

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

BOARD ACTION	
BOARD POLICY 1A.2	
Chapter 1	Chapter Name: System Organization and Administration
Section 1A.2	Policy Name: Board of Trustees

INTRODUCTION

One of the key focus areas in the System’s 2005-2006 Work Plan is to improve educational access for underserved Minnesotans (Focus Area 5: Serving the Underrepresented). To promote this endeavor, the leadership of the Board of Trustees has decided 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 changes include: no longer requiring the Executive Committee to approve professional/technical contracts; a checklist when there is a lack of a quorum; adding a new section 6, under Part 6. Meetings of the Board, Subpart B. Protocol for Meetings, for labor strategy meetings; and clarifying language and capitalization throughout the policy. In addition, Procedure 1A.2.1 related to the development and administration of Board Office Operating Budget, will be repealed.

The amendments to Board Policy 1A.2, were presented during the Chair’s Report at the meeting of the Board on September 21, 2005. The draft charge for the Diversity and Multiculturalism Committee was developed in consultation with the chair and co-chairs of the Board’s Ad Hoc Diversity Committee and the Leadership Council’s Diversity Committee. The charge for the Diversity and Multiculturalism Committee will be reviewed by the Ad Hoc Diversity Committee at their meeting on October 18, 2005.

CONSULTATION

The amendments to Board Policy 1A.2, were distributed to the Leadership Council, Student Associations, and Bargaining Units for review and comment. No comments have been received.

FORMAL APPROVAL PROCESS

The proposed policy amendments were reviewed by Board of Trustees for a first reading in September, and are being presented for a second reading and approval on October 19, 2005. All changes to board policies require two readings by the Board of Trustees prior to official action.

RECOMMENDED MOTION

The Board of Trustees approves the amendments to Board Policy 1A.2.

Date of Adoption: October 19, 2005

Date of Implementation: October 19, 2005

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BOARD POLICY		1A.2
Chapter 1	Chapter Name : System Organization and Administration	
Section 1A.2	Policy Name : Board of Trustees	

1A.2 BOARD OF TRUSTEES

Part 1. Membership. Permanent membership on the board is defined in Minnesota Statutes, §136F.02, subdivision 1 (1998 2004), as follows: "The board consists of 15 members appointed by the governor with the advice and consent of the Senate. At least one member of the board must be a resident of each congressional district. Three members must be students who are enrolled at least half time in a degree, diploma, or certificate program or have graduated from an institution governed by the board within one year of the date of appointment. The student members shall include one member from a community college, one member from a state university, and one member from a technical college. The remaining members must be appointed to represent the state at large."

Part 2. Board Expenses, Per Diem and Reimbursement. Per diem and expense reimbursement, as authorized in Minnesota Statutes, §15.0575, subdivision 3 (1998 2004) and the Commissioner's Plan, shall be provided for the following.

1. Regular, special, emergency board committee and working group meetings,
2. ~~2.~~ Presentations before legislative committees or other legislative bodies as a representative of the board,
3. Commencements at college and university campuses in the MnSCU system,
4. Expense Allowance for the ~~B~~board ~~C~~chair. This allowance shall be set annually by the ~~B~~board.

Per diem and expenses may be provided for attendance at national conferences or meetings of higher education organizations in which MnSCU is a member. Per diem and expense reimbursement ~~may~~ also may be provided for attendance at other meetings related to college and university issues or legislative hearings when approved by the ~~B~~board chair. All expenses for out of state travel require prior approval of the ~~B~~board chair.

~~Trustees will review attendance records prepared by staff and verify in writing the authorization for per diem.~~ Requests for reimbursement of expenses and per diems shall be signed by the trustee.

Part 3. Powers and Duties.

