President’s Cabinet  
Friday, November 13, 2015  
10:00-11:30 a.m.  
Hobson Memorial Union - Crying Wolf Room

Attendees:
Richard Hanson  
Jackie Carroll  
Carol Russell  
Trudy Rautio  
Ben McAninch  
Jim Dillemuth  
Deb Peterson  
Michelle Frenzel  
Troy Gilbertson  
Jan Heuer  
Shawn Strong  
Karen Snorek  
Megan Zothman  
Mark Johnson  
Randy Westhoff  
Colleen Greer  
Tracy Dill  
Jeff Ueland  
Erika Bailey-Johnson  
Bill Blackwell

NTC/HLC Update – President Hanson
No update to report.

Recruitment, Retention & Graduation – Michelle Frenzel
Michelle provided a brief update:
• We host registration events on November 20th and December 4th.
• We took in 500 more applications this year than last during National App Week.
• The Strategic Enrollment Management group will be meeting at the end of the month.
• Listening sessions are planned for enrollment and retention at NTC.

BSU Foundation & Alumni – Ben McAninch, Carol Russell and Trudy Rautio
Discussion: President Hanson introduced BSU Alumni Association Board president, Ben McAninch, BSU Foundation Board president Carol Russell, and incoming president of the BSU Foundation Board Trudy Rautio.

Carol thanked President Hanson for the invitation to participate in the Cabinet meeting and stressed the purpose for their attendance today is to increase collaboration among the Cabinet and Foundation and Alumni boards.

Carol distributed the rosters for the BSU Foundation and Alumni Association boards and noted two new members of the Foundation Board: Joe Geary, the first Native American representative on the Board and Tom Anderson, CEO for Minnesota Thermal Science. She encouraged all Cabinet members to attend the social this afternoon. This is a great opportunity for us to get to know each other.

Over the last few years, Carol’s observations of the different organizations (BSU, BSU Foundation, BSU Alumni Association) could best be characterized as operating in silos. This effort to engage with the President’s Cabinet is an attempt to work more closely together.

Carol is proud of the engagement by both the Alumni and Foundation boards. They are all committed to supporting BSU’s efforts toward enrollment and retention as well as fundraising.

Carol identified several priorities of the BSU Foundation & Alumni Association:
1. Development – to date, the BSU Foundation has had a very successful capital campaign. We have raised over $35M, which is a huge accomplishment for the campaign
2. **Merger** – both the BSU Foundation and BSU Alumni Association boards will be voting today and tomorrow to merge the two boards. There has been significant time spent trying to make this happen. Having a merged board will allow for a number of efficiencies, such as a shared mission. The new proposed board would have 33 members.

3. **Search for the new president** – Both Carol and Trudy expressed deep frustration that the search advisory committee for our new president does not include a foundation board representative. No one at the table can answer the question about the fundraising efforts of the university. The capital campaign was successful because of the involvement of the president and his efforts. The Foundation Board will need to work very closely with the president. The fact that the Foundation was omitted from the search speaks volumes and is not very comforting. In addition, the committee does not have representation from the Native American population. Both positions were eliminated from the previous search conducted in 2010 when President Hanson was hired.

Carol went on to solicit feedback from the Cabinet. Understanding that the Foundation and Alumni Boards are not the Board of Trustees, she hopes the organizations can get a better understanding of the priorities of the university and offer some guidance. She would like to see more collaboration with the faculty/staff within the programs. She would like to see involvement that is useful and profitable for BSU. She hopes the merger will put the Foundation and Alumni Association in a better position for this collaboration. She asked the Cabinet about the needs of the University and ideas for engagement.

Jeff Ueland requested the Foundation consider restating a faculty representation on the Board. At one time, a faculty representative was seated but that position was eliminated a number of years ago. Carol indicated she would bring this up at the Board meeting today.

Deb Peterson suggested the Alumni Leaders in the Classroom (ALC) grow beyond the popular majors that have been represented so far. She would like to see alumni with Arts/Humanities and other professional degrees sit on an ALC panel. Having more majors would give students a greater understanding of what a student could do with these degrees. Both Ben and Carol responded positively to the suggestion and asked how that could be pursued.

