Attendees: President Davenport, Warren Sandmann, Jane Lebert, Avra Johnson, Ted Johnson, Mike Fagin, Walt Wolff, Valerie Roberts, Mike Cofield, Jerry Harty, Rob McGinn, Norleen Turesky, Mitch Wallerstedt, Barry Wilkins, Mike Peters, Vickie Hanson and Rick Straka

Guests: Kathy Fodness and Barb Mitchell

Introductions were made.

I. Information Items
   A. Reorder/Additions to Agenda – The agenda was approved.

   B. Approval of Minutes from Previous Meeting – A motion was made and seconded to approve the minutes.

   C. President’s Report – Here’s a brief report from yesterday’s July meeting of the Leadership Council of Presidents. I am serving as co-chair with the Chancellor. The Council is made up of the Chancellor’s staff and 32 Presidents. Topics of discussion were:
      • Budget scenarios
      • Conservative look ahead 2011-12 various projections came out suggesting there will be $4.9B shortfall in state revenues plus the American Recovery Act money disappearing, we are facing a $7B plus problem for the State of Minnesota
      • Optimistic for the state economy turning around
      • Office of the Chancellor-Lori Lamb, Vice Chancellor of Human Resources playing a major role at the system level
      • It was a meeting to plan for next year and the vision. The Board of Trustees has been working on the 20/20 vision.
      • Looking forward to the upcoming retreats:
         o University-wide retreat on August 10-11
         o AFSCME retreat on July 27

   D. Bargaining Unit Leaders’ Reports
      • AFSCME (Valerie Roberts) – Nothing to report
      • MMA (Barry Wilkins) – Nothing to report
      • MAPE (Norleen Turesky) – Nothing to report
      • MNA (Toya Schmidtke) – Not present
      • MGEC (Mike Peters) – Nothing to report

   D. MnSCU/Legislative Relations (Standing Item) – It’s a bonding year for the legislature. MnSCU’s focus with the legislature will be bonding projects. Our bonding project under consideration is the Allied Health and Nursing building. We will be asking for planning money this year. In terms of new capital projects we are ranked number one on the list. In terms of all bonding projects leftover from previous legislative sessions, we are far down the list of 25-30 projects. The Legislature will be visiting campuses on bonding tours this year. The schedule has not been set yet.

   The hockey rink on campus project was vetoed by the Governor. Plans to pursue a hockey arena on campus will not be pursed at this point. The focus will be to make improvements to the Alltel Center and to add a Performing Arts Center. The City will take a portion of the $26M to make investments into the All Seasons Arena for the women’s program and the Alltel Center for the men’s program. To help pay-off half of the bonds for these projects,
the City has a food and beverage sales tax. The City is putting in $13M with a $13M match by the state.

We will be moving forward at the Board Meeting in July with the 300 bed phase II for residential life. The pre-design is complete. It will include planning money and revenue bonds to build a 300 bed addition onto Crawford/McElroy, with the concept to demo Gage in 2012-13 with it going off-line in fall of 2012. The long-term plan is to build another 200-300 beds to replace Carkoski. This is a two-to-three phase project.

We will be raising money for the College of Business building, a capital project still on the radar. So far this year we have raised $4M. Last year we raised $11-$12M with the Andreas gift of $7.5M. We have raised $30M since the unannounced campaign for the COB out of a $75M campaign.

II. Action Items

III. Discussion Items

A. Standing Items (If Needed)

1. Parking
   Parking related topic, sidewalk construction on Stadium Hill. The long-term concern of the students and others has been the safety factor of the sidewalk on icy days in the winter. Vehicles often slide up onto the curb. We are partnering with the city to change the grade of the sidewalk to above street level. Hope to have the project done by training camp.

