

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

BOARD ACTION
Amendments to Board Policy 1A.2, Board of Trustees, and Board Policy 1A.3, System Administration, Chancellor

BACKGROUND

Finance Administration and the Office of General Counsel, in preparation for recommending revisions to system procedure 1A.2.2, Delegation of Authority, ascertained board policies 1A.2 and 1A.3 should be amended, consistent with the Office of the Chancellor's continuing effort to maintain Board policies and system procedures that:

1. assure contemporary and responsible business practices are maintained;
2. assure the system's current financial and operating control mechanisms are sustained or strengthened;
3. assure continuity of operations;
4. clarify misunderstood information; and
5. prevent or eliminate redundancy or inconsistency.

A thorough review of the captioned policies was recently completed and the resulting proposed amendments are highlighted below.

Policy 1A.3, Systems Administration, Chancellor (please review Attachment A)

The amendment will, by inclusion of Part 4, Delegation, automatically delegate to the Chancellor full authority to take actions required for the system to function properly, consistent with the duties and responsibilities as chief executive officer of the system referenced in Part 2 of the policy.

Policy 1A.2, Board of Trustees (please review Attachment B)

The amendment will delete in its entirety Subpart B, Delegation of Authority, which includes optional delegation clauses that state the "board may delegate authority to the chancellor" and the "chancellor may delegate authority" to system employees. Retention and inclusion of the subpart creates an inconsistency if the proposed amendment to policy 1A.3 identified in Attachment A is adopted.

The recommended change has the effect of placing current practice into policy. Since 1995, the Board chair has granted the necessary authority to the chancellor by means of a letter of delegation. These policy changes would remove the necessity of issuing letters of delegation.

FINANCE AND FACILITIES COMMITTEE ACTION

The Finance and Facilities committee adopted the motion as stated below at its meeting on December 20, 2006.

RECOMMENDED BOARD ACTION

The Board of Trustees approve amending Board Policy 1A.3, System Administration, Chancellor, and Board Policy 1A.2, Board of Trustees, as submitted and noted in Attachments A and B, respectively.

Date of Adoption: xx/xx/xx

Date of Implementation: xx/xx/xx

Second Reading

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

BOARD POLICY 1A.3	
Chapter 1A	System & Office Operations
Section 1A.3	System Administration, Chancellor

1A.3 SYSTEM ADMINISTRATION, CHANCELLOR

Part 1. Appointment of Chancellor.

Subpart A. Appointment, Compensation and Expenses. The Board shall appoint the chancellor, set the conditions of employment, establish levels of compensation, and provide for an expense allowance for the chancellor.

Subpart B. Interim Appointment. An individual holding an interim appointment as chancellor shall not be eligible for appointment to the position in which she/he is serving as an interim appointee.

Part 2. Chancellor's Duties and Responsibilities. The chancellor shall be the chief executive officer of the Minnesota State Colleges and Universities system and shall have full executive responsibility for higher education leadership and effective management and operation of the system according to Board policies and state and federal laws. The chancellor's duties and responsibilities shall include but not be limited to: implementing Board policy; providing for educational leadership; recommending operating and capital budgets; recommending allocation of resources; planning; oversight of collective bargaining; providing information systems; management of personnel resources; annual evaluation of the presidents; and establishment of committees, including a presidents' advisory council.

Part 3. Evaluation. The chancellor shall be evaluated by the Board annually based on goals and objectives approved by the Board. The Chair shall appoint an ad hoc assessment committee to prepare evaluation materials for the Board's evaluation. The executive director of Internal Auditing shall assist the committee in obtaining data when requested, including conducting and compiling assessment surveys.

Part 4. Delegation. The chancellor is delegated full authority and responsibility consistent with the duties of chief executive officer to take actions required for the system to function appropriately in accordance with board policy, system procedures, guidelines, and applicable federal and state law, including but not limited to:

- a. Following any board action required by board policy, signing and execution of all legal and financial documents on behalf of the board, including contracts, agreements, instruments relating to real and personal property transactions, and other legal papers;

- 1 b. Delegating parts of the chancellor’s authority to employees under the chancellor’s
2 direct supervision; and
- 3 c. Appointment of personnel, development and enforcement of personnel programs,
4 discipline and termination, and signing collective bargaining agreements following
5 board approval.

