

**COUNCIL ON ASIAN-PACIFIC MINNESOTANS
FINANCIAL AUDIT
FOR THE THREE YEARS ENDED JUNE 30, 1989**

JULY 1990

**Financial Audit Division
Office of the Legislative Auditor
State of Minnesota**

90-44

COUNCIL ON ASIAN-PACIFIC MINNESOTANS

FINANCIAL AUDIT FOR THE THREE YEARS ENDED JUNE 30, 1989

Public Release Date: July 25, 1990

No. 90-44

OBJECTIVES:

- EVALUATE INTERNAL CONTROL STRUCTURE: Payroll, administrative disbursements, and receipts.
- TEST COMPLIANCE WITH CERTAIN FINANCE-RELATED LEGAL PROVISIONS.

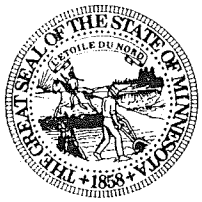
CONCLUSIONS:

We found the internal control structure to be effective.

We found two areas where the council had not complied with finance-related legal provisions:

- The council awarded a portion of their appropriation to establish a scholarship fund.
- The council has not followed required procedures for seminars and conferences.

Contact the Financial Audit Division for additional information.
(612) 296-1730



STATE OF MINNESOTA

OFFICE OF THE LEGISLATIVE AUDITOR

VETERANS SERVICE BUILDING, ST. PAUL, MN 55155 • 612/296-4708

JAMES R. NOBLES, LEGISLATIVE AUDITOR

Senator John E. Brandl, Chairman
Legislative Audit Commission

Members of the Legislative Audit Commission

Ms. Hyon T. Kim, Chair
Council on Asian-Pacific Minnesotans

Members of the Council on Asian-Pacific Minnesotans

Dr. Albert V. de Leon, Executive Director
Council on Asian-Pacific Minnesotans

Audit Scope

We have conducted a financial related audit of the Council on Asian-Pacific Minnesotans as of and for the three years ended June 30, 1989. Our audit was limited to only that portion of the State of Minnesota financial activities attributable to the transactions of the Council, as discussed in the Introduction. We have also made a study and evaluation of the internal control structure of the Council in effect during April 1990.

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial activities attributable to the transaction of the Council are free of material misstatements.

As part of our study and evaluation of the internal control structure, we performed tests of the Council's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

Management Responsibilities

The management of the Council is responsible for establishing and maintaining an internal control structure. This responsibility includes compliance with applicable laws, regulations, contracts, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that:

- assets are safeguarded against loss from unauthorized use or disposition;

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- transactions are executed in accordance with applicable legal and regulatory provisions, as well as management's authorization; and
- transactions are recorded properly on the statewide accounting system in accordance with Department of Finance policies and procedures.

Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

Internal Control Structure

For purposes of this report, we have classified the significant internal control structure policies and procedures in the following categories:

- payroll,
- administrative disbursements, and
- receipts.

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Conclusions

In our opinion, the internal control structure of the Council in effect during April 1990, taken as a whole, was sufficient to meet the objectives stated above insofar as those objectives pertain to the prevention or detection of errors or irregularities in amounts that would be material in relation to the financial activities attributable to transactions of the Council.

However, we noted certain matters involving the internal control structure and its operation that we reported to the management of the Council at the exit conference held on July 5, 1990.

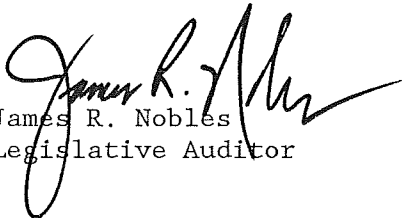
Minn. Stat. 16A.275 requires daily depositing of receipts if the total exceeds \$250. Until September 1987, the Council did not comply with this prompt depositing requirement. However, the Council has since changed its receipts process. As a result, Council staff are now depositing receipts in accordance with Minn. Stat. 16A.275.

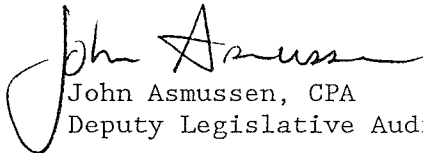
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The results of our tests indicate that, with respect to the items tested, the Council complied, in all material respects, with the provisions referred to in the audit scope paragraphs. With respect to items not tested, except for the issue discussed in the preceding paragraph and the issues discussed in findings 1 and 2, nothing came to our attention that caused us to believe that the Council had not complied, in all material respects, with those provisions.

This report is intended for the information of the Legislative Audit Commission and management of the Council. This restriction is not intended to limit the distribution of this report, which was released as a public document on July 25, 1990.

We would like to thank the Council staff for their cooperation during this audit.


James R. Nobles
Legislative Auditor


John Asmussen, CPA
Deputy Legislative Auditor

END OF FIELDWORK: May 11, 1990

REPORT SIGNED ON: July 19, 1990

COUNCIL ON ASIAN-PACIFIC MINNESOTANS

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AUDIT PARTICIPATION

The following members of the Office of the Legislative Auditor prepared this report:

John Asmussen, CPA	Deputy Legislative Auditor
Jeanine Leifeld, CPA	Audit Manager
Beth Hammer, CPA	Auditor-in-Charge

EXIT CONFERENCE

The findings and recommendations in this report were discussed with the following officials of the Council at the exit conference held on July 5, 1990.

