

Saint Mary's University of Minnesota

Winona, Minnesota

BOARD OF TRUSTEES

**Meeting of
October 4-5, 2012**

- 1. General Summary**
- 2. Official Resolutions
(Executive Committee)**
- 3. Official Resolutions
(General Session)**

Minutes of the October meeting of the Saint Mary's University of Minnesota Board of Trustees, October 5, 2012.

1. General Summary

The meeting was called to order by Mr. Michael Gostomski, Chair of the Board of Trustees.

1. The meeting began with an opening prayer.
2. The roll call was taken by Ms. Mary Becker, Executive Assistant to the President. A quorum was declared.

Present: Ms. Mary Burrichter, Brother William Clarey, FSC, Mr. Michael Dougherty, Dr. Marilyn Frost, Mr. Michael Gostomski, Mr. William Herzog, Mr. Mark Jacobs, Ms. Betty Kabara, Ms. Linda Kuczma, Brother William Mann, FSC, Brother Michael McKenery, FSC, Mr. Paul Meyer, Brother Frederick Mueller, FSC, Brother David Poos, FSC, Mr. Hamid Quraishi, Bro. Gustavo Ramirez Barba, FSC, Mr. Richard Reedy, Ms. Mary Ann Remick, Mr. Joseph Ross, Mr. Terrance Russell, Brother Larry Schatz, FSC, Brother Robert Schieler, FSC, Ms. Sandra Simon, Mr. Michael Slaggie, Dr. John Smarrelli, Mr. Walter Smithe

Absent and Excused: Mr. James Coogan, Ms. Karen George, Ms. Kaye O'Leary (absent only during General Session), Mr. Patrick Salvi

Trustee Emeriti also present: Mr. Lyle Delwiche, Mr. Loras Sieve, Mr. Bernie Wagnild

Resource Persons and Guests: Dr. Donna Aronson, Ms. Mary Becker, Mr. James Bedtke, Ms. Gena Bilden, Mr. Scott Cowdrey, Ms. Brandi DeFries, Dr. Marcel Dumestre, Ms. Genelle Groh Beck, Brother Lawrence Humphrey, FSC, Mr. Chris Kendall, Ms. Cynthia Marek, Ms. Ann Merchlewitz, Mr. Ben Murray, Ms. Valerie Edwards Robeson, Brother Ed Siderewicz, FSC, Dr. Karen Sorvaag, Dr. Steven Titus, Ms. Lisa Truax

3. Mr. Michael Gostomski, Chair, called for comments from the public. There were none.
4. The minutes of the meeting of the May 2012 Saint Mary's University of Minnesota Board of Trustees were approved as submitted. (Official Resolutions 3.1)
5. Mr. Gostomski reported that during the Executive Session of the board, Brother William was reappointed for another five-year term as President of Saint Mary's University of Minnesota. The reports of the committees were called for.

5.1 **EXECUTIVE COMMITTEE** – reported by Brother William Mann, FSC

The Executive Committee was given an overview of significant topics and their ongoing development at the university. Items discussed included, finances, enrollment, Strategic Planning, changes in key personnel, construction and renovation projects both completed and ongoing, mission update, the Higher Learning Commission and the start of our reaccreditation process, the status of current advisory boards, Hendrickson Forum, Science Visioning Task Force, where we are with honorary doctorate candidates, and the annual reappointment of the vice presidents.

5.2 **UNIVERSITY MISSION AND TRUSTEES COMMITTEE**

The committee met via teleconference on September 7, 2012. They discussed the Board assessment completed in 2011 and identified three areas where trustees were seeking more information: the nomination process for Board officers, the nomination process for new trustees, and the evaluation process for the President. The committee reviewed a second draft of the qualifications for the Board Chair. The qualifications now provide that one of the chief expectations of the Board Chair is the potential to make a seven figure gift to the University. The document was to be reviewed and members asked to provide input on it before November 30, 2012. A second draft of the process will be submitted for Board approval in February 2013. The trustee candidate pool was reviewed and work on recruitment continues.

5.3 **UNIVERSITY ADVANCEMENT COMMITTEE** – reported by Mr. Walter Smithe

The committee focused their conversation on the clarification and articulation of the university's value proposition, the impact, roll-out and marketing of offline programs, broader economic context facing the university, issues highlighted in the recent Moody's report provided by the MPCC, the role of philanthropy in helping the university to achieve fiscal sustainability over the long term, and implementation of the Strategic Plan. Staffing and resources for University Advancement enabling them to raise \$15 million dollars a year were discussed. The staff and volunteer committee were recognized for their outstanding work in planning and executing the Centennial celebration in Chicago on September 22. With over 1,000 attendees, this was likely the single largest gathering of alumni in the history of Saint Mary's. The Board retreat in France has been confirmed with approximately 30 participants. The Saint Mary's Fund has exceeded \$108,000. Overall fundraising is currently at just under \$5.2 million towards a goal of \$8 million. Trustee giving was discussed and encouraged. A motion was brought before the board to approve the Gift Acceptance Policy. (Official Resolutions 3.2)

5.4 **UNIVERSITY STUDENTS AND ADMISSION COMMITTEE** – reported by Brother Michael McKenery, FSC

Chris Kendall, Vice President for Student Life reported on the construction of Bro. Leopold Hall and that students are settling in. There is a positive “buzz” about the facility. Vlazny Hall and some units in Residencia Santiago Miller have been taken offline for renovation, and the Old Village will be phased out over time. Campus Ministry now reports directly to Bro. Larry Humphrey, Director of Mission. Gena Bilden presented the admission report from the Schools of Graduate and Professional Programs. Her report highlighted the Pathways program, veterans and military students, and international students and initiatives. Positive information was shared regarding partnerships, new locations, and programs. Brandi DeFries presented her report on college admission focusing on the freshman class. The committee discussed how we could effectively communicate to the marketplace and individuals who don’t know much about the institution, that Saint Mary’s University is a top-tier university.

