



The Minnesota Higher Education Facilities Authority (the “Authority” or “MHEFA”) convened a regular Board meeting at 2:00 PM CDT, Wednesday, September 16, 2020, in the Authority’s Conference Room, 380 Jackson Street, Suite 450, Saint Paul, Minnesota.

Following Emergency Executive Order 20-01, dated March 13, 2020, Declaration of Peacetime Emergency by Governor Walz; Emergency Executive Order 20-20, dated March 25, 2020; and Emergency Executive Order 20-33, dated April 8, 2020 (the foregoing and other Emergency Executive Orders of the Governor relating to COVID-19, as may be amended or superseded, collectively, the “Emergency Orders”), members of the Authority participated in and attend the meeting by telephone or other electronic means in accordance with Minnesota Statutes, Section 13D.021.

Authority Chair Ranum determined that an in-person meeting at the regular meeting location for the Authority, 380 Jackson Street, Suite 450, Saint Paul, Minnesota 55101, is not practical or prudent because of the health pandemic declared under the Emergency Orders and according to current guidance from the Minnesota Department of Health, the Centers for Disease Control and Prevention, and the U.S. Department of Homeland Security.

The chief administrative officer of the Authority, Executive Director Barry W. Fick, was physically present at the Authority’s offices, 380 Jackson Street, Suite 450, Saint Paul, Minnesota 55101.

Members of the public who plan to be present at the public hearing at the Authority’s offices in person will be required to observe social distancing and comply with other measures imposed by the Emergency Orders.

The public were able to monitor the meeting by calling (toll free) 888-742-5095; Pass Code: 582 273 6685#.

Board members participated in the meeting using a Zoom video link. The meeting link was sent to Board members prior to the meeting. The use of Zoom as an allowable way to hold the Board meeting was confirmed by the State of Minnesota’s Data Practices Office staff prior to the meeting, following Minnesota Statute 13D.021.

Executive Summary – Minnesota Higher Education Facilities Authority

Meeting on September 16, 2020

Board Actions Taken:

Motions:	Result:	Vote:
Approval of Meeting Minutes of July 15, 2020	Passed	Unanimous

Resolutions	Result:	Vote:
None Considered		

The official meeting began with a roll call to determine who was attending the meeting. The following board members or their designees were participating and attending by Zoom link or telephone:

Board Members: Gary Benson
Michael Ranum
David Rowland
Nancy Sampair
Ray Vin Zant
Stacey Holland, Minnesota Private College Council, ex officio without vote

Absent: Mary Ives
Mark Misukanis
Bonnie Anderson Rons
Poawit Yang

Other Attendees: None

Also Present: Barry W. Fick (in-person) Executive Director MHEFA
Amanda Lee, Operations Manager, MHEFA

All participants except Executive Director Fick attended the meeting by Zoom video link or telephone.

Mike Ranum, Chair, called the meeting order at 2:00 pm CDT. Executive Director Fick confirmed that a quorum was present.

Agenda Item I – Minutes of the July 15, 2020 Board meeting.

The first item on the Agenda is the review and consideration of the minutes of the July 15, 2020 Authority Board meeting. A motion was made by Ray Vin Zant to approve the July 15, 2020 minutes. The motion was seconded by Gary Benson. Chair Ranum asked if there were any questions, discussion, or changes to the minutes of the July 15, 2020 Board meeting.

Nancy Sampair noted a spelling error on page nine. Spelling of “through” should be changed to “thorough”. There were no other questions or proposed changes to the minutes from the Board members.

Chair Ranum called for a Roll Call vote regarding the approval of the minutes. A Roll Call vote was conducted, and the Board members voted as follows:

Board Members:	Gary Benson	Yes
	Michael Ranum	Yes
	David Rowland	Yes
	Nancy Sampair	Yes
	Ray Vin Zant	Yes

There were no votes against the motion and the Minutes of the July 15, 2020 Authority Board meeting were approved.

Agenda Item II – Municipal Advisor Request for Proposal

The Authority believes it would be prudent to conduct a Request for Proposal process to expand the Authority’s Municipal Advisor representation to include a number of firms. This would follow the current system of Bond Counsel by the Authority. Having a roster of firms to use as the Authority’s Municipal Advisor would reduce the possibility of a conflict of interest by an advisor and provide additional options for both the Authority and the advisors on the roster.

A Near Final DRAFT Municipal Advisor Request for Proposal (RFP) was distributed by a separate email to Board members prior to the meeting. Authority staff encourages Board members to read the Near Final DRAFT RFP and submit suggestions to staff for edits to the RFP. The RFP will be distributed widely, including publication in a national RFP database (no cost to post). The tentative date for distribution of the RFP is September 30, 2020. It is expected that the selection of the MA roster will be ready for approval by the Board at the November 2020 Board meeting.

Mr. Fick noted that the changes to the Near Final DRAFT RFP were minimal, consisting largely of clarifications and added specificity relate to the scope of services. The Near Final DRAFT includes a schedule. It notes that interviews will be conducted by Zoom and there will not be in-person interviews.

Board members will receive a summary comparison matrix of the Proposals received and my request full proposals for their review. If any Board member would like to participate in the interview process, they are welcome to participate.

