



**Finance and Facilities Committee  
Meeting Minutes  
June 21, 2023**

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A meeting of the Finance and Facilities Committee of the Board of Trustees was held on Wednesday, June 21, 2023.

Committee members present: Jay Cowles, Chair; Victor Ayemobuwa, Jim Grabowska, Tim Huebsch, April Nishimura, and Kathy Sheran.

Committee members absent: Jerry Janezich

Other board members present: Alex Cirillo, Dawn Erlandson, Roger Moe, George Soule, and Cheryl Tefer

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

The meeting materials for this meeting are available <[here](#)>, starting on page 75. An audio recording of the meeting is available <[here](#)>.

Committee Chair Cowles called the meeting to order at 9:12 a.m.

**Agenda Item 1: Approval of the Meeting Minutes for May 16, 2023**

Committee Chair Cowles asked if there were any changes or amendments to the minutes, then asked for a motion. Trustee Grabowska made the motion and Trustee Sheran provided a second.

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

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Absent
Trustee Nishimura	Aye
Trustee Sheran	Aye

The committee voted to approve the minutes.



**Agenda Item 2: Approval of the Meeting Minutes for the Joint Meeting of Diversity, Equity and Inclusion and Finance and Facilities Committees from May 16, 2023**

Finance and Facilities Committee Chair Cowles and Diversity, Equity and Inclusion Chair Soule asked if there were any changes or amendments to the minutes, then asked for a motion. Trustee Grabowska made the motion and Trustee Huebsch provided a second.

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

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Absent
Trustee Nishimura	Aye
Trustee Sheran	Aye

The committee voted to approve the minutes.

**Agenda Item 3: Contracts Requiring Board Approval**

Committee Chair Cowles invited Dr. Tim Anderson, System Director for Procurement and Contract Management to present the contracts that require board approval as detailed in the meeting materials. The meeting materials for this item begin on page 83.

Committee Chair Cowles asked committee members to consider the following recommended committee motion for **Agenda Item 3a: USDA-NIFA NextGen Grant Award with Leech Lake Tribal College, Fond du Lac Tribal and Community College:**

*The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Leech Lake Tribal College, not to exceed \$4,386,124 and with a term of five years for the purposes of DEET grant activities carried out by Leech Lake Tribal College. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.*

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

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye

Trustee Huebsch	Aye
Trustee Janezich	Absent
Trustee Nishimura	Did not vote
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

Committee Chair Cowles asked committee members to consider the following recommended committee motion for **Agenda Item 3b: Lease Extension, ETC Building, Energy Park, Metropolitan State University:**

*The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter into a lease amendment with Wellington Management, not to exceed \$6 million dollars and with a term not to exceed five years for the purposes of classroom lab and office space use by Metropolitan State University. The Finance and Facilities Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.*

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

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Absent
Trustee Nishimura	Aye
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

Committee Chair Cowles asked committee members to consider the following recommended committee motion for **Agenda Item 3c: Custodial Services Contract, Metropolitan State University:**

*The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Campus Services Group, not to exceed \$3,900,000 and with term of five years for the purposes of custodial and event services. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.*

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

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Absent
Trustee Nishimura	Aye
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

Committee Chair Cowles asked committee members to consider the following recommended committee motion for **Agenda Item 3d: Custodial Services Contract, Minneapolis Community and Technical College:**

*The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Marsden Building Maintenance, LLC, not to exceed \$2,557,659 and with a term not to exceed three years for the purposes of custodial services at Minneapolis Community and Technical College.*

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

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Absent
Trustee Nishimura	Aye
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

Committee Chair Cowles asked committee members to consider the following recommended committee motion for **Agenda Item 3e: Student Housing Software Systemwide Contract, System Office:**

*The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to extend the current contract with StarRez by two years, for a total term of nine (9) years, with a not to exceed amount of \$2,000,000 for the purpose of housing software. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.*

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

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Absent
Trustee Nishimura	Aye
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

#### **Agenda Item 4: FY2024 Annual Operating Budget (Second Reading)**

Committee Chair Cowles invited Vice Chancellor Maki to present the second reading of the proposed FY2024 Annual Operating Budget as detailed in the meeting materials. The meeting materials for this item begin on page 94.

Committee Chair Cowles asked committee members to consider the following recommended committee motion:

- Adopt the annual total all funds operating budget for fiscal year 2024 as shown in Table 5.
- Approve the proposed tuition structure recommendations and differential tuition rationale for fiscal year 2024 as detailed in Attachments 1A through 1H.
- Establish that fiscal year 2024 tuition rates are effective summer term or fall term 2023 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 2025 tuition recommendations are presented to the Board of Trustees.
- Continue the policy of market-driven tuition for closed enrollment courses, customized training, non-credit instruction, continuing education, fully online undergraduate programs, graduate programs, and contract postsecondary enrollment option programs.
- Approve the Revenue Fund and related fiscal year 2024 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 2023, Chapter 41, Article 1, Section 3, Subdivision 4, in the amount of \$4,115,000.

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

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Absent
Trustee Nishimura	Aye
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

#### **Agenda Item 5: FY2024 Capital Program Recommendations (Second Reading)**

Committee Chair Cowles invited Associate Vice Chancellor Yolitz to present the second reading of the proposed FY2024 Capital Program Recommendations as detailed in the meeting materials. The meeting materials for this item begin on page 285.

Committee Chair Cowles asked committee members to consider the following recommended committee motion:

- A. The Board of Trustees approves the 2024 capital program recommendation as presented in **Attachment B**, specifically the projects and priorities for the 2024 legislative session.
- B. The chancellor is authorized to make project cost and related adjustments to the request as required, and to forward the request through Minnesota Management and Budget to the governor and legislature for consideration in the state's 2024 capital budget.
- C. The chancellor shall advise the board of any subsequent changes in the approved capital program prior to the 2024 legislative session.

- D. In addition, as funding is authorized and appropriated by the legislature and approved by the governor, the chancellor or the chancellor's designee is authorized to execute contracting actions necessary to deliver on the scope and intent of the projects.

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

Trustee Ayemobuwa	Aye
Trustee Cowles	Aye
Trustee Grabowska	Aye
Trustee Huebsch	Aye
Trustee Janezich	Absent
Trustee Nishimura	Did not vote
Trustee Sheran	Aye

The committee voted to approve the recommended motion.

### **Adjournment**

The committee chair adjourned the meeting at 11:04 a.m.