Subpart A. General Statutory Authority. The general authority of the Bboard is set forth at Minnesota Statutes §136F.06, subdivisions 1 and 2 (1998 2004) which state:

"Subdivision 1. General authority. The board shall possess all powers necessary to govern the state colleges and universities and all related property. Those powers shall include, but are not limited to, those enumerated in this section. The board shall prescribe conditions of admission, set tuition and fees, approve programs of study and requirements for completion of programs, approve the awarding of appropriate certificates, diplomas, and degrees, enter into contracts and other agreements and adopt suitable policies for the institutions it governs. To the extent practicable in protecting statewide interests, the board shall provide autonomy to the campuses while holding them accountable for their decisions. Sections 14.01 to 14.47 do not apply to policies and procedures of the board.

Subd. 2. Governance authority. The board shall have the authority needed to operate and govern the state colleges and universities unless otherwise directed or prohibited by law. The board is responsible for its operations and necessary decisions unless these are specifically delegated by law to a state department or agency."

Subpart B. Delegation of Authority. The Bboard may delegate authority to the chancellor to act on behalf of the Bboard in accordance with policies or positions adopted by the Bboard. The chancellor may delegate authority to deputy and vice chancellors, presidents and other System employees consistent with Board Policy.

Subpart C. Board of Trustees Office and Staff Support. The Bboard shall establish an office of the Trustees and may employ staff to support its administrative operation.

Part 4. Officers of the Board.

Subpart A. Officers. The officers of the Bboard shall consist of a chair, vice chair, and treasurer. The chair, vice chair and treasurer shall be elected from the members of the Bboard.

Subpart B. Terms Of Office. The chair, vice chair, and treasurer of the Bboard shall be elected for a one-year term that shall commence on August 1, and shall serve until their successors begin their terms as officers. No Trustee shall hold the same office for more than two consecutive terms.

Subpart C. Duties and responsibilities. The duties and responsibilities of the officers of the Bboard are as follows:

1. The chair shall call, set the agenda for, and preside at all meetings of the board. Any matter requiring committee consideration that does not fall within the described duties of any committee or falls within the described duties of more than one committee shall be assigned to a committee by the chair. The chair shall recommend an annual Bboard operations budget and budget increases to the Executive committee for approval. At the request of the chair, the vice chair or another member of the board may preside at meetings of the board. The chair

shall name all members to standing and ad hoc committees, and appoint the chair and vice chair of each standing and ad hoc committee. The chair shall establish all ad hoc committees and describe the charge of the ad hoc committees. The chair shall fill standing and ad hoc committee vacancies. ~~All members of the board shall serve as ex officio members of every committee to which they are not appointed. The ex officio members are granted the right to fully participate in committee discussion and deliberations, but do not have the power to vote and are not to be included as part of the quorum of the committee.~~ The chair shall approve or disapprove requests by the chancellor to accept reimbursement of travel or meals from outside sources when required by Minnesota State Statutes §43A.38.

2. The vice chair, in the absence of the chair, shall perform the duties ordinarily performed by the chair.
3. The duties and responsibilities of the treasurer shall be to act on behalf of the Board in making certain that the chancellor keeps accounts necessary to the operation of the Board.

Subpart D. Election of Officers. The election of officers shall be conducted at the annual meeting of the Board. Any Board member who wishes to run for a position as an officer shall submit his/her name in writing to the Board office at least thirty days prior to the date of the election. The Board office shall, at least 25 days prior to the date of election, mail to each Board member a list of candidates. Nominations from the floor shall be received at the annual meeting.

The election for each officer of the Board shall be conducted separately in the following manner: (a) If there is ~~but~~ one (1) nominee, voting shall be by acclamation or, on request, by roll call. (b) If there are two (2) or more nominees, the vote shall be by roll call with the individual receiving a majority of the votes being elected.

Subpart E. Board Officer Vacancies. In the event of a vacancy of any officer of the Board, an election shall be held for the unexpired term at the earliest possible meeting of the Board following the notification of all members of the vacancy. Any Board member who wishes to run for a position as an officer shall submit his/her name in writing to the System office at least twenty-one days prior to the date of election. At least eighteen days prior to the date of election, the Board office staff shall mail a list of candidates to each Board member. Nominations from the floor shall be received at any meeting where an election occurs.

