**Outline of Key Points/Policy Issues:**

The proposed vision, mission and purposes of Century College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions. The Higher Learning Commission requires accredited institutions to get approval from their governing boards for new missions.

**Background Information:**

The new mission for Century College has been reviewed and found to meet all Board requirements for institutional missions.

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

**CENTURY COLLEGE MISSION APPROVAL**

**EXECUTIVE SUMMARY**

The proposed vision, mission and purposes of Century College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions.

**Century College’s vision, mission, purposes and array of awards are:**

**Vision:** To be a national leader in transforming lives through an innovative, rigorous, and compassionate approach to education.

**Mission:** Century College inspires, prepares, and empowers students to succeed in a changing world.

**Purposes/Goals:**

**Purpose 1:** Increase access and opportunity

**Purpose 2:** Promote and measure high-quality learning programs and services

**Purpose 3:** Provide programs and services that enhance the economic competitiveness of the state and its regions

**Purpose 4:** Innovate to meet current and future educational needs

**Array of Awards:** Century College offers Associate in Applied Sciences, Associate in Science, Associate in Arts, as well as diplomas and certificates.

**An institution’s mission, vision and purposes shall support achievement of the system**

**mission and vision:** Century College’s proposed mission is “Century College inspires, prepares, and empowers students to succeed in a changing world.” Century College’s mission relates primarily to the system mission statement in the following ways:

- By providing open-access education to a broad range of students.
- By providing high quality services and education, preparing the citizens of Minnesota and surrounding communities for work and transfer to further education.
- By providing economic development through education, training, and retraining for local business and industry.
- By preparing students to adapt and be successful in an ever-changing world.

- 1 • **Strategic Direction One – Increase Access and Opportunity** by providing open-access  
2 education to a broad range of students.  
3
- 4 • **Strategic Direction Two – Expand High-Quality Learning Programs and Services** by  
5 offering high quality services and education, preparing the citizens of Minnesota for the  
6 workforce or transfer education.  
7
- 8 • **Strategic Direction Three – Strengthen Community Development and Economic  
9 Vitality** by providing economic development through education, training, and retraining for  
10 local business and industry.  
11
- 12 • **Strategic Direction Four – Innovate to Meet Current and Future Needs** by preparing  
13 students to adapt and be successful in an ever-changing world.  
14

15 **An institution’s mission, vision, and purposes shall provide a foundation for evaluation,  
16 accountability, and regional accreditation:** Century College’s proposed vision, mission, and  
17 goals provide a basis for evaluation, accountability, and regional accreditation. Of particular note  
18 is the college’s participation in the Academic Quality Improvement Project.  
19

20 **Compliance:** Century College’s vision, proposed mission, and purposes are consistent with  
21 statute, policy, and regional accreditation requirements.  
22

## 23 **BACKGROUND**

24 Century College retains its regional accreditation with the Higher Learning Commission of the  
25 North Central Association of Colleges and Schools through the Academic Quality Improvement  
26 Project (AQIP) process. The College was last re-accredited through the PEAQ process in 2000,  
27 and became members of AQIP in 2005. The College is currently developing its AQIP Systems  
28 Portfolio, for submission and review of June 2009. The College’s next accreditation re-  
29 affirmation is scheduled for 2012-13.  
30

31 Century College is the primary provider of higher education within the Northeast quadrant of the  
32 Twin Cities, and plays a unique role in that area by providing comprehensive educational  
33 programming, ranging from general education, transfer education, and technical and  
34 occupational education, to direct employment training. Century College has the largest  
35 Continuing Education and Customized Training division within Minnesota State Colleges and  
36 Universities system, serving over 12,000 students annually. Among the College’s unique  
37 academic programs are its Orthotics and Prosthetics programs and its Fabrication Laboratory,  
38 which operates in partnership with MIT. The College’s GPS LifePlan is its unique hallmark in  
39 the area of Student Services, and serves as a primary mechanism for inspiring, preparing, and  
40 empowering students not only to complete their education at Century, but also to succeed and  
41 thrive after leaving the College.  
42  
43  
44  
45

1 **Mission, Vision and Purposes Application Analysis**

2 The proposed vision, mission, and purposes of Century College meet the criteria identified in  
3 Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of System  
4 Institutional Missions.

