

Saint Mary's University of Minnesota

Winona, Minnesota

BOARD OF TRUSTEES

**Meeting of
October 6, 2017**

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

Minutes of the October meeting of the Saint Mary's University of Minnesota Board of Trustees,
October 6, 2017

1. General Summary

The meeting was called to order by Ms. Mary Ann Remick, Chair of the Board of Trustees.

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

Present: Ms. Mary Burrichter, Brother Kevin Convey, Mr. Michael Dougherty, Dr. Marilyn Frost, Brother Nicolas Gonzalez, Mr. Roger Haydock, Ms. Linda Kuczma, Brother William Mann, Ms. Kaye O'Leary, Mr. Peter Pearson, Ms. Mary Ann Remick, Mr. Terrance Russell, Brother Larry Schatz, Ms. Sandra Simon, Dr. John Smarrelli, Mr. Walter Smithe, Ms. Celeste Suchocki, Dr. Ann Trauscht, Mr. John Wade, Ms. Mary Pat Wlazik

Absent and Excused: Dr. John Domanico, Mr. James Horan, Brother Michael McGinniss, Brother David Poos

Also Present: Trustee Emeritus Loras Sieve

Resource Persons & Guests: Dr. Carolyn Ayers, Dr. Mark Barber, Ms. Gena Bilden, Mr. Michael Charron, Dr. Tim Gossen, Dr. Rebecca Hopkins, Ms. Audrey Kintzi, Dr. Ned Kirk, Dr. Tom Marpe, Ms. Ann Merchlewitz, Mr. Ben Murray, Dr. John Pyle, Dr. Todd Reinhart, Brother Robert Smith, Ms. Peggy Walters

3. Ms. Mary Ann Remick, Chair, called for comments from the public. There were none.
4. The minutes of the meeting of May 12, 2017, Saint Mary's University of Minnesota Board of Trustees were approved as submitted. (Official Resolutions 2.1)
5. Ms. Remick called for the reports from the committees.

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

A legal update was given by Vice President and General Counsel Ann Merchlewitz. There was nothing significant to report. Brother William reported on a number of items. There was some initial discussion with regard to the presidential transition. The executive committee reviewed and approved the list of Vice Presidents as presented. Brief discussion regarding the strategic priorities for 2017-2018. Discussion took place with regard to the pool of trustees, paying particular attention to adding women. There was also discussion with regard to executive compensation. The Executive Committee assigned the Presidential Review Committee to fulfill this function.

5.2 **UNIVERSITY MISSION & TRUSTEES** – reported by Ms. Mary Ann Remick

The committee met by phone on October 4, 2017. There was discussion to appoint five-year terms to: Brother Robert Bimonte, John McDonough, Brother Michael O’Hern, Gregory Stevens, and John Wade.

5.3 **UNIVERSITY DEVELOPMENT & ALUMNI RELATIONS COMMITTEE** – reported by Mr. Terry Russell

The committee met with Audrey and her available Winona staff to show appreciation and congratulate them. We stressed our willingness to meet with prospects. The monthly visit report was reviewed. Visits are gearing up with 94 in September. Audrey is fully staffed and for the most part pleased with their progress. Our partner, Mark Marshall of Bentz Whaley, continues to provide training. We have raised \$3.3 million of our annual \$10 million goal. The Saint Mary’s Fund has raised \$117,000 of our annual \$800,000 goal and is performing as expected. With regard to gift status, we are at \$53,000 accepted, \$6.1 million pending, \$11.6 million proposed, and \$43,000 declined. The Capital Campaign has raised \$51.02 million of the \$57 million goal. We fully expect to meet the goal by the end of the campaign in December 2018. Not all areas are evenly funded. We need progress in Business (\$7 million), Athletics (\$2 million) and the Twin Cities Campus (\$5 million). Some of the funding needs have increased due to inflationary pressure. We have nine months to raise \$6 million to finish by Brother William’s retirement. The Business Advisory Group will hold their first meeting in a few weeks. Dr. Frost is putting together a Psychology Group as well. We had discussions regarding the use of Market Tax Credit Funding as a possibility for funding of the Twin Cities Campus. Audrey and Peter Pearson will explore further with Ben Murray. Audrey, with the help of Mark Marshall, has come up with a transition document. A copy has been provided to Mary Ann Remick for her review. The Class of 1967 raised a record \$600,000 for their class gift. There are three new M Club members. Upcoming Events: FGI Soar meeting on October 26, 2017, in Chicago, Alumni gathering on November 18, 2017, FGI Soar Breakfast in Minneapolis on May 23, 2018 and Twin Cities Celebration of Excellence on May 19, 2018. Please attend and show our support.