Dr. Albert V. de Leon	Executive Director
Jovita Bjoraker	Clerk

COUNCIL ON ASIAN-PACIFIC MINNESOTANS

I. INTRODUCTION

The Council on Asian-Pacific Minnesotans was established under the authority of Minn. Stat. Section 3.9226. The Council provides accessibility of services to and from Asians in the community. It also encourages involvement of Asians in the policy-making process of the state of Minnesota. The Council consists of fifteen members, eleven are appointed by the governor and represent the Asian community. The remaining are nonvoting members from the Minnesota Senate and House of Representatives. The Council employs three full-time staff. Dr. Albert V. de Leon has been the Council's Executive Director since the Council's inception in 1985.

The following is a summary of the Council's General Fund financial activities for the three years ended June 30, 1989:

	<u>1989</u>	<u>1988</u>	<u>1987</u>
Dedicated Receipts	<u>\$ 7,760</u>	<u>\$ 5,403</u>	<u>\$ 29,660</u>
Disbursements:			
Salaries	\$105,161	\$ 86,130	\$ 73,285
Rents and Leases	8,279	6,938	6,721
Advertising	2,132	542	141
Repairs	497	880	129
Printing	2,516	3,009	1,952
Professional/Technical	11,566	3,550	10,035
Data Processing	1,168	50	-0-
Purchased Services	9,280	5,576	8,644
Communications	4,205	3,861	2,940
Travel	4,508	4,207	3,939
Awards	10,000	-0-	-0-
Fees	374	387	-0-
Supplies	<u>9,423</u>	<u>13,178</u>	<u>896</u>
Total Disbursements	<u>\$169,109</u>	<u>\$128,308</u>	<u>\$108,682</u>

Source: Statewide Accounting System budgetary basis reports.

COUNCIL ON ASIAN-PACIFIC MINNESOTANS

II. CURRENT FINDINGS AND RECOMMENDATIONS

1. The Council awarded a portion of their appropriation to establish a scholarship fund.

At the end of fiscal year 1989, the Council on Asian-Pacific Minnesotans awarded \$10,000 to the Minnesota Private College Fund to establish a scholarship fund. We question the Council's authority to make this payment. In addition, the Council did not process the payment properly.

In accordance with its 1987 appropriation law, the Council received an additional \$20,000 allotment for the 1988 - 89 biennium by demonstrating a dollar-for dollar match on nonpublic contributions. However, the Council did not receive this \$20,000 until the end of fiscal year 1989. Since any unused appropriation balance was scheduled to cancel back to the General Fund at the end of fiscal year 1989, the Council decided to use \$10,000 to establish a scholarship fund to aid Asian-Pacific students. In June 1989, the Council awarded \$10,000 to the Minnesota Private College Fund to establish the scholarship fund.

Even though the Council formally approved the scholarship fund, we question the Council's authority to make this payment. Minn. Stat. 3.9226 Subd. 3 lists the duties of the Council. Some of the duties include:

- advising the governor and the legislature on issues confronting Asian-Pacific people,
- serving as a conduit to state government for organizations of Asian-Pacific people,
- performing or contracting for the performance of studies designed to suggest solutions to the problems of Asian-Pacific people, and
- publicizing the accomplishments of Asian-Pacific people.

None of the duties listed in the statute give the Council the express authority to award grants, such as the payment made to the Minnesota Private College Fund. In fact, Subd. 3 goes on to say " . . . [The Council shall] implement programs designed to solve the problems of Asian-Pacific people when authorized by other law." The Legislature did not provide authorization to the Council concerning this scholarship program.

In addition to questioning the Council's authority, we believe the Council did not process the payment properly. The Council did not recognize or account for the payment as a grant. Instead, the Council processed it as an award. Because of this, the Council did not follow Finance operating procedures relating to grants. These procedures require a grant contract and approvals by Administration's Contract Management Division and the Attorney General's Office. In contrast, there is no contract between the

COUNCIL ON ASIAN-PACIFIC MINNESOTANS

Council on Asian-Pacific Minnesotans and the Minnesota Private College Fund. By not having a contract the Council did not sufficiently protect the public's interest. A contract should exist which is specific in how funds are to be used and what happens if the funds are not used for that purpose. Also, the contract should contain an audit clause.

RECOMMENDATION

- The Council needs to seek explicit authority before awarding grants.
- The Council needs to account for their money by following the proper Finance Procedures.

2. The Council has not followed required procedures for seminars and conferences.

The Council has not complied with the required state procedures relating to agency-conducted seminars. We do not believe that the Council has charged unreasonable fees or incurred unreasonable costs for seminars in the past. However, the Council has not used the Department of Finance seminar account nor had special expenses relating to its conferences properly approved.

First, the Council has not used the Department of Finance seminar account. Instead, the Council has deposited conference receipts into its own gift account. It has also paid related expenses from the gift account. Minn. Stat. Section 16A.721 requires the use of the Finance seminar account. The seminar account allows the agency to specifically match the fees collected for the seminar with the related expenses. It also allows Finance to cancel all unspent receipts back to the General Fund at the end of each fiscal year.

In addition, the Council has not had expenses relating to its seminars properly approved. According to the Department of Employee Relations special expense policy, an agency should seek special expense approval for "refreshments, meals and other conference costs for department sponsored events where registration fees are charged . . . " The Council currently does not have an approved special expense policy and has not sought approval for conference-related expenses.

