



Minnesota
STATE COLLEGES
& UNIVERSITIES

Executive Summary

Chancellor's Quarterly Report to the Board of Trustees

October 17, 2001

The 2001-2002 work plan sets the immediate goals for the Minnesota State Colleges and Universities. A key to the success of the work plan is the quarterly reporting process. This report is the first of a series of quarterly reports designed to improve accountability.

As the first quarter closed, the outlook for addressing the outcomes specified in the Minnesota State Colleges and Universities work plan for 2001-2002 looked good. The initial objectives were being addressed and the planning for objectives scheduled to begin in the second quarter or later were on track.

One of the key factors for the early success of the work plan has been a restructuring of the relationship between the Office of the Chancellor and the presidents. A Leadership Council has been established, co-chaired by the chancellor and a campus president, with committees, co-chaired by a president and a senior staff member, paralleling the Board of Trustees.

Up-to-date enrollment data is not available as a result of the recent labor action, due to an inability to enter registration information for some students. Consequently, 30th day enrollment figures for several institutions, and therefore the system, are inaccurate and are not current. Now that the strike is over, we will provide a full report by the end of October. It appears, however, that we are showing a significant enrollment increase, so we are fairly confident that our final numbers will be very positive.

Save for one area, progress in the first quarter has demonstrated that with continuing cooperation and dedication, significant goals will be addressed in a timely and thorough manner. The assessment of a regional operating system has been deferred to the third quarter. This delay permits the Citizens Advisory Commission to provide a vision for the future and the Leadership Council to complete an evaluation of the role and scope of the Office of the Chancellor. These results are needed to complete an adequate assessment of a regional operating system.

The Minnesota State Colleges and Universities work plan has three primary themes for the year: advocacy, defining the future, and improving effectiveness and efficiency. The information below addresses specific accomplishments in each area.

Advocacy

Among the accomplishments in advocacy during the first quarter were:

- official visits to 119 members of the Minnesota Legislature;
- official visits to 17 campuses and seven institutions, with Trustee participation on all visits;
- 12 campus forums with students, faculty and staff;
- far-reaching meetings with Minnesota business and corporate leaders;
- participation in the Governor's Workforce Development Council Executive Committee and with the "transition team" involved in the state economic and workforce development transition effort;
- the "Making College Part of Your Future" initiative, a campaign to demonstrate to underrepresented students that they are welcomed and have college options available to them they

may not have yet considered; and § the addition of advancement and technology committees to the Leadership Council.

Defining the Future

The accomplishments in developing a future orientation during the first quarter included:

- creation of a Citizens Advisory Commission of 31 prominent Minnesotans from business and labor, state government, tribal communities, communities of color, rural Minnesota, students, faculty and trustees led by two prominent Minnesotans-Vance Opperman and Glen Taylor;
- participation by Board of Trustees in the World Futures Society Conference;
- funding and staffing for a labor supply program-demand analysis and selection of an approach for the analysis;
- initial review of technical college general education courses by a discipline faculty team from community colleges and state universities;
- development of an online orientation module for students;
- addition of "The Scoop on Transferring," to Go Places, answering high school students questions about transfer and giving advice to make the process easier; and
- a series of 16 community forums seeking input for the strategic planning process.

Effectiveness and Efficiency

The accomplishments in improving the Minnesota State Colleges and Universities efficiency and effectiveness during the first quarter included:

- a plan and detailed timeline outlining precise Minnesota State Colleges and Universities accountability standards;
- work with the state's workforce centers to provide their clients with information about the Minnesota State Colleges and Universities' educational opportunities;
- designating the Government Affairs unit with responsibility for federal relations;
- visit with the Minnesota congressional delegation in Washington in September
- promotion of a \$4 million Fund for the Improvement of Post-Secondary Education grant within the education appropriations bill;
- visit with Under Secretary Hickok of the U.S. Department of Education;
- a successful system-wide liberal arts conference;
- 37 recommendations to address data integrity issues;
- a network of student data integrity liaisons at each college and university;
- amendments to the allocation framework for fiscal year 2003;
- review of the role and scope of the Office of the Chancellor;
- establishment of the continuous improvement effort within the Office of the Chancellor;
- initiation of regular meetings between the chancellor and President Yudof of the University of Minnesota, the director of the Higher Education Services Office, and the Executive Director of the Private College Council;
- meeting between the chancellor and the commissioner of the Department of Children, Families and Learning;
- meeting with the leadership of Education Minnesota;
- a Developmental Education Demonstration Project in collaboration with Bemidji State University and Itasca Community College;
- assessment of the MnSCU brand and its recognition;
- development of an integrated communications strategy which resulted in positive articles and editorials in the state's major newspapers;

- a new brochure, “Make College a Part of Your Future”, completed as part of the marketing plan;
- distribution of the “You Have Options” brochure to students denied admission to a state university encouraging them to consider a two-year institution-mailed to 2,200 prospective students;
- compilation of a database of more than 500,000 alumni names;
- training agreement reached with colleges on use of development database software;
- development of a contract allowing college and university foundation investment with the CommonFund through the Northstar Foundation;
- careful review by a high-level group of largely campus representatives, the E-Learning Task Force, of the strategic options for moving ahead with e-learning;
- development of an e-Portfolio for beta testing; and
- introduction of a smart "Frequently Asked Questions" page for the Internet System for Education and Employment Knowledge.



Quarterly Report

Minnesota State Colleges & Universities Work Plan Actions for Second Quarter of 2001-2002

January 16, 2002

Overview

Like Pearl Harbor for an earlier generation, the events of September 11, 2001, will undoubtedly shape the perspectives for the current generation of Americans. Two other events of the second quarter, but closer to home, also will shape the immediate future for those of us in the Minnesota State Colleges and Universities: the October strike by our colleagues in AFSCME and MAPE, and the budget crisis announced in the last state economic forecast. Both of these factors have affected and likely will continue to affect implementation of the work plan. There is no doubt, however, about our need to move forward and our determination to do so.

This report is the second of our quarterly reports designed to help communicate more effectively and broaden the visible accountability for the Minnesota State Colleges and Universities. Further, the report is another key to the success of the work plan; it allows you to suggest mid-course corrections to our course of action. The progress reported in the first quarterly report is not repeated. Information herein builds on the work begun or completed during the first quarter but focuses on what happened in the second quarter.

Structure

The Minnesota State Colleges and Universities work plan has three primary themes for the year: advocacy, defining the future, and improving effectiveness and efficiency.

A systemwide strategic plan is a critical leadership tool for shaping the Minnesota State Colleges and Universities' agenda and providing direction for system priorities. A process for creating a dynamic comprehensive and cohesive plan that is responsive to the needs of Minnesota by combining major elements from existing strategic plans is a critical component of the future-oriented goals in the work plan.

While the Minnesota State Colleges and Universities work to clarify the system's vision and to craft a strategic plan to realize this future, system leadership is aware of the need to improve administrative systems and processes, productivity and staffing. Toward that end, the third component of the work plan addresses improving the effectiveness and efficiency of everyday operations.

Advocacy

The Minnesota State Colleges and Universities must work better with external groups to promote advocacy and recognition of the system's significant contributions to the economic well being and quality of life in Minnesota.

Sub-Goal (A-1): Serving as the Minnesota State Colleges and Universities chief ambassador

To date, we have completed visits to 148 members (73.6 percent) of the Minnesota Legislature-54 members (80.6 percent) of the Senate and 94 members (70.1 percent) of the House of Representatives.

While campus visits, with many different trustees participating, were curtailed because of the strike, we completed 18 official visits, bringing the total number of campuses visited to 43. The remainder of the

visits has been scheduled and should be completed by February 28, 2002. Media stops have been coupled with the campus visits, giving the system positive press coverage throughout the state.

Through early December, more than 1,200 people have attended the community forums; more than 1,000 students have attended the student forums; and more than 1,000 faculty and staff have attended the faculty and staff forums. Summaries of the community, student and faculty and staff forums are posted at www.pa.mnscu.edu and as a link off the www.citizenscommission.mnscu.edu Web site.

In addition to the prominent Minnesota business leaders participating as members of the Citizens Advisory Commission, we have continued to meet with leading Minnesota business representatives. The views presented in these exchanges with Minnesota's business and corporate leaders are extremely useful in shaping our perspective of what will be needed in the strategic plan and in determining the action items for the next work plan.

We have continued to participate on a regular basis with the Governor's Workforce Development Council Executive Committee and with the "transition team" involved in the state economic and workforce development transition effort.

As part of the larger advocacy role, the office continues to involve itself in regular formal meetings with the student and faculty associations. These are regularly scheduled and involve discussions of mutual interest and concern.

Also addressing this larger advocacy role, staff and I have on several occasions exchanged ideas with members of the governor's cabinet, including his chief of staff and lieutenant governor, along with the commissioners. It should be noted that the lieutenant governor requested an opportunity to visit campuses along with her own school district stops. Chamber and local service organizations also have wished a Minnesota State Colleges and Universities presence at recent meetings to learn about plans. These discussions have contributed to ongoing workforce, e-learning and collaboration efforts.

Sub-Goal (A-2): Identify and remove real and perceived barriers to participation in higher education

A survey designed to gather information about barriers was submitted to all colleges and universities. The data from the surveys was provided to the task force created to address this goal at their first meeting. Three focus groups were convened to generate additional information, and a fourth focus group was convened just before the end of the quarter. The data from these focus groups also will be compiled and presented to the task force at their second meeting. The task force reviewed their charge, was provided an overview of relevant information and approved the outline for the implementation plan.

A community, business, and education partnership of minority and corporate leaders, the "MnSCU Morning" group, continues to meet and engage in focused discussions which contribute to identifying and addressing these barriers. Trustee Dusek is a regular attendee.

Sub-Goal (A-3): Improve statewide, regional and local partnerships to better serve the economic development needs of the communities and regions we serve

The progress on this goal is discussed in Improvement Goal 2.

Sub-Goal (A-4): Pursue sufficient financial and capital resources through the state budget process to provide excellent, affordable higher education opportunities to Minnesotans

Integrated master planning processes for the system, regional and institutional levels directed by academic programming themes and incorporating relevant facilities, fiscal and technological perspectives is one of the proposed products.