6

7 This delegation is conditioned upon ongoing compliance with applicable statutes and law, board
8 policies, system procedures, guidelines, and other applicable state and federal regulations and
9 policies. The delegation expires upon termination of the chancellor’s employment or as
10 otherwise determined by the board.

Date of Implementation: 5/17/94

Date of Adoption: 5/17/94

Date & Subject of Revisions:

9/17/03 – Amended the policy to reflect the following: 1. The chair of the board appoints the members of the ad hoc assessment committee; and 2. the executive director of the Office of Internal Auditing will compile the assessment surveys.

12/16/98 – Amendment to delete Part 1; added new Part 1 language; delete Part 2, Subpart A; added new Part 2 language.

11/18/98 – Amendment made to move actions pertaining to “presidents” into new policy 4.2.

Date of Adoption: xx/xx/xx

Date of Implementation: xx/xx/xx

Second Reading

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

BOARD POLICY 1A.2	
Chapter 1A	System & Office Operations
Section 1A.2	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 (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 (2004) and the Commissioner's Plan, shall be provided for the following.

1. Regular, special, emergency board committee and working group meetings,
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 board chair. This allowance shall be set annually by the 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 also may be provided for attendance at other meetings related to college and university issues or legislative hearings when approved by the board chair. All expenses for out of state travel require prior approval of the board chair.

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 board is set forth at Minnesota Statutes §136F.06, subdivisions 1 and 2 (2004) which state:

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

11
 12 *Subd. 2. Governance authority. The board shall have the authority needed to operate*
 13 *and govern the state colleges and universities unless otherwise directed or prohibited*
 14 *by law. The board is responsible for its operations and necessary decisions unless*
 15 *these are specifically delegated by law to a state department or agency."*

16
 17 ~~**Subpart B. Delegation of Authority.** The board may delegate authority to the chancellor~~
 18 ~~to act on behalf of the board in accordance with policies or positions adopted by the~~
 19 ~~board. The chancellor may delegate authority to deputy and vice chancellors, presidents~~
 20 ~~and other system employees consistent with board policy.~~

21
 22 **Subpart CB. Board of Trustees Office and Staff Support.** The board shall establish an
 23 office of the trustees and may employ staff to support its administrative operation.

24 25 **Part 4. Officers of the Board.**

26
 27 **Subpart A. Officers.** The officers of the board shall consist of a chair, vice chair, and
 28 treasurer. The chair, vice chair and treasurer shall be elected from the members of the
 29 board.

30
 31 **Subpart B. Terms of Office.** The chair, vice chair, and treasurer of the board shall be
 32 elected for a one-year term that shall commence on August 1, and shall serve until their
 33 successors begin their terms as officers. No trustee shall hold the same office for more
 34 than two consecutive terms.

35
 36 **Subpart C. Duties and responsibilities.** The duties and responsibilities of the officers of
 37 the board are as follows:

- 38
 39 1. The chair shall call, set the agenda for, and preside at all meetings of the board.
 40 Any matter requiring committee consideration that does not fall within the
 41 described duties of any committee or falls within the described duties of more
 42 than one committee shall be assigned to a committee by the chair. The chair shall
 43 recommend an annual board operations budget and budget increases to the
 44 executive committee for approval. At the request of the chair, the vice chair or
 45 another member of the board may preside at meetings of the board. The chair
 46 shall name all members to standing and ad hoc committees, and appoint the chair
 47 and vice chair of each standing and ad hoc committee. The chair shall establish all
 48 ad hoc committees and describe the charge of the ad hoc committees. The chair
 49 shall fill standing and ad hoc committee vacancies. The chair shall approve or

1 disapprove requests by the chancellor to accept reimbursement of travel or meals
2 from outside sources when required by Minnesota Statute §43A.38.

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

8
9 **Subpart D. Election of Officers.** The election of officers shall be conducted at the
10 annual meeting of the board. Any board member who wishes to run for a position as an
11 officer shall submit his/her name in writing to the board office at least thirty days prior to
12 the date of the election. The board office shall, at least 25 days prior to the date of
13 election, mail to each board member a list of candidates. Nominations from the floor shall
14 be received at the annual meeting.

15
16 The election for each officer of the board shall be conducted separately in the following
17 manner: (a) If there is one nominee, voting shall be by acclamation or, on request, by roll
18 call. (b) If there are two or more nominees, the vote shall be by roll call with the
19 individual receiving a majority of the votes being elected.