5  
6 As required by procedure, the institution must indicate:

- 7 a. How its mission and vision respond to the definitions in procedure 3.24.1.  
8 b. The extent to which the institution will meet expectations of law, how it relates to other  
9 institutions of higher education, and how its mission, vision and purposes support fulfillment  
10 of the system mission and vision.  
11 c. Its goals/purposes and the array of awards it offers.  
12 d. How the new mission compares with the former mission.  
13 e. Ample consultation with faculty, students, employers and other essential stakeholders.  
14

15 Additionally, the institution’s mission must be compliant with statute, policy, and regional  
16 accreditation requirements.  
17

18 **Review of Century College’s Mission, Vision and Purposes**

19 Century College’s proposed vision, proposed mission and purposes meet these requirements.  
20

- 21 a. The mission and vision respond to the definitions in the procedure:  
22

23 Century College’s proposed mission emphasizes that the college intends to inspire, prepare, and  
24 empower students to succeed in a changing world.  
25

26 The proposed mission for Century College is guided by a vision to be “a national leader in  
27 transforming lives through an innovative, rigorous, and compassionate approach to education.”  
28

29 Century College envisions the following future:

- 30 • The College will be nationally recognized as one of the leaders in transformative  
31 education at the two-year level.  
32 • The College will continue to innovate, and will be deeply steeped in the use of GPS  
33 LifePlan as its planning, engagement, and retention tool.  
34 • The demographics of the College will continue to change, becoming increasingly diverse  
35 from the ethnic, age, and field of study perspectives.  
36 • The College’s graduates will stand above their peers in their academic accomplishment,  
37 and their ability to apply and adapt their knowledge, skills and abilities to the changing  
38 world.  
39 • Course scheduling will be increasingly more flexible, and more courses will be offered  
40 on-line and in a hybrid format.  
41 • The student body will be more ethnically diverse, and reflect an aging demographic.  
42 • Retention and success rates among underserved students will be significantly improved.  
43 • Overall retention and success rates will be significantly improved.  
44 • The College will increase its market share in the eastern quadrant of the Twin Cities,  
45 particularly in the areas of Woodbury and Oakdale.

1  
2 b. The extent to which the institution will meet expectations of law, how it relates to other  
3 institutions of higher education, and how its mission, vision and purposes support fulfillment  
4 of the system mission and vision:

5  
6 The Century College proposed vision, mission, and purposes are consistent with statute, policy,  
7 and regional accreditation requirements. The proposed Century College vision supports the  
8 system mission and vision in-

- 9 • Transforming lives – enhancing the life of every student through the educational and  
10 personal experiences obtained at the College.
- 11 • Focusing on continued innovation
- 12 • Serving all students – taking them where they are at and working with them to achieve  
13 their goals.
- 14 • Providing a broad range of educational options – both credit and non-credit, for personal  
15 and for professional growth.

16  
17 c. Its purposes and the array of awards it offers:

18  
19 Century College’s purposes are:

20 **Purpose 1: Increase Access and Opportunity** by focusing on:

- 21 • In partnership with Inver Hills Community College, increase the number of high school  
22 students going to college.
- 23 • Continue the development and enhancement of the GPS LifePlan.
- 24 • Develop and implement a comprehensive enrollment management plan.
- 25 • Develop and implement additional diversity-strengthening initiatives.
- 26 • Increase student scholarship opportunities, in partnership with the Century College  
27 Foundation

28  
29 **Purpose 2: Promote and measure high-quality learning programs and services** by focusing  
30 on:

- 31 • Complete the review and updating of all technical and occupational curricula.
- 32 • Revitalizing the program development process, focusing on strategic program innovation,  
33 increased partnering (both internal and external), and emphasizing the needs of the  
34 workforce.
- 35 • Expand partnerships with NSF, MIT, and other national entities.
- 36 • Define information and computer literacy competencies, and develop curricula to address  
37 them.
- 38 • Continue to increase flexibility in course scheduling and offerings, and implement  
39 comprehensive credit for prior learning processes.

40  
41 **Purpose 3: Provide programs and services that enhance the economic competitiveness of**  
42 **the state and its regions** by focusing on:

- 43 • Leverage the “Workforce for the Future” initiative to expand partnerships and service to  
44 business and industry.

- 1 • Expand Continuing Education and Customized Training enrollments from Fortune 1000  
2 companies outside Minnesota through participation as the lead Minnesota two-year  
3 college in the new Global Corporate College consortium.
- 4 • Expand community participation in campus culture, including the arts/performing arts,  
5 speaking engagements, and related events.
- 6 • Implement the American Association of Community Colleges (AACC) age 50-Plus  
7 initiative, serving as a mentor campus to colleges seeking to develop and deliver  
8 education, training, and service opportunities.
- 9 • Enhance the College’s climate commitment by increasing the sustainability of the  
10 campus.
- 11 • Partner with FedEx Ground on the establishment of a transportation center.
- 12 • Increase volunteer activities to provide valuable services to the community, including  
13 service learning and alumni volunteering.