A cross-functional work group of representatives from the academic, financial, facilities and technology divisions of the Office of the Chancellor has been established. A working outline of a master academic plan has been developed and is being shared with the work group. Likewise, a draft handbook and toolkit for master academic planning has been designed and will be further expanded to provide regional and system level approaches to integrated planning. This handbook then will be reviewed and revised by a wide variety of system and institutional stakeholders.

As stated in the work plan, the biennial budget will be based on system principles and priorities. We will begin developing the process, including timeline and participants (based on input from the integrated master planning process) to develop the biennial budget in the third quarter. The progress on the biennial budget is linked to the progress and products of the strategic plan and the integrated master planning process. Completion of the goal is on target.

Sub-Goal (A-5): Recruit, retain and further develop excellent faculty, staff and administrators

The preliminary work for this goal has been accomplished. A working group has been identified and will be convened in late January.

Defining the Future

The foundation of the planning process is about the well-being of Minnesota and its citizens. The Minnesota State Colleges and Universities is committed to excellence in education in a broad range of vocational, technical and liberal arts programs consistent with student aspirations and regional, state, national and international needs. By clearly defining its vision and options for the future, the Minnesota State Colleges and Universities is deciding how to contribute to the state's future.

The futures theme of the work plan contains two overarching goals: to provide excellent, affordable higher education opportunities to students from Minnesota and nearby states, and to listen to the people of Minnesota and craft a strategic plan to achieve their vision for higher education. Each of these has several key component goals.

Goal (F 1): Providing excellent, affordable higher education opportunities

The Lumina Foundation for Education publication *College Affordability: Overlooked Long-Term Trends and Recent 50-State Patterns* illustrates that college prices have risen faster than lower-income families' ability to pay them. The publication also highlights differential affordability across states.

A more recent publication, *Unequal Opportunity: Disparities in College Access Among the 50 States*, indicates that "an above-average proportion of Minnesota public institutions are accessible to dependent students." Fifty-two of Minnesota's fifty-six are accessible to college-qualified, dependent low-income students. All seven of the Minnesota State Colleges and Universities' state universities are in this category.

Sub-Goal (F 1-1): Developing and implementing new majors, programs and certificates to serve students better

During the second quarter, the Academic and Student Affairs team accomplished the following:

- Prepared source documents for six Minnesota regions, including detailed labor market shortage-surplus information, occupational projections (demand of job openings) to 2008, Minnesota State Colleges and Universities and non-Minnesota State Colleges and Universities supply (graduates) and the shortage/surplus (demand less supply);
- Compiled new program ideas based on an October survey of Chief Academic Officers;
- Conducted six regional conference calls/meetings with Chief Academic Officers that defined possible new programs for purposes of this goal; identified new program candidates, lead institution(s) and potential location(s); and discussed next steps;
- Met with Metro Alliance Chief Academic Officers to review new program ideas
- Provided an update to Leadership Council; and
- Consulted with faculty and students.

Sub-Goal (F 1-2): Making it easier for students to transfer from one institution to another

Research on transfer patterns and trends by campus professionals in cooperation with Minnesota State Colleges and Universities Research and Planning is being conducted. Preliminary reports indicate approximately 377,000 credits transferred in the Minnesota State Colleges and Universities system during FY01.

Preliminary Minnesota Transfer Curriculum (MnTC) implementation reports for the state universities, community and technical colleges have been completed.

The Internet site MnTransfer.org has been redesigned based on input from student and campus constituencies. In November 2001, the site experienced over 70,000 hits or three times the traffic of one year ago.

Among the additions to the MnTransfer web site are updated equivalency tables, transfer guides for Metropolitan State University and the general education courses that meet the Minnesota General Education Transfer Curriculum.

The increased number of hits may reflect the added promotion of this resource. Advertisements for Minnesota Transfer.org were placed in all Minnesota State Colleges and Universities student newspapers as well as the St. Paul Pioneer Press and Minneapolis Star Tribune. Access to additional publications with wide circulation among high school students and counselors is being explored. In addition, new transfer brochures and posters have been printed and distributed.

Intense work with faculty, staff and business/industry groups is continuing parallel with efforts to clarify (for students and the public) the transfer process: the Minnesota Transfer Specialist Network and the Counselor Articulation Council both met in November to draft future agendas; a precision manufacturing council met in October resulting in identification of several program issues and strategies which will be useful in the transfer process; the Center for Teaching and Learning will incorporate transfer discussion in their forthcoming discipline meetings; and an internal Minnesota State Colleges and Universities Minnesota Transfer Curriculum Oversight Committee will work on transfer issues. In response to concerns raised at a community forum, Office of the Chancellor staff held meetings on accounting program articulation with South Central College and Minnesota State University, Mankato faculty.

The intensive work with faculty was acknowledged at the December Board of Trustees meeting when Professor James Pehler, president of the Inter Faculty Organization, supported the process used and the involvement and commitment to transfer of the participants in the ongoing discussions.

An articulation agreement to transfer credits from high schools participating in the National Automotive Technicians Education Foundation (NATEF) Automotive Technology program with two Minnesota State Colleges and Universities universities has been implemented with four others considering their participation. Non-National Automotive Technicians Education Foundation certified Minnesota State Colleges and Universities colleges are in the final stages of certification.

Plans to conduct articulation councils for several disciplines, including accounting, during Spring Semester 2002 have been completed.

Sub-Goal (F 1-3): Reach out to those traditionally under-represented in the ranks of higher education students and personnel

There have been three meetings of an Academic and Student Affairs task force. The task force, which includes community and faculty representation, has reviewed their charge, approved the implementation plan, and listened to a panel of persons who work with underrepresented students in a variety of settings. Information from focus groups will be presented to the task force, as will information from a survey that was sent to colleges and universities. A draft action plan will be prepared and approved by the task force during the third quarter.

In late October, through the efforts of Trustee Will Antell, we met with members of the White Earth Tribal College board of trustees, members of the White Earth Band Tribal Council and college officials at White Earth. The group heard from White Earth Tribal College officials about how Minnesota State Colleges and Universities and the tribal college might work together to better serve members of the broader White Earth community. We also discussed developing new and better ways to extend higher education opportunities to tribal members living in the metro area, since this population historically has been significantly underserved. College officials emphasized the need for educational approaches tailored to the special interests and needs of American Indians.

The other components of this goal are in progress:

- The Human Resource Committee of the Leadership Council met to discuss their responsibilities relative to this goal. Tasks have been identified and assigned.
- A working group of human resource directors and affirmative action representatives, including administrators and faculty, is being established.

Goal (F 2): Listening to the people of Minnesota in order to craft a strategic plan to achieve their vision for higher education

Sub-Goal (F 2-1): Naming a Citizens Advisory Commission to assess the current realities

The first meeting of the Citizens Advisory Commission was held at the end of the first quarter (September 21, 2001). The Commission met three times in the second quarter: October 13, regarding workforce issues facing Minnesota; November 30, regarding access to Minnesota State Colleges and Universities institutions; and December 21, on e-learning.

Drafts of the workforce and access chapters of the Commission's report are on its website (citizenscommission.mnscu.edu). Preliminary revision of the technology chapter is being undertaken.

Sub-Goal (F 2-2): Conducting public forums

This goal is ahead of schedule. To this point, 43 community forums have been conducted, 17 of which were convened in the second quarter, far surpassing the goal of six community forums originally set. Included in this number are three public forums of the Citizens Advisory Commission, 27 in conjunction with campus visits, and four specialized forums. Two additional community forums are scheduled for this month.

Sub-Goal (F 2-3): Visit with all 201 legislators and with key business and corporate leaders to understand their concerns about higher education and the Minnesota State Colleges and Universities

In this quarter, we have completed visits to 148 members (73.6 percent) of the Minnesota Legislature in their home districts-54 members (80.6 percent) of the Senate and 94 members (70.1 percent) of the House of Representatives have been visited.

In addition, we have met with business and corporate groups and with individual corporate/business leaders in the quarter. The 3M corporation loaned us an executive, Fred Harris, Jr., a staff vice president for community affairs and workforce diversity. Mr. Harris has extensive planning experience and will assist in crafting the Commission's recommendations into a strategic plan with measurable outcomes.

Conversations with two other major Minnesota corporations offer the potential for additional loaned executives to assist us with our strategic planning efforts.

Sub-Goal (F 2-4): Visit every Minnesota State Colleges and Universities institution

Visits have been scheduled to all Minnesota State Colleges and Universities institutions and should be completed by month's end; to date, 43 official campus visits have been completed, with 31 of 34 institutions and 46 of 53 campuses visited. The last three institutional visits are scheduled for January, and visits to the remaining campuses will occur in spring 2002.

These visits have been a hands-on, total immersion learning opportunity for the staff. The size and quality of the system is enormously impressive. MnSCU facilities almost comprise the size of five Malls of America. It is an enterprise with great potential.

Improving Effectiveness and Efficiency

Faced with the significant change implied by the advocacy and futures goals, the Minnesota State Colleges and Universities must continue to make progress toward achieving greater efficiency and effectiveness. The four goals in this section were designed toward that end. Each of the major goals within the theme of improving efficiency and effectiveness has sub-goals that more clearly delineate objectives through outcomes.

Goal (IG 1): Ensuring accountability for achieving statewide higher education objectives

Sub-Goal (IG 1-1): Develop measurable accountability standards

Work on the accountability goal is being directed by the Academic and Student Affairs Advisory Council. The Council focused its efforts during the second quarter on the accountability legislation.

One component of the accountability legislation is identifying five "programs of excellence." It was clarified that this reference was intended to mean programs defined at the macro level. A survey of Minnesota State Colleges and Universities Chief Academic Officers was conducted in October. The survey asked the Chief academic officers to propose "programs of excellence" and criteria for selecting

them. The Chief academic officers met in regional groups at their annual meeting in late October to discuss "programs of excellence." Each regional group proposed a set of "programs of excellence."

The survey results and the regional discussions generated a list of ten "program of excellence" candidates. The Council reviewed information on Minnesota State Colleges and Universities instructional programs and graduates and information on the projected Minnesota workforce for the ten candidate programs. The Council's recommendations on "programs of excellence" will be incorporated into the legislative accountability report.

A second component of the accountability legislation is reporting on reallocation to address Minnesota State Colleges and Universities priorities. A survey of Minnesota State Colleges and Universities college and university chief finance officers was conducted during the second quarter. The results of this survey will be the basis for reporting on this accountability goal.

