

MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD OF TRUSTEES MEETING MINUTES SEPTEMBER 21, 2005 WELLS FARGO PLACE ST. PAUL, MINNESOTA

Trustees Present: Robert Hoffman, Chair, Will Antell, Duane Benson, Michael Boulton, Cheryl Dickson, Ivan Dusek, Ruth Grendahl, Clarence Hightower, David Paskach, Ann Curme Shaw and Christopher Schultz

Trustees Absent: Carol Ley, Lew Moran, David Olson and Thomas Renier

1. Call to Order

Chair Robert Hoffman called the meeting to order at 1:37 p.m.

2. State of the System: *Chancellor James McCormick*

Chancellor James McCormick delivered the second annual State of the System address: *A Decade of Achievements*. A copy is attached.

3. Chair's Report

Following the State of the System address and a brief recess, Chair Hoffman reconvened the meeting at 2:28 p.m.

a. Minutes of Board of Trustees Meeting of July 20, 2005

As there were no corrections to the minutes, Chair Hoffman announced that the minutes stand approved as written.

b. Draft Minutes of Executive Committee Meeting of September 7, 2005

Chair Hoffman reported that the draft minutes of the Executive Committee meeting are included for information in the board packet.

c. Amendments to Board Policy 1A.2 (First Reading)

Chair Hoffman reported that the leadership of the Board of Trustees made a decision to establish a standing committee on Diversity and Multiculturalism. The Executive Committee of the Board reviewed amendments to Board Policy 1A.2, at their meeting on September 7, 2005. In addition to adding a new standing committee, other amendments include: no longer requiring the Executive Committee to approve professional/technical contracts; a checklist when there is a lack of a quorum; a new section 6, under Part 6, Meetings of the Board, Subpart B. Protocol for Meetings, for labor strategy meetings; and clarifying language and correcting word capitalization.

The charge for the Diversity and Multiculturalism Committee will be discussed and developed in consultation with the chair of the Ad Hoc Diversity Committee and the co-chairs of the Leadership Council's Diversity Committee. A consultation memo requesting review and comment was sent on September 12. Comments will be accepted until final Board approval at the October meeting.

4. Trustees' Reports

Chair Hoffman reported that he participated at the Minnesota State Colleges and Universities State Fair exhibit on August 28. He thanked Board members who also participated at the exhibit.

Trustee Ivan Dusek reported that he attended the Association of Community College Trustees (ACCT) Leadership Congress in Seattle, Washington, September 7-10. He added that he is a member of the ACCT Diversity Committee that met on September 9.

Trustee Dusek reported that there is a new collaboration with ACCT and the American Indian Higher Education Consortium (AIHEC) to join in future workshops and leadership training. He added that the committee included caucuses representing African Americans, Hispanics and Asian Pacific Islanders that meet independently and then report back to the Diversity Committee. He stated that this is his final term serving on the ACCT Diversity Committee, and he encouraged Board members to consider applying to become a member of the ACCT Diversity Committee.

Trustee Will Antell reported that he and Chancellor McCormick attended and spoke at the Rural Community College Alliance Conference in Duluth on September 11. He also reported that he and the Chancellor have met with tribal chairs at White Earth Reservation Center, Red Lake and added that other meetings are scheduled within the next several weeks. He noted that he and Chancellor attended a ceremony celebrating the opening of a new building at the Leech Lake Tribal College. Chair Hoffman complimented Trustee Antell and Chancellor McCormick for their efforts meeting with the tribal communities.

Vice Chair Ann Curme Shaw reported that she attended a groundbreaking ceremony of a new Student Services building at Inver Hills Community College on August 30.

Trustee Cheryl Dickson reported that she attended a groundbreaking ceremony at Anoka Ramsey Community College, Cambridge on August 16.

Trustee Michael Boulton reported that he attended the Minnesota State University Student Association Board of Directors meetings on September 16-18, at Minnesota State University Moorhead. He added that the students' concerns regarding the consultation process were brought to his attention. Chair Hoffman stated that each institution should follow the consultation process closely.

