



**Finance Committee
Meeting Minutes
June 22, 2022**

A meeting of the Finance Committee of the Board of Trustees was held on June 22, 2022.

Committee members present: Roger Moe, Chair; Jerry Janezich, April Nishimura, Oballa Oballa Rudy Rodriguez, Kathy Sheran, George Soule

Committee members absent: None

Other board members present: Asani Ajogun, Victor Ayemobuwa, Alex Cirillo, Jay Cowles, Dawn Erlandson, Cheryl Tefer, Michael Vekich

Staff present: Devinder Malhotra, Chancellor; Bill Maki, Vice Chancellor for Finance and Facilities; Brian Yolitz, Associate Vice Chancellor for Facilities

The meeting materials for this meeting are available [<here>](#), starting on page 221. An audio recording of the meeting is available [<here>](#).

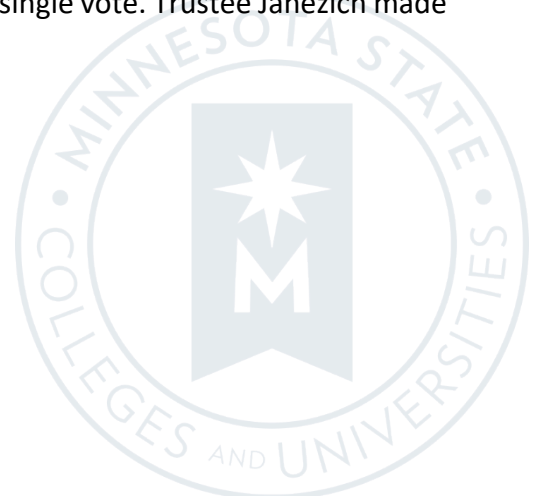
Committee Chair Moe called the meeting to order at 1:00 p.m.

Agenda Items 1-3: Approval of the Meeting Minutes for May 17, 2022; Joint Meeting of Facilities and Finance Committees of April 20, 2022; Facilities Committee of May 20, 2022

Committee Chair Moe asked if there were any changes or amendments to the minutes then asked for a motion to approve all three sets of minutes with a single vote. Trustee Janezich made the motion and Trustee Nishimura provided a second.

A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes



Agenda Item 4: Contracts Requiring Board Approval

Committee Chair Moe invited Vice Chancellor Bill Maki along with Associate Vice Chancellor Brian Yolitz to present the eight contracts that required board approval as detailed in the meeting materials. The meeting materials for this item begin on page 233.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4a: Air Handler Replacement-Automobile Shops, Lake Superior College:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter into a construction contract not to exceed \$2,200,000 to replace air handling units servicing the automotive trades spaces at Lake Superior College. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Sheran seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4b: Fixed Wing Aviation Training, Lake Superior College:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Lake Superior Helicopter (LSH), not to exceed \$5,000,000 with a term of three years and with an option for a one-time extension of two years for the purposes of providing fixed wing Instrument, Commercial, and Certified Flight Instructor pilot training. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Oballa seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4c: Campus Security Contract, Metropolitan State University:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Allied Universal, not to exceed \$5.1M and five years, for the purposes of providing contracted campus security for Metro State University. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Soule made the motion and Trustee Nishimura seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4d: HVAC Upgrades, Granite Falls Campus, Minnesota West Community and Technical College:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a construction contract not to exceed \$2,000,000 to replace air handling units and associated controls at the Granite Falls campus of Minnesota West Community

and Technical College. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Nishimura made the motion and Trustee Sheran seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Absent
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4e: Economic Development Administration (EDA) Federal Grant Construction Contract, St. Cloud Technical and Community College:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter into a construction contract not to exceed \$2,800,000 to renovate and construct campus spaces and create an Advanced Manufacturing Training Lab at St. Cloud Technical & Community College. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Oballa seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes
Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4f: Cable TV for Residence Halls, Winona State University:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to execute amendment two in an existing contract with Hiawatha Broadband Communications, Inc., for a total amount of the five-year contract not to exceed \$1,350,000. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Sheran seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes
Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4g: Course Placement Master Contract, System Office:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with College Board, not to exceed \$1,250,000 over five years including two one-year options and for the purposes of providing a course placement instrument to support the needs of all Minnesota State colleges and universities. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Sheran made the motion and Trustee Nishimura seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes

Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Committee Chair Moe asked committee members to consider the following recommended committee motion for **Agenda Item 4h: Zoom Video Conferencing and Phone Services, System Office:**

The Finance Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Carahsoft not to exceed \$8,080,000 for four years and for the purposes of Zoom video conferencing and phone services. The Finance Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Trustee Janezich made the motion and Trustee Soule seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	Yes
Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Agenda Item 5: Students United Fee Proposal (Second Reading)

Committee Chair Moe invited Emma Zellmer, the Students United State Chair, to present the second reading of the Student's United Fee Proposal as detailed in the meeting materials. The meeting materials for this item begin on page 253.

The Finance Committee recommends that the Board of Trustees accepts the increase of the Students United fee from \$0.61 to \$0.80 per credit hour beginning the fall semester of 2022.

Trustee Soule made the motion and Trustee Sheran seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	No
Trustee Rodriguez	Absent
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Agenda Item 6: FY2023 Annual Operating Budget (Second Reading)

Committee Chair Moe invited Vice Chancellor Bill Maki to present the second reading of the FY2023 Annual Operating Budget as detailed in the meeting materials. Steve Ernest, System Director for Financial Planning & Analysis, assisted with the presentation. The meeting materials for this item begin on page 259.

The Finance Committee recommends that the Board of Trustees adopt the following motion:

- *Adopt the annual total all funds operating budget for fiscal year 2023 as shown in Table 9.*
- *Approve the proposed tuition structure recommendations and differential tuition rationale for fiscal year 2023 as detailed in Attachments 1-A through 1-H.*
- *Approve continuation of the special contracted tuition rate for Alexandria Technical and Community College (ATCC) of \$150 per credit for its pilot program with the United States Naval Community College, allowing active service members to take up to 30 credits per academic year in existing courses at ATCC.*
- *Tuition rates are effective summer term or fall term 2022 at the discretion of the president. The chancellor or designee is authorized to approve any required technical adjustments, and is requested to incorporate any approvals at the time fiscal year 2024 tuition recommendations are presented to the Board of Trustees.*
- *Continue the policy of market-driven tuition for closed enrollment courses, customized training, and non-credit instruction, continuing education, and contract postsecondary enrollment option programs.*
- *Approve the Revenue Fund and related fiscal year 2023 fees for room and board, student union, wellness and recreation facilities, and parking ramps/surface lots as detailed in Attachments 2A through 2E, including any housing fees that the campuses may charge for occupancy outside the academic year.*

- *Authorize the chancellor or designee to enter into an agreement with the Learning Network of Minnesota to provide the funding appropriated to the organization in Minnesota Laws 2021, First Special Session, Chapter 2, in the amount of \$4,115,000.*

Trustee Soule made the motion and Trustee Rodriguez seconded. A roll call vote was conducted. The vote was as follows:

Trustee Janezich	Yes
Trustee Moe	Yes
Trustee Nishimura	Yes
Trustee Oballa	No
Trustee Rodriguez	Yes
Trustee Sheran	Yes
Trustee Soule	Yes

The committee voted to approve the recommended motion.

Adjournment

The committee chair adjourned the meeting at 3:40 p.m.