A third component of the accountability legislation is the development of a methodology for defining first-generation college students and a plan for serving these students. Two questions about parental education have been added to the Minnesota State Colleges and Universities Universal Application form. Data elements have been added to the Integrated Statewide Record System (ISRS) to store the information on students' parental education. A background paper that summarizes the research on first-generation students has been completed. The Academic and Student Affairs Advisory Council has reviewed and discussed these materials, and will make a recommendation on the definition of first-generation college students in January.

A fourth component of the accountability legislation is reporting on Integrated Postsecondary Education Data System (IPEDS) graduation and transfer-out rates. An analysis of Minnesota State Colleges and Universities graduation and transfer-out rates and rates for comparable U.S. public colleges and universities has been completed. Minnesota State Colleges and Universities graduation rates are similar to or higher than those of comparable U.S. public colleges and universities.

Another component of the accountability process is customized training. The task force is using the NetWORK for Customized Training, Education and Development to assist them in addressing this issue. The NetWORK, begun in 1995, is a confederation of service units in each of the colleges and universities, located in 50 cities throughout the state, serving the performance improvement needs of Minnesota's employers. Current performance indicators already exist for this effort. To address Improvement Goal 1.1, the NetWORK Leadership Team has recommended a two-stage approach focusing on the accountability language in 2001 legislation in fiscal year 2002 and introducing additional accountability measures for FY03 implementation. The task force already has examined performance areas and drafted measures that may be included in further discussions.

Sub-Goal (IG 1-2): Ensure the reliability and validity of data for research, planning and evaluation

The Minnesota State Colleges and Universities charged the Student Data Integrity Group with a review of the Minnesota State Colleges and Universities management data framework. The Student Data Integrity Group has been meeting since April to resolve the issues identified as compromising the integrity of student data. One component of that review was to recommend improvements in Minnesota State Colleges and Universities data systems. The group's first set of 62 recommendations address 26 data integrity issues. The group will continue to meet on a monthly basis until the remaining issues are resolved.

The recommendations take four forms. One form is a standard, which specifies expectations regarding a data element or group of elements. The second form is a system change, which recommends

modifications in the Integrated Statewide Record System to improve data integrity. The third form is a process recommendation, which calls for the creation of process or committee to address a particular issue. The fourth form is an implementation recommendation, calling for Information Technology Services to assist institutions in converting data to implement system changes.

The primary objectives of the Student Data Integrity Group in making the recommendations are to improve student data integrity in the Integrated Statewide Record System.

Sub-Goal (IG 1-3): Maintain fiscal accountability

The most recent improvements to the allocation framework have been reviewed and approved by the Leadership Council and are ready for implementation in the FY2003 budget.

Financial statements were completed, and the first Minnesota State Colleges and Universities financial statement audit completed with an "unqualified audit opinion" was concluded. These results were presented to the Board of Trustee's Audit Committee on December 18, 2001.

The Vice Chancellor/Chief Financial Officer and the budget unit have completed site visits at six colleges with particular immediate or long-term financial challenges. The visits/special oversight will occur periodically through the next year with the aim of maintaining balanced campus budgets.

Several special meetings were convened to formulate a response to the state's deficit outlook, and a response to the Commissioner of Finance was provided December 14, 2001.

Preliminary work is underway for a post-occupancy review program and third party financing guidelines. Discussions concerning the 2002 campus audit program were begun, and a final plan is scheduled for presentation at today's meeting.

Sub-Goal (IG 1-4): Preserving taxpayer investments through careful stewardship of campus physical assets

Work is in progress by staff, including consultation with the Department of Administration to validate facilities cost and scope data. A review of campuses' past performance also has been completed. Staff continues to develop a proposed operating budget initiative for June 2002.

Sub-Goal (IG 1-5) : Assessing roles to improve efficiency and effectiveness

Work on this goal is in progress. The Human Resource Committee of the Leadership Council has met to discuss their responsibilities on this goal; tasks have been identified and assigned.

The vice chancellors in the Office of the Chancellor have reviewed staffing and made recommendations to reduce positions in the Office of the Chancellor by ten percent (10%). The Human Resources Vice Chancellor has requested information from key staff in order to complete a functional organization chart.

In collaboration with the Leadership Council's Human Resources Committee, Office of the Chancellor staff have initiated a review of the current and future role and scope of the Office of the Chancellor. The review is the primary agenda item for the next several Leadership Council Human Resources Committee meetings.

The assessment of the Minnesota State Colleges and Universities as a statewide or regionalized operating system (including an examination of differing and/or distinctive institutional missions) has been deferred.

The first issue, the current and future role and scope of the Office of the Chancellor, needs to be resolved and Office of the Chancellor senior staff need to hear from the Citizens Advisory Committee about its vision for the Minnesota State Colleges and Universities' future role within the state.

Sub-Goal (IG 1-6): Establishing a culture that fosters continuous improvement

The Human Resource Committee of the Leadership Council has discussed the continuous improvement process. Likewise, during the second quarter, we have underscored a commitment to a continuous improvement process by formally renewing the commission of the System Office Quality Steering Committee. The System Office Quality Steering Committee has expanded by establishing six planning teams with significant volunteer membership from among the broader Office of the Chancellor staff. The six planning teams have all met at least once in the second quarter, reviewed and revised their individual charges, established ground rules and timelines, and set their meeting schedules.

Analytical summaries of the Baldrige Express survey results have been drafted for wider Office of the Chancellor circulation and discussion. The analytical summaries for five of the seven areas—leadership, strategic planning, customer and market focus, information and analysis, human resource focus, process management and business results—addressed by the Baldrige Express survey have been posted for review by Office of the Chancellor staff. Since the initial posting of these results on November 14, the SOQS/Continuous Improvement web site has received 1,704 “hits” or visits – view the site at (www.chancellor.mnscu.edu/SOQS/baldrige/index.html).

Sub-Goal (IG 1-7): Review professional development opportunities and develop a plan to improve current activities

Discussions with the Leadership Council's Human Resources Committee in support of the timelines presented with the work plan in July 2001 have begun. The Human Resources Committee scheduled a special meeting to discuss this goal. Tasks have been identified and assigned:

- a needs assessment tool for relevant constituencies will be developed by early February 2002; and
- campus personnel who work with their professional development area will be involved.
- The initiative is on track to meet its objectives.

Goal (IG 2): Strengthening partnerships that build regional and state economic vitality

Sub-Goal (IG 2-1): Enhancing and/or expanding partnerships with statewide and regional businesses and industries

The work plan called for a Work Group on Economic and Workforce Development as part of the Citizens Advisory Commission. The task force was created, presented preliminary findings at the October 19, 2001, meeting of the Citizens Advisory Commission and is currently engaged in revising the "Workforce Chapter" for the Citizens Advisory Commission report.

The work plan also called for the benchmarking of existing partnerships by November 2001. The inventory categorizes MnSCU's role under three broad headings:

- Economic and social research, planning, and development
- Education for building a skilled workforce
- Business innovation and commercialization

Allowing for delays attributable to the two-week work stoppage, the precise information was due at the close of the second quarter. The benchmarking materials currently are being compiled.

Sub-Goal (IG 2-2): Collaboration with the University of Minnesota and other institutions of higher learning in the state to provide new higher education opportunities to all citizens

The proposed regular meetings with President Yudof of the University of Minnesota have been implemented and have proven insightful. In addition, regular communication between the respective chiefs of staff and deputy chiefs of staff also has been expanded.

The Center for Teaching and Learning and the Office of Equal Opportunity and Diversity's collaboration with the University of Minnesota on the planning and implementation of the second national "Keeping Our Faculties" conference in April 2002 has proceeded smoothly. The call for professional papers and a preliminary announcement of the conference have been mailed.

Regular meetings with the Director of the Higher Education Services Office are in place. We also have met regularly with the Executive Director of the Private College Council. Meetings with our counterparts in North Dakota and South Dakota have been delayed by the eminent start of the legislative sessions in all three states; it is anticipated that this meeting will not occur until late spring.

Minnesota State Colleges and Universities Information Technology management meets on a monthly basis with the Minnesota State Colleges and Universities-University of Minnesota-Department of Administration-Department of Children, Families and Learning Joint Powers Group in developing and implementing a plan for collaborative education network expansion in Minnesota.

Sub-Goal (IG 2-3): Collaboration with the leaders of the Department of Children, Families and Learning and pre-kindergarten to high school educational systems to expand opportunities and improve the alignment of teacher preparation programs with educational system needs

Regular communication with the commissioner of the Department of Children, Families and Learning (DCFL) has occurred. We also have met jointly with the leadership of Education Minnesota regarding mutual efforts to improve pre-service and in-service teacher education.

Meetings with representatives of the State's pre-K-12 educational systems also have been scheduled, with the first occurring very early in the third quarter.

Extensive, and on-going, staff-to-staff level efforts to realize concrete improvements in areas in which Minnesota State Colleges and Universities connects with pre-K-12 have occurred. The foundation for long-term, sustainable and collaborative relationships through which future issues can be identified and resolved has been established. Budgetary constraints may limit the activities in collaborative planning and project implementation that already have begun.

In addition to a presentation to the Citizens Advisory Commission on "Teacher Shortages," in October, Office of the Chancellor staff also have made progress in related areas:

- Sites have been selected for the Developmental Education Demonstration Project and testing of all high school juniors at the five project high schools has been completed;
- Assisted the Department of Children, Families and Learning (DCFL) with data base development for secondary career and technical education student information related to Federal Perkins Act implementation including Tech Prep;
- Established work group on National Education Technology Standards for Teachers (NETS-T);

- Worked with Minnesota State Colleges and Universities colleges of education faculty to begin documenting the integration of state graduation standards into teacher education programs and began planning for graduation standards articulation discussions with discipline-specific faculty and pre-K-12 teachers in collaboration with the Center for Teaching and Learning and the Department of Children, Families and Learning;
- Drafted a proposed Charter School Sponsors policy, in conjunction with the Leadership Council and key advisory groups, for presentation to the Board of Trustees in February;
- Established contact with the Education Trust to explore potential partnership with them;
- Initiated update of inventory of pre-K-16 partnerships with individual Minnesota State Colleges and Universities institutions. Draft distributed to Chief Academic Officers and Chief Student Affairs Officers as a first step in completing an annual update of all pre-K-16 partnerships; and
- Developed a comprehensive matrix showing major pre-K-16 activities/initiatives from the establishment of Minnesota State Colleges and Universities in 1995 to 2001 to use as common reference.