Chair Hoffman reported that he and Chancellor McCormick attended and offered greetings at the 90th Anniversary Celebration of Rochester Community and Technical College on September 16. He also reported that Minnesota State Colleges and Universities held its annual Recognition and Celebration dinner September 20.

5. Chancellor's Comments

Chancellor McCormick reported that given the opportunity to deliver the "State of the System" address, he would not offer further comments. He announced that Deputy to the Chancellor John Ostrem would begin a leave of absence on October 6, which will conclude with his retirement after thirty years in Government Relations. In his three decades of service, Deputy to the Chancellor Ostrem worked for the State Legislature, the Department of Education, the Board of Technical Colleges, and the Minnesota State Colleges and Universities System. Chancellor added that he has been a great counselor and colleague and he expressed his deep gratitude to Dr. Ostrem for all that he has done for the system.

As a result of Dr. Ostrem's retirement, Chancellor announced that he would appoint Dr. Mary Jacquart to serve as the Director of Government Relations, effective October 7. He added that Dr. Jacquart was the Director of the Federal Relations and noted that she is well respected by the ten Minnesota members of Congress and their staffs.

Chair Hoffman invited Dr. Ostrem to address the Board of Trustees. Dr. Ostrem stated that he was truly blessed in his career to have worked with numerous Board members, legislators and staff. He expressed that he has loved each and every day of his career. Chair Hoffman commended Dr. Ostrem for his outstanding work and dedication to the system.

6. Joint Council of Student Associations

a. Minnesota State College Student Association

Ms. Jessica Medaeris, Public Affairs Assistant, Minnesota State College Student Association (MSCSA), addressed the Board of Trustees.

b. Minnesota State University Student Association

Mr. Hal Kimball, State Chair, Minnesota State University Student Association (MSUSA), addressed the Board of Trustees.

7. Minnesota State Colleges and Universities' Bargaining Units

a. Inter Faculty Organization

Dr. Nancy Johnson Black, President, Inter Faculty Organization (IFO), addressed the Board of Trustees.

8. Consent Agenda

All matters listed under Consent Agenda will be enacted by one motion in the form listed below. Any trustee may request that an item or items be removed from the Consent Agenda for independent consideration.

- a. Metropolitan State University Property Acquisition
- b. Approval of Contract Exceeding \$1 Million Dollars – Integrated Statewide Records System (ISRS) Server Lease
- c. Revised North Dakota/Minnesota Reciprocity Agreement
- d. Hurricane Katrina Resident Tuition Program
- e. Appointment of Academic Rank
- f. Authorization of Leadership Employment Agreements
- g. Riverland Community College Mission Approval

Trustee Will Antell moved approval of the Consent Agenda. Trustee Cheryl Dickson seconded and the Consent Agenda was approved unanimously.

9. Board Standing Committee Reports

a. Technology Committee, Lew Moran, Chair

(1) Information Technology Update

Committee member Michael Boulton reported that the committee heard an update from Vice Chancellor Ken Niemi on the Information Technology Division.

(2) Security Update

Committee member Michael Boulton reported that the committee heard an update from Vice Chancellor Niemi and Security Director Bev Schuft on information security related issues.

(3) Information Concerning Integrated Statewide Records System (ISRS)

Committee member Michael Boulton reported that the committee heard a report on the Integrated Statewide Records System server lease. He reported that the current servers are obsolete as the parts for the servers are no longer manufactured. The Information Technology Services area must replace some of its existing equipment in order to re-establish and sustain an adequate, stable and secure environment. A proposal for new equipment is consistent with the Information Technology Services planned replacement architecture intended to provide adequate capacity for the balance of this year and the subsequent two years.

(4) Minnesota Online Update

Committee member Michael Boulton reported that the committee heard an update from Associate Vice Chancellor Gary Langer on Minnesota Online for Fiscal Year 2005.