Bill Blackwell would like to see fundraising used to create retention endowments. Some students face hardships with the costs of childcare and travel to/from classes, etc. He would like to see programs to increase retention.

Carol also acknowledged the need to be doing more with corporate partnerships. She expressed her appreciation for the invitation to join Cabinet this morning and requested that we continue to share our ideas with the Foundation Board.

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**Capital Budget Request – President Hanson**

**Attachment:** 1 – Capital Budget Request

**Discussion:** We are the 6th project on the list of projects requesting funding for the next bonding bill. Dr. Hanson is confident that if we have a bonding bill, we will get funded. At present, the project is within budget.
Financial Outlook from MnSCU – President Hanson

Attachment: 2 – Financial Outlook from MnSCU
Discussion: President Hanson discussed the outlook from the System Office for the FY17 budget. The System universities, with a freeze in tuition for FY17 will need to fund the cost for the 1% reduction in tuition at the System colleges.

Operating costs, including salary and benefits, are higher than we projected. We will start FY17 with a $37 million structural shortfall.

President Hanson stated that we are in for a rough time. Dr. Hanson referred to the Budget Forum on November 2nd. Karen presented five scenarios ranging from a 2% decrease in enrollment to flat enrollment to an increase in enrollment of 3%. All five scenarios reflected a budget deficit.

While we are working on a plan, we have some questions we need to answer. We need to identify how we plan to cover the deficit – utilize carryforwards, hiring freeze, etc.

Background paper on MnSCU Campus Security – President Hanson

Attachment: 3 – Background paper on MnSCU Campus Security
Discussion: President Hanson provided the information from the System Office related to campus security. Just recently, two MnSCU institutions faced lockdowns. There was a lot learned during these events. Sometimes the plans don’t happen as they should. These situations reiterated to President Hanson the need and importance for practice drills.

Dr. Hanson applauded our partnership with the Bemidji Police and Fire departments. They do spend some time on our campus most weekends. However, Dr. Hanson believed our incidents may be down this fall. Perhaps our Student Safety initiatives are working. Students are paying attention to their alcohol consumption.

At Leadership Council, all MnSCU presidents viewed an active shooter video. It provided actionable steps to take if you encounter an active shooter. It was valuable information and very sobering.

For the Good of the Order – ALL
Solar Project – President Hanson

President Hanson brought forward a solar project that would assist BSU with achieving carbon-neutrality by the 2050 deadline as part of our climate commitment. Erika Bailey-Johnson is putting together the proposal which calls for the building of a photovoltaic grid. The 2 megawatt facility on a 2-acre solar field, would cost approximately $4 million and would cover 20-25% of our electrical usage. The annual savings could exceed $250,000/year. There is an interesting investment opportunity with substantial tax benefits for the investor. The facility would be owned by the investors for 5 years before the ownership is transferred to the University.

Dr. Hanson intends to present the project to the BSU Foundation Board during their meeting today.
Student Media and Marketing Center – President Hanson & Shawn Strong
We are in the process of pursuing partnerships and philanthropic assistance for the space previously occupied by Lakeland Television. We would like to have that space remodeled for a Student Media and Marketing Center. The space will be used for radio and television. The plan is very new but if the funding is received, we could look at remodeling in January.

Meeting adjourned at 10:40 a.m.
Minutes submitted by Jackie Carroll.
<table>
<thead>
<tr>
<th>Project Title</th>
<th>Priority Ranking</th>
<th>Funding Source</th>
<th>2016</th>
<th>2018</th>
<th>2020</th>
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<td>Higher Education Asset Preservation and Replacement</td>
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<td>South Central College, North Mankato - STEM and Healthcare Design and Renovation</td>
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<td>Rochester Community and Technical College - Memorial and Plaza Halls Removal, Design, Renovation and Construction</td>
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<td>Hibbing Community College - Campus Reconfiguration</td>
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<td>Winona State University - Education Village Phase 2, Renovation and Demolition</td>
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<td>St. Cloud State University - Student Health and Academic Renovation</td>
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<td>Minnesota State University, Mankato - Clinical Sciences Phase 2, Design and Renovation</td>
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<td>Anoka-Ramsey Community College - Nursing &amp; Active Learning Center Design and Humanities Renovation</td>
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<td>Century College, East Campus - Applied Technology Center</td>
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FY2016 - FY2017 and FY2018 – FY2019 OUTLOOK

FY2016-FY2017 Outlook

June - The end of session outlook based upon final legislative results included a $21M overall shortfall between forecast revenue and expense. The FY2016 outlook resulted in $16M of state support remaining after forecast expenses were financed. The FY2017 outlook results in a $37M structural gap. The result of these annual forecasts is a $21M overall shortfall for the biennium. Legislative action also froze/reduced tuition in FY2016 and/or FY2017.