Again, as noted in the previous goal, the system meets on a monthly basis with the Minnesota State Colleges and Universities-University of Minnesota-Department of Administration-Department of Children, Families and Learning Joint Powers Group in developing and implementing a plan for collaborative education network expansion in Minnesota.

Goal (IG 3): Enhancing the Minnesota State Colleges and Universities' public image to build support for the system and its institutions among students and prospective students, alumni and key policy makers

Sub-Goal (IG 3-1): Enhancing the public image of the Minnesota State Colleges and Universities

An assessment of the MnSCU "brand" and its recognition is underway by Nametag International, a consulting firm specializing in branding strategies. The information will be shared with the Advancement Committees of the Leadership Council and Minnesota State Colleges and Universities Board of Trustees, along with previous research from the Noel-Levitz market research project conducted in 1999-2000. Information also will be delivered to campus marketing, admissions and communications professionals, as well as the Leadership Council and Board of Trustees advancement committees.

A December meeting of campus marketing, admissions and communications professionals invited campus input for the Minnesota State Colleges and Universities marketing plan.

Sub-Goal (IG 3-2): Improve the Minnesota State Colleges and Universities presence and effectiveness in Washington, D.C.

Progress on this goal has occurred in three areas: an analysis of Higher Education Legislation Reauthorization (2003 Congress), development of issues for possible Federal legislative requests and the 2001 e-learning initiative.

The Government Relations Office conducted a meeting with all the higher education organizations in December to review the nine Titles in the Federal legislation. The purpose of the review was to develop a Minnesota State Colleges and Universities position on each of the Titles, to construct a notebook for use by representatives from the Minnesota State Colleges and Universities and to assist our congressional members in understanding the Minnesota positions on the Reauthorization.

The Government Relations Office also is working on several legislative requests for the 2002 Congress to review. The strategy is to look at Minnesota State Colleges and Universities institutions with special programs or expertise in areas that could benefit from additional Federal resources. At this point we are considering requests that could be earmarked for five federal bills related to programs in aviation security, rural healthcare and nursing education, and agriculture/environment.

The 2001 Congress allocated \$3 million to the Minnesota State Colleges and Universities prior to the end of the year. The Minnesota State Colleges and Universities will receive \$2 million for the e-learning emerging curriculum project to develop courses that are responsive to the rapidly changing needs of a knowledge-based society. An additional \$1 million is authorized for the True North Rural Telework Center to provide high skill jobs in rural Minnesota using technology.

Sub-Goal (IG 3-3): Enhancing the capacity of Minnesota State Colleges and Universities institutions to build strong alumni organizations

The first step in conducting a survey or mailing to compile an accurate list of alumni has begun. The development office has been working with the Northstar Foundation and system advancement to develop strong alumni associations at each Minnesota State Colleges and Universities institution and to involve individuals within those organizations as part of a strong statewide support network.

Approximately 553,000 names of Minnesota State Colleges and Universities graduates have been extracted from past student records. Those names were sent to each institution for comparisons with their current lists. New names are to be sent back to the Office of the Chancellor for updated addresses.

Sub-Goal (IG 3-4): Enhancing the Minnesota State Colleges and Universities capacity to secure higher levels of non-state revenue

At its December board meeting, the Northstar State Colleges and Universities Foundation Board agreed that non-competitive fundraising should be part of the Northstar goals. The board asserted its willingness to explore a role as a major external fund raising resource for Minnesota State Colleges and Universities. The board agreed that this would be a key topic at a February board retreat at which they will explore setting specific goals and develop procedures for fund raising. It is clearly understood that the Northstar Foundation will work with the individual campuses and their foundations, not as a competitor, but in collaboration aimed at benefiting the colleges and universities. Northstar Foundation fund raising will seek to complement campus efforts and open access to funds currently not available to individual campuses.

Goal (IG 4): Making the Minnesota State Colleges and Universities a leader in using technology to serve students in new markets

Sub-Goal (IG 4-1): Refining and implementing strategies to move effectively and successfully into the e-learning market

After PricewaterhouseCoopers facilitated discussions in October and November on the definition, vision and governance models for e-learning, the Minnesota State Colleges and Universities e-learning task force has recommended against a for-profit venture model. Instead, the November Status Report issued by the task force presents a different governance model with operational and fiscal assumptions. The model is an internal "enterprise zone" entity that is a partnership of the Office of the Chancellor and those campuses that elect to be a part of the operation. This revenue sharing model provides for a home and/or provider connection between the student and programs and courses in "MnSCU Online." The E-Learning

Task Force presented preliminary concept recommendations for discussion by the Academic and Student Affairs and the Technology Committees of the Leadership Council at their December 2001 meetings.

In addition, the following activity currently underway within Minnesota State Colleges and Universities, or in partnership, demonstrates significant movement toward addressing this goal:

- An E-Programs Workgroup is exploring campus/system market potentials and the need for a Phase IV market study that was originally proposed by PricewaterhouseCoopers, but to be conducted by Standard and Poors;
- The E-Policy Workgroup is conducting a survey of state leaders on technology goals and planning, as well as identifying the national, state, system and local campus policies that affect e-learning; and
- The E-Policy Workgroup is also in the process of completing a set of policy recommendations relative to e-learning.

Sub-Goal (IG 4-2): Improving the information technology capacity of the Minnesota State Colleges and Universities to serve its internal and external customers better

The Information Technology Roundtable has discussed information technology capacity extensively at its last three meetings. Development of a detailed plan for assessing technology capacity is on track with completion expected in first quarter 2002 (third quarter of the current work plan). The Information Technology Roundtable is using e-learning classroom technology to address its concerns, having developed a WebCT web "course" to facilitate discussion of technology capacity.

Sub-Goal (IG 4-3): Using technology to reach new market segments with e-learning services

The intent of e-services is to provide the necessary and required services for online students. It also will make available existing campus-based services in the online environment. Toward that end:

- The "Guide to Good Practice" by the Western Interstate Commission for Higher Education continues to drive web-enabled Integrated Statewide Record System as well as centralized and campus-based e-services;
- Alpha sites for an e-Portfolio system have been distributed to the student, worker and faculty portfolio workgroups (www.portfoliopilot.govoffice.com);
- Development of a plan for creating web-enabled admissions, prospecting, financial aid, e-commerce Integrated Statewide Record System functions continues to progress on time;
- Planning continues for the development of an eMentor System that will enable students to have access to self-help, automated response and live assistance (chat) in career and educational planning;
- Prototyping of "MnSCU Online" student services continues at Bemidji State University; and
- A grant was awarded to Metropolitan State University to develop and pilot advising, online orientation and instructional support/tutoring modules for e-services.

Conclusion

We are confident that progress in achieving the objectives of the work plan is on target.



Minnesota
STATE COLLEGES
& UNIVERSITIES

Quarterly Report

Minnesota State Colleges and Universities Annual Work Plan for 2001-2002

April 17, 2002

Overview

The events of the last nine months undoubtedly have shaped the future of the Minnesota State Colleges and Universities. Most recently the continuing debates on Minnesota's budget crisis have drawn the attention of Minnesota State Colleges and Universities staff. While significant to the health of our institution, these factors will not affect implementation of the work plan. The Minnesota State Colleges and Universities need and are determined to move forward.

This report is the third of our series of quarterly reports designed to help communicate more effectively and broaden the visible accountability for the Minnesota State Colleges and Universities. The report builds upon the progress outlined in the first and second quarterly reports but does not repeat these prior accomplishments. The focus is on what was achieved in the third quarter.

Structure

The Minnesota State Colleges and Universities work plan has three primary themes for the year: advocacy, defining the future, and improving effectiveness and efficiency.

The Minnesota State Colleges and Universities continue to advocate for and promote recognition of the system's significant contributions to the economic well being and quality of life in Minnesota. The relative achievement of our legislative goals during the current session is a sign that this effort has met with some measure of success.

As we have noted previously, a systemwide strategic plan is a critical leadership tool for shaping the Minnesota State Colleges and Universities' agenda and providing direction for system priorities. A process for creating a dynamic comprehensive and cohesive plan that is responsive to the needs of Minnesota by combining major elements from existing strategic plans is a critical component of the future-oriented goals in the work plan.

System leadership is aware of the need to improve administrative systems and processes, productivity and staffing while the Minnesota State Colleges and Universities work to clarify the system's vision and to craft a strategic plan. Toward that end, the third component of the work plan addresses improving the effectiveness and efficiency of everyday operations.

Advocacy

The Minnesota State Colleges and Universities must work better with external groups to promote advocacy and recognition of the system's significant contributions to the economic well being and quality of life in Minnesota.

Sub-Goal (A-1): Serving as the Minnesota State Colleges and Universities chief ambassador

To date, we have completed visits to 160 members (79.6 percent) of the Minnesota Legislature-55 members (82.1 percent) of the Senate and 105 members (78.4 percent) of the House of Representatives. While official visits-that is, those to legislators in their home districts-have been seriously curtailed

because of the legislative session, we completed an additional 12 official visits this quarter while the legislature has been in session-11 members of the House of Representatives and one Senator.

Our campus visits were completed in February. We have formally visited all Minnesota State Colleges and Universities campuses. Ten of the official campus visits were conducted in the third quarter. News coverage of the visits has been extremely positive in all parts of the state. Approximately 6,000 community members, students, faculty and staff attended the visits around the state. Summaries of the community forums, the student forums and the faculty and staff forums are posted on the Web at www.pa.mnscu.edu and also as a link from the www.citizenscommission.mnscu.edu site.

In addition to meeting with the prominent Minnesota business leaders participating as members of the Citizens Advisory Commission, we have continued to meet with leading Minnesota business representatives. The views presented in these exchanges with Minnesota's business and corporate leaders are extremely useful in shaping our perspective of what will be needed in the strategic plan and in determining the action items for the next work plan in July 2002.

Over the course of several months, former Chancellor Anderson has chaired a group of leading community, government and business people and key legislators in developing a plan to combine major portions of the State Departments of Economic Security (DES) and Trade and Economic Development (DTED). The combined organization would oversee the development of a statewide economic development plan, eliminate duplication and be able to leverage assets and opportunities. Legislation sponsoring the change has stalled and is not likely to emerge from the current session. However, many of the trends recommended in the transition report, "Putting It All Together," are likely to continue, particularly in areas involving closer cooperation among State agencies, including the Minnesota State Colleges and Universities.