5.4 **UNIVERSITY STUDENTS AND ADMISSION** – reported by Mr. Michael Dougherty

The committee first met in joint session with the Finance Committee to discuss tuition for the 2018-2019 academic year. Following the joint session, the committee continued a discussion on pricing and financial aid issues and strategy. Dan Meyer, Vice President for Enrollment, summarized a report on current fall enrollment and recruitment tactics and strategies for 2018. The full report is in your binder. 2017 reflects a first-year class of 300, reversing a downward trend over the past three years. We thanked those involved in marketing, admissions, and financial aid. The analysis of the current first-year class shows that less than 15% are from Illinois. There will be directed efforts to increase the yield. Admissions for the College has identified four objectives for enrollment. Gena Bilden updated the committee on enrollment at SGPP. Fall enrollment continues although little increase in total credit hours for on-ground courses is expected. The updated projections for 2017-2018 were included in Ben Murray's presentation yesterday. SGPP is utilizing new resources to help identify marketing efforts and target dollars. A considerable amount of time and effort is being spent on assuring that appropriate programs, as well as sites, are available to tap into the Rochester market. One week from tomorrow 357 graduates will receive degrees at the Twin Cities Campus.

Dr. Tim Gossen informed the committee about ongoing mission education and formation opportunities that are available and being utilized by faculty, staff, and students. Six students will be traveling to Mexico with a member of the faculty to attend a Lasallian educational conference. In response to an issue raised during the accreditation process, a Co-Curricular Assessment Team has been established. The goal is to ensure outcomes in programming and to memorialize each outcome and measurement. There are 893 students housed on campus. Ek Family Village has been significantly transformed. The majority of the buildings have been removed and replaced by a community garden. Several buildings were remodeled and now house graduate students.

5.5 **UNIVERSITY FINANCE AND FACILITIES** – reported by Ms. Mary Burrichter

Reviewed the budget for 2017-18. The Chief Financial Officer and other folks have made changes due to lower enrollment. Changes will be incorporated into the revised budget. Good news was brought forward this morning. Brother William is in conversation with several benefactors and there is an agreement that money will become available for a new residence hall as well as a building to replace St. Edward's Hall. The groundbreaking will be held in early 2018. The gifts total \$7.5 million.

5.6 **UNIVERSITY AUDIT COMMITTEE** – reported by Kaye O'Leary

The Audit Committee met on September 29, 2017, and again this morning to review the 2016-2017 financial reports and Baker Tilly's audit report on those financial statements. In 2016-2017, Saint Mary's implemented a new ERP system which was a challenge. As a result, the financial reports were delayed in completion and were completed earlier this

week. We are waiting on the final report from Baker Tilly. The Audit Committee has reviewed the financial statements and a draft of Baker Tilly's report and has had the opportunity to communicate with them. Baker Tilly's report is anticipated to be consistent with the draft reviewed by the Audit Committee. Baker Tilly anticipates giving a clean audit opinion on the financial statements. The delays in preparation of the financial reports and the need for audit adjustments to the financial statements resulted in Baker Tilly issuing a significant deficiency on the control environment. Management has a plan to rectify the deficiencies in the financial closing processes by next year's close and the Audit Committee and Baker Tilly have full confidence the remedies will be successful. (Official Resolutions 2.2)

5.7 **UNIVERSITY FACULTIES AND ACADEMIC COMMITTEE** – reported by Celeste Suchocki

The primary topic of discussion was an educational session on the tenure and promotion process. The Board of Trustees approves the tenure decisions submitted by the faculty and the President. Understanding the process can serve as a basis for discussing benchmarking and possible opportunities for improvements. Becoming more aware of the process and the various criteria for tenure and/or promotion helps trustees to better understand and appreciate the outstanding contributions and efforts being made by individual faculty members in providing a quality education at the university. The committee will continue discussion at the February meeting and engage the full board during the February retreat. Work continues with the TAEL partners to possibly create a Saint Mary's presence in Vietnam. After a site visit to Hanoi and Ho Chi Minh City, a Memorandum of Agreement was submitted to Western University and we are awaiting a response. (Official Resolutions 2.3)

6. **OLD BUSINESS** - None

7. **NEW BUSINESS** - New faculty officers attending: Dr. Ned Kirk, Chair and Dr. Carolyn Ayers, Vice Chair. Mr. John Wade, new trustee, was also recognized as attending his first meeting.

8. A motion was brought forth to adjourn the meeting. (Official Resolutions 2.4)

2. Official Resolutions Approved (General Session)

- 2.1 **Be it resolved** that the minutes from the May 12, 2017, Board of Trustees meeting be approved as previously submitted.
- 2.2 **Be it resolved** that the Board of Trustees of Saint Mary's University approves a partnership with Western University to offer academic degree programs in Vietnam, pending the final approval from the University President of the Memorandum of Agreement.
- 2.3 **Be it resolved** that the Board of Trustees, upon the recommendation of the Audit Committee, accepts the audit report of Baker Tilly Virchow Krause, LLP regarding the firm's audit of the financial statements of the university as of and for the year ending May 31, 2017.
- 2.4 **Be it resolved** that the October 6, 2017, Board of Trustees meeting be adjourned.