14  
15 **Purpose 4: Innovate to meet current and future educational needs** by focusing on:

- 16 • Restructure the College planning committee and enhance the planning process by further  
17 integrating master planning and budgeting.
- 18 • Complete a revision and expansion of the College’s assessment plan.
- 19 • Expand award and recognition processes for faculty, staff and administrators.
- 20 • Develop a new AQIP Action Project addressing personal and professional development  
21 for faculty, staff and administrators.
- 22 • Further develop the College’s knowledge management system.
- 23 • Expand existing Key Performance Indicators to include unit-level measures for all  
24 services areas of the College.

25  
26 Century College’s purposes and goals are fully aligned with those of the system.

- 27 • The College has continually based its biennial planning around the strategic directions of  
28 the system
- 29 • The College aligns its annual action plans with these directions and other key initiatives  
30 designed to further the College’s and System’s missions and move toward fulfillment of  
31 their respective visions.
  - 32 ○ Through credit offerings in the liberal arts and sciences, the College prepares students for  
33 transfer to four-year colleges and universities.
  - 34 ○ Through both credit and non-credit course offerings, the College supports the workforce  
35 development needs of the state.
  - 36 ○ Through outreach and partnership with K-12, the College provides access and  
37 programming aimed at increasing post-secondary participation.
  - 38 ○ Through outreach to the community the College provides enrichment opportunities and  
39 access to social and intellectual programming that benefits the broader public.
  - 40 ○ Through high-quality, compassionate, and relevant instruction, the College prepares the  
41 citizens of Minnesota and surrounding areas to succeed and adapt to the ever changing  
42 needs and conditions of the world.

1 d. How the new mission compares with the former mission:  
2

3 The former mission of Century College was, “Century College is a learning-centered community  
4 committed to providing quality lifelong educational opportunities for a diverse citizenry.”  
5

6 The new mission reads, “Century College inspires, prepares, and empowers students to succeed in a  
7 changing world.”

8 The new mission continues to speak to the College’s fundamental role of providing open access higher  
9 education, within a changing and diverse world. The new statement differs from the former mission,  
10 however, in its language and emphasis on the person impact the College makes on its students, as well as  
11 the explicit intent of preparing students for success in both today’s and tomorrow’s world.  
12

13 e. Ample consultation with faculty, students, employers and other essential stakeholders:  
14

15 Century College’s mission, vision, and values statements were revised over a nine month period,  
16 beginning in April and ending in December, 2008. The process was broad-based and inclusive of the  
17 College’s primary constituent groups, including students, faculty, staff, administrators, parents,  
18 community members, and the foundation board. The process included the following steps:

- 19 • Opening discussion and review of current mission, vision, and values held during an all-college  
20 development day on April 3, 2008. Extensive feedback gathered, reviewed, and submitted to the  
21 consulting firm working with the College to create a new brand platform.
- 22 • Interviews with faculty, staff, students, and parents.
- 23 • Interview with the College President
- 24 • Review of internal written materials, data, student surveys, and other research
- 25 • External review of higher education landscape both locally and nationally
- 26 • Half-day brand workshop with College leaders
- 27 • Presentation of emerging themes at all-college opening days, fall 2008
- 28 • Open discussion sessions of emerging themes during August and September
- 29 • Focused discussion of emerging themes during an all-college meeting, and with constituent  
30 groups and standing committees throughout September
- 31 • Integration of feedback to formulate draft statements
- 32 • Open discussion sessions of draft statements during November
- 33 • Focused discussion of draft statements during an all-college meeting, and with constituent groups  
34 and standing committees throughout November and December
- 35 • Final integration of feedback and revision of draft statement by College Planning Committee in  
36 December
- 37 • Final revision and approval of new mission, vision, and values statements by the Executive  
38 Cabinet in December.  
39

40 **RECOMMENDED COMMITTEE MOTION**  
41

42 The Academic and Student Affairs Committee recommends that the Board of Trustees approve  
43 the proposed vision, mission, purposes, and array of awards of Century College as listed in the  
44 executive summary.  
45

46 **RECOMMENDED MOTION**  
47

48 The Board of Trustees approves the request by Century College to approve its proposed vision,  
49 mission, goals, and array of awards as listed in the executive summary.