As part of the larger advocacy role, the office continues to engage in frequent meetings with the student and faculty associations. These are regularly scheduled and involve discussions of mutual interest and concern.

Also addressing this larger advocacy role, staff and I have on several occasions exchanged ideas with members of the governor's cabinet, including his chief of staff and lieutenant governor, along with the commissioners. Chamber and local service organizations also have requested a Minnesota State Colleges and Universities presence at recent meetings to learn about plans. These discussions have contributed to ongoing workforce, e-learning and collaboration efforts.

Sub-Goal (A-2): Identify and remove real and perceived barriers to participation in higher education

The task force convened to address this issue has been meeting according to the planned schedule, and is prepared to complete its charge by June as outlined in the implementation plan. At the end of this quarter, the task force will have met four times. They have reviewed a significant amount of information and have generated a large number of recommendations to achieve the work plan goal. By the end of the quarter they will have reviewed two drafts of a task force report and will have submitted a draft to the Leadership Council for their review and response.

A community, business and education partnership of minority and corporate leaders, the MnSCU Morning group, contributed to identifying and addressing these barriers. Trustee Dusek is a regular attendee.

Sub-Goal (A-3): Improve statewide, regional and local partnerships to better serve the economic development needs of the communities and regions we serve

The progress on this goal is discussed in Improvement Goal 2.

Sub-Goal (A-4): Pursue sufficient financial and capital resources through the state budget process to provide excellent, affordable higher education opportunities to Minnesotans

The biennial budget will be based on system principles and priorities arising from the strategic plan and the integrated master planning processes. Office of the Chancellor staff are beginning to develop broad "banner" preliminary themes from the various recommendations-legislative, community, student, faculty, presidential and Citizens Advisory Commission-that would link the biennial budget request to strategic planning. Discussions have begun on developing timelines and collaborative processes for creating the FY 2004-2005 biennial budget. The actual timeline and process for developing the FY 2004-05 biennial budget request will be completed next quarter.

Capital budget guidelines for 2004-09 are under development for presentation to the Leadership Council in May 2002.

In the technology domain, an agreement has been reached with the Minnesota Office of Technology on the timing and content of a required Strategic Information Resource Management Plan. Additional work by Minnesota State Colleges and Universities staff will follow development of State of Minnesota budget procedures.

Sub-Goal (A-5): Recruit, retain and further develop excellent faculty, staff and administrators

The preliminary work for this goal has been accomplished. A working group was identified and convened in late January. The group is on track toward development of a plan.

Defining the Future

The foundation of the planning process is the well-being of Minnesota and its citizens. The Minnesota State Colleges and Universities are committed to excellence in education in a broad range of vocational, technical and liberal arts programs consistent with student aspirations and regional, state, national and international needs. By clearly defining vision and options for the future, the Minnesota State Colleges and Universities are deciding how to contribute to the state's future.

The futures theme of the work plan contains two overarching goals: to provide excellent, affordable higher education opportunities to students from Minnesota and nearby states, and to listen to the people of Minnesota and craft a strategic plan to meet their needs for higher education. Each of these has several key component goals.

Goal (F 1): Providing excellent, affordable higher education opportunities

According to a recent publication, *Unequal Opportunity: Disparities in College Access Among the 50 States*, "an above-average proportion of Minnesota public institutions are accessible to dependent students." Fifty-two of Minnesota's fifty-six are accessible to college-qualified, dependent low-income students. All seven of the Minnesota State Colleges and Universities' state universities are in this category.

Sub-Goal (F 1-1): Developing and implementing new majors, programs and certificates to serve students better

During the third quarter, the Academic and Student Affairs team completed the project. Status reports were given to the Leadership Council in December 2001 and January 2002. By design, no recommendations are offered; rather, the report describes opportunities for future work and process improvements. Chief academic officers and selected Office of the Chancellor staff have reviewed a draft of the report. Their comments are reflected in the final report. While a formal report was not prepared, the project findings will be considered in the preparation of the strategic plan.

As part of these efforts, the team surveyed chief academic officers for new program ideas and prepared a labor market shortage/surplus analysis for six regions of the state. After filtering through the vast materials, the team identified planning and operating resource needs for 150 programs. The team also assessed the advantages and disadvantages of the new process in comparison to the current program approval process. The team has coordinated their work with groups addressing e-learning, teacher education, accountability, economic development and master planning work plan goals and developed a database which contains new program ideas and resource needs for the 150 programs.

Sub-Goal (F 1-2): Making it easier for students to transfer from one institution to another

Progress continues to be made on the issues of transfer within the Minnesota State Colleges and Universities. Program Collaboration and Transfer staff have either met or communicated with every Minnesota State Colleges and Universities institution to determine adherence to the MN Transfer Curriculum, articulation of new technical college general education, research on transfer, implementation of electronic DARS/CAS tools and an enhanced MnTransfer Specialist network. While many problems were mitigated and clarifications were made this year, resolution of transfer issues will not be completed in one year. A request will be made to develop a core transfer office to continue the monitoring, developing, troubleshooting, and advising as well as other tasks that help enhance and continue seamless transfer in the Minnesota State Colleges and Universities.

The third quarter has witnessed or will see seven discipline meetings and additional review of technical college general education. In addition, a Minnesota Transfer Curriculum (MnTC) Oversight Committee—a joint Minnesota State Colleges and Universities and University of Minnesota group of faculty and administrators—discussed deviations from the Minnesota Transfer Curriculum and an analysis of transfer traffic data and data integrity issues relating to transfer were identified. Online orientations to transfer for faculty and for students have been added to MnTransfer.org (under "Transfer Resources"), and a MnTransfer Specialist meeting was held with representatives from MnSCU institutions, private colleges and the University of Minnesota on April 4-5. Representatives from institutions in neighboring states - North Dakota, South Dakota, Iowa, and Wisconsin—were also in attendance at the Transfer Specialists Conference.

In a change from current practice, the Minnesota Transfer Curriculum (MnTC) Oversight Committee will meet to discuss the inclusion of first and second year World Languages in the MnTransfer Curriculum. The outcome of those discussions will result in a recommendation to the Senior Vice Chancellor for Academic and Student Affairs.

Sub-Goal (F 1-3): Reach out to those traditionally under-represented in the ranks of higher education students and personnel

There have been six meetings of an Academic and Student Affairs task force. The task force, which includes community and faculty representation, has gone through a process of brainstorming proposed recommendations. The task force has developed and reviewed two draft reports and developed a proposed action plan for addressing the outstanding issues identified. The MnSCU Morning group reviewed an early draft in February. The draft report will be presented to the Academic Leadership Council in April

for their review. Any necessary revisions will be made during May in order that a final report will be acceptable to the Leadership Council in June.

In addition, after communications with human resource directors and affirmative action representatives-including administrators and faculty-the staff involved with the personnel component of the issue is beginning report preparation.

Goal (F 2): Listening to the people of Minnesota in order to craft a strategic plan to achieve their vision for higher education

Sub-Goal (F 2-1): Naming a Citizens Advisory Commission to assess the current realities

The final meeting of the Citizens Advisory Commission was held on February 22, 2002. To finalize their work, the Commission designated a writing and editing team from among their numbers to the Commission report, Access to Success. This report went to the designer and printer in early April and was presented to the Chancellor yesterday.

Sub-Goal (F 2-2) : Conducting public forums

This goal has been met: 45 community forums have been conducted, two of which were conducted in the third quarter, far surpassing the original goal of six community forums. The 45 forums include three public forums of the Citizens Advisory Commission, 29 in conjunction with campus visits, and at least four specialized forums. The notes from the community forums have been shared with the strategic planning team. More than 2,000 people attended the community forums, summaries of which are posted on the www.citizenscommission.mnscu.edu site.

Sub-Goal (F 2-3): Visiting with all 201 legislators and with key business and corporate leaders to understand their concerns about higher education and the Minnesota State Colleges and Universities

As stated earlier, we have completed visits to 160 members (79.6 percent) of the Minnesota Legislature-55 members (82.1 percent) of the Senate and 105 members (78.4 percent) of the House of Representatives-to date. We have seen 12 legislators-11 members of the House of Representatives and one Senator-this quarter while the legislature has been meeting.

Sub-Goal (F 2-4) : Visiting every Minnesota State Colleges and Universities institution

Our campus visits were completed in February. We have visited all Minnesota State Colleges and Universities campuses.

Improving Effectiveness and Efficiency

Faced with significant change, the Minnesota State Colleges and Universities must continue to make progress toward achieving greater efficiency and effectiveness. The four goals in this section were designed toward that end. Each of the major goals within the theme of improving efficiency and effectiveness has sub-goals that more clearly delineate objectives through outcomes.

Goal (IG 1): Ensuring accountability for achieving statewide higher education objectives

Sub-Goal (IG 1-1) : Developing measurable accountability standards

Work on the accountability goal is being directed by the Academic and Student Affairs Advisory Council. Status reports were given to the Leadership Council in December 2001 and January 2002. The Legislative Accountability Report, a component of this sub-goal, was completed on February 15, 2002. The Academic and Student Affairs Advisory Council endorsed a set of accountability principles at its March meeting. The principles, along with the new strategic plan, will be the foundation for recommendations on accountability measures. The recommendations will be completed in the fourth quarter.

The Legislative Accountability Report was presented to the Board of Trustees for information. The report addressed the five issues raised by the legislature (Laws of Minnesota 2001, First Special Session Chapter 1, Article 1, Section 3). We reported on the:

- identification of five highest priority undergraduate degree programs;
- reallocation of money and curricular and staffing changes, by campus and program, made to advance the system's priorities;
- methodology used to measure the number of first-generation students admitted systemwide;
- progress toward increasing graduation and transfer-out rates; and
- progress toward increasing the revenue generated from contracts with employers for customized training.

While we do not wish to rehash the legislative report here, we would like to underscore a few salient points in the larger report. Because they are central to the higher education enterprise, we identified the liberal arts and sciences as the foundation for the five undergraduate program areas. The five undergraduate degree program areas identified were: Business and Information Technology; Education; Engineering and Manufacturing Technology; Health Care and Protective Services and Law Enforcement.

The Minnesota State Colleges and Universities reallocated over \$20 million during each of the last three fiscal years in response to changing demand for instructional programs and services; just under \$23 million in fiscal year 2002; and an average of \$21.4 million in the prior two fiscal years. Instructional programs were both the primary source and the primary recipient of reallocated funds in fiscal year 2002.

