

Saint Mary's University of Minnesota
Winona, Minnesota

Board of Trustees Meetings
Paris, France – April 24, 2013
Winona, MN – May 10, 2013

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

Minutes of the April meeting of the Saint Mary's University Board of Trustees, April 24, 2013, in Paris, France.

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: Dr. Marilyn Frost, Mr. Michael Gostomski, Ms. Betty Kabara, Brother William Mann, FSC, Ms. Kaye O'Leary, Mr. Terrance Russell, Mr. Pat Salvi, Brother Larry Schatz, FSC, Brother Robert Schieler, FSC, Ms. Sandra Simon **Trustee Emeritus Present:** Mr. Loras Sieve

Present by Teleconference: Ms. Mary Burrichter, Mr. James Coogan, Mr. William Herzog, Brother Michael McKenery, FSC, Brother Frederick Mueller, FSC, Brother David Poos, FSC, Mr. Rich Reedy, Ms. Mary Ann Remick, Mr. Joe Ross, Mr. John Smarrelli, Mr. Walter Smithe

Resource Persons: Ms. Mary Becker, Ms. Audrey Kintzi, Ms. Ann Merchlewitz, Mr. Steve Titus (All other resource persons present via teleconference)

Prior to the start of the meeting of the Board of Trustees, a lively discussion took place among the trustees in France on the introduction and chapter 1 of the book entitled, "College, What it Was, Is, and Should Be," by Andrew Delbanco.

Other members of the Board of Trustees then joined the meeting via conference call. Three resolutions were brought forth and approved by the Board concerning the appointment of officers, and another resolution was brought forth concerning the awarding of degrees from May 2013 to April 2014. (Official Resolutions 2.1, 2.2, 2.3 and 2.4)

A discussion took place concerning the current state of the endowment and the university's goal of achieving a full year's budget in the endowment. Currently we are at approximately \$49 million. At this point in time there are three areas that need funding which are not included in the budget. They are as follows:

- 1) Campus Master Plan – something the trustees have wanted for our properties in Winona and the Twin Cities with an estimated cost of \$100 - \$150,000.
- 2) Branding Initiative – with an estimated cost of \$200,000
- 3) \$650,000 for technology needs. Our CIO, Scott Cowdrey's original proposal was for \$3,000,000. We freed up \$600,000 and are now ready to invest another \$650,000.

Joe Ross mentioned that from a budget standpoint, overall strategy allows us a 5% draw on the endowment and the budget was modified to allow for a draw. Conversation ensued as to the option of taking a loan from the endowment rather than taking a draw but there was strong support in favor of doing an endowment draw versus a loan. Trustees felt that in light of our strategic plan, that it was necessary going forward that these resources be put into the university.

Regarding the Branding Initiative, several firms have been screened. We have received two RFPs back, one from Tunheim and Simpson Scarborough. After commencement in May these two firms will be on campus to give presentations.

The Board of Trustees meeting then continued on Friday, May 10, 2013 in Winona, MN.

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 Mr. Mary Becker, Executive Assistant to the President. A quorum was declared.

Present: Ms. Mary Burrichter, Brother William Clarey, Mr. Michael Dougherty, Dr. Marilyn Frost, Mr. Michael Gostomski, Mr. William Herzog, Ms. Betty Kabara, Brother William Mann, Brother Michael McKenery, Brother David Poos, FSC, Mr. Hamid Quraishi, Mr. Richard Reedy, Ms. Mary Ann Remick, Mr. Terrance Russell, Mr. Patrick Salvi, Brother Larry Schatz, Mr. Michael Slaggie, Mr. Walter Smithe,

Trustee Emeritus Present: Mr. Loras Sieve

Present by Teleconference: Mr. James Coogan, Ms. Linda Kuczma, Mr. Paul Meyer, Ms. Kaye O'Leary, Mr. Joseph Ross, Dr. John Smarrelli

Absent and Excused: Ms. Karen George, Mr. Mark Jacobs, Brother Frederick Mueller, Brother Gustavo Ramirez Barba, Brother Robert Schieler, Ms. Sandra Simon

Resource Persons and Guests: Dr. Donna Aronson, Ms. Mary Becker, Mr. James Bedtke, Ms. Gena Bilden, Mr. Scott Cowdrey, Ms. Brandi DeFries, Mr. Robbie Doyle, Dr. Marcel Dumestre, Ms. Genelle Groh Beck, Brother Lawrence Humphre6y, FSC, Mr. Chris Kendall, Ms. Cynthia Marek, Ms. Ann Merchlewitz, Mr. Ben Murray, Mr. Jay Olsen, Dr. Steve Titus.

3. Mr. Michael Gostomski, Board Chair, called for comments from the public. There were none.
4. The minutes of the February 2013 Saint Mary's University of Minnesota Board of Trustees were approved as submitted. (Official Resolutions 2.5)

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

There were no new legal issues facing the university. The President's report to the trustees included questions and updates with regard to facilities, trustee's issues, administration shifts, strategic planning, Centennial celebration planning, Higher Learning Commission reaccreditation, gathering of Lasallian College and University presidents in June with trustees, update on where we are with honorary doctorates, concerns about enrollment and budgeting, technology, marketing, campus master plan, and the very successful celebration of scholarship conducted on the undergraduate campus.