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

**Agenda Item Summary Sheet**

**Committee:** Academic and Student Affairs

**Date of Meeting:** January 20, 2009

**Agenda Item:** Ridgewater College Mission Approval

<input type="checkbox"/> Proposed Policy Change	<input checked="" type="checkbox"/> Approvals Required by Policy	<input type="checkbox"/> Other Approvals	<input type="checkbox"/> Monitoring
<input type="checkbox"/> Information			

**Cite policy requirement, or explain why item is on the Board agenda:**

Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions requires institutions to have new missions approved by the Board. As required by procedure, the institution must indicate:

- a. How its mission and vision respond to the definitions in procedure 3.24.1.
- b. The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision.
- c. Its purposes and the array of awards it offers.
- d. How the new mission compares with the former mission.
- e. Ample consultation with faculty, students, employers and other essential stakeholders.

**Scheduled Presenter(s):**

Douglas Allen, President, Ridgewater College

Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs

**Outline of Key Points/Policy Issues:**

The proposed vision, mission and purposes of Ridgewater College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions. The Higher Learning Commission requires accredited institutions to get approval from their governing boards for new missions.

**Background Information:**

The new mission for Ridgewater College has been reviewed and found to meet all Board requirements for institutional missions.

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

**RIDGEWATER COLLEGE MISSION APPROVAL**

1  
2 **EXECUTIVE SUMMARY**  
3

4 The proposed vision, mission and purposes of Ridgewater College meet the criteria identified in  
5 Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of  
6 Institutional Missions.  
7

8 **Ridgewater College’s vision, mission, purposes and array of awards are:**  
9

10 **Vision:** Ridgewater College will be a dynamic educational leader exemplifying innovation and  
11 excellence within a student-centered learning environment.  
12

13 **Mission:** Ridgewater College provides quality educational opportunities for diverse student  
14 learners in an inclusive, supportive, and accessible environment.  
15

16 **Purposes/Goals:** Ridgewater College’s goals as articulated in its strategic directions are:

- 17 • **Promote access to the college** (includes goals in the areas of college readiness, affordability,  
18 and comprehensive/diverse programs)
- 19 • **Commit to student learning** (includes goals in the areas of learning environment, student  
20 retention, student success, and multiple delivery options)
- 21 • **Promote economic vitality** (includes goals in the areas of workforce development and  
22 regional vitality)
- 23 • **Exemplify innovation and collaboration** (includes goals in the areas of organization capacity  
24 to meet future challenges, and faculty and staff support)  
25

26 **Array of Awards:** Ridgewater College offers Associate in Applied Sciences, Associate in  
27 Science, Associate in Arts, as well as diplomas and technical and advanced certificates.  
28

29 **An institution’s mission, vision and purposes shall support achievement of the system**  
30 **mission and vision:** Ridgewater College’s proposed mission is “Ridgewater College provides  
31 quality educational opportunities for diverse student learners in an inclusive, supportive, and  
32 accessible environment.”  
33

34 Ridgewater College’s mission relates primarily to the system mission statement in its emphasis  
35 on a commitment to quality and to serve diverse learners in an inclusive environment. These  
36 emphases correspond with the statement in the system mission that institutions meet the personal  
37 and career goals of “a wide range of individual learners.”

1 In addition, Ridgewater College’s mission addresses the importance of providing a supportive,  
2 accessible environment, both of which speak to the system’s mission to “enhance the quality of  
3 life” of the people of Minnesota. The proposed mission supports the following system strategic  
4 directions:

- 5
- 6 • **Strategic Direction One – Increase Access and Opportunity** by providing “an inclusive,  
7 supportive, and accessible environment.”
- 8
- 9 • **Strategic Direction Two – Expand High-Quality Learning Programs and Services** by  
10 offering “quality educational opportunities.”
- 11
- 12 • **Strategic Direction Three – Strengthen Community Development and Economic**  
13 **Vitality** in the college’s efforts to reach “diverse student learners” within the communities  
14 and region the college intends to serve.
- 15
- 16 • **Strategic Direction Four – Innovate to Meet Current and Future Needs** by emphasizing  
17 the changing environment for learning.
- 18

19 **An institution’s mission, vision, and purposes shall provide a foundation for evaluation,**  
20 **accountability, and regional accreditation:** Ridgewater College’s proposed vision, mission,  
21 and goals provide a basis for evaluation, accountability, and regional accreditation. Of particular  
22 note is the college’s participation in the Academic Quality Improvement Project as well as the  
23 Higher Learning Commission's Assessment of Student Learning Academy.

24

25 **Compliance:** Ridgewater College’s vision, proposed mission, and purposes are consistent with  
26 statute, policy, and regional accreditation requirements.