Colleges and universities report graduation and transfer-out rates annually to the U. S. Education Department on its Integrated Postsecondary Education Data System (IPEDS) Graduation Rate Survey. The rates are reported for cohorts of full-time, first-time certificate-seeking or degree-seeking undergraduate students. The graduation rate for Minnesota State Colleges and Universities two-year colleges was substantially higher than the rate for U. S. public two-year colleges. The graduation rate for the state universities was identical to the rate for similar U.S. public four-year universities.

The final component of the legislative accountability process is customized training. Revenue from employer contracts for Customized Training within the Minnesota State Colleges and Universities increased from \$16.6 million in fiscal year 2000, to \$19.0 million in fiscal year 2001. Sixteen out of 30 colleges reported increases in revenue from employer contracts.

Sub-Goal (IG 1-2): Ensuring the reliability and validity of data for research, planning and evaluation

The Minnesota State Colleges and Universities Student Data Integrity Group is directing the work on the reliability and validity of data goal in the work plan.

The major progress during the quarter was that the first set of 62 student data integrity recommendations from the Minnesota State Colleges and Universities Student Data Integrity Group were reviewed and

widely supported by the Academic and Student Affairs and Technology Committees of the Leadership Council at a joint meeting on March 5, 2002.

In addition, the Student Data Integrity Group has developed a very detailed yet concise implementation plan for the first set of data integrity recommendations, has identified 22 additional student data integrity issues (for a grand total of 99) and has formulated a draft of an additional 33 recommendations as part of a second set of recommendations.

The Minnesota State Colleges and Universities Institutional Research Directors Group reviewed a proposed set of enrollment, student and graduate reporting standards. The Institutional Research Directors will finalize their recommendations on these reporting standards and student data file structures in the coming quarter. The oversight Student Data Integrity Group is also expected to endorse these during the quarter.

Sub-Goal (IG 1-3): Maintaining fiscal accountability

The most recent improvements to the allocation framework have been reviewed and approved by the Leadership Council and incorporated into the fiscal year 2003 institutional allocation calculations.

Financial statements have been completed, as has the first Minnesota State Colleges and Universities financial statement audit. The latter was an unqualified audit opinion. The Board of Trustees reviewed the financial statements and audit in December 2001 and February 2002. We are on schedule for fiscal year 2002 audits and restatements of fiscal year 2001 in an appropriate Governmental Accounting Standards Board (GASB 34) format.

A framework for business activity reporting has been developed and was presented to Leadership Council in January 2002.

Sub-Goal (IG 1-4): Preserving taxpayer investments through careful stewardship of campus physical assets

A proposed policy on facilities maintenance and repair budgeting will be introduced at the June 2002 meeting of the Chief Finance and Facilities Officers.

In addition, work on the operating budget facilities initiative for fiscal year 2004-05 continues, with anticipated presentation to the Leadership Council, along with the fiscal year 2004-05 biennial budget in May 2002.

Sub-Goal (IG 1-5): Assessing roles to improve efficiency and effectiveness

Work on this goal is in progress. Since December 2001, the Leadership Council Human Resources Committee, in collaboration with Office of the Chancellor staff, has met to discuss the functional organization of the Office of the Chancellor.

Executive staff in the Office of the Chancellor identified the work performed by their division by job function and whether the function fell into one of four areas: service, advocacy, accountability or policy development. This information was then integrated into a survey, which was completed by the presidents in consultation with their key administrators. The purpose of the survey was to identify campus priorities and opinions about functions within the Office of the Chancellor. Areas of concern have been identified for further discussion.

Vice Chancellor Tschida has communicated this process to the staff in the Office of the Chancellor in an attempt to minimize anxiety and/or rumors about the work goal. In addition, preliminary discussions of the results were undertaken with the Leadership Council at the beginning of the month.

The assessment of the Minnesota State Colleges and Universities as a statewide or regionalized operating system (including an examination of differing and/or distinctive institutional missions) has been deferred. The first issue, the current and future role and scope of the Office of the Chancellor, needs to be resolved and Office of the Chancellor senior staff need to learn what the Citizens Advisory Commission's vision for the Minnesota State Colleges and Universities' future role within the state.

Sub-Goal (IG 1-6): Establishing a culture that fosters continuous improvement

The System Office Quality Steering Committee, building on the work of the six planning teams of volunteers from the Office of the Chancellor (mentioned in the last report), has completed a three-year action plan, which has been presented to the Chancellor's senior staff for preliminary discussion and feedback. The System Office Quality Steering Committee (SOQS) continues to discuss the training implications of the plan.

The Human Resources Committee of the Leadership Council has discussed the continuous improvement process.

Sub-Goal (IG 1-7): Review professional development opportunities and develop a plan to improve current activities

With the departure of a key Office of the Chancellor mid-level administrator earlier this year, work on this goal was temporarily set aside.

A survey (the Minnesota State Colleges and Universities Human Resources Training and Development Survey), prepared in conjunction with a development conference last fall, has been identified as a resource for this goal. A work group will meet in April to analyze data from the Minnesota State Colleges and Universities Human Resources Training and Development Survey.

Goal (IG 2): Strengthening partnerships that build regional and state economic vitality

Sub-Goal (IG 2-1): Enhancing and/or expanding partnerships with statewide and regional businesses and industries

Recent shifts in the state's economy have forced significant changes in strategies around economic and workforce development. Activities currently in progress reflect strategic directions evident from the workplan goal and are responsive to the economic change from a labor shortage environment to a surplus environment. These activities also will inform the development of an operational plan.

A framework document was completed at the start of the quarter describing the role of higher education in economic and workforce development, sorting partnership activity into "types" and providing evidence of Minnesota State Colleges and Universities partnership activity.

Ongoing efforts include facilitating partnerships between Minnesota State Colleges and Universities institutions and the Department of Trade and Economic Development, facilitating partnerships with the workforce councils and working with key industries to enhance educational program delivery to industry standards and to meet the need for skilled workers. Examples of these efforts include targeted industry

partnerships in healthcare and manufacturing and a new e-learning focus on healthcare occupations and teacher education.

AID-MINN is the acronym given the activity surrounding Minnesota's extraordinary effort to assist dislocated airline workers through a special federal allocation. The Minnesota State Colleges and Universities received \$250,000 to develop an online adjunct to iSEEK Solutions that will link counselors and their clients in workforce centers throughout the metro-area with the training and education opportunities at our institutions. The presidents and senior customized training staffs of Inver Hills Community College and Dakota County Technical College lead the Minnesota State Colleges and Universities effort. The idea is to provide ready, rapid responses and also to be able to aggregate individual needs to find economies of scale in delivering educational programs.

Major efforts in this arena are clearly on track for completion by the close of the year. These endeavors include creation of an action plan on the role of higher education in rural and community economic development, development of a model for partnerships with the University of Minnesota and initiation of a partnership with the Minneapolis Regional Chamber of Commerce.

Sub-Goal (IG 2-2) : Collaboration with the University of Minnesota and other institutions of higher learning in the state to provide new higher education opportunities to all citizens

Partnerships and collaborations with the University of Minnesota are part of our strategic plan to leverage the state's resources in providing the broadest array of public higher education programs possible. We are framing a set of parameters and a process that would help the Minnesota State Colleges and Universities determine its priorities and expectations before entering into negotiations with the University of Minnesota. Frameworks already exist in the University's Twin Cities and the Metro Alliance initiative, the University Center-Rochester collaboration and the vast number of campus-to-campus partnerships. Thus, we anticipate devising a process that would identify overall strategic intent, the role of different interests, how to sustain partnerships and lessons learned/best practices.

A Workforce Minnesota Conference, scheduled for October 9-10, 2002, at the RiverCentre in downtown St. Paul, is co-sponsored with the University of Minnesota. This conference will focus on the "critical role of higher education in advancing workforce and economic development in Minnesota." It will emphasize best practices and showcase quality partnerships.

As I noted in a previous quarterly report, the proposed regular meetings with President Yudof of the University of Minnesota have been implemented and have proven insightful. Our respective chiefs of staff and deputy chiefs of staff have also become actively involved in more regular communications. Additionally, regular meetings with the director of the Higher Education Services Office and with the executive director of the Private College Council are occurring.

Sub-Goal (IG 2-3): Collaboration with the leaders of the Department of Children, Families and Learning and pre-kindergarten to high school educational systems to expand opportunities and improve the alignment of teacher preparation programs with educational system needs

We continue to strengthen partnerships at many levels as a primary means to advance common educational goal to meet our overall goal of improving educational outcomes and transitions through deep, sustainable relationships.

Minnesota State Colleges and Universities efforts to improve preK-12 to Higher Education transitions included:

- completion of developmental education demonstration project testing, shared results with high school students and parents and shared summary data with schools/districts;
- revision of PSEO policy by PSEO Advisory Committee; · necessary ad hoc responses to emerging legislative issues;
- preparation of a major paper on strategies for high school-to-college transitions for the U.S. Department of Education;
- initiation of partnerships efforts with the Department of Children, Families and Learning (DCFL) and the University of Minnesota to help school districts make more effective use of the data on developmental course enrollment in the annual "Getting Prepared" report; · initiation of an on-going partnership with the University of Minnesota Twin Cities and Duluth campuses to identify and address common issues and concerns and to build relationships and provide professional development opportunities for providers of concurrent enrollment/College in the Schools programs; and
- continuation of efforts with Department of Children, Families and Learning (DCFL) to develop and implement database for Tech Prep and Perkins.

We also have also made efforts to improve pre-service and in-service teacher education by:

- developing an action plan with an assessment tool and time lines to guide the alignment of the Minnesota State Colleges and Universities Technology Competencies in Teacher Education modules with the new National Educational Technology Standards (NETS) teacher standards;
- developing templates of learning modules;
- finalizing and submitting (pursuant to the Minnesota Omnibus Education Bill H.F. 3800, Chapter 489, Article II, Subdivision 4.3) the Minnesota State Colleges and Universities progress report on "The Urban Teacher Program: A Metropolitan State University, Minneapolis Community and Technical College, and Inver Hills Community College Collaborative"; and
- advancing efforts to discuss and define the role of two-year colleges in teacher preparation.