5.5 **UNIVERSITY FINANCE AND FACILITIES AND UNIVERSITY INVESTMENT SUB-COMMITTEE** – reported by Mr. Joe Ross

Last year was a good year at Saint Mary’s with regard to the budget. The institution was in a position last year to make \$2 million dollars in capital improvements and put money into the plant fund. This year’s budget was a challenge due to the drop in enrollment. Due to this situation, there will not be any contributions to the Plant Fund and the contribution for capital improvements will be \$1 million versus \$2 million dollars. Salary increases will be set at 2 ½ % this year, and a resolution was brought forth concerning this increase. (Official Resolutions 3.4) Another resolution was brought before the board relating to the 2012-13 budget. (Official Resolutions 3.5) The total endowment and investment funds held by Northern Trust were reviewed. The transition of our investment funds from CBIS to Northern Trust was successful although CBIS still continues to manage approximately 24% of these funds.

5.6 **UNIVERSITY AUDIT COMMITTEE** – reported by Mr. Joe Ross

The Audit Committee had a telephonic meeting on September 14th. Joe Ross, Mary Burcher and Jim Coogan reviewed the past year with the auditors. The audit was perfectly clean. This year there was a slight challenge with the timeliness of the audit due to staff turnover, but there was no impact on the audit. A resolution was brought forth to approve the audit. (Official Resolutions 3.3)

5.7 **UNIVERSITY FACULTIES AND ACADEMIC COMMITTEE** – reported by Ms. Mary Ann Remick

The committee engaged in a discussion about enrollment/retention and the university's initiatives to help in this area, which include the Center for Excellence in Learning and Teaching and the Science Initiative Task Force. The committee also discussed the Living and Learning communities which is a new program with 21 participants started specifically for freshman students. In the Schools of Graduate and Professional Programs we are looking at the Bachelors Completion Program for adults and the Pathways program along with the Deltak initiative as areas that can help with our enrollment.

5.8 **STRATEGIC PLANNING AD HOC COMMITTEE** – reported by Mr. Bill Herzog

Bill Herzog spoke on behalf of all the trustees in thanking the employees of Saint Mary's for the countless hours spent in developing a blueprint for our future with the strategic plan. Special thanks went out to Brother William Mann, Brother Pat Conway, Steve Titus, Donna Aronson and Marcel Dumestre. Based upon the trustees review, a resolution was brought before the board to adopt the strategic plan as presented to the Board of Trustees. (Official Resolutions 3.6) Board Chair Mike Gostomski expressed deep appreciation to Bill Herzog for his assistance in developing the strategic plan.

6. **OLD BUSINESS** – none

7. **NEW BUSINESS** – It was announced that Brother William will be receiving the Brother John Johnston Award at the conclusion of the Huether Lasallian Conference in mid-November. The Board unanimously approved a resolution giving congratulations to Brother William Mann for his receiving the Brother John Johnston Award at this year's Huether Lasallian Conference. (Official Resolutions 3.7)

8. Meeting adjourned

3. Official Resolutions Approved (General Session)

- 3.1 **Be it resolved** that the minutes from the May 11-12, 2012 Board of Trustees meeting be approved as previously submitted.
- 3.2 **Whereas**, Saint Mary's University of Minnesota (SMU) encourages the solicitation and acceptance of charitable gifts to further and fulfill its mission to awaken, nurture and empower learners to ethical lives of service and leadership, and
- Whereas**, an appropriate and effective policy is required that provides guidance to prospective donors and their advisors when making charitable gifts to SMU,
- Be It Hereby Resolved** that the Board of Trustees accepts and adopts the Gift Acceptance Policy recommended by the University Advancement Committee in February 2012.
- 3.3 **Be it resolved** that the Board of Trustees upon the recommendation of the Audit Committee accepts the report of Baker Tilly regarding the firm's audit of the financial statements of the University as of and for the year ending May 31, 2012.
- 3.4 **Be it resolved** that the Board of Trustees authorizes the President to award compensation increases to employees that, in the aggregate, do not exceed 2.5% of the total compensation of employees immediately prior to the increases. So long as the foregoing aggregate limit is not exceeded, the compensation increase to be awarded to a single individual may be less than or exceed 2.5%. Each employee who was employed by the University as of June 1, 2012, and continues to be employed by the University on the effective date as of which compensation increases are awarded, is considered to be eligible for a compensation increase. Each employee who is awarded a compensation increase will receive a one-time cumulative adjustment equal to the incremental compensation that such employee would have received had the compensation increase become effective on June 1, 2012.
- 3.5 **Be it resolved** that the Board of Trustees approves the 2012-2013 budget for current operations beginning June 1, 2012.
- 3.6 **Be it resolved** that the Board of Trustees approves the Strategic Plan 2017.
- 3.7 **Be it resolved** that the Board of Trustees offer congratulations to Brother William Mann, FSC for his receiving the Brother John Johnston Award at the 2012 Huether Lasallian Conference held in Washington, D.C.