20
21 **Subpart E. Board Officer Vacancies.** In the event of a vacancy of any officer of the
22 board, an election shall be held for the unexpired term at the earliest possible meeting of
23 the board following the notification of all members of the vacancy. Any board member
24 who wishes to run for a position as an officer shall submit his/her name in writing to the
25 system office at least twenty-one days prior to the date of election. At least eighteen days
26 prior to the date of election, the board office staff shall mail a list of candidates to each
27 board member. Nominations from the floor shall be received at any meeting where an
28 election occurs.

29
30 **Subpart F. Secretary to the Board.** A member of the chancellor's staff shall be
31 appointed by the board as the secretary to the board. The duties and responsibilities of the
32 secretary shall be to act on behalf of the board in making certain that the records of the
33 board are properly kept. The secretary shall be responsible for keeping a fair and full
34 record of the proceedings in compliance with Minnesota law and shall insure that these
35 records be properly duplicated and distributed.

36
37 **Part 5. Standing Committees, Committees, and Working Groups of the Board.** The board
38 establishes the standing committees at subparts A through H and may establish additional
39 standing committees as necessary. A joint meeting of standing committees may be scheduled
40 only after prior consultation with the board chair.

41
42 All members of the board shall serve as ex-officio members of every committee to which they
43 are not appointed. The ex-officio members are granted the right to fully participate in committee
44 discussion and deliberations, but do not have the power to vote and are not to be included for
45 purposes of a quorum.

46
47 **Subpart A. Executive Committee.** The executive committee of the board shall consist
48 of six members, including the board chair, the board vice chair, the treasurer, the past
49 chair if that person continues to serve as a trustee, and two additional members. If the
50 immediate past chair is not still serving on the board, the chair will name another trustee

1 to fill that vacancy. The board chair and vice chair shall serve as chair and vice chair
2 respectively of the executive committee. The executive committee shall meet during
3 periods between regular meetings of the board at the call of the chair. The executive
4 committee is charged with conducting ongoing reviews of board operations procedures,
5 assisting board members with ethical and legal obligations and board development. The
6 executive committee may act on those issues delegated to it by the full board and shall
7 consider issues that require attention prior to the next regular board meeting. The
8 executive committee shall not have the authority to act on behalf of the board unless
9 specifically delegated by the board except in the case of an emergency which, in the
10 judgment of the chair, requires action more immediately than an emergency meeting of
11 the board can be called. In such instances, the chair shall report to members of the board
12 as soon as possible after the emergency and seek ratification of emergency actions at the
13 next possible meeting.

14
15 The executive committee shall approve the annual operating budget for the board office,
16 subject to the regular budget review and approval procedures of the facilities/finance
17 committee and the board. The executive committee periodically shall review the budget
18 and provide a year end report to the board at the conclusion of the fiscal year.

19
20 **Subpart B. Finance/Facilities Policy Committee.** The finance/facilities policy
21 committee of the board shall consist of no fewer than five members to be appointed by
22 the chair annually. The finance/facilities policy committee is charged with oversight of
23 all system-wide fiscal and facility matters. This includes biennial budget development,
24 tuition, allocation formula, and capital budget requests.

25
26 **Subpart C. Human Resources Policy Committee.** The human resources policy
27 committee of the board shall consist of no fewer than five members to be appointed by
28 the chair annually. The human resources policy committee is charged with oversight of
29 all system personnel policies for excluded administrators, student employees and
30 collective bargaining agreements throughout the system.

31
32 **Subpart D. Educational Policy Committee.** The educational policy committee of the
33 board consists of no fewer than five members to be appointed by the chair annually. The
34 educational policy committee is charged with oversight of all system academic and
35 student service policy. This includes program approval, academic standards, transfer
36 policy, institutional names, and system-wide strategic planning.

37
38 **Subpart E. Audit Committee.** The audit committee of the board consists of no fewer
39 than five members to be appointed by the chair of the board annually. The committee
40 shall meet at the call of its chair. The audit committee is charged with oversight of
41 internal and external audits of all system functions including individual campus audits.
42 The board may hire an executive director of internal auditing and other auditors who shall
43 report directly to the committee and the board. Committee members shall receive training
44 annually on their auditing and oversight responsibilities.