The update included current data, curriculum growth, new services, marketing activities, assessment and effectiveness planning and a demonstration of learning objects.

b. Finance/Facilities Policy Committee, Clarence Hightower, Chair

(1) Finance/Facilities Division Update

Committee Chair Clarence Hightower reported that the committee heard an update from Vice Chancellor Laura King on the Finance/Facilities Division.

*** (2) Revenue Fund Bond Sale (Second Reading)**

Committee Chair Hightower moved that the Board of Trustees approves the Series Resolution as described in Attachment A (in the board packet) and further authorizes projects listed estimated at \$56,075,000, of which \$49,175,000 will be funded by Revenue Fund bond proceeds. Trustee Will Antell seconded and the motion carried unanimously.

*** (3) Revenue Fund Master Resolution Amendment**

Committee Chair Hightower moved that the Board of Trustees approves the Amendment to the Revenue Fund Master Resolution contained in Attachment A (in the board packet). Trustee Antell seconded and the motion carried unanimously.

(4) Minnesota State University, Mankato Capital Project (First Reading)

Committee Chair Hightower reported that the committee heard a presentation from Vice Chancellor King, Associate Vice Chancellor Allan Johnson, President Richard Davenport and Vice President Sean McGoldrick on the Minnesota State University, Mankato Capital Project.

The presenters described a plan to design and construct a new building for Minnesota State University, Mankato for the College of Business. Funding will be raised by the Minnesota State University, Mankato Foundation through a capital campaign to be launched late fall. The goal of the campaign is to raise \$57 million dollars.

(5) Winona State University Stadium Press Box Project

Committee Chair Hightower reported that the committee heard a presentation from Vice Chancellor King, Associate Vice Chancellor Johnson and President Judith Ramaley on the Winona State University Stadium Press Box Project. At the Board of Trustees meeting in June of 2004, Winona State University was authorized to enter into a lease agreement with the Winona State University Foundation to construct Phase 1 of a new Press Box on campus at Maxwell Field at Midwest Wireless Stadium. Winona State University was required to return to the Board with information regarding the Phase 2 financing plan before work can begin.

(6) Fond du Lac Tribal and Community College Update

Committee Chair Hightower reported that the committee heard an update from Vice Chancellor King and Senior Vice Chancellor Linda Baer on Fond du Lac Tribal and Community College. In June of 2005, the Bureau of Indian Affairs advised Fond du Lac Tribal and Community College that the college would not receive a \$1 million dollar operating subsidy as the college failed to meet the 51 percent Native American enrollment level. The Tribal College is interested in pursuing separate accreditation and has started that process with the assistance of the Higher Learning Commission. The Board's liaison, Trustee Thomas Renier, Chancellor McCormick and Senior Vice Chancellor Baer have met with Tribal representatives, legislative members and the Higher Learning Commission in an effort to maintain a relationship between the Community College and Tribal College.

(7) Finance Division FY 2006 Goals and Objectives

Committee Chair Hightower reported that due to time constraints the Finance Division FY 2006 Goals and Objectives was deferred to the October meeting.

c. Human Resources Policy Committee, Ivan Dusek, Chair

(1) Human Resources Update

Committee Chair Ivan Dusek reported that the committee heard an update from Vice Chancellor William Tschida on the Human Resources Division.

(2) Proposed New Policy, Nepotism (First Reading)

Committee Chair Dusek reported that the committee heard a presentation from Vice Chancellor Tschida on the proposed new policy on nepotism.

The proposed new policy was distributed to various constituency groups for review and comment. No suggestions or changes were made in the proposed policy. This will be an action item at the October meeting.

(3) Closed Session: Bargaining Update

Committee Chair Dusek reported that the committee met in a closed session for an update on the current issues related to the bargaining negotiations.

d. Educational Policy Committee, David Paskach, Chair

(1) Academic and Student Affairs Update

Committee Chair David Paskach reported that the committee heard an update from Senior Vice Chancellor Linda Baer on the Academic and Student Affairs Division.