Subpart F. Secretary to the Board. A member of the Chancellor's staff shall be appointed by the Board as the secretary to the Board. The duties and responsibilities of the secretary shall be to act on behalf of the Board in making certain that the records of the Board are properly kept. The secretary shall be responsible for keeping a fair and full record of the proceedings in compliance with Minnesota law and shall insure that these records be properly duplicated and distributed.

Part 5. Standing Committees, Committees, and Working Groups of the Board. The Board establishes the standing committees at subparts A through G and may establish additional standing committees as necessary. A joint meeting of standing committees may be scheduled only after prior consultation with the Board chair.

All members of the board shall serve as ex-officio members of every committee to which they are not appointed. The ex-officio members are granted the right to fully participate in committee discussion and deliberations, but do not have the power to vote and are not to be included for purposes of a quorum.

Subpart A. Executive Committee. The executive committee of the board shall consist of six members, including the board chair, the board vice chair, the treasurer, the past chair if that person continues to serve as a trustee, and two additional members. If the immediate past chair is not still serving on the Board, the Chair will name another Trustee to fill that vacancy. The Board chair and vice chair shall serve as chair and vice chair respectively of the Executive Committee. The executive committee shall meet during periods between regular meetings of the board at the call of the chair. The executive committee is charged with conducting ongoing reviews of board operations procedures, assisting board members with ethical and legal obligations and board development. The executive committee may act on those issues delegated to it by the full board and shall consider issues that require attention prior to the next regular board meeting. The executive committee shall not have the authority to act on behalf of the board unless specifically delegated by the board except in the case of an emergency which, in the judgment of the chair, requires action more immediately than an emergency meeting of the board can be called. In such instances, the chair shall report to members of the board as soon as possible after the emergency and seek ratification of emergency actions at the next possible meeting.

The Executive committee shall approve the annual operating budget for the Board office, subject to the regular budget review and approval procedures of the Facilities/Finance Committee and the Board. The Executive committee periodically shall review the budget and provide a year end report to the Board at the conclusion of the fiscal year. ~~Executive committee approval of professional/technical contracts related to Board operations is required prior to award and execution.~~

Subpart B. Finance/Facilities Policy Committee. The finance/facilities policy committee of the Board shall consist of no ~~less~~ fewer than five members to be appointed by the chair annually. The finance/facilities policy committee is charged with oversight of all system-wide fiscal and facility matters. This includes biennial budget development, tuition, allocation formula, and capital budget requests.

Subpart C. Human Resources Policy Committee. The human resources policy committee of the Board shall consist of no ~~less~~ fewer than five members to be appointed by the chair annually. The human resources policy committee is charged with oversight of all system personnel policies for excluded administrators, student employees and collective bargaining agreements throughout the system.

Subpart D. Educational Policy Committee. The educational policy committee of the Bboard consists of no less fewer than five members to be appointed by the chair annually. The educational policy committee is charged with oversight of all system academic and student service policy. This includes program approval, academic standards, transfer policy, institutional names, and system-wide strategic planning.

Subpart E. Audit Committee. The audit committee of the Bboard consists of no less fewer than five members to be appointed by the chair of the Bboard annually. The committee shall meet at the call of its chair. The audit committee is charged with oversight of internal and external audits of all system functions including individual campus audits. The Bboard may hire an executive director of internal auditing and other auditors who shall report directly to the committee and the Bboard. Committee members shall receive training annually on their auditing and oversight responsibilities.

The audit committee is responsible for overseeing the service of internal and independent auditors. Policy 1D governs the Office Internal Auditing. The committee has the following responsibilities for independent auditors:

1. Oversee the process for selecting independent auditors. The committee shall select one or more independent auditors to audit system-level or institutional financial statements and recommend their appointment to the Bboard. An independent audit firm may not be appointed to a particular engagement for more than six consecutive years.
2. Review any non-audit services proposed by independent auditors under contract for audit services. The Bboard must approve in advance any non-audit services to be provided by independent auditors under contract for audit services unless the scope of non-audit services is completely distinct from the scope of the audit engagement.
3. Review and discuss the results of each audit engagement with the independent auditor and management prior to recommending that the board release the audited financial statements.