Efforts to improve preK-12 and higher education partnerships have also been advanced by:

- completion of a Minnesota State Colleges and Universities charter school sponsorship policy and procedures;
- development of a baseline matrix of preK-16 partnerships in the Minnesota State Colleges and Universities;
- continued collaboration with key contacts and organizations in the preK-12 and higher education communities (e.g., Education Minnesota and the Minnesota Alliance for Education);
- groundwork for and participation in a series of "get acquainted" meetings between the Chancellor and key preK-12 professional organization leaders.

Goal (IG 3): Enhancing the Minnesota State Colleges and Universities' public image to build support for the system and its institutions among students and prospective students, alumni and key policy makers

Sub-Goal (IG 3-1): Enhancing the public image of the Minnesota State Colleges and Universities

Nametag International, a consulting firm specializing in branding strategies, completed phase one of an assessment of the MnSCU "brand" and its recognition. The final report was shared with the Advancement Committees of the Leadership Council and Minnesota State Colleges and Universities Board of Trustees in February, along with previous research from the Noel-Levitz market research project conducted in

1999-2000. Information also was given to campus marketing, admissions and communications professionals. Phase two, development of a systemwide tagline, has begun.

Sub-Goal (IG 3-2): Improve the Minnesota State Colleges and Universities presence and effectiveness in Washington, D.C.

Significant progress on this goal has occurred. The Government Relations Office, working with the Chancellor, the Board of Trustees and their staff, has drafted a plan to address the Minnesota State Colleges and Universities' weakness in this arena.

In addition, the Board of Trustees' Advancement Committee has been involved in establishing relations with the Minnesota delegation and key officials in appropriate federal agencies (e.g., the Department of Education). Several Board members attended the Association of Community College Trustees (ACCT) Legislative Seminar in Washington, D.C., in February. During that visit, they also had the opportunity to interact with staff of Minnesota's congressional delegation and meet with Senator Paul Wellstone. The visiting Trustees also contacted Assistant Secretary of Education Carol D'Amico.

It has been advantageous for the system's Chancellor to have a seat on the federal and government relations committees of the American Council on Education and with the State Higher Education Executive Officers.

Sub-Goal (IG 3-3) : Enhancing the capacity of Minnesota State Colleges and Universities institutions to build strong alumni organizations

The first step in conducting a survey or mailing-compiling an accurate list of alumni-has begun. A list of 553,000 names has been compiled. The development office published a Request for Proposals and selected a vendor to provide accurate and up-to-date addresses for the names, but the project has been temporarily stalled because of the contract moratorium. The development office also identified a source of funds to pay for the cleaning of the list.

Sub-Goal (IG 3-4): Enhancing the Minnesota State Colleges and Universities capacity to secure higher levels of non-state revenue

A consultant-Charles R. Agnew-undertook an assessment of the system's development capacity. His recommendations were shared with the Northstar Foundation's board and the Advancement Committees of the Board of Trustees and the Leadership Council.

The Northstar State Colleges and Universities Foundation Board held a retreat in February to assess their willingness to become a major external fund raising resource for MnSCU, understanding the need to continue working with the campuses to be seen as a benefactor to the colleges, not a competitor. The Board agreed to proceed with a plan to raise funds for the foundation.

A grant request for \$150,000 over three years was submitted to the Bremer Foundation to assist campuses in developing initiatives to combat racism. The foundation reacted positively on the request, and the Minnesota State Colleges and Universities will receive the full grant.

The donor's terms of a substantial future gift to the Northstar Foundation may be altered to make funds available to the foundation immediately.

Goal (IG 4): Making the Minnesota State Colleges and Universities a leader in using technology to serve students in new markets

Sub-Goal (IG 4-1): Refining and implementing strategies to move effectively and successfully into the e-learning market

The E-Policy Work Group has completed its review of policies and has forwarded their report to the E-Learning Task Force. The E-Services Work Group continues to disseminate information on online services for students, including a presentation to all campuses via a Minnesota Satellite and Technology (MnSAT) link on February 26, 2002, followed up with regional meetings beginning on March 18, 2002. Work on the "MnSCU Online" portal page continues and will be completed during the last quarter of 2002. The E-Curriculum Work Group continues to discuss program sharing, curriculum building blocks and career ladder approach to programs. Another e-learning development grant RFP was announced in March 2002 for targeted program development in health care, teacher education and integrated and complete general education transfer curriculum coursework.

The E-Learning Task Force will have completed its work in April and made a recommendation to the Senior Vice Chancellor for Academic and Student Affairs on what and how to proceed with e-learning within the Minnesota State Colleges and Universities. It is anticipated that the task force will recommend a collaboration between the campuses and the Office of the Chancellor for an "enterprise zone" in which some services will be provided centrally and others on the campuses, especially the courses and programs. The recommendations will then go to the Leadership Council, senior staff and the Board of Trustees.

In addition, the following activity currently underway within Minnesota State Colleges and Universities demonstrates significant movement toward addressing this goal:

- the second round of Congressional Awards (formerly referred to as "FIPSE" grants) have been received to continue the effort to meet the changing learner needs for the 21st Century. This includes \$1 million for e-Curriculum and \$1 million for e-Mentoring.
- as a result of our e-portfolio efforts, we have joined a national effort called E-PAC (Electronic Portfolio Action Committee), which consists of Stanford, M.I.T., the Carnegie Foundation and other leading colleges and universities.
- the Western Cooperative for Educational Telecommunications has asked that MnSCU join them in revising two of their publications: The Distance Learner's Guide, as well as the "Guide to Developing Online Student Services." This is in recognition of the importance we have placed on standards and embedding good practice in enlarging our service capabilities.
- the Seamless Enrollment System, which is essential for collaborative programs, has begun and, with appropriate development resources, will enable students to enroll seamlessly at any campus in the system, which is very much needed if we are to be competitive with other virtual entities.

The extremely competitive environment in which we find ourselves requires us to look beyond our internal hesitations and obstacles with regard to online education. Some campuses appear skeptical and are reluctant to share information for fear of "losing" their students to another campus. However, the already extensive presence of some major private players-Capella and Walden universities, as well as the University of Phoenix-makes this a highly insular and counter-productive view. By striving for a collaborative model, "MnSCU Online" could assist campuses with lower than expected enrollments meet these challenges of space, location or programming.

Sub-Goal (IG 4-2): Improving the information technology capacity of the Minnesota State Colleges and Universities to serve its internal and external customers better

The Information Technology Roundtable has developed draft recommendations for a strategic framework. A gap analysis and technology capacity analysis will be designed based on these recommendations. The Information Technology Roundtable is on schedule to complete its strategic framework recommendations and the required gap analysis identifying areas of capacity in need of attention.

A second phase will need to be included in the next work plan. This Phase II of the improvement process will focus on implementation of the recommendations emerging from the technology capacity assessment.

Sub-Goal (IG 4-3): Using technology to reach new market segments with e-learning services

The E-Learning Task Force and the E-Services Work Group have spent much of this quarter refining the model for e-learning for the Minnesota State Colleges and Universities and the online student services that are needed in today's market.

The E-Services Work Group have sponsored a statewide MnSAT telecast and at least three regional meetings to demonstrate and discuss online student services and what campuses need to do to prepare for the digital learner and serve all students better.

In order to achieve greater efficiency and effectiveness, the Minnesota State Colleges and Universities e-Learning group has assumed management of the web-enable ISRS and the seamless registration project of the Metro Alliance. The project has been renamed the Seamless Enrollment System project and represents a potential cross-functional collaboration model involving institutions and multiple divisions from within the Office of the Chancellor.

Conclusion

We are confident that progress in achieving the overall objectives of the work plan is on target



Quarterly Report

Minnesota State Colleges & Universities Annual Work Plan for 2001-2002

July 17, 2002

Overview

The events of the last twelve months have been memorable in several ways—a horrific attack on our nation, a continuing budget crisis and a transition in leadership for the Minnesota State Colleges and Universities. Then, as now, we determined to move toward defined directions and began implementation of a very ambitious work plan.

This report, the final of our first series of quarterly reports designed to communicate the accountability of the Minnesota State Colleges and Universities, identifies significant progress toward achieving the overall objectives of the work plan. While the focus is on what was accomplished in the fourth quarter, it also underscores the achievement of our overall objectives.

Structure

The Minnesota State Colleges and Universities work plan had three primary themes for the year: advocacy, defining the future, and improving effectiveness and efficiency.

The Minnesota State Colleges and Universities continue to advocate for and promote recognition of the system's significant contributions to the economic well being and quality of life in Minnesota. The relative achievement of our legislative goals during the current session is a sign that this effort has met with some measure of success.

Despite the apparent success, leadership is aware of the continuing need to improve administrative systems and processes, productivity and staffing across the system. Toward that end, the third component of the work plan addressed improving the effectiveness and efficiency of everyday operations.

Advocacy

The Minnesota State Colleges and Universities must work better with external groups to promote advocacy and recognition of the system's significant contributions to the economic vitality and quality of life in Minnesota.

Sub-Goal (A-1): Serving as the Minnesota State Colleges and Universities chief ambassador

Through last week, we have completed visits to 182 members (90.5 percent) of the Minnesota Legislature—60 members (89.6 percent) of the Senate and 122 members (91 percent) of the House of Representatives. Official visits to legislators in their home districts were curtailed because of the legislative session and the subsequent campaigning schedule.

Campus visits were completed in February. We visited all Minnesota State Colleges and Universities campuses. The last of the official campus visits was conducted in the third quarter. Coverage of the visits was received and reviewed positively by the local media in all parts of the state. Approximately 6,000 community members, students, faculty and staff attended the visits around the state. Summaries of the community forums, the student forums and the faculty and staff forums are posted on the Web at www.pa.mnscu.edu and also as a link from the www.citizenscommission.mnscu.edu site.

In addition to continued meetings with prominent Minnesota business leaders, we have met with all members—newly appointed and exiting, as well as continuing—of the Minnesota State Colleges and Universities Board of Trustees. The views presented in these exchanges with Minnesota's business, corporate and citizen leaders have been useful in shaping the items in the work plan for FY 2003.

As part of the larger advocacy role, the office continues to engage in frequent meetings with the student and faculty associations. These are scheduled regularly and involve discussions of mutual interest and concern.

Sub-Goal (A-2): Identify and remove real and perceived barriers to participation in higher education.

Completion of the goal is slightly behind schedule but will be completed during the first quarter of the new fiscal year. The task force completed its work and submitted its report to the Academic and Student Affairs Committee of the Leadership Council in April. It was submitted to the full Leadership Council in June, and the Council is expected to forward it to the Chancellor at its July meeting.