Nancy Sampair suggested a change to the time schedule that would allow additional time for Staff to prepare responses to proposer questions. Gary Benson asked if staff anticipated interviewing all responding firms.

Agenda Item III – Authority Policy Update & Reporting

Authority staff have been working on policy updates for presentation to the Board. One goal of the review is to consolidate duplicative policies, clarify uncertainty and make policy review more efficient. This month, staff presented an updated section of the Standing Rules of Operation for Board consideration. Operations Manager Amanda Lee was asked by Chair Ranum to outline the changes to the Standing Rules of Operation. Revised policy language was discussed and updates to the policy to reflect current operating procedures were outlined for the Board. Upon completion of the review Ms. Lee and Chair Ranum asked if Board members had questions or comments. Board members had no questions, but expressed appreciation for the work on the Standing Rules of Operation and indicated broad agreement with the updated material.

The Board was asked if they wished to approve the updated policy manual in pieces or if they wished to wait until they completed their review of all policies to be updated and approve the policies in total. Board members expressed a strong consensus to defer approval of the updated policy manual

until all sections have been reviewed by the Board. Additional sections will be updated and presented at future board meetings. No action was taken regarding the updated Standing Rules of Operation.

Chair Ranum excused himself from the meeting at 2:36 pm to attend a prior scheduled engagement. Secretary Gary Benson took over Chair duties of the September 2020 MHEFA Board meeting.

Agenda Item IV – Old Business

Secretary Benson asked if there was any Old Business for consideration by the Board. Mr. Fick noted that as was discussed at the two prior meetings, the current interest rate paid by commercial banks on Certificates of Deposit is substantially lower than the rate received in the past two years. Extensive review by Authority staff looking at investment alternatives has revealed that there are few options for investments which provide a higher rate of return while maintaining safety of principal and administrative cost effectiveness. Especially at current low market rates, the cost of using more than one commercial bank for investments is not cost effective.

The Authority therefore recommends no change to current investment strategy as the most prudent option for Authority investments. Board member Rowland noted that he works with the short-term investment portfolio for a large insurance conglomerate and their experience is similar to what the Authority found.

Operations Manager Amanda Lee provided an update on the new telecommunications system. She noted that hardware has been ordered, existing phone numbers will be ported to the new provider by the end of September and the Authority should be fully converted to Voice Over Internet Protocol (VOIP) by the end of the month. The new phone system will enhance flexibility and provide options for greater connection by staff as they may access phones from virtually anywhere, enhancing efficiency and reducing the chance of missing a call.

Executive Director Fick reported that we have received bids for new laptops. Staff is evaluating the bids to see if it would be more cost effective to purchase computer equipment directly rather than through our computer services provider. This analysis process is expected to be completed by early October, when new computers will be ordered, delivered, and then configured by DTS for staff use.

There were no other old business items from staff or Board members.

Agenda Item V – New Business

Secretary Benson asked Mr. Fick to update the Board on any new business. Mr. Fick indicated there was no new business from his perspective, but Operations Manager Lee has an update on the FY2020 Financial Audit of the Authority.

Ms. Lee informed the Board that the audit was conducted completely over email and phone. The audit was scheduled for August 24-25, however due to another client's internet problems, the audit was moved up to August 17th with the Authority's permission. The Authority was able to accommodate this request as all documentation had already been provided to the auditors through Suralink, the file sharing software used by BerganKDV. The audit took place primarily on August 17th, with additional audit work being completed as time allowed over the following two weeks.

Mr. Benson asked if there were any New Business items from Board members for discussion. There were no New Business items from Board members for discussion.

Agenda Item VI – Other Business

Secretary Benson called upon Executive Director Fick to discuss Other Business. Mr. Fick presented his Executive Director's report. It included the following items regarding staff and Authority activity and events and personnel changes at the schools.

We continue to function in accord with State of Minnesota "if you can work from home you must work from home" mandate. We make separate occasional visits to the office, including for the September 16, 2020 Board Meeting. This is the first meeting conducted using the Zoom video conferencing, in addition to the regular conference call number. We would appreciate your feedback on how the Zoom access works for you and if you have additional thoughts, please share them with us so we can improve future meetings

There continues to be changes to management at a number of schools, including:

- Carleton's president will retire in July 2021, take a one-year sabbatical, and return to Carleton as a Political Science professor
- MCAD's CFO is moving to Los Angeles to be the CFO at the Museum of Contemporary Art Los Angeles – an interim CFO has been appointed

The Governor's office has requested that Board members provide a signed Oath of Office. This form typically is sent to Board members after their appointment or reappointment to the Board. Amanda will be sending you the form to sign and coordinating getting the form back to the Governor's office.

We would like to begin the process of thinking about 2021 and options for the 50th anniversary of the Authority. We plan for a Debt Conference in 2021, to be held as a virtual conference if necessary.

That concluded Mr. Fick's Executive Director's report for September 2020.

At the conclusion of the Executive Directors report, Secretary Benson entertained a motion to adjourn the general meeting. A motion to adjourn as made by Nancy Sampair and seconded by David Rowland.

The Board then voted by voice vote to adjourn at 3:15 pm, CDT.

Respectfully submitted,



Assistant Secretary

2- Minutes for 16 Sept 2020 FINAL

Final Audit Report

2020-10-23

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"2- Minutes for 16 Sept 2020 FINAL" History

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