Subpart F. Technology Committee. The technology committee of the Bboard consists of no less fewer than five members to be appointed by the chair of the Bboard annually. The technology committee is charged with oversight of all system technology policy.

Subpart G. Advancement Committee. The advancement committee of the Bboard consists of no less fewer than five members to be appointed by the chair of the Bboard annually. The advancement committee is charged with promotion, recruitment, development, and government relations.

Subpart H. Diversity and Multiculturalism Committee. The diversity and multiculturalism committee of the board consists of no fewer than five members to be appointed by the chair of the board annually. The Diversity and Multiculturalism Committee is charged with oversight of

ongoing endeavor and strategic planning to better serve all Minnesotans toward increased growth, progress, and appreciation of traditionally underserved students, faculty, and staff throughout the system.

Subpart H I. Working Groups. Following consultation with the chair, the chair of a standing committee may appoint a working group composed of members of the board and/or members of the public to advise on issues of concern to the committee. The term of a working group shall not exceed one year.

Part 6. Meetings of the Board.

Subpart A. Types of Meetings. The board shall have an annual meeting, regular meetings, and, if necessary, special meetings and emergency meetings. Notice of meetings shall be provided in accordance with Minnesota ~~State~~ Statutes §13D.01, the Minnesota Open Meeting Law.

1. Annual meeting. An annual meeting will be held during the month of July. At the annual meeting ~~officers~~ the board shall be elected officers, establish a calendar of regular board and committee meetings ~~shall be established~~, and consider other business as ~~considered~~ appropriate.
2. Regular meetings. Regular meetings of the board shall follow the calendar established at the annual meeting. Regular meetings shall include approval of minutes, report of the chair, report of the chancellor, reports from standing committees, reports from special committees, and other business.
3. Special meetings. A special meeting of the board to consider specific items of business may be called by the chair, and shall be called by the chair at the request of any five (~~5~~) members. The secretary shall provide notice of special meetings by posting written notice of the date, time, place and purpose of the meeting in the board's office and by mailing or otherwise delivering notice of the meeting to each board member and each person who has filed a written request for notice of special meetings.
4. Committee and Working Group Meetings. Committee meetings and working group meetings shall be scheduled on a regular basis as determined by the chair. All meetings shall be coordinated through the board secretary for purposes of scheduling and providing required public notification.
5. Emergency Meetings. An emergency meeting is a special meeting called because of circumstances that require immediate consideration of the ~~B~~board. If an emergency meeting is required, the secretary shall make good faith efforts to provide notice of the meeting according to the provisions of the Minnesota open meeting law.

Subpart B. Protocol For Meetings. Comments and discussion from the general public shall be permitted at the discretion of the chair of the ~~B~~board, subject to approval by the ~~B~~board.

1. Quorum. A majority of the members of the Board or, in the case of a committee, a majority of the members of the committee, shall be necessary to constitute a quorum. Neither the Board nor a committee shall take official action without a quorum present.

In the absence of a quorum, the committee chair shall first determine whether a quorum can be obtained by locating the absent members of the committee. If that is not possible, the committee chair shall assess whether it is possible to postpone the meeting to a later time in order to obtain a quorum. The committee chair may convene the meeting without a quorum if there are exceptional reasons to do so.

