

Saint Mary's University of Minnesota
Winona, Minnesota

BOARD OF TRUSTEES

Meeting of
February 8, 2019

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

Minutes of the February meeting of the Saint Mary's University of Minnesota Board of Trustees,
February 8, 2019

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. Jennifer Baryl, Brother Robert Bimonte, Father James Burns, Ms. Mary Burrichter, Brother Jack Curran, Dr. John Domanico, Dr. Marilyn Frost, Mr. Roger Haydock, Mr. James Horan (via teleconference), Ms. Amy Johnson (via teleconference), Brother Thomas Johnson, Ms. Linda Kuczma, Mr. Michael Laak, Brother Michael McGinniss, Brother Michael O'Hern, Ms. Kaye O'Leary, Ms. Mary Ann Remick, Mr. Terrance Russell, Brother Larry Schatz, Ms. Sandra Simon, Dr. John Smarrelli (via teleconference), Ms. Angela Steger, Mr. Gregory Stevens, Ms. Celeste Suchocki, Dr. Ann Trauscht, Dr. Marcy Van Fossen, Mr. John Wade, Ms. Mary Pat Wlazik

Absent and Excused: Brother Kevin Convey, Mr. Peter Pearson, Brother David Poos

Resource Persons & Guests: Mr. Matt Bilski, Mr. Andrew Dirksen, Dr. Tim Gossen, Ms. Audrey Kintzi, Ms. Ann Merchlewitz, Father Hugo Montero, Mr. Ben Murray, Brother Robert Smith, Ms. Peggy Walters

3. Ms. Mary Ann Remick, Chair, called for comments from the public.
4. The minutes of the meeting of October 4, 2018, 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 Father James Burns, IVD

The university continues to move forward in the areas of enrollment, future planning and continues to review the roles and responsibilities of the Cabinet. We are also beginning to review the reorganization and structure of the College and SGPP. Outreach is occurring with our business partners, academic leadership and Lasallian communities. Ms. Mary Ann Remick noted a resolution was approved and passed in Executive Session regarding the creation of two standing committees. This was done to better reflect the work that the Mission and Trustees Committee did and put more focus on the mission and formation aspect and on the nominations and governance. Please contact Mary Ann if you are interested in serving on either the Mission and Formation or Nominations and

Governance Committees. These two new committees will be effective as of May 31, 2019, after the elimination of the Mission and Trustees Committee.

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

The Bylaws that were to be amended have been tabled and will be revisited in May. The Mission and Trustees Committee met by phone in January and continues to look at the recruitment of new trustees as a number of the current trustees will be stepping off the board as reflected on the Terms of Office document. The names of potential new candidates and those renewing will be brought forth at the May meeting. A resolution was brought forth recommending that Michael Gostomski and Joseph Ross be honored with the status of emeritus trustee (Official Resolutions 2.2). Motion passed unanimously. Both will be honored at the May meeting and notified soon after this meeting.

Fr. Montero reported from the Office of Mission. We now have 105 Hispanic students on campus. De La Salle Week will be held March 10-17 and Founders' Day will be held on March 12 to which Trustees are invited to participate. Alisa Macksey, Executive Director of the First Generation Initiative, will receive the Distinguished Lasallian Educator award. Brother Robert Schieler, Superior General of the Institute of the Brothers of the Christian Schools, will receive an Honorary Doctorate of Educational Leadership. Celebrations are underway for the 300th Year of Lasallian Vocations as well as celebrating Brother James Miller. The Trustee Formation Trip will occur March 30-April 6.

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

The December Development report was reviewed and discussed:

In December there were 90 visits and 823 contacts.

Tony Piscitiello and Nancy Wiltgen will be retiring in May and are currently transitioning with other staff.

2018-2019 – \$2.8 million raised out of a goal of \$10 million, with the hope of raising \$5+ million.

Saint Mary's Fund is currently at \$592,000 out of a goal of \$900,000.

Capital Campaign closed in December and raised over \$73 million. However, there are still unfulfilled needs in Athletics, HABC. In anticipation of the Strategic Plan, we will enter another campaign in the next year as we need to maintain the momentum from the previous campaign.

Jay Goff attended a portion of the meeting to discuss marketing and branding. Audrey is in the process of hiring an AVP for Strategic Marketing and Communication.

Matt Bilski provided a report. The Alumni Board is reorganizing to better serve the alums. Through January 31, events have been held with over 3500 participants. Lasallian Day of Service had 8 service sites and a 36 percent increase in participation year over year. Recently had largest ever alumni gatherings in Washington DC and Arizona.

Upcoming events:

Florida Alumni Event in Naples, Florida on February 16, 2019

Chicago Blackhawks Alumni Event on February 24, 2019

Chicago Spring Fling/Saint Patrick's Day Bash on March 23, 2019

Hendrickson Forum in the Twin Cities on April 16, 2019

Benefactor Recognition Event on April 27, 2019

Alumni Awards for 2019 have been selected and John Domanico will receive the Alumni Appreciation award.