The end of session outlook included revenue estimates based upon the final legislative appropriation and enrollment/tuition based upon the February 2015 college/university forecasts.

Operating cost were assumed to increase 3% in total compensation for FY 2016 and FY2017 and 3% for other operating costs.

October - Enrollment outlook revised downward from May estimated decline of 1.8% (compared to FY2014) to a new estimated decline of 2.8%. The new enrollment forecast reduces estimated FY2016 tuition revenue by $7.8M.

Total compensation now forecast to increase 3.4%, a FY2016 additional cost impact of $4.9 M systemwide.

In Total – the June Board approved college and university budgets are expected to experience a $12.8M variance, or less than 1% overall.

FY2017 Operating Budget planning guidance

The FY2017 College and university operating budgets will be presented to the Board for approval in May/June 2016. Planning parameters include:

State support: FY2017 allocation estimates will be distributed in March 2016, based upon 2015 enrollment and instructional cost study performance. Your CFOs can estimate 2017 allocations with high accuracy at this point. Recall that there is a structural shortfall of $37M in the 2017 allocations. Budget/revenue modeling must take this into account.
**Tuition rates:** All tuition rates are either frozen (universities) or will decline 1% (colleges) in FY2017. Partial state support for these actions will be part of the March allocations. In FY2017, the colleges will receive base state support plus the funds for a 1% tuition reduction, but they will not receive funding for the second year of the 3% freeze. The universities will not receive additional funds for the mandated tuition freeze in FY2017.

The FY2017 freeze includes all tuition types; undergraduate, graduate, and program and course based rates (differential tuition). Market based rates are not frozen but prudence is counseled.

**Fees:** The CFOs have had a discussion concerning the continuing cap on fee rates. Staff is exploring interest in a continued cap on the overall aggregate increase, with some ability to request exceptions to the aggregate fee limit. Exceptions being considered include new revenue fund fees and fee increases in excess of the aggregate cap where there is student support.

**FY2018 – FY2019 Preliminary Outlook**

State appropriation base built from FY2017 appropriation so structural gap built into the outlook.

Biennial budget request preparation for the FY2018-FY2019 biennium will begin in spring 2016. The Leadership Council will be the primary venue for policy development of the overall request. Consultation with all other parties will be a part of the process.

The *ISRS Next Gen* project is expected to be a substantial component of the request.

Preliminary FYE enrollment forecasts for FY2017, FY2018 and FY2019 have been received from all colleges and universities. In FY2017, FYE enrollment is expected to decline slightly by (0.7) percent (compared to FY2016) for the system; down (0.6) percent at universities and (0.9) percent at colleges. Preliminary enrollment estimates for FY2018 and FY2019 show a slightly improving enrollment outlook. FY2018 enrollment is expected to tick up by 0.3 percent and another 0.4 percent in FY2019. These enrollment projections will be updated again in February.

Planning assumptions for operating cost inflation expected to range from 2.5-3%.
Background Paper
On
Minnesota State Colleges and Universities Campus Security

Purpose: Provide an overview of campus security and emergency planning, training and exercising at Minnesota State Colleges and Universities system campuses.

Background: Minnesota State Colleges and Universities has stewardship for 400,000 students and 16,900 faculty and staff who may be on one of the 54 campuses encompassing 26 million square feet including approximately 840 classroom buildings, dormitories and athletic facilities. The system also offers educational and student experiences off campus at venues across the state, the region and the world.

Governance and Oversight: Board of Trustees Policy 5.24, Safety and Security Compliance, directs each college and university to create and implement plans, programs, procedures, and training to promote safety and security of individuals and system property. Student and employee safety and security are top priorities for the chancellor, presidents, and administrators. The Board is annually updated on the status of emergency planning and preparedness and receives real-time updates if an event is underway. To provide training and assistance for college and university safety and security programs, there is security and emergency management subject matter expertise in the system office.