45
46 The audit committee is responsible for overseeing the service of internal and independent
47 auditors. Policy 1D governs the Office Internal Auditing. The committee has the
48 following responsibilities for independent auditors:
49

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

14
15 **Subpart F. Technology Committee.** The technology committee of the board consists of
16 no fewer than five members to be appointed by the chair of the board annually. The
17 technology committee is charged with oversight of all system technology policy.

18
19 **Subpart G. Advancement Committee.** The advancement committee of the board
20 consists of no fewer than five members to be appointed by the chair of the board
21 annually. The advancement committee is charged with promotion, recruitment,
22 development, and government relations.

23
24 **Subpart H. Diversity and Multiculturalism Committee.** The diversity and
25 multiculturalism committee of the board consists of no fewer than five members to be
26 appointed by the chair of the board annually. The diversity and multiculturalism
27 committee is charged with oversight of ongoing endeavor and strategic planning to better
28 serve all Minnesotans toward increased growth, progress, and appreciation of
29 traditionally underserved students, faculty, and staff throughout the system.

30
31 **Subpart I. Working Groups.** Following consultation with the chair, the chair of a
32 standing committee may appoint a working group composed of members of the board
33 and/or members of the public to advise on issues of concern to the committee. The term
34 of a working group shall not exceed one year.

35 36 **Part 6. Meetings of the Board.**

37
38 **Subpart A. Types of Meetings.** The board shall have an annual meeting, regular
39 meetings, and, if necessary, special meetings and emergency meetings. Notice of
40 meetings shall be provided in accordance with Minnesota Statute §13D.01, the Minnesota
41 Open Meeting Law.

- 42
43 1. Annual meeting. An annual meeting will be held during the month of July. At the
44 annual meeting the board shall elect officers, establish a calendar of regular board
45 and committee meetings, and consider other business as appropriate.
- 46 2. Regular meetings. Regular meetings of the board shall follow the calendar
47 established at the annual meeting. Regular meetings shall include approval of
48 minutes, report of the chair, report of the chancellor, reports from standing
49 committees, reports from special committees, and other business.

- 1 3. Special meetings. A special meeting of the board to consider specific items of
2 business may be called by the chair, and shall be called by the chair at the request
3 of any five members. The secretary shall provide notice of special meetings by
4 posting written notice of the date, time, place and purpose of the meeting in the
5 board's office and by mailing or otherwise delivering notice of the meeting to
6 each board member and each person who has filed a written request for notice of
7 special meetings.
- 8 4. Committee and Working Group Meetings. Committee meetings and working
9 group meetings shall be scheduled on a regular basis as determined by the chair.
10 All meetings shall be coordinated through the board secretary for purposes of
11 scheduling and providing required public notification.
- 12 5. Emergency Meetings. An emergency meeting is a special meeting called because
13 of circumstances that require immediate consideration of the board. If an
14 emergency meeting is required, the secretary shall make good faith efforts to
15 provide notice of the meeting according to the provisions of the Minnesota open
16 meeting law.

17
18 **Subpart B. Protocol For Meetings.** Comments and discussion from the general public
19 shall be permitted at the discretion of the chair of the board, subject to approval by the
20 board.

- 21
22 1. Quorum. A majority of the members of the board or, in the case of a committee, a
23 majority of the members of the committee, shall be necessary to constitute a
24 quorum. Neither the board nor a committee shall take official action without a
25 quorum present.

26
27 In the absence of a quorum, the committee chair shall first determine whether a
28 quorum can be obtained by locating the absent members of the committee. If that
29 is not possible, the committee chair shall assess whether it is possible to postpone
30 the meeting to a later time in order to obtain a quorum. The committee chair may
31 convene the meeting without a quorum if there are exceptional reasons to do so.

- 32
33 2. Minutes. Minutes of the proceedings of the board shall be kept by the secretary,
34 who shall cause them to be printed, bound and preserved and who shall transmit
35 copies to the members of the board, administration, libraries and to other places
36 where it is deemed appropriate. All lengthy reports shall be referred to in the
37 minutes and shall be kept on file as part of the board's records, but such reports
38 need not be incorporated in the minutes except when so ordered by the board. The
39 minutes shall reflect the votes cast in committee meetings on matters
40 recommended to the board for action.
- 41
42 3. Voting. The decision of the majority voting the question shall prevail. Whenever
43 the vote is not unanimous, a member may request a roll call vote. The secretary
44 shall record all votes. A member may abstain from voting. Voting by proxy or by
45 mail shall not be permitted.
- 46
47 4. Open Meetings. All meetings of the board shall be in accordance with Minnesota
48 Statute §13D, the Minnesota Open Meeting Law. All meetings of the board shall
49 be open to the public except as provided by law, including disciplinary
50 proceedings, employee performance evaluations, consideration of matters

1 protected by the attorney-client privilege or consideration of strategy for labor
2 negotiations.