RECOMMENDATION

- The Council should follow proper state procedures relating to the seminar account and special expenses for all future council-sponsored seminars and conferences.



STATE OF MINNESOTA
Council on Asian-Pacific Minnesotans

Summit National Bank Building, Suite 100
205 Aurora Avenue, St. Paul, MN 55103
612-296-0538

July 17, 1990

Jeanine Leifield, CPA
Audit Manager
Office of Legislative Auditor
Veterans Service Building
St. Paul, MN 55155

Subject: **RESPONSE TO LEGISLATIVE AUDITOR'S AUDIT REPORT
COMMUNICATION DATED JUNE 28, 1990**

Dear Ms. Leifeld:

As requested in your communication dated June 28th, we are submitting to you our formal written response to the Legislative Auditor's Audit Report.

I. COMMENDATION TO MS. BETH HAMMER, CPA

We wish to commend Ms. Hammer, Auditor-in-Charge for the high degree of professionalism she demonstrated in conducting this audit report. We are grateful for the advice she provided us particularly in securing for us the following regulations which were made available to our Council for the first time:

1. Minnesota Department of Employee Relations Administrative Procedure 4.4. dated May 9, 1983;
2. Minnesota Department of Finance Operating Policy and Procedure dated June 16, 1983; and
3. Minnesota Department of Finance Special Expense Procedures dated August 15, 1989.

II. RESPONSE TO PAGE 2 - II. SCHOLARSHIP FUND

A. Statutory Authority

Laws of Minnesota for 1985, First Special Session, Sec. 68 [3.9226] Subdivision 5 is quoted as follows:

".... The council may apply for, receive, and expend in its own name grants and gifts of money consistent with the powers and duties specified in this section." Attachment A

B. Historical Basis

As indicated in the Minnesota Statute mentioned above, at the time the Council was created by the Minnesota Legislature in 1985 one of the "equal opportunity and affirmative action" considerations is that the Council like any other state agency shall be conferred equal non-discriminatory status to request for proposals, conduct bids, make awards with stipulated terms and conditions and grants, and enter into contracts to implement its Legislative Mandates (14). Attachment B

C. Compliance with Prescribed Procedure by the Minnesota Department of Finance

On May 26, 1989 the Council consulted with the Commissioner of Finance relative to the appropriate procedure in the development of a "Scholarship Fund" by utilizing its Matching Funds. Several options were reviewed by the Commissioner which included the following:

1. Award subject to terms and conditions set by the Council;
2. Grant; or
3. Contract

The Commissioner of Finance made the determination that the Council based on the statute mentioned above has the authority to exercise any of the above options as a legally constituted state agency and prescribed the following procedure:

1. Issue a public bid to secure a better than 1-1 match for the Scholarship fund;

This was accomplished by placing the announcement in the form of an advertisement in the two (2) major newspapers in the State of Minnesota - The Star Tribune and the Pioneer Press. In addition, the announcement was mailed to all four-year degree granting educational institutions, and foundations in the State of Minnesota.

2. The Council stipulated the Award subject to the following terms and conditions:
 - a) A better than 1-1 match for the Fund;
 - b) Students applying for the Scholarship fund must demonstrate "financial need;"
 - c) Asian-American students applying for the Scholarship Fund must be currently enrolled for graduate and undergraduate degrees in the State of Minnesota.

D. Competitive Bid of 3-1 Match

The Minnesota Private College Fund submitted the best offer of matching the Council's \$10,000 with a 3-1 Match which increased the Scholarship Fund to \$30,000. At the time the offer (bid) was made we were informed by the Governor's Office and the members of our

Legislative Representatives in the Senate and the House of Representatives that the 3-1 Match to our public bid has so far been the best leverage of public funds in the history of public bidding in the State of Minnesota. Attachment C

E. Terms and Conditions of Award

As authorized by the Council, the Minnesota Private College Fund with a membership of fourteen (14) private Colleges and Universities in the State of Minnesota is required to submit periodic status report of the "Asian-Pacific Scholarship Fund" to comply with the terms and conditions of the Award.

The \$10,000 award was duly processed by the Minnesota Department of Administration and the Minnesota Department of Finance - two of the state agencies which have oversight responsibilities over the fiscal and financial accountability of the Council. Attachments D and E

The first of such report as required by the Terms and Conditions of the Award is dated May 18, 1990 from Dr. David B. Laird, Jr., President, Minnesota Private College Fund. We wish to highlight the pertinent portion of this communication which complies with the standards set by the Minnesota Commissioner of Finance, namely -

"You may interpret the references in my letter to you of July 11, 1989 as acceptance on the part of the Minnesota Private College Fund to treat the terms and conditions of our agreement as obligations to perform certain acts and services in accordance with the challenge issued by the Council. Attachment F

F. Major International Crisis for Asian Students

The Council acted responsibly and in accordance with its legislative mandate as the "advocate for the Asian-Pacific Community by responding to the "Tianamen Square Revolt" in Beijing, China which threatened the loss of financial assistance and stipends from the Chinese Government to thousands of Chinese students in the State of Minnesota.

The Council complied with its Legislative Mandates stipulated by the Legislature as follows -

- (8) perform or contract for the performance of studies designed to suggest solutions to the problems of Asian-Pacific people in the areas of education, ... human rights, ... and other related areas;
- (9) implement program designed to solve the problems of Asian-Pacific people when authorized by other law.