Board Policy 5.21, Possession or Carry of Firearms, prohibits employees, students, and visitors from possessing or carrying a firearm on campus in accordance with state law. There are limited exceptions to Policy 5.21 for specific academic programs, transportation to/from campus firearm storage if provided, and for certain licensed peace officers and those visitors lawfully permitted to carry a firearm, pursuant to Minnesota Statutes Section 624.714.

Emergency Planning: System colleges and universities have individual Emergency Operations Plans (EOP) in place that provide the framework in planning, training, exercising, and responding to emergencies. The plans are developed in conformance with the National Incident Management System which standardizes roles, responsibilities and organizational frameworks for responding parties. College and university EOPs outline response actions for incidents impacting campus operations as well as how a campus may be used to respond to an incident impacting their local community or region. The plans also include annual interaction and coordination with the local emergency response agencies. The system office provides EOP background information and subject matter expertise as well as assists campus planning through EOP template sharing and plan reviews. All campus EOPs have been reviewed by system office staff. Annually, Leadership Council (all presidents and the chancellor’s cabinet) is provided emergency planning and event execution check sheets for use on campus.

Emergency Procedures, Training, and Exercises: System colleges, universities, and the system office EOPs include procedures for emergency notification of employees and students. Employees and students receive emergency notification messaging through an emergency alert notification system that provides text, email and other messaging. Campuses test these systems on a recurring basis. EOPs also identify actions to be taken during emergency situations, including campus lockdown. Tabletop and walk-through exercises are held annually and include partnership with local law enforcement. The system office provides training resources such as the video Shots Fired On Campus – When Lightning Strikes from the Center for Personal Protection & Safety as well as assists colleges

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and universities by providing on-site/web-ex training and emergency event exercise scenario development and execution.

**Security Departments:** The size and composition of individual college and university security departments vary based on campus size, location, setting and perceived risk. Where security departments are in place, members can be full-time system employees, contracted security, and/or work-study students or student employees. There are currently 10 colleges with no designated security department, however, a staff member has been assigned as a security contact in addition to their primary duties. System colleges and universities are not authorized by statute to have licensed police departments. As a result, no system security department member carry firearms.

All college and university EOPs are required to include active coordination and cross training with the local law enforcement agency(s). Colleges and universities also rely heavily on local law enforcement for day-to-day support. Some campuses contract with local law enforcement for an ongoing law enforcement presence. For example, Dakota County Technical College has an armed local law enforcement officer on campus as part of a contract and St. Cloud State University has as many as three local law enforcement officers available through a memorandum of understanding with the City of St Cloud.

**Continuous Improvement In Security Posture:** With plans, training and security staffing in place commensurate with campus size, location, setting and perceived risk there are opportunities to continuously enhance the security posture of system colleges and universities.

Immediate response actions would be enhanced by installing public address systems or a similar internal audible (voice) notification system that would allow direct notification and direction to students and employees. This would be supportive of National Fire Protection Association (NFPA) Standard 72, *National Fire Alarm and Signaling Code*. Specific audible system needs vary by campus and require individual sizing and scoping accordingly.

The next level of enhancements, would be installing technology and practices to limit access to campuses and facilities with the ability to remotely lock and secure doors. It would limit entry to campuses and/or buildings to three or four corridors of access. All others would be secured from entry, but allow egress. The size and configuration of campus facilities would dictate the size and scope of this enhancement on each campus. This represents a departure from the current “open access” campus and buildings and would require a philosophical discussion at each campus.

In addition to audible notification systems and the capability to limit access/remotely secure facilities, video imagery and security cameras linked to local law enforcement could provide a deterrent to unlawful acts, provide real-time information to law enforcement during an emergency, and offer evidence after the fact. This initiative would require the appropriate technology networking and infrastructure as well as staff to oversee, operate, and maintain the systems.

Finally, college and university security could continue to be enhanced with a supplemental threat and security assessment provided by an outside consultant. Subject matter experts could supplement, on a recurring basis, current college and university security program management.

**Recommended Action:** For information only.