2. Budget (Rick Straka) The biggest news since we left in May is what was happening with the operating budget and legislature’s decision. The legislature left without a balanced budget. The overall tax plan that would balance the budget for the state was never approved so the Governor’s said he would unallot. It’s not an unallotment to higher education in FY10 due to some language in the federal stimulus bill. The budget we moved forward is balanced at this time. We started with an $8.9M reduction added back $1.6M for direct instruction. We also released another $750,000 into the budget ($500,000 to direct instruction for high demand enrollment classes and $250,000 to reinstate inflation for library acquisitions and inflations for scholarships talent grants so we don’t lose purchasing power).

The Governor did make an unallotment to higher ed in FY11. The spending bill cut our budget for FY10. It reinstated our base in FY11. We will have the same amount of appropriation as we did in FY10. There is not a huge budget reduction coming in FY11. We are looking at a 5% tuition increase and what inflation we might have moving forward will be a budget surplus for FY11. That’s good news for us. However, we need to be very careful that we cannot reinstate spending against that because we know FY12-13 will be bad at the state level. The Governor’s unallotments were a lot of accounting shifts that only works once and will not affect the base. The state budget will have an $8B deficit. The federal stimulus money will be held at the institution for further unallotment in FY11. The State Economist, Stinson had already built some recovery in and we are not recovering as quickly as our February forecast said we might recover. We may release it for one-time kind of money. It will be another tough year in 2012-13. Val Roberts posed the question about more layoffs in 2012-13. VP Straka stated adjustments have already been made for FY10 and I don’t see any additional change in FY11. FY12-13 is too far out there to see what will happen and we have another biennial budget session to deal with. We will not see a big influx of base resources. We still have the federal stimulus money bridged primarily to get to some Academic Affairs reductions we couldn’t get to right away (i.e. planned retirement and other attrition). Economists have been talking since 1990s about a bubble coming and demographics changing with the baby boomers retiring. There’s a flip to our demographics with retirements at a higher
percentage of population in a high tax usage category and a smaller part of the population being in a high tax paying. Avra Johnson said we are seeing this nationwide in state government populations.

3. HR Topics (Jane Lebert)
   a. Unclassified/Classified Lists - The lists were distributed. Any questions should be forwarded to H/R.

4. Campus Safety (Rob McGinn) Rob has been working on getting names for building coordinators with Malcolm O’Sullivan from Academic Affairs. Materials have been ordered and training we will be conducted once all names are in place. He is ready with supplies for the Swine Flu in the fall with predictions it will spike again.

B. Other Items
   1. AFSCME Retreat
      The AFSCME Retreat is scheduled for July 27, 2009 from 9-12 p.m. in CSU 253/4/5. Topics include:
      1) Good communication and dialogue at meet and confers
      2) Make MSU a great place to work, best work environment possible

   2. Customer Service Survey Results-Recent Marking Report
      VP Straka, a presentation was made at the Board of Trustees May board meeting. It’s a system-wide report. Locally we have had only small discussion on what it means to the institution. Most of the discussion has been done at a central level and brought to the board. President Davenport, there has not been much discussion about the report yet, it’s been on a campus-by-campus basis. We did come out very well and we are seen as the institution that is the most mature in the overall area of development. We have worked very hard to try to provide the atmosphere to acknowledge our customers. VP Fagin and his division have won many awards and are well respected in the system. There’s been great publicity about the CAP Program recently. His division does a great job at supporting the underrepresented and first generation college education students. As you look at the web page and brochures, we show a lot of diversity in our publications. The recent redesign of the web has been phenomenal, and we are moving along the lines the Board of Trustees expects us to.

IV. Other Items.
   There will be a Board of Trustees meeting in July where they will set the final operating budget and set tuition. It was general consensus that the group would like to meet again after that board meeting.

VP Straka, on a closing note here is some optimistic news. Registration is now up significantly. Orientations are 1½ weeks ahead of a year ago. We are up 200 new entering freshmen, up 60 transfer students and up over 300 returning students from this point last year. We are down about 100 in registrations for housing. These are positive signs that we should be able to meet our budgetary goal of the same number of students as last year. Our presidential goal is to grow by 125 FYE. We are heading on our way to reach those goals.

The meeting was adjourned.

Next meeting scheduled September 17, 2009, 10 a.m. in CSU204