A resolution regarding an estate gift from Joseph J. Elston '51 was presented to the Board (Official Resolutions 2.3). Discussion followed. Motion passed unanimously.

5.4 **UNIVERSITY STUDENTS AND ADMISSION** – reported by Dr. John Domanico

The committee as a whole met with two groups of adult learners with prepared questions. A prevailing theme was the unanimous respect and gratitude these students have for our faculty. Whether it is online or on ground these students report their professors' availability and accessibility. The faculty's real life experiences, it was said, retained these students here at Saint Mary's. They felt an openness of diverse views that challenged them. One student described her professor as a role model. Everyone complains about costs but when compared to the value of their educations all agreed their financial sacrifice was well worth it. These adult learners also felt their employers and future employers would view their Saint Mary's degree with high regard. In fact one doctoral candidate would like to teach here. As they could not articulate the Lasallian mission per say, they talked about respect and an inclusiveness of their fellow diverse cohorts, of Saint Mary's being a moral compass for them, a safe place to share and learn new ideas, to use their degrees to serve others. We felt that was Lasallian. Our committee feels that the student encounter provided us with a sense of pride of the work that faculty and staff do and for being board members.

Student Life

Our committee has an interest in following the Winona co-curricular activities on campus i.e., learning experiences beyond the classroom that complements classroom learning. From October to December, residence life staff members organized, ran or took students to 93 programs including social, spiritual, academic, wellness and social justice topics and activities. 1352 students participated, many are duplicates. The purpose of the increased co-curricular programming in residence life is a direct result of the Higher Learning Commission criteria. Four new clubs were created for our undergraduate students in Winona: Archery, Rugby, Kick Boxing and College Democrats. At the end of the semester we will have data of the number of students within each club. These clubs are initiated by students. Weekend programming for students is always evolving and activities include Snow Daze which is Cardinal Fest, Movie and Trivia Nights among others. Student Affairs and Student Life continue to emphasize programs of inclusivity. There were various programs for students and faculty held during the week of Martin Luther King's birthday. The campus Wellness Center is busy with student visits. The center offers Counseling Services for mental health treatment and alcohol and other drug treatment informational sessions and Health Services is being proactive and busy

providing flu vaccinations during the fall semester. Visits: During the fall semester we served 240 students in Counseling Services and 201 students in Health Services. The vice president for student affairs and student life is developing a student life program on the SGPP campus. This year Student Life programming included campus speakers, dialogue regarding career services, and gathering of student affinity groups. We will report on the program at a future Board Meeting.

Enrollment and Retention

On our Winona campus during the fall semester we had 1023 full-time and 21 part-time students. This current semester there are 963 full-time students but an increase to 33 part-time students. Of this total 32 are FGI scholars of which 8 are seniors. The first-time first year student fall to spring retention was 97.1%. The overall college fall to spring retention loss stands at 4.0%. Retention has improved markedly over the last few years due to the efforts of the student success center, faculty and innovative student life co-curricular programming. First year inquiries for Fall 2019 are about the same as the last few years. However, to date we have 112 first year students confirmed. Last year at this time the number was 82. As reported in the past our on ground SGPP student population is decreasing as is a national trend while our online courses remain popular. More information will be shared in May. From October to December, there were 90 applicants for 18 Physician Assistant positions.

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

The 2019-2020 budget is a work in progress. The Finance Committee asked the Administration to provide different scenarios that will be presented in May reducing expenditures and increasing revenues. A resolution was brought forth mandating preparation of a balanced budget for 2019-2020 (Official Resolutions 2.4). Motion passed unanimously.

Projects were briefly reviewed. Brother William Hall will be open in Fall 2019. The Baseball Clubhouse grand opening was held and has received very positive feedback.

Brother Michael McGinniss provided a report of the Investment Sub-Committee. The committee met on January 24, 2019, via teleconference with representatives of outsources CIO and Northern Trust to discuss management of distributions. The endowment portfolio through December 31, 2018, was down 5.55 percent. The market value at the end of 2018 was \$59.9 million. At the time of the January 24 meeting, the market had started to rebound and \$2 million was regained. Northern Trust is cautiously optimistic that we will have some market growth in the coming year. The one-year performance for the portion that Northern Trust manages is -6.15 percent and performance since inception is 6.42 percent. The committee is charged by its bylaws to conduct a review of the investment policy which occurred at the January meeting. It was concluded that Northern Trust's change to the investment policy was needed. The benchmark detail reflects the complexity of the elements of the endowment. Discussion concluded with a number of conversations that are pertinent to the committee's ongoing work. There is a commitment to some actively managed funds as well as some funds that

are passively managed. Makena Investment is being monitored very carefully. At the conclusion of the meeting the committee expressed its satisfaction with the performance of Northern Trust.