The 1964 Civil Rights Act which made a determination that the Asian-Pacific people as one of the members of minority population classified as a "protected class" by reason of discrimination guarantees the action of the Council in designated its matching funds as a Scholarship Fund Award subject to the stipulated terms and conditions to meet the needs of a disadvantaged and underserved population - **The Asian-Pacific.**

G. Recommendations

In order to meet the concerns of the Legislative Auditor we recommend the following -

- A. That the Legislative Auditor provide the Council with the appropriate language to augment the existing authority of the Council as an amendment to its Charter within thirty (30) days. The proposed amendment will be referred to the Attorney General for review and comment and presented to the Revisor's Office for the drafting of a bill for presentation by our legislative representatives at the next legislative session;
- B. That the Legislative Auditor conduct in-service training for the staff of the Minnesota Department of Finance, Minnesota Department of Administration, and the Council on Asian-Pacific Minnesotans within sixty (60) days for the purpose of defining and reviewing existing policies, procedures and regulations relative to awards, grants, and contracts as authorized by State Law.

III. RESPONSE TO PAGE 3 - SEMINARS AND CONFERENCES

A. Minnesota Department of Finance Seminar Account

As stated on page 1 of this response, the Council was made aware of this regulation during the current audit.

B. Gift Account

As the time of the creation of the Council we were required by the Minnesota Legislature to conduct "fund raising events", aggressively seek foundation, corporate, and individual contributions and donations, including federal funds to match our limited state funds and ensure financial resources to support the programs and services of the Council. The Council has complied with this legislative requirement which resulted in increasing its budget by over 100% in its third year of operation. All funds raised by the Council from "other sources" is retained under its "Gift Account."

Furthermore, our seminars and conferences are not "one issue agenda." At any given event to comply with our legislative mandates and ensure maximum utilization of our limited staff and financial resources we cover "multiple issues" such as AIDS, Adult Literacy, International Trade, Census Information, Volunteer Recognition, Leadership, Cultural Heritage and others. Accordingly, we **prorate funds** utilized for these activities in accordance with our limited budget in order to preserve our state funds.

This will require innovativeness in structuring our seminars and conferences to meet the demands of our Asian-Pacific Community which may include the following -

- 1) Responding to community requests (especially during a crisis) within a seven-day period or less;
- 2) Appropriately utilizing the fees collected to cover costs of staff time, supplies, equipment, telephone, printing, transportation, meals, and other related conference costs including rent for meeting rooms and custodial services.

C. Recommendation


The Executive Director will be submitting our Seminar Account relative to "Special Expenses" within thirty (30) days to the Department of Administration, Department of Finance and Department of Employee Relations for review and appropriate action.

We wish to express our sincere appreciation to the Legislative Auditor for this Audit Report of the Council's operations and for allowing us to submit our response and recommendations.

If you wish additional information please feel free to call Dr. Albert V. de Leon, Executive Director, State Council on Asian-Pacific Minnesotans, at 296-0538.

Have a nice day!

Sincerely,


Hyon T. Kim
Chairperson

Attachments

cc: Yanat H. Chhith, Vice Chairperson
Council Members
Dr. Albert V. de Leon

2156

LAWS of MINNESOTA for 1985
FIRST SPECIAL SESSION

Ch. 13

Sec. 68. [3.9226] COUNCIL ON ASIAN-PACIFIC MINNESOTANS.

Subdivision 1. CREATION. The state council on Asian-Pacific Minnesotans consists of 13 members. Nine members are appointed by the governor and shall be broadly representative of the Asian-Pacific community of the state. Terms, compensation, removal, and filling of vacancies for these members are as provided in section 15.059. In addition, two members of the house of representatives appointed under the rules of the house of representatives and two members of the senate appointed under the rules of the senate shall serve as nonvoting members of the council. The council shall annually elect from its membership a chairperson and other officers it deems necessary.

Subd. 2. DEFINITION. For the purpose of this section, the term Asian-Pacific means a person from any of the countries in Asia or the Pacific Islands.

Subd. 3. DUTIES. The council shall:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(1) advise the governor and the legislature on issues confronting Asian-Pacific people in this state, including the unique problems of non-English-speaking immigrants and refugees;

(2) advise the governor and the legislature of administrative and legislative changes necessary to ensure Asian-Pacific people access to benefits and services provided to people in this state;

(3) recommend to the governor and the legislature any revisions in the state's affirmative action program and other steps that are necessary to eliminate underutilization of Asian-Pacific people in the state's work force;

(4) recommend to the governor and the legislature legislation designed to improve the economic and social condition of Asian-Pacific people in this state;

(5) serve as a conduit to state government for organizations of Asian-Pacific people in the state;

(6) serve as a referral agency to assist Asian-Pacific people in securing access to state agencies and programs;

(7) serve as a liaison with the federal government, local government units, and private organizations on matters relating to the Asian-Pacific people of this state;

(8) perform or contract for the performance of studies designed to suggest solutions to the problems of Asian-Pacific people in the areas of education, employment, human rights, health, housing, social welfare, and other related areas;

(9) implement programs designed to solve the problems of Asian-Pacific people when authorized by other law;

(10) publicize the accomplishments of Asian-Pacific people and their contributions to this state;

(11) work with other state and federal agencies and organizations to develop small business opportunities and promote economic development for Asian-Pacific Minnesotans;

(12) supervise development of an Asian-Pacific trade primer, outlining Asian and Pacific customs, cultural traditions, and business practices, including language usage, for use by Minnesota's export community; and

(13) cooperate with other state and federal agencies and organizations to develop improved state trade relations with Asian and Pacific countries.