3
4 The board through the board chair or the committee chair may limit attendees at
5 sessions closed pursuant to the Minnesota Open Meeting Law.
6

7 5. Closed Session Meetings. The board of trustees will limit attendees at sessions
8 closed pursuant to the Minnesota Open Meeting Law to the board/committee
9 members. Others, including the chancellor, deputy chancellor, appropriate vice
10 chancellors, recorder and legal counsel, may be invited to attend at the discretion
11 of the board chair or standing committee chair if their presence is required by the
12 closed session discussion.
13

14 6. Labor Strategy Meetings. A decision to hold a non-public meeting to consider
15 strategy for labor negotiations will be announced at a public meeting of the board,
16 and a written roll of those present will be made available to the public after such a
17 meeting. The proceeding of such a meeting will be tape-recorded and preserved
18 for two (2) years after the contract is signed, and made available to the public
19 after all labor contracts are signed by the board for the current budget period.
20

21 **Subpart C. Agenda.** Agendas for all meetings of the board of trustees shall be prepared
22 by the chair as follows:
23

24 1. Regular Agenda. The board agenda shall be set by the chair. The board shall
25 publish all action items on its regular monthly board agenda. Board action shall be
26 reserved to the published agenda items that are marked for board action and
27 mailed to board members not less than five business days prior to the board
28 meeting.

29 2. Action on Non-Agenda Items. Requested board action on unpublished agenda
30 items or published agenda items not marked for action shall be postponed until
31 the next board meeting unless there is a suspension of the rules as provided in
32 Policy 1A.1, Part 6, Subpart C.
33

34 3. Consent Agenda. The board chair may designate appropriate items to be included
35 on a consent agenda for consideration by the full board. Items suitable for a
36 consent agenda include those that have been considered by a committee, are
37 noncontroversial in nature and do not require further discussion or explanation.
38 Consent agenda items also may include items not requiring committee action,
39 such as honors or commendations issued by the board. Changes to policy, matters
40 requiring public hearing and items requiring a roll call vote shall not be included
41 on a consent agenda. An item listed on a consent agenda shall be removed from
42 the consent agenda upon request by any trustee. Consent agendas shall not be
43 used by board committees.

Date of Implementation: 3/21/95

Date of Adoption: 3/21/95

Date & Subject of Revisions:

10/19/05 - Added Subpart H – Diversity and Multiculturalism Committee. Other technical changes were made.

6/15/05 - 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 recommend to the Executive committee for approval. Amended Part 5, Subpart A Executive committee duties.

5/21/03 - Deletes Part 7. Language now appears in Policy 1C.1 Part 2.

10/16/02 - Amends Part 4, Subpart A. - deletes "secretary" and adds "treasurer." Last sentence deleted. Subpart C - deletes number 3. Adds Subpart F.

4/17/02 - Amends Part 5, Subpart C. - Changes the name of the Personnel Policy Committee to the Human Resources Policy Committee.

10/17/01 - Amended Part 4, Subpart C.1. - allows the chair to approve or disapprove requests by the Chancellor to accept reimbursement from outside sources. Amended Part 5, by changing the membership of the Executive Committee, and adding two new standing committees:

Advancement and Technology.

6/20/01 - Amended Part 2 changing "State Managerial Plan" language to "Commissioner's Plan."

12/19/00 – Added Part 7. Individual Trustee Responsibilities.

11/15/00 - Added Consent Agenda, Part 6, Subpart C, number 3.

10/18/00 - Part 4. Officers of the Board, Subpart B. Terms of Office, and Subpart D. Election of Officers, and Part 6. Subpart A. Types of Meetings. 1. Annual Meeting.

3/22/00 - Amended Part 4; inserted new paragraph in Part 5.

12/15/99 - Amended Part 2, changes made to Per diem and expense reimbursements.

12/16/98 - Amended policy by changing the name from Closed Session Meetings; Deleted the first paragraph; Added Parts 1-6.

Date of Adoption: xx/xx/xx

Date of Implementation: xx/xx/xx