5.6 UNIVERSITY AUDIT COMMITTEE – reported by Ms. Kaye O’Leary

The Audit Committee met on February 8th to review and discuss the following:

The draft 990 IRS return for Fiscal Year 2018. The draft of the 990 is complete with the exception of one schedule. Due to a new requirement arising from the recent Tax Reform Act, there is one schedule related to the calculation of fringe benefits on Transportation/Parking that is still a work in progress. The Committee reviewed and approved the draft 990 with an exception for the new schedule which will be reviewed and approved electronically prior to the anticipated submission of the 990 on April 15, 2019. A resolution was presented (Official Resolutions 2.5). Motion passed unanimously.

Review and approval of the engagement letter and fee schedule for Baker Tilly Virchow Krause’s work in 2019. The Committee reviewed and approved the appointment of Baker Tilly Virchow Krause as auditor for the 2018/19 period. A resolution was presented to appoint Baker Tilly Virchow Krause (Official Resolutions 2.6). Motion passed unanimously.

5.7 UNIVERSITY FACULTIES AND ACADEMIC COMMITTEE – reported by Ms. Celeste Suchocki

The meeting began with follow-up discussion to the enrollment presentation and we feel confident that the data presented is in sync with where we are at. Many of the student comments were similar to what was recommended by the enrollment consultant. Online learning was also discussed as well as our partnership with Wiley. A video containing a student reflection from the January SGPP graduation was presented in committee. This particular student completed his entire degree online and the first time he was physically on the Twin Cities Campus was for commencement. Dr. Sue Hines, Director of CELT, was invited to explain the process to educate faculty on how to do online education. She explained the dashboard and construction of the website. Discussion was held with regard to data measurement that helps determine Saint Mary’s is delivering a quality education. There are not yet many metrics available to benchmark the effectiveness of the education students are receiving. The staff has been challenged to work with Wiley to develop benchmarks that would be meaningful and would determine how well the online programs operate. The interim follow-up report was submitted to the Higher Learning Commission in December and was accepted which confirms our 10-year accreditation from our 2016 onsite survey. The next step of the HLC process is the four-year assurance review. A committee will be formed and be in place for spring 2021.

Ms. Mary Ann Remick highly encouraged those trustees who are available to attend any of the upcoming SGPP commencements.

6. **OLD BUSINESS** – None.

7. **NEW BUSINESS** – None.

8. A motion was brought forth to adjourn the meeting. (Official Resolutions 2.7).

2. Official Resolutions Approved (General Session)

- 2.1 **Be it resolved** that the minutes from the October 4, 2018, Board of Trustees meeting be approved as previously submitted.
- 2.2 **Be it resolved** that the Board of Trustees, upon the recommendation of the University Mission and Trustees Committee, hereby elects the following individuals to a five-year term as Trustees Emeriti, effective May 9, 2019:
- Michael Gostomski
Joseph Ross
- 2.3 **Whereas**, having received an estate gift from alumnus Joseph J. Elston '51 in the amount of \$86,014.08, to be used in the discretion of the Board of Trustees of Saint Mary's University of Minnesota; and
- Whereas**, as part of the renovation of Adducci Science Center, Hoffman Hall, and Brother Charles Hall, commemorative gift opportunities are available to serve as an enduring expression of generous support for Saint Mary's University, including Collegial Faculty Offices; and
- Whereas**, Joseph J. Elston '51 majored in economics while a student at Saint Mary's University and spent his career in the automotive industry; and
- Whereas**, it is appropriate to recognize Mr. Elston's generosity through a naming opportunity; therefore,
- Be it resolved** that Thirty Thousand Dollars (\$30,000.00) of Mr. Elston's gift shall be used to name the Joseph J. Elston '51 Collegial Faculty Office in support of the Saint Mary's Business Initiative, and that the remainder of Mr. Elston's gift shall be designated to the unrestricted endowment fund of Saint Mary's University.
- 2.4 **Be it resolved** that the Board of Trustees continues to mandate the administration to complete the University's financial planning for the next fiscal year within the requirements of a balanced budget.
- 2.5 **Be it resolved** that the Board of Trustees, upon the recommendation of the Audit Committee, accepts the IRS FORM 990 Return, the State of Minnesota Charitable Organization Registration and Annual Report Form, the California Exempt Organization Annual Information Return Form 199, the Massachusetts Department of Revenue Form M-990T, and the Minnesota Department of Revenue Form M4NP prepared by Baker Tilly Virchow Krause, LLP, for the year ending May 31, 2018.
- 2.6 **Be it resolved** that the Board of Trustees, upon the recommendation of the Audit Committee, approves the engagement of Baker Tilly Virchow Krause, LLP as its external auditors to complete the audit of Saint Mary's University of Minnesota's financial

statements, the related audit of federal programs, and tax compliance services for the year ending May 31, 2019.

2.7 **Be it resolved** that the February 8, 2019, Board of Trustees meeting be adjourned.