## 27 **BACKGROUND**

28 Ridgewater College was created in 1996 with the merger of Willmar Community College (first  
29 accredited in 1972) and Hutchinson-Willmar Regional Technical College (first accredited in  
30 1976). The previous institutions had been founded in the early 1960s and had gone through  
31 several name changes and configurations up until the formation of Ridgewater College in 1996.  
32 Ridgewater College was accredited as a single entity on July 1, 1996. The College has two  
33 campuses, in Willmar and Hutchinson, located approximately 60 miles apart in central and west  
34 central Minnesota.

35

36

37 Ridgewater was accepted into the Higher Learning Commission's AQIP program in November  
38 2002, and as of fall, 2008, is in its sixth year of the seven-year accreditation cycle. The College is  
39 currently preparing for a Quality Check-up Visit scheduled for February 18-20, 2009, with  
40 reaccreditation expected later in 2009.

## 41 **Mission, Vision and Purposes Application Analysis**

42 The proposed vision, mission, and purposes of Ridgewater College meet the criteria identified in  
43 Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of System  
44 Institutional Missions.

45

- 1 As required by procedure, the institution must indicate:  
2 a. How its mission and vision respond to the definitions in procedure 3.24.1.  
3 b. The extent to which the institution will meet expectations of law, how it relates to other  
4 institutions of higher education, and how its mission, vision and purposes support fulfillment  
5 of the system mission and vision.  
6 c. Its goals/purposes and the array of awards it offers.  
7 d. How the new mission compares with the former mission.  
8 e. Ample consultation with faculty, students, employers and other essential stakeholders.

9  
10 Additionally, the institution’s mission must be compliant with statute, policy, and regional  
11 accreditation requirements.

12  
13 **Review of Ridgewater College’s Mission, Vision and Purposes**  
14 Ridgewater College’s proposed vision, proposed mission and purposes meet these requirements.

- 15  
16 a. The mission and vision respond to the definitions in the procedure:

17  
18 Ridgewater College’s proposed mission emphasizes that the college intends to provide quality  
19 educational opportunities in an accessible learning environment.

20  
21 The proposed mission for Ridgewater College is guided by a vision to be “a dynamic educational  
22 leader exemplifying innovation and excellence within a student-centered learning environment.”  
23 Ridgewater College envisions the following future:

- 24 • A visible, institution-wide belief that permeates the staff and faculty, the support services, the  
25 curriculum, and all the College’s stakeholders, that Ridgewater College is focused, above all  
26 else, on its students.
- 27 • As the communities of Willmar and Hutchinson (particularly Willmar) are rapidly changing  
28 in their demographics, Ridgewater considers it an opportunity, as well as a responsibility, to  
29 be proactive, flexible, and innovative in meeting the changing needs of its learners.
- 30 • Ridgewater College, because of the changing demographics in the communities it services, is  
31 a rural institution dealing with a mix of traditionally urban issues in addition to changing  
32 rural issues.

- 33  
34 b. The extent to which the institution will meet expectations of law, how it relates to other  
35 institutions of higher education, and how its mission, vision and purposes support fulfillment  
36 of the system mission and vision:

37  
38 The Ridgewater College proposed vision, mission, and purposes are consistent with statute,  
39 policy, and regional accreditation requirements. The proposed Ridgewater College mission and  
40 vision support the system mission and vision in providing quality educational opportunities for  
41 diverse student learners and in advancing excellence and innovation.

- 42  
43 c. Its purposes and the array of awards it offers:

44  
45

1 Ridgewater College’s strategic directions are:  
2

- 3 • Promote access to the college (includes goals in the areas of college readiness, affordability,  
4 and comprehensive/diverse programs) corresponds with and supports the System’s strategic  
5 direction to “increase access and opportunity.”  
6
- 7 • Commit to student learning (includes goals in the areas of learning environment, student  
8 retention, student success, and multiple delivery options) corresponds with and supports the  
9 System’s strategic direction to “promote and measure high-quality learning programs and  
10 services.”  
11
- 12 • Promote economic vitality (includes goals in the areas of workforce development and  
13 regional vitality) corresponds with and supports the System’s strategic direction to “provide  
14 programs and services that enhance the economic competitiveness of the state and its  
15 regions.”  
16
- 17 • Exemplify innovation and collaboration (includes goals in the areas of organization capacity  
18 to meet future challenges, and faculty and staff support) corresponds with and supports the  
19 System’s strategic direction to “innovate to meet current and future educational needs.”  
20

21 The College has aligned its strategic directions with those of the system, establishing goals within that  
22 structure to address specific institutional needs.  
23