Subd. 4. REVIEW OF GRANT APPLICATIONS AND BUDGET REQUESTS. State departments and agencies shall consult with the council concerning any application for federal money that will have its primary effect on Asian-Pacific Minnesotans before development of the application. The council

shall advise the governor and the commissioner of finance concerning any state agency request that will have its primary effect on Asian-Pacific Minnesotans.

Subd. 5. **POWERS.** (a) The council may contract in its own name but may not accept or receive a loan or incur indebtedness except as otherwise provided by law. Contracts must be approved by a majority of the members of the council and executed by the chairperson and the executive director. The council may apply for, receive, and expend in its own name grants and gifts of money consistent with the powers and duties specified in this section.

(b) The council shall appoint an executive director who is experienced in administrative activities and familiar with the problems and needs of Asian-Pacific people. The council may delegate to the executive director any powers and duties under this section that do not require council approval. The executive director serves in the unclassified service and may be removed at any time by the council. The executive director shall recommend to the council, and the council may appoint, the appropriate staff necessary to carry out the duties of the council. All staff members serve in the unclassified service. The commissioner of administration shall provide the council with necessary administrative services, for which the council shall reimburse the commissioner.

Subd. 6. **STATE AGENCY ASSISTANCE.** On the request of the council, state agencies shall supply the council with advisory staff services on matters relating to the jurisdiction of the council. The council shall cooperate and coordinate its activities with other state agencies to the highest possible degree.

Subd. 7. **REPORT.** The council shall prepare and distribute a report to the governor and legislature by November 15 of each even-numbered year. The report shall summarize the activities of the council since its last report, list receipts and expenditures, identify the major problems and issues confronting Asian-Pacific people, and list the specific objectives that the council seeks to attain during the next biennium.

Sec. 69. [3C.035] DRAFTING FOR EXECUTIVE BRANCH.

Subdivision 1. **DEADLINES.** A department or agency intending to urge the legislature to adopt a bill shall deliver the drafting request for the bill to the revisor of statutes by December 1 before the regular session of the legislature at which adoption will be urged. A commissioner or agency head, however, may deliver a drafting request later by certifying to the revisor, with supporting facts, that the request is an emergency, relates to a matter that could not reasonably have been foreseen before December 1, or for which there is other reasonable justification for delay. The completed bill draft, in a form ready for introduction, must be delivered by the revisor to a senator or representative as directed by the department or agency. If the draft was requested after December 1, it must be accompanied by a copy of the commissioner's certification to the revisor.

Changes or additions are indicated by underline, deletions by strikeout.

14 LEGISLATIVE MANDATES

The duties of the State Council are as follows:

- Advise the Governor and the Legislature on issues confronting the Asian-Pacific people in this State, including the unique problems of non-English-speaking immigrants and refugees;
- Advise the Governor and the Legislature of Administrative and Legislative changes necessary to insure Asian-Pacific people access to benefits and services provided to the people in this State;
- Recommend to the Governor and the Legislature any revisions in the State's Affirmative Action Program and other steps necessary to eliminate the under-utilization of Asian-Pacific people in the State's work force;
- Recommend to the Governor and the Legislature legislation designed to improve the Economic and Social conditions of the Asian-Pacific people in this State;
- Serve as a conduit to State Government for organizations of Asian-Pacific people in this State;
- Serve as a Referral Agency to assist Asian-Pacific people in securing access to state agencies and programs;
- Serve as a Liaison with the Federal Government, the Local Government units and Private Organizations on matters relating to the Asian-Pacific people of this State;
- Perform or contract for the performance of studies designed to suggest solutions to the problems of Asian-Pacific people in the areas of Education, Employment, Human Rights, Health, Housing, Social Welfare, and other related areas;
- Implement programs designed to solve the problems of Asian-Pacific people when authorized by other law;
- Publicize the accomplishments of Asian-Pacific people and their contributions to this State;
- Work with other State and Federal Agencies and Organizations to develop Small Business Opportunities and promote Economic Development for Asian-Pacific Minnesotans;
- Supervise the development of an Asian-Pacific Trade Primer, outlining Asian and Pacific Customs, Cultural Traditions, and Business Practices, including Language Usage for the use of Minnesota's Export Community;
- Cooperate with other State and Federal Agencies and organizations to develop improved State Trade Relations with Asian and Pacific Countries; and
- Review of Grant Applications and Budget Requests - State Departments and Agencies shall consult with the Council concerning any application for federal money that will have primary effect on Asian-Pacific Minnesotans before development of the Application. The Council shall advise the Governor and the Commissioner of Finance concerning any State Agency Request that will have its primary effect on Asian-Pacific Minnesotans.

Augsburg College
Bethel College
Carleton College
College of St. Benedict
College of St. Catherine
College of St. Scholastica
College of St. Thomas
Concordia College
(Moorhead)
St. Adolphus College
Hamline University
Macalester College
St. John's University
St. Mary's College
St. Olaf College

July 11, 1989

**The
Campaign
for
Private
Colleges**

DIRECTORS:

THE 14 COLLEGE
PRESIDENTS, and

W.E. BYE BARSNESS
Space Center, Inc.