2. Minutes. Minutes of the proceedings of the Board shall be kept by the secretary, who shall cause them to be printed, bound and preserved and who shall transmit copies to the members of the Board, administration, libraries and to other places where it is deemed appropriate. All lengthy reports shall be referred to in the minutes and shall be kept on file as part of the Board's records, but such reports need not be incorporated in the minutes except when so ordered by the Board. The minutes shall reflect the votes cast in committee meetings on matters recommended to the Board for action.
3. Voting. The decision of the majority voting the question shall prevail. Whenever the vote is not unanimous, a member may request a roll call vote. The secretary shall record all votes. A member may abstain from voting. Voting by proxy or by mail shall not be permitted.
4. Open Meetings. All meetings of the Board shall be in accordance with Minnesota State Statutes Chapter §13D.01, the Minnesota Open Meeting Law. All meetings of the Board shall be open to the public except as provided by law, ~~for example including~~ disciplinary proceedings, employee performance evaluations, consideration of matters protected by the attorney-client privilege or consideration of strategy for labor negotiations. ~~A decision to hold a non-public meeting to consider strategy for labor negotiations will be announced at a public meeting of the Board, and a written roll of those present will be made available to the public after such a meeting. The proceeding of such a meeting will be tape-recorded and preserved for two (2) years after the contract is signed, and made available to the public after all labor contracts are signed by the Board for the current budget period.~~

The ~~Board of Trustees~~ through the Board chair or the committee chair ~~will~~ may limit attendees at sessions closed pursuant to the Minnesota Open Meeting Law.

5. Closed Session Meetings. The Board of ~~T~~rustees will limit attendees at sessions closed pursuant to the Minnesota Open Meeting Law to the Board/committee members. Others, including the chancellor, deputy chancellor, appropriate vice chancellors, recorder and legal counsel, may be invited to attend at the discretion

of the Bboard chair or standing committee chair if their presence is required by the closed session discussion.

6. Labor Strategy Meetings. A decision to hold a non-public meeting to consider strategy for labor negotiations will be announced at a public meeting of the board, and a written roll of those present will be made available to the public after such a meeting. The proceeding of such a meeting will be tape-recorded and preserved for two (2) years after the contract is signed, and made available to the public after all labor contracts are signed by the board for the current budget period.

Subpart C. Agenda. Agendas for all meetings of the Bboard of Trustees shall be prepared by the chair as follows:

1. Regular Agenda. The Bboard agenda shall be set by the chair. The Bboard shall publish all action items on its regular monthly Bboard agenda. Board action shall be reserved to the published agenda items that are marked for Bboard action and mailed to Bboard members not less than five business days prior to the Bboard meeting.
2. Action on Non-Agenda Items. Requested Bboard action on unpublished agenda items or published agenda items not marked for action shall be postponed until the next Board meeting unless there is a suspension of the rules as provided in Policy 1A.1, Part 6, Subpart C.
3. Consent Agenda. The board chair may designate appropriate items to be included on a consent agenda for consideration by the full board. Items suitable for a consent agenda include those that have been considered by a committee, are noncontroversial in nature and do not require further discussion or explanation. Consent agenda items also may include items not requiring committee action, such as honors or commendations issued by the board. Changes to policy, matters requiring public hearing and items requiring a roll call vote shall not be included on a consent agenda. An item listed on a consent agenda shall be removed from the consent agenda upon request by any trustee. Consent agendas shall not be used by board committees.

Date of Implementation: 3/21/95,

Date of Adoption: 3/21/95,

Date & Subject of Revisions: 06/15/05 – Amended Part 5, Subpart E requires annual training for committee members, and includes committee’s responsibilities for independent auditors.

5/19/04 – Amended Part 4, Subpart C to allow the Chair to assign matters to committees, if they do not already fall within the described duties of a committee or they belong to more than one committee. Also, the annual Board operations budget and increases shall be recommended to the Executive committee for approval.

Amended Part 5, Subpart A Executive committee duties

*System Procedures
for Chapter 1 - System Organization and Administration*

Procedure 1A.2.1 Development & Administration of Board Office Operating Budget

for [Board Policy 1A.2](#) Part 4

The following procedure will be followed concerning preparation, adoption, monitoring and modification of the operating budget for the Board office of the MnSCU Board of Trustees.