24 d. How the new mission compares with the former mission:  
25

26 The former mission of Ridgewater College was, “Ridgewater College provides quality learning  
27 opportunities for students in accessible, affordable and supportive settings. The College will provide:

- 28 • Technical and occupational education enabling students to think critically and acquire  
29 skills and knowledge leading to employment or transfer.
- 30 • Comprehensive general education and associate degree programs that are transferable to  
31 four-year colleges and universities.
- 32 • Supplemental and developmental education to enhance student success.
- 33 • Extensive student support services and student life opportunities.
- 34 • Continuing and customized education addressing present and emerging needs of  
35 employers and employees.
- 36 • Economic and community development opportunities through partnerships with business  
37 and industry, the K-12 educational system, government, and other non-profit  
38 organizations.
- 39 • Community services, cultural forums and lifelong learning experiences for all citizens.
- 40 • Access to baccalaureate and advanced degree offerings through expanded association  
41 with public and private colleges and universities.”  
42

43 The new mission reads, “Ridgewater College provides quality educational opportunities for diverse  
44 student learners in an inclusive, supportive, and accessible environment.”  
45

1 The new and old mission statements do not differ greatly, but there are a few differences that the faculty  
2 and staff, in the process of breaking down the mission into its components and rebuilding it, suggested:

- 3 • The addition of the word “diverse” to the “student learners,” to reflect the changing face  
4 of Ridgewater’s service region.
- 5 • The addition of the word “inclusive,” to show the faculty and staff’s desire and  
6 commitment to effectively serve all learners.
- 7 • Removal of the word “affordable.” This does not mean the College will not be working  
8 at ways to make education more affordable [as one can see from one of the College’s  
9 strategic directions, listed later on in this document.] It simply means that, in today’s  
10 public education environment and with declining public financial support, the College  
11 has less and less influence on affordability, at least as it relates to tuition. The College  
12 will continue to promote accessibility through other means, such as building collaborative  
13 relationships with the K12 system, the business community, and other entities.

14  
15 Ridgewater’s proposed mission is considerably shorter than the previous one. The current  
16 mission was created at the time of the merger of two distinct institutions, one technical college  
17 and one community college, each with distinct missions. The longer mission statement with  
18 several bullet points was necessary in order to allay the fears of the faculty and staff of both  
19 former institutions that their own unique missions would be lost once the College had merged.  
20 That is no longer necessary, twelve years into the merger.

21  
22 e. Ample consultation with faculty, students, employers and other essential stakeholders:

23  
24 Over the course of the FY2008 school year, the College engaged the faculty, staff, and  
25 administrators in reviewing the College's current values, vision, mission, and goals as part of the  
26 strategic planning process. Several hours of input activities on multiple in-service days  
27 throughout the year, as well as presentation in venues such as the Administrative Council and  
28 other constituent groups, resulted in proposed values, vision, mission, and strategic plan goals  
29 which were then synthesized and submitted to the college community for final review.

30  
31 **RECOMMENDED COMMITTEE MOTION**

32  
33 The Academic and Student Affairs Committee recommends that the Board of Trustees approve  
34 the proposed vision, mission, goals, and array of awards of Ridgewater College as listed in the  
35 executive summary.

36  
37 **RECOMMENDED MOTION**

38  
39 The Board of Trustees approves the request by Ridgewater College to approve its proposed  
40 vision, mission, goals, and array of awards as listed in the executive summary.

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

**Agenda Item Summary Sheet**

**Committee:** Audit Committee

**Date of Meeting:** January 21, 2009

**Agenda Item:** Review External Audit Plan and Select Colleges Subject to Annual Financial Statement Audits

- Proposed Policy Change       Approvals Required by Policy       Other Approvals       Monitoring
- Information

**Cite policy requirement, or explain why item is on the Board agenda:**

According to Board Policy 1A2, Part 5, Subpart E, the Audit Committee oversees the work of external auditors. The audit contracts for six individual college and university audits have expired, so the committee needs to reconsider whether to continue with the existing strategic plan for external auditing services or make adjustments.

**Scheduled Presenter(s):**

John Asmussen, Executive Director, Office of Internal Auditing  
Laura King, Vice Chancellor - CFO

**Outline of Key Points/Policy Issues:**

- The contract with the principal auditor, Kern DeWenter Viere, requires that MnSCU contract for individual financial statement audits of colleges and universities so that at least 60% of the system-wide financial activity is covered by individual college and university audits.
- Board Policy 1A.2, Part 5, Subpart E. states that “An independent audit firm may not be appointed to a particular engagement for more than six consecutive years.” All six institutions have had the same auditing firm for six consecutive years, consequently these firms will not be eligible to bid on the same institutions again for this contracting cycle.