(2) Centers of Excellence Update

Committee Chair Paskach reported that the committee heard an update on the Centers of Excellence. The update included the process and criteria for the request for proposals. He stated that there were eleven intentions to submit proposals and noted that all proposals are due by October 4. The final selected proposals will be reviewed at the October meeting.

(3) Sabbatical Report

Committee Chair Paskach reported that the Sabbatical report was provided in the board packet for review.

(4) Campus Profile: Riverland Community College

Committee Chair Paskach reported the committee heard a presentation from Senior Vice Chancellor Baer, President Terrence Leas and his staff members on of Riverland Community College's campus profile. He stated that the Owatonna College and University Center is an operation of innovation under the guidance and responsibility of a partnership with Riverland Community College, the City of Owatonna and other public and private higher education providers. Committee Chair Paskach remarked that demands are high in serving the college's growing communities and Riverland Community College meets those challenges.

e. Audit Committee, Ann Curme Shaw, Chair

(1) Legislative Audit Reports for Fiscal Year 2004

Committee Chair Ann Curme Shaw reported that the committee heard a presentation from Executive Director John Asmussen on the Legislative Audit Reports for Fiscal Year 2004. The presentation provided an overview of the audit results that were distributed to the Board directly by the Legislative Auditor.

(2) Internal Auditing Annual Report

Committee Chair Shaw reported that due to time constraints, the Internal Auditing Annual Report was deferred to the December meeting.

(3) Internal Auditing Systemwide Projects – FY 2006

Committee Chair Shaw reported that due to time constraints, the Internal Auditing Systemwide Projects – FY 2006 were deferred to the October meeting.

(4) Audit Committee Roles and Responsibilities

Committee Chair Shaw reported that due to time constraints, the Audit Committee Roles and Responsibilities were deferred to the October meeting.

f. Advancement Committee, Cheryl Dickson, Chair

(1) Advancement Update

Committee Chair Cheryl Dickson reported that the committee heard the following updates: Associate Vice Chancellor Linda Kohl reported on the Minnesota State Colleges and Universities State Fair Exhibit, the new edition of *Go Places*, and the upcoming college fair. Executive Director Catherine McGlinch reported that the Minnesota State Colleges and Universities Foundation had received over \$1 million dollars in grants and requests to the various colleges and universities foundations.

Committee Chair Dickson reported that she, Chancellor McCormick, Executive Director McGlinch and President Kathi Hiyane-Brown presented on a panel entitled: *Building a System-wide Fundraising Initiative* at the Association of Community College Trustees Leadership Congress on September 9.

(2) Mandates and Curiosities

Committee Chair Dickson reported that the committee heard a report from Deputy to the Chancellor Ostrem and Director of Legislative Communication Melissa Fahning on the 2005 publication of "Mandates and Curiosities." The publication is designed to highlight and explain legislation that affects the system.

(3) Federal Update

Committee Chair Dickson reported that the committee heard an update from Director of Federal Legislative Relations Mary Jacquart on federal issues. The Higher Education bill has moved slowly through congress and was extended until March of 2006.

g. Ad Hoc Work Group on Strategic Planning, David Paskach, Chair

(1) Select Strategic Direction and Define Strategic Goals

David Paskach, chair of the Ad Hoc Work Group on Strategic Planning, reported that the group has made significant progress for a draft plan of the vision, mission and guiding principals and that will be presented to the Board at the November retreat.

He commented that three of the four existing strategic directions are appropriate with minor revisions in moving forward: related to increasing access and opportunity; expanding high quality learning programs and services; and strengthening community development and economic vitality. He added that the focus in October will be the fourth direction which is to innovate and capture the strategic direction for the years to follow.

He remarked that each member of the group has been extremely focused in the work of revising the plan and that he is looking forward to the outcome. Chair Hoffman commented that the meetings have been engaging and he complimented Trustee Paskach for his leadership of the group.

10 Requests by Individuals to Address the Board

11. Other Business

There was no other business to come before the Board.

12. Adjournment

Chair Hoffman adjourned the meeting by consensus at 3:20 p.m.

Patty McCann
Administrative Assistant to the Board