Part 1. Development and Approval.

Development:

1. The chancellor will advise the chair of the Board of the annual system office budget development timeline and planning outlook at the beginning of the process.
2. The chair will initiate communication with the Board of Trustees concerning any initiative(s) members or committees are considering for the Board's upcoming year.
3. The Board office staff will participate in the System Office's annual budget preparation process.
4. The Board office staff will prepare base budget forecasts according to instructions issued by the Vice Chancellor/Chief Financial Officer's office. The base forecast will be provided to the chair of the Board prior to its completion.
5. The Board office staff will also communicate with the chancellor regarding any special initiatives or other extraordinary spending contemplated by the Board.
6. The Chancellor will incorporate the Board's budget into the overall system office budget.

Approval:

1. The chancellor will prepare the overall system office budget, including the budget for the Board office, for presentation to the Executive committee of the Board.
2. The presentation will include 1) historical spending/budget information at the object of expenditure level for all cost centers; 2) delineation of base vs. special initiatives proposed; and 3) any revenue or expenditure assumptions applied in the preparation of the budget.
3. The Executive committee will forward the overall system office budget with any requested changes to the Facilities/Finance committee of the Board of Trustees. The committee will review, modify and approve and forward to the full Board.
4. Upon approval, the Finance division will "load the budget" into the accounting system at the division (Board office) and cost center level.

Timeline: The system office budget process typically begins in February and concludes with Board approval in May/June for the fiscal year beginning July 1. Executive committee discussion would occur in April/May.

Part 2. Monitoring, Reporting and Amending.

Monitoring and Reporting:

1. The Board office will be asked to designate a primary budget officer as a part of the budget development process. This individual will receive monthly reports concerning the expenditure and encumbrance activity for the prior period.
2. The Board office staff will provide quarterly status reports to the Executive committee. The status report will include information regarding 1) budget vs. actual activity in the three principle activity areas: compensation; professional/technical contracts; and all other general operating costs; 2) request for movement of budget authority from one area to another; 3) progress report on any special initiatives for which additional funds were appropriated; and 4) outlook for balance of fiscal year including forecast of budget savings or gaps based up on approved activities.
3. Copies of the quarterly status report will be provided to all Board members.
4. A year-end budget report will be prepared for the record. The report will include final budget vs. actual information and a brief narrative concerning initiatives. The report will be presented as an information item to the Facilities/Finance committee and the full Board. The year-end budget report will be presented at the September Board meeting.

Approving and Amending:

1. A designated Board staff will provide day to day budget administration based on signature and spending authority delegated by the Chancellor consistent with the System Office delegation matrix. The delegation will indicate that the Executive committee must approve all professional/technical contracts prior to award and execution.
2. The quarterly status report will provide the mechanism for consideration of amendments to the budget. The Executive committee will review the budget outlook and direct preparation of a budget amendment.
3. Any change in the total funds authorized will follow the approval process for the original budget.
4. Change in the budget between the three areas defined above will be reviewed and approved by the Executive committee at the time of the quarterly status report. The full Board will be advised of any re-allocations approved by the Executive committee. Full Board approval is not required for movement of budget authority among the three areas.

Timeline: The designated Board staff will receive monthly activity reports from the Finance division. Quarterly reports will be prepared by the Board Staff and forwarded to the Executive committee at the November, February and May meetings. The final report for the fiscal year just completed will be presented at the September Board meeting.

Approved: March 22, 2000,

Effective date: March 22, 2000

Modified: April 10, 2002, Part 1: Development and Approval - Item 4, second line - change issued by my office to Vice Chancellor/Chief Financial Officer Part 2: Monitoring, Reporting and Amending - Item 4 - last line. The annual meeting is in July, but we won't have the year-end numbers completed by then. What do you think about changing it to read: The year-end budget report will be presented at the September Board meeting. Under Approving and Amending. Timeline. Last item in the procedure. - Last sentence: Please change to read at the September Board meeting