SANDRA K. BUTLER
Butler Office, Inc.

SR. MICHAELA BYRON
College of St. Teresa

NORBERT J. CONZEMIUS
First Trust

DAVID P. CROSBY
Piper, Jaffray & Hopwood

ROBERT D. EDWARDS
Minnesota Power

JOHN B. FERRIS
Super Valu Stores, Inc.

DONALD E. GARRETSON
M Foundation, (Ret.)

RAYMOND A. HAIK
Popham, Haik, Schnobrich,
Kaufman, Doty Ltd.

CHARLES W. JOHNSON
Honeywell Inc.

CARL A. KUHRMEYER
3M Company

DAVID B. LAIRD, JR.
Minnesota Private
College Fund

JOHN E. PEARSON
Northwestern National Life
Insurance Company

W.B. SAUNDERS
Cargill, (Ret.)

RICHARD L. SHEPLEY
First Bank System

G. RICHARD SLADE
Minneapolis College
of Art and Design

EDWARD C. STRINGER
Pillsbury Company

HERMAN WENTZEL
Concordia College - St. Paul

Dr. Albert V. de Leon
Executive Director
Council on Asian-Pacific Minnesotans
Summit National Bank Building, Suite 100
205 Aurora Avenue
St. Paul, Minnesota 55103

Dear Dr. de Leon:

On behalf of the private colleges participating in the Minnesota Private College Fund, I want to express our gratitude and delight with the preliminary decision of your Council to accept our proposal for a scholarship matching fund. We believe that this new effort to develop additional scholarship assistance for Asian-Pacific Islander students is entirely consistent with the long-term interests our colleges have in Asian cultures and peoples. We shall be honored to have responsibility for this scholarship matching fund and to work with you and your colleagues throughout the Asian communities in Minnesota to increase accessibility and success of Asian students in our institutions.

As we indicated in our proposal of June 27, 1989, it is our intention to attempt to double the \$10,000 contribution from your Council resulting in a \$30,000 fund available for the coming year for Asian-Pacific students. It is our very clear intention to establish such a scholarship program on an on-going basis and to solicit commitments from corporations and individuals to continue this funding mechanism into the future. We believe the need for such scholarship funding will continue into the foreseeable future and that this kind of matching fund approach could increase the visibility and interest on the part of other donors to give similar funds directly to our institutions.

At our meeting this morning you asked me to clarify a number of items from our proposal and I am happy to do so as follows:

1. We shall be happy to apply any interest earned on the scholarship account to the scholarship funds themselves, thus adding to the base of the funds available. In addition, my staff and I shall be happy to work with you and your colleagues in fund raising efforts for this fund and similar purposes throughout Minnesota.

**Minnesota
Private
College
Fund**

Suite 560
Park Square Court
400 Sibley Street
St. Paul, MN 55101
(612) 227-0235


Dr. de Leon
Page Two
July 11, 1989

2. It is our intention to instruct the member institutions of the Fund to award monies from the scholarship fund to students who have clearly demonstrated financial need through the institutional procedures regularly used to determine family financial ability. In addition, we are prepared to instruct our institutions to give strong preference for the use of these funds to applicants of Asian-Pacific origin who are presently residents of the State of Minnesota.
3. Clearly, one of the objectives of establishing this fund will be to expand the number of Asian-Pacific students attending the private colleges of Minnesota. We shall encourage our admissions offices to work with you and your committees to provide better information on a more timely basis to families who may wish to consider one of our institutions for their students. While the final decisions on admissions and the awarding of aid will rest with each of our institutions, I would anticipate that, over time working together, we can develop closer relationships, better understanding and, therefore, better identification of students who might make best use of such scholarship funding.
4. While I do anticipate some regular contact with you and your staff with regard to the development and use of these scholarship funds, you have our assurance that at least annually, the Minnesota Private College Fund will report to the Council on Asian-Pacific Minnesotans with regard to the uses of these funds and other pertinent information relating to the future of the program.

I hope this information is responsive to the questions and concerns which you and your committee have with regard to our proposal. We look forward to working with all of you to make this a success for Minnesota and a model for others.

With best wishes.

Cordially,



David B. Laird, Jr.
President

DBL:llz

STATE OF MINNESOTA

URGENT

Council on Asian-Pacific Minnesotans

Summit National Bank Building, Suite 100
 205 Aurora Avenue, St. Paul, MN 55103
 612-296-0538



DATE : June 29, 1989

TO : Larry Dowdle
 Fiscal Officer
 State Department of Administration

FROM : Dr. Albert V. de Leon *[Signature]*
 Executive Director

SUBJ : - \$10,000 STATE MATCHING FUND AWARD TO
 MINNESOTA PRIVATE COLLEGE FUND

I. ADVERTISEMENT AND OPEN BIDDING

Pursuant to State Law and in compliance with the the Council's Policies and Procedures the required advertisement and open bidding was placed in both state-wide newspapers namely - St. Paul Pioneer Press and Star Tribune on June 23, 1989 and individual letters to foundations and corporations numbering 26 including interested colleges and universities who responded to the advertisements.

II. RESPONSES TO MATCH STATE FUNDS

The Council dedicated the total amount of \$10,000 for Asian-Pacific Scholarship Matching Fund for Asian-Pacific Needy Students to corporations, foundations, educational institutions, community organizations and interested citizens. As of the deadline of 4:00 PM, Tuesday, June 27, 1989 we received 7 responses (3 positive and 4 negative).