**Background Information:**

- The strategic external auditing plan was approved by the Audit Committee in January 2005.
- MnSCU has contracted with the Legislative Auditor for supplemental audit coverage for over ten years.

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

<b>BOARD INFORMATION</b>
REVIEW EXTERNAL AUDIT PLAN AND SELECT COLLEGES SUBJECT TO ANNUAL FINANCIAL STATEMENT AUDITS

In January 2005, the Board of Trustees approved the Strategic Plan for External Audit Services (a copy of the plan is available at <http://www.internalauditing.mnscu.edu/committee/2005/january/plan-to-contract-cpa-firms-2005.pdf>). The plan provided for a combination of contracting with CPA firms to conduct annual financial statements of the larger colleges and universities and contracting with the Legislative Auditor to audit the smaller colleges on a three-year cycle.

The plan provided that the annual audit of the system-level financial statements would be augmented with the stand-alone audits of twelve colleges and universities. This group of stand-alone audits was intended to account for approximately 60% of system-wide financial activity and, thus, improve the cost-effectiveness of the system-level audit.

For the past three years, the twelve colleges and universities shown in Table 1 have received stand-alone audits of their financial statements. It shows that contracts that expired in FY 2008 are needed in order to account for about 60% of system financial activity.

**Table 1: Stand-alone College or University Financial Statement Audits  
As of Fiscal Year 2008**

Contract Cycle / Audited Entity	% System Assets	% System Operating Expenses
<b><u>Contracts that Expired in FY 2008</u></b>		
Century College	2.87%	3.72%
Hennepin Technical College	1.40%	2.70%
Metropolitan State University	3.08%	3.28%
Minneapolis Community & Technical College	4.91%	3.69%
Rochester Community & Technical College	3.62%	2.83%
Southwest Minnesota State University	4.05%	2.69%
<b><u>Contracts Expiring in FY 2010</u></b>		
Bemidji State University	4.02%	4.35%
Minnesota State Community & Technical College	1.91%	2.91%
MSU, Mankato	11.41%	10.29%
MSU Moorhead	5.92%	5.36%
St. Cloud State University	10.19%	10.86%
Winona State University	10.02%	6.93%
<b>Total Audit Coverage – Standalone Audits</b>	<b>63.41%</b>	<b>59.61%</b>

Note: Percentages are based on fiscal year 2008 audited financial statements.

Some trustees have asked whether it would be prudent to add to or change the colleges and universities subject to stand-alone financial statement audits. Table 2 shows the other colleges that comprise more than 2% of either system assets or system operating expenses.

**Table 2: Next Largest Colleges Not Subject to Financial Statement Audits  
As of Fiscal Year 2008**

<b>College</b>	<b>% System Assets</b>	<b>% System Operating Expenses</b>
Northeast Higher Education District	3.00%	3.70%
Normandale Community College	2.70%	3.34%
Anoka Ramsey Community College	2.55%	2.59%
North Hennepin Community College	2.37%	2.32%
St. Cloud Technical College	2.27%	1.89%
St. Paul College	2.01%	2.38%
Lake Superior College	1.89%	2.13%
Ridgewater College	1.62%	2.28%
Northland Community & Technical College	1.52%	2.04%

Note: Percentages are based on MnSCU Supplement to the Annual Financial Report - Fiscal year 2008.

There are clear benefits to having more colleges subject to annual audits. The rigor of an annual financial statement audit results in a deeper understanding of a college's finances and provides important assurances to the president, Chancellor, Board of Trustees and other important college stakeholders. At the same time, there are some significant costs associated with adding new colleges to the financial statement audit schedule. The learning curve is steep and would require extra resources. The average cost estimate for a stand alone audit in 2005 (see January 2005 report cited earlier) was about \$51,000. That cost estimate would be significantly higher under current conditions because of the extra work required by the series of Auditing Standards (#104-111) that become effective in fiscal year 2008. These new auditing standards require additional effort for documenting internal controls as part of a financial statement audit.

Weighing the costs and benefits of expanding these stand-alone financial statement audits, the Vice Chancellor for Finance and the Executive Director of Internal Auditing recommend that colleges and universities listed in Table 1 continue to have annual audits and that the process be started for the possible additional of one more college, Normandale Community College, to the annual audit cycle. It is recommended that Normandale Community College be considered for a full financial statement audit beginning in fiscal year 2010. The college should spend fiscal year 2009 documenting major internal control structures and have staff members complete the training needed to prepare financial statements. Proposals for adding Normandale Community College to the annual audit schedule in fiscal year 2010 could be solicited as part of the upcoming Request for Proposals. Accordingly, the Audit Committee would create the option of adding it to the schedule, yet withhold a final decision until next year.