5.2 **UNIVERSITY MISSION AND TRUSTEES COMMITTEE** – reported by Michael Gostomski

The committee met by teleconference on April 18. At that time the committee recommended that Michael Dougherty, Bro. Fred Mueller and Walter Smithe be appointed to serve another five-year term and that Bro. Kevin Convey, Dr. John Domanico and Mary Pat Wlazik be asked to join the Board of Trustees and appointed to a five-year term. These resolutions were brought forth and passed in Executive Session. (Official Resolutions 2.1 and 2.2) The document outlining the qualifications for the Board Chair was also approved, voted on, and motion carried. (Official Resolutions 2.3) There will be a Board retreat on February 12-13, 2014. A board assessment will be sent out to all board members this summer.

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

The University Advancement staff was commended on their efforts with regard to the Centennial celebration. All board members were encouraged to attend the Centennial Gala celebration on June 22nd. The Board retreat in Paris, France was successful and an outstanding experience for trustees, their guests, and staff and gave everyone a heightened awareness of our Lasallian history and deeper connection with its power and meaning. Audrey Kintzi, Vice President for Development, reported on progress toward year-end goals. As of May 2nd, \$8.03 million has been secured exceeding the university's goal of \$8 million. The Saint Mary's Fund is currently at 93.3% of goal toward a goal of \$850,000. Discussion continued regarding a future campaign. Outside campaign counsel is being used to assist in conducting a campaign feasibility study. Stakeholder engagement is high at this time providing an opportune time for planning, preparing and executing a campaign.

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

Brandi DeFries, Vice President for Enrollment Management, reported that 642 students have been accepted, 227 of which have confirmed, with a target goal of 400 new students. The concern of student debt was discussed as well as the value of a liberal arts education. The Lasallian Youth experience will be holding its event on the Saint Mary's

campus in the summer of 2014 which will bring a significant number of young men and women onto campus. The committee discussed how students today arrive on campus with greater needs entailing a greater responsibility on the part of student life personnel in addressing those needs. The accomplishments in athletics were discussed. Three new online programs for the SGPP have been introduced in educational leadership, special education, and health and human services education. A decline was reported in the Graduate School of Education but some special programs are experiencing growth. Trustee Pat Salvi suggested that the university look into developing a policy with regard to abuse and sexual assault and that the authorities always be contacted in these situations. A concern about violating our FERPA policy was brought forward in the discussion saying that we risk losing federal financial aid should the university release information about a student without appropriate consent. A request was made for more interaction with students during our board meetings to discuss a broad range of topics related to their educational experience. Marketing to the Chicago-land area was also brought up and trustees were wondering if we could put a more focused effort in that particular area.

5.5 UNIVERSITY AUDIT COMMITTEE – reported by Mr. James Coogan

No report

5.5 UNIVERSITY FINANCE AND FACILITIES – reported by Mr. Joseph Ross

Normal agenda items were discussed and the economic indicators for the school were reported as being in line. The budget for this fiscal year was reported as being on target and the budgets for the 2013-14 year were discussed and reviewed. The possibility of making an endowment draw for the next fiscal year to help out with special projects was discussed. The line of credit established with Northern Trust is in place and has not been drawn upon yet. The progress of our endowment was reviewed and reported as slightly exceeding our benchmarks. The Investment Sub-committee meets by phone periodically and looks at different possibilities. Our cash status and where the monies are currently being held were reviewed. The committee acknowledged Cindy Marek's retirement and appreciation for her many contributions to the university. Lastly, a resolution was brought forth authorizing Ben Murray as signatory for the stewardship of university assets and financial transactions. (Official Resolutions 3.6) The committee was asked to go back and review this resolution and possibly introduce some dollar limits to these financial transactions and more signatures as further restrictions. It was announced that General Counsel reviews every contract before being signed. The committee will report on the suggestions made at the October meeting and their inclusion in the resolution.

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

Three new online programs are in the process of being added after we receive approval from the Higher Learning Commission. The transition from Marcel Dumestre to Brother Robert Smith is ongoing at this point. We will be starting work on the reaccreditation

process and a resolution was brought forth for approval regarding the process. (Official Resolutions 3.7) A second resolution was brought forth concerning tenure for two Saint Mary's professors. (Official Resolutions 3.8) It was reported that on April 10th there was a Celebration of Scholarship of students. It was a very successful event which really showcased the academic work of our students and the support they receive from the faculty.