III. SCREENING COMMITTEE

The State Council on Asian-Pacific Minnesotans on on June 20, 1989 authorized the following to screen the applications and on behalf of the Council to select the best application for the \$10,000 State Matching Funds for Asian-Pacific Scholarship for Needy Students - Mr. Sudhansu S. Misra, Chairperson; Mr. Duc Q. Lam, Chair, Fund-Development Task Force; and Dr. Albert V. de Leon, Executive Director.

IV. AWARD OF \$10,000 TO MINNESOTA PRIVATE COLLEGE FUND

The Council Screening Committee, as authorized by the State Council on Asian-Pacific Minnesotans, has

STATE COUNCIL ON ASIAN-PACIFIC MINNESOTANS
JUNE 29, 1989
PAGE 2

awarded the \$10,000 State Matching Fund to the
Minnesota Private College Fund.

V. AUTHORIZATION

Accordingly, please process a check for \$10,000 payable to the MINNESOTA PRIVATE COLLEGE FUND. Kindly inform our office as soon as the check is processed. Dr. de Leon will personally pick up the check from the Fiscal Office to be transmitted officially to the Minnesota Private College Fund with the official cover letter award at appropriate ceremonies to commemorate this special presentation.

If you have any questions please do not hesitate to call me at 296-0538. Thank you very much for your assistance and cooperation.

Attachments:

- Attachment A - Advertisement
- Attachment B - Application-Response from the
Minnesota Private College Fund

cc: Mr. Sudhansu S. Misra, Chairperson
Mr. Duc Q. Lam, Chair, Fund-Development Task Force
Council Members



STATE OF MINNESOTA

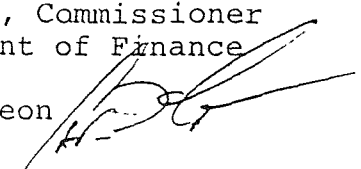
Attachment E

Council on Asian-Pacific Minnesotans

Summit National Bank Building, Suite 100
205 Aurora Avenue, St. Paul, MN 55103
612-296-0538

DATE : June 29, 1989

TO : Thomas J. Triplett, Commissioner
Minnesota Department of Finance

FROM : Dr. Albert V. de Leon 
Executive Director

SUBJ : - \$10,000 STATE MATCHING FUND AWARD TO
MINNESOTA PRIVATE COLLEGE FUND -

A. STATUTORY AUTHORITY

At our conference in your office on May 26, 1990 you indicated that the Council on Asian-Pacific Minnesotans has the statutory authority to award its Matching Funds subject to certain terms and conditions to be stipulated by the Council in accordance with the prescribed procedure as required by State regulations namely -

- 1) Advertise the Solicitation Matching Fund Award - please refer to the copy attached;
- 2) Based on a Open Bid Process select the best offer submitted;
- 3) Stipulate the Terms and Conditions of the Award.

B. AUTHORIZATION TO PROCESS THE AWARD

The Council has fully complied with all the procedures in making this Award to the Minnesota Private College Fund.

Attached is our request to the State Department of Administration dated to-day to process this Award.

If you have any questions please do not hesitate call me at 296-0538.

Thank you for your advice and assistance regarding this important matter.

Enclosures

Augsburg College
Bethel College
Carleton College
College of St. Benedict
College of St. Catherine
College of St. Scholastica
College of St. Thomas
Concordia College
(Moorhead)
Gustavus Adolphus College
Hamline University
Macalester College
St. John's University
St. Mary's College
of Minnesota
St. Olaf College

May 18, 1990

**Cultivate
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Minds**

DIRECTORS:

THE 14 COLLEGE
PRESIDENTS, and

JANE G. BELAU
Control Data Corporation

SANDRA K. BUTLER
Butler Office, Inc.

NORBERT J. CONZEMIUS
First Bank System

DAVID P. CROSBY
Piper, Jaffray & Hopwood

ROBERT D. EDWARDS
Minnesota Power

JOHN B. FERRIS
Super Valu Stores, Inc.

RAYMOND A. HAIK
Popham, Haik, Schnobrich,
Kaufman, Doty Ltd.

ROBERT J. HAUGH
St. Paul Companies

CHARLES W. JOHNSON
Honeywell Inc.

JOHN F. JOHNSON
Concordia College (St. Paul)

CARL A. KUHRMEYER
3M Company

DAVID B. LAIRD, JR.
Minnesota Private
College Fund

H. WILLIAM LURTON
Jostens, Inc.

EUGENE R. OLSON
Deluxe Corporation

JOHN E. PEARSON
Northwestern National Life
Insurance Company

W.B. SAUNDERS
Cargill (Ret.)

RICHARD L. SHEPLEY
First Bank System

G. RICHARD SLADE
Minneapolis College
of Art and Design

Dr. Albert V. de Leon
Council on Asian Pacific Minnesotans
Summit National Bank Building
205 Aurora Avenue, Suite 100
St. Paul, MN 55103

Dear Dr. deLeon:

As you requested, I am writing to supplement our correspondence of the Spring of 1989 pertaining to our acceptance of a \$10,000 payment from the Council on Asian-Pacific Minnesotans to be used for financial aid for Asian students in Minnesota's private colleges.