Several factors support adding Normandale Community College to the annual audit schedule:

- It is the largest college currently excluded from the annual audit schedule. In terms of operating expenses, it is larger than four of the colleges and one university presently subject to annual audits.
- The college has financial staff capable of producing financial statements. When the external audit plan was approved in January 2005, the Normandale business office was not ready for such an effort.
- Normandale Community College is a better candidate than the Northeast Higher Education District. The district is comprised of five colleges which have distinct internal control structures, thus, making it a much more difficult and costly institution to audit.
- The addition of one more college provides additional opportunity so that at least 60% of system assets and operating expenses will be audited as part of the annual schedule.

With the current budget uncertainties, though, the Audit Committee can wait to make a final decision on adding the college to the audit schedule until 2010.

Legislative Auditor contract

The strategic plan for external auditing services also provided for contracting with the Legislative Auditor to obtain additional internal control assurances. MnSCU has contracted with the Legislative Auditor for audit services since 1996. To complement the audit coverage achieved with the CPA firms, the focus of the Legislative Audit coverage has been on the colleges not subject to annual financial statement audits. As a result, these colleges and the Office of the Chancellor have been on a three-year schedule for audits conducted by the Legislative Auditor. Table 3 shows the eight colleges that the Legislative Auditor tentatively plans to audit in fiscal year 2009.

**Table 3: Tentative Legislative Audits Scheduled For Fiscal Year 2009**

<b>College</b>	<b>% System Assets</b>	<b>% System Operating Expenses</b>
Saint Paul College	2.01%	2.38%
North Hennepin Community College	2.37%	2.32%
Lake Superior College	1.89%	2.13%
Northland Community & Technical College	1.52%	2.04%
South Central College	0.74%	1.86%
Dakota County Technical College	1.43%	1.73%
Alexandria Technical College	1.13%	1.55%
Anoka Technical College	1.09%	1.09%

Note: Percentages are based on MnSCU Supplement to the Annual Financial Report - Fiscal year 2008

Because of budget difficulties, the Legislative Auditor is having difficulty with maintaining its three-year audit cycle for MnSCU colleges. In order to preserve this schedule for fiscal year 2009, the Office of Internal Auditing will enter into a service level agreement to assist the Legislative Auditor with conducting fieldwork on these eight colleges. Further discussions are needed to identify longer term solutions for maintaining the audit cycle for these colleges.

Finally, the Legislative Auditor still does not have the staffing resources to reinstate periodic information technology (IT) audits. As recently as fiscal year 2007, the Legislative Auditor conducted periodic IT audits that affected MnSCU (the state payroll system). It issued the most recent audit of a MnSCU IT area in September 2005 (wireless technology). Due to a staffing shortage within its IT audit unit, the Legislative Auditor had to discontinue these audits in 2007. As a result, MnSCU expanded the scope of its contract with the principal auditor to include additional coverage of information technology systems in fiscal year 2007. This level of IT audit coverage, though, is very minimal for an organization as large and complex as MnSCU. Therefore, further consideration is needed about the appropriate level of IT audit coverage. Internal Auditing will continue to monitor this issue and work with the Vice Chancellor for Information Technology to ensure adequate IT audit services are maintained.

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

*The Audit Committee has reviewed the external audit plan and selected the colleges and universities subject to annual financial statement audits for Fiscal Years 2009-2011 and financial audits conducted by the Legislative Auditor during fiscal year 2009. The committee recommends that the Board of Trustees adopt the following motion:*

#### **RECOMMENDED MOTION:**

*Based on the review and recommendation of the Audit Committee, the Board of Trustees approves the Executive Director of Internal Auditing and Vice Chancellor for Finance issuing a Request for Proposals to solicit bids from certified public accounting firms interesting in conducting annual financial statement audits of the following colleges and universities:*

- *For fiscal years 2009 to 2011: Century College, Hennepin Technical College, Metropolitan State University, Minneapolis Community & Technical College, Rochester Community & Technical College, and Southwest Minnesota State University.*
- *Contract option for fiscal years 2010 and 2011: Normandale Community College.*

*Furthermore, based on the review and recommendation of the Audit Committee, the Board of Trustees approves the Executive Director of Internal Auditing and Vice Chancellor for Finance making arrangements with the Legislative Auditor to conduct periodic financial audits of colleges not subject to annual financial statement audits.*

*Date Presented to the Board of Trustees: January 21, 2009*