MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
ADVANCEMENT COMMITTEE
MEETING MINUTES
July 21, 2009

Advancement Committee Members Present: *Trustees Christine Rice, chair; Cheryl Dickson, vice chair; David Paskach, Thomas Renier, Louise Sundin, and Terri Thomas.*

Other Trustees Present: *Trustees Duane Benson, Jacob Englund, Allyson Lueneburg, Dan McElroy, Scott Thiss, Terri Thomas, and James Van Houten.*

Leadership Council Committee Members Present: *Chancellor Jim McCormick, President Douglas Allen, President Richard Davenport, Linda Kohl, Mary Davenport, Maria McLemore, Gail Olson, and John Asmussen.*

The Minnesota State Colleges and Universities Advancement Committee met July 21, 2009, in St. Paul. Chair Christine Rice called the meeting to order at 2:15 p.m.

Approval of the Advancement Committee Meeting Minutes
Chair Rice called for a motion to approve the May 19, 2009, Advancement Committee meeting minutes. A motion to approve the minutes was made, seconded, and adopted.

Approval of the Joint Advancement and Diversity and Multiculturalism Committees Meeting Minutes
Chair Rice called for a motion to approve the May 19, 2009, Advancement and Diversity and Multiculturalism Committees Meeting minutes. A motion to approve the minutes was made, seconded and adopted.

1. Advancement Update
Linda Kohl, associate vice chancellor for public affairs, provided three updates.
– The 2009 State Fair will be August 27 through September 7. The trustees will receive a letter inviting them to participate in the system's booth again this year. This year, the booth will include a demonstration of Second Life, an online virtual world being used by the system for educational purposes.
– The bonding book will be ready in mid-August. The book's format will change from vertical to horizontal and trimmed down from a whole page per project to a half page.
– The new *Go Places* will be ready by the start of the school year. New sections include information on how to stretch education dollars by living with parents, going to a community college the first two years, and taking International Baccalaureate, Advanced Placement and Post-Secondary Education Options courses while in high school.

2. Legislative Update
Mary Davenport, system director of government relations, provided a legislative update. Bonding tours start in August. House Higher Education Chair Tom Rukavina is visiting campuses. The federal government currently is working on appropriations bills. The House passed most appropriation bills except for Labor, Health and Human Services, and Education.

Information was shared on President Obama's announcement of his community college initiative. Government relations is watching progress on the $7 billion for community college initiatives, which includes a focus on student participation and completion of two-year and four-year degrees. The first phase is funding to institutions, and the second phase is for systems to roll out best practices. The bill incorporates funds for increasing post-secondary participation and completion through state grant programs. A major focus is accountability through development of a performance outcome and benchmarking system. Anticipated savings from moving to the U.S. Department of Education's direct loan program is expected to fund the new programs. Other new initiatives include a national program for open online education and grants to develop longitude in the data systems.

3. Development Update

Maria McLemore, interim executive director for system and foundation relations, said that last month the development division hosted 60 alumni relations and development professionals for an annual summer alumni and development workshop. The workshop covered a number of topics including how to use system publications to advance their fundraising and alumni relations efforts, prepare for financial audits and cultivate major gifts.

4. Affiliated Foundations Task Force Update

Doug Allen, president of Ridgewater College, provided an overview of the task force's recommendations, findings and conclusions. A related topic was the change in the audit thresholds for nonprofits, raised from $350,000 in total revenue to $750,000.

5. Proposed Board Policy 8.3 College, University, and System Related Foundations (First Reading)

Maria McLemore, interim executive director for system and foundation relations, cited the most pertinent revisions to the policy: the three-year rolling average to the performance measurement for affiliated foundations, maintaining the one-to-one return on investment of public funds, presidents serving ex officio on foundation boards, adherence to Minnesota Charities Review Council best practices, and reporting of variances from best practices.

John Asmussen, executive director of the Office of Internal Auditing, addressed trustees' questions regarding the impact the increase in the Minnesota nonprofit audit threshold (Minnesota Statutes section 309.53, Subd. 3) would have on the system's affiliated foundations. Asmussen stated that nine affiliated foundations would be affected by the change, spoke briefly on auditing costs for the foundations, and noted that setting the audit threshold for the affiliated foundations is a cost/benefit determination the Board of Trustees will need to make.

The discussion of the proposed amendments to Board Policy 8.3 brought several board concerns to the forefront including maintaining (as opposed to increasing) the one-to-one return on investment requirement, the need for more specific language on financial reporting to the board, and additional measures to determine return on investment and audit compliance. The board requested that the policy be revised to address concerns raised and brought before them at the September meeting.

6. Proposed Board Policy 8.4 Other Associated Organizations (First Reading)
Maria McLemore, interim executive director of system and foundation relations.
Board Policy 8.4 keeps authority over booster clubs and alumni organizations at the campus level and creation of the policy would give the presidents additional justification in working with these entities.

Respectfully submitted,
Debbie Goldschmitz, Recorder