You may interpret the references in my letter to you of July 11, 1989 as acceptance on the part of the Minnesota Private College Fund to treat the terms and conditions of our agreement as obligations to perform certain acts and services in accordance with the challenge issued by the Council. You may be confident that we have acted in accordance with the spirit of this challenge and expect to be able to announce the successful completion of our obligations prior to the end of this fiscal year.

With best wishes.

Sincerely,



David B. Laird, Jr.
President

DBL:llz

Minnesota
Private
College
Fund

Suite 560
Park Square Court
400 Sibley Street
St. Paul, MN 55101
(612) 228-9061



STATE OF MINNESOTA
Council on Asian-Pacific Minnesotans

Summit National Bank Building, Suite 100
205 Aurora Avenue, St. Paul, MN 55103
612-296-0538

July 18, 1990

Dear Jeanine:

Per our telephone conversation and understanding that our deadline for submitting our response and recommendations to the Audit Report is to-day before 4:30 PM, we are submitting to you the attached ADDENDUM for inclusion in our response dated July 17, 1990 which was submitted to your office yesterday.

The enclosed letter from the Minnesota Private College Fund arrived in our office after we sent our initial response to your office.

Thank you for your kind consideration.

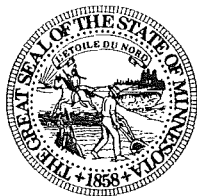
Sincerely,

A handwritten signature in cursive script, appearing to read "Al", followed by a horizontal line.

Dr. Albert V. de Leon
Executive Director

Attachment

Jeanine Leifeld, CPA
Audit Manager
Office of the Legislative Auditor
Veterans Service Building
St. Paul, MN 55155



STATE OF MINNESOTA
Council on Asian-Pacific Minnesotans

Summit National Bank Building, Suite 100
205 Aurora Avenue, St. Paul, MN 55103
612-296-0538

TO: Jeanine Leifeld, CPA
Audit Manager
Office of the Legislative Auditor
Veterans Service Building
St. Paul, MN 55155

FROM: Dr. Albert V. de Leon *al*
Executive Director

DATE: July 17, 1990

SUBJECT: - ADDENDUM TO COUNCIL RESPONSE AND
RECOMMENDATION DATED JULY 17, 1990

- RE: ASIAN-PACIFIC SCHOLARSHIP FUND
\$30,000 MATCH TO \$10,000 STATE FUNDS

We are pleased to furnish you with the attached self-explanatory letter dated July 13, 1990 from David B. Laird, Jr., President, Minnesota Private College Fund informing our Council that the \$10,000 State Funds is now matched increasing the Asian-Pacific Scholarship Fund to \$30,000.

The letter also outlines the commitment of the Minnesota Private College Fund to comply with the Award Stipulated Terms and Conditions and the required Reporting Schedule.

We wish to express our appreciation to the following for providing their support, advice and assistance in making this effort a worthwhile use of the tax payers money:

Governor Rudy Perpich
Minnesota Legislature
Minnesota Department of Finance
Minnesota Department of Administration
Minnesota Private College Fund

Our special thanks to

Thomas J. Triplett,
Former Commissioner of Finance
Larry Dowdle, Fiscal Officer
Minnesota Department of Administration
John Schorn, Finance Officer
Minnesota Department of Finance

Attachment

Augsburg College
Bethel College
Carleton College
College of St. Benedict
College of St. Catherine
College of St. Scholastica
College of St. Thomas
Concordia College
(Moorhead)
Gustavus Adolphus College
Hamline University
Macalester College
St. John's University
St. Mary's College
of Minnesota
St. Olaf College

July 13, 1990

**Cultivate
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DIRECTORS:

THE 14 COLLEGE
PRESIDENTS, and

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Kaufman, Doty Ltd.

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Cargill (Ret.)

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First Bank System

G. RICHARD SLADE
Minneapolis College
of Art and Design

Dr. Albert V. de Leon
Executive Director
Council on Asian-Pacific Minnesotans
Summitt National Bank Building
205 Aurora Avenue
St. Paul, Minnesota 55103

Dear Dr. de Leon:

I am pleased to inform you that the Minnesota Private College Fund has met the challenge of the Council on Asian-Pacific Minnesotans and has created the 1990-91 Asian-Pacific Scholarship Program at our 15 member institutions. The total pool of funds for the 1990-91 academic year is \$30,000.

We will inform each college that it will receive \$2,000 in mid-September 1990 to be used to award two scholarships of \$1,000 each to Asian-Pacific students with demonstrated financial need and residing in Minnesota. Awards will be made according to the colleges' standard procedures used to determine family financial ability.

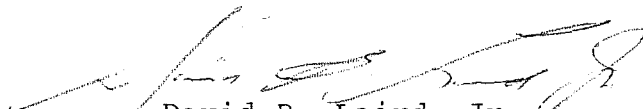
We will ask each college to provide the Fund with the names of the recipients, and we will prepare a written report to the Council on Asian-Pacific Minnesotans by December 31, 1990.

We remain committed to continue this scholarship program at our colleges. Melissa Lindsay, our director of development, will be in touch this fall to discuss with you our fund-raising strategies for the coming year.

Again, we are delighted that the Council on Asian-Pacific Minnesotans awarded the Fund the \$10,000 grant, and we look forward to working with you in the future.

With best wishes.

Cordially,



David B. Laird, Jr.
President

DBL/mpi

cc: Melissa Parker Lindsay

**Minnesota
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Fund**

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400 Sibley Street
St. Paul, MN 55101
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