2.1 Official Resolutions Approved (Executive Session)

- 1. Be it resolved** that Trustees Michael Dougherty, Bro. Frederick Mueller and Walter Smithe be appointed to an additional five-year term on the Board.
- 2. Be it resolved** that Bro. Kevin Convey, Dr. John Domanico, and Mary Pat Wlazik be appointed to a five-year term on the Board of Trustees.
- 3. Be it resolved** that the Board of Trustees adopts the attached responsibilities and qualifications for the Chair of the Board of Trustees. (Document attached)

Saint Mary's University of Minnesota Board of Trustees Responsibilities and Qualifications of the Chair

Chief Responsibilities

- Acts as the liaison between the president and the board, maintaining effective communication.
- Advocates for the mission of the institution in all board deliberations and articulates the mission as the main basis for board action.
- Provides leadership through example for the University's philanthropic program.
- Oversees the implementation and enforcement of policies and procedures of the board and the relevant rules and regulations contained in the bylaws and relating to board member performance, e.g., confidentiality, election and reelection of members, committee assignments and functioning of committees
- Plans board meeting and board retreat agendas in conjunction with the president and other members of the Executive Committee.
- Presides over meetings of the board and the Executive Committee.
- Participates in the orientation process for new members.
- Leads the performance evaluation and compensation process for the president.
- Leads a process of board planning.
- Attends important University events and off-campus events as the University's representative.

Chief Qualifications / Characteristics

- Understands the Lasallian Catholic mission of Saint Mary's University of Minnesota and is dedicated to furthering that mission.
- Understands the proper relationship between board chair, as leader of the board, and president as chief executive of the institution.
- Contributes to the University at significant level providing leadership by personal example for the University's philanthropic program.
- Possesses the personal attributes to be an effective leader of the board, e.g., integrity, commitment, willingness to resolve conflict.
- Has the ability to devote time to meetings, to planning for meetings, to board development, and to other activities as needed.
- Is honest and cooperative with the president.

Chief Expectations

- Has the potential to make a leadership gift to the University.
- Has the capacity to lead a capital campaign.
- Has the ability to inspire others.
- Has the ability to challenge and motivate others to give to the University.
- Has the ability to change the philanthropic profile of the Board of Trustees.

3. Official Resolutions Approved (General Session)

1. **Be it resolved** that the Board of Trustees elects the following slate of officers for the Board of Trustees for the 2013-2014 fiscal year:

Chairperson: Michael Gostomski (for a two-year term)
Vice Chairperson – James Coogan (for a one-year term)
Secretary – Mary Ann Remick (for a one-year term)
Treasurer – Joseph Ross (for a one-year term)

2. **Be it resolved** that the Board of Trustees appoints Mary Becker to the position of Assistant Secretary to the Board of Trustees.
3. **Be it resolved** that the Board of Trustees appoints Benjamin Murray to the position of Assistant Treasurer for the Board of Trustees.
4. **Be it resolved** that the Board of Trustees, based on the recommendation of the Faculties and Academic Administration, and with the approval of the President, authorizes the awarding of degrees from May 2013 to April 2014 as certified by the Registrars.
5. **Be it resolved** that the minutes from the February 14-15, 2013 Board of Trustees meeting be approved as previously submitted.
6. **Be it resolved** that Brother William Mann, FSC, Benjamin Murray, Assistant Treasurer, or any of them be and they are hereby authorized to sell assign and endorse for transfer certificates representing stocks, bonds, or other securities now registered or hereafter registered in the name of this corporation, to request, receive, and endorse for transfer distributions from an IRA, retirement plan, life insurance policy, trust, or other financial vehicle pursuant to which this corporation is a beneficiary and to request and receive any information pertaining to said financial vehicle at any time.

Be it Further Resolved that Brother William Mann, FSC, Benjamin Murray, Assistant Treasurer, or any of them, be and hereby are authorized, to open and close corporate bank accounts, to sign checks, drafts, instruments, bills of exchange, acceptances and/or other orders for the payment of money from Saint Mary's University of Minnesota from its corporate accounts, to endorse checks, instruments, evidences of indebtedness and orders payable, owned or held by Saint Mary's University of Minnesota, and to otherwise handle banking activities on behalf of Saint Mary's University of Minnesota.

Be it Further Resolved that Brother William Mann, FSC, Benjamin Murray, Assistant Treasurer, and/or any vice president of Saint Mary's University of Minnesota, be and hereby are authorized, to sign agreements, contracts, and other documents binding Saint Mary's University of Minnesota.

7. **Be it resolved** that the Board of Trustees approves the charge to the Reaccreditation Steering Committee.

The ultimate goal of the process is reaccreditation.

The goals for the Reaccreditation Steering Committee are to develop a process that:

- demonstrates the university's qualifications for continued accreditation;
- engages the university community and its constituencies by encouraging active participation and collaboration;
- includes a timeline that assures opportunity for feedback of the documents and completion in the required schedule of the Higher Learning Commission;
- supports a Quality Initiative that is connected to the university's Strategic Plan 2017; and
- position the university to utilize the information and results for continued improvement.

8. **Be it resolved** that the Board of Trustees grants tenure, beginning with the 2013-2014 academic year, to Tycho de Boer, Ph.D., and Todd Iverson, Ph.D., based on the recommendation of the President, in consultation with the Academic Administration and the Faculty.
9. **Be it resolved** that the Board of Trustees show their appreciation and give best wishes to Cindy Marek, Marcel Dumestre, and Steve Titus for the work they have done here at Saint Mary's and as they transition to the next phase of their journey.