Sub-Goal (A-3): Improve statewide, regional and local partnerships to better serve the economic development needs of the communities and regions we serve.

The progress on this goal is discussed in Improvement Goal 2.

Sub-Goal (A-4): Pursue sufficient financial and capital resources through the state budget process to provide excellent, affordable higher education opportunities to Minnesotans.

The biennial budgeting process has begun and a timeline for the budget development process has been established. The Leadership Council discussed the biennial budget themes, which will be based on the principles and priorities of the strategic and the work plan processes, at its June 2002 meeting. A Biennial Budget Committee composed of representatives from faculty, staff and student group representatives already has met. The committee will provide advice and input on the development of the budget.

The Leadership Council reviewed draft Capital Budget Guidelines during May and June meetings. The Guidelines were presented to the Board of Trustees at the June meeting. After approval of the Capital Budget Guidelines, institutions will be tasked to submit capital projects for the 2004 legislative session. The project requests will be reviewed, prioritized and presented to the Leadership Council in April 2003 for Board consideration in June 2003.

The Integrated Academic Planning work plan goal has become goal 4.1 in the system strategic plan presented to the Board of Trustees on June 19, 2002. This project will be a key initiative for the Minnesota State Colleges and Universities work plan for FY03. The academic planning portion of this project currently is being developed.

Several conceptual pieces on regional planning have been prepared for review and comment. A master academic planning handbook is in the initial stages of production. This handbook will discuss how academic planning integrates with fiscal, facilities and technology planning.

Sub-Goal (A-5): Recruit, retain and further develop excellent faculty, staff and administrators.

The preliminary work for this goal has been accomplished. A working group was identified and convened in late January and the report will be completed within the first quarter of the current fiscal year.

Defining the Future

The foundation of the planning process is the well-being of Minnesota and its citizens. The Minnesota State Colleges and Universities are committed to excellence in education in a broad range of vocational, technical and liberal arts programs consistent with student aspirations and regional, state, national and international needs. By defining a vision and options for the future, the Minnesota State Colleges and Universities are deciding how to contribute to the state's future.

The futures theme of the work plan contained two overarching goals: to provide excellent, affordable higher education opportunities to students from Minnesota and nearby states, and to listen to the people of Minnesota and craft a strategic plan to meet their needs for higher education. Each of these has several key component goals.

Goal (F 1): Providing excellent, affordable higher education opportunities

Sub-Goal (F 1-1): Developing and implementing new majors, programs and certificates to serve students better

During the third quarter, the Academic and Student Affairs team completed the project. Status reports were given to the Leadership Council in December 2001 and January 2002. By design, no recommendations are offered; rather, the report describes opportunities for future work and process improvements. Chief academic officers and designated Office of the Chancellor staff assisted in shaping the final report, and the findings were considered in preparation of the strategic plan.

As part of these efforts, the team surveyed chief academic officers for new program ideas and prepared a labor market shortage/surplus analysis for six regions of the state. After filtering through the vast materials, the team identified planning and operating resource needs for 150 programs. The team also assessed the advantages and disadvantages of the new process in comparison to the current program approval process. The team has coordinated their work with groups addressing e-learning, teacher education, accountability, economic development and master planning work plan goals and developed a database which contains new program ideas and resource needs for the 150 programs.

Sub-Goal (F 1-2): Making it easier for students to transfer from one institution to another.

Transfer is on schedule with major accomplishments this year: convening 14 discipline articulation councils; creation of online transfer orientations for students and faculty; revamping of MnTransfer.org; process and approval for technical college general education courses; creation of a Minnesota State Colleges and Universities Minnesota Transfer Curriculum Oversight Committee; data research on Minnesota State Colleges and Universities transfer patterns; enhancement of the transfer specialist network including two training workshops/conferences; and full implementation of the Minnesota Transfer Curriculum by Minnesota State Colleges and Universities institutions.

Sub-Goal (F 1-3): Reach out to those traditionally under-represented in the ranks of higher education students and personnel.

Completion of the student-oriented component of this goal is slightly behind schedule. The task force completed its work and submitted its report to the Academic Affairs Leadership Council in April. The Leadership Council took several meetings to review the document and has made significant revisions to the report. The revised report was submitted to the full Leadership Council in June for review.

Completion of the faculty and staff component of this goal was accomplished after extensive exchanges with human resource directors and affirmative action representatives, including administrators and

faculty. A combined team of Human Resources and Equal Opportunity and Diversity staff completed and submitted report recommendations.

Goal (F 2): Listening to the people of Minnesota in order to craft a strategic plan to achieve their vision for higher education.

Sub-Goal (F 2-1): Naming a Citizens Advisory Commission to assess the current realities.

The Commission completed and published its report, Access to Success, and the Chancellor accepted it. The Commission's recommendations have informed the development of the system strategic plan and the annual work plan.

Sub-Goal (F 2-2): Conducting public forums

This goal has been met: 48 community forums were conducted, far surpassing the original goal of six community forums. The 48 forums included three public forums of the Citizens Advisory Commission, 29 in conjunction with campus visits, and at least four specialized forums. The notes from the community forums were shared with the strategic planning team. More than 2,000 people attended the community forums, summaries of which are posted on the www.citizenscommission.mnscu.edu site.

Sub-Goal (F 2-3): Visiting with all 201 legislators and with key business and corporate leaders to understand their concerns about higher education and the Minnesota State Colleges and Universities.

As stated earlier, visits took place with 182 members (90.5 percent) of the Minnesota Legislature. Twenty-two legislators-17 members of the House of Representatives and five Senators-were seen in the last quarter after the legislature adjourned.

Sub-Goal (F 2-4): Visiting every Minnesota State Colleges and Universities institution.

Campus visits to all Minnesota State Colleges and Universities campuses were completed in February.

Improving Effectiveness and Efficiency

Faced with significant change, the Minnesota State Colleges and Universities must continue to make progress toward achieving greater efficiency and effectiveness. The four goals in this section were designed toward that end. Each of the major goals within the theme of improving efficiency and effectiveness has sub-goals that more clearly delineate objectives through outcomes.

Goal (IG 1): Ensuring accountability for achieving statewide higher education objectives.

Sub-Goal (IG 1-1): Developing measurable accountability standards.

Work on the accountability goal is being coordinated between Academic and Student Affairs and the Office of Internal Auditing. Academic and Student Affairs staff and the campus institutional research directors have met with the Internal Auditor to discuss parallels or integration of measures for strategic planning. The last quarter was spent preparing coordination of strategic planning goals and the Board indicators project.

The Legislative Accountability Report was presented to the Board of Trustees for information. The report addressed the five issues raised by the legislature (Laws of Minnesota 2001, First Special Session Chapter 1, Article 1, Section 3) as follows:

- identification of five highest priority undergraduate degree programs;
- reallocation of money and curricular and staffing changes, by campus and program, made to advance the system's priorities;
- methodology used to measure the number of first-generation students admitted systemwide;
- progress toward increasing graduation and transfer-out rates; and
- progress toward increasing the revenue generated from contracts with employers for customized training.

Sub-Goal (IG 1-2): Ensuring the reliability and validity of data for research, planning and evaluation

Work on the reliability and validity of data goal was directed by the Minnesota State Colleges and Universities Student Data Integrity Group. Two other advisory groups in addition to the Leadership Council provided advice, recommendations and implementation assistance.

The first set of 62 student data integrity recommendations from the Minnesota State Colleges and Universities Student Data Integrity Group represented major progress for the year. They were conveyed formally to the presidents, the Student Data Integrity Liaisons and the Information Technology Services Division with instructions and a schedule for implementation. In addition, the Student Data Integrity Group:

- developed a survey that will be sent to the Liaisons periodically to assess institutional progress in implementing the student data integrity recommendations;
- formulated or refined 48 recommendations that will be included in its second of recommendations; and
- endorsed enrollment, student and graduate reporting standards and changes in student data file structures that were recommended by the Institutional Research Directors Group.

The Minnesota State Colleges and Universities Institutional Research Directors Group approved a set of enrollment, student and graduate reporting standards and a set of recommendations for changes in student data file structures to help implement the reporting standards.

The FY 2003 agenda includes follow-up on implementation of the first set of student data integrity recommendations; implementation of the recommended reporting standards and data file structures; training sessions for institutional research directors on the recommended reporting standards and file structures; a second set of student data integrity recommendations distributed to the Student Data Integrity Liaisons for comment and feedback; the finalizing of the second set of student data integrity recommendations; and the implementation of the second set of student data integrity recommendations.

Sub-Goal (IG 1-3): Maintaining fiscal accountability

The most recent improvements to the allocation framework have met the initial timeline parameters. These adjustments have been reviewed and approved by the Leadership Council and incorporated into the fiscal year 2003 institutional allocation. The Board approved FY 2003 institutional allocations in May 2002. The allocation framework is reviewed as a matter of course.

Financial statements for FY 2002 are on schedule for preparation and audit at the system level and for six institutions. Please recall earlier quarterly reports which indicated that the first Minnesota State Colleges and Universities financial statement audit was completed with an unqualified audit opinion.

The Business Activity Reporting Framework was completed per the January 2002 goal. Implementation of this framework is ongoing.

The FY 2002 college and university operating budget update was presented to the Board of Trustees in January and April 2002. A budget monitoring process is being developed and will be in place for FY 2003.

Sub-Goal (IG 1-4): Preserving taxpayer investments through careful stewardship of campus physical assets

A proposed policy on facilities maintenance and repair budgeting was introduced at the June 2002 meeting of the Chief Finance and Facilities Officers.

In addition, work on the operating budget facilities initiative for FY 2004-05 continues. A presentation was made to the Leadership Council, along with the FY 2004-05 biennial budget, in May 2002.

Sub-Goal (IG 1-5): Assessing roles to improve efficiency and effectiveness

The functional assessment of the Office of the Chancellor was completed and presented to the Leadership Council in June 2002. With assistance from a consultant, Dr. Paul Elsner, and the Leadership Council Human Resources Committee, Vice Chancellor Tschida and staff conducted an assessment of the structure and work performed by the Office of the Chancellor. A survey was designed and distributed to the Minnesota State Colleges and Universities presidents in March 2002. Presidents involved their administrative staff in preparing a response to the survey. The final report was completed in June and included specific recommendations for restructuring the Office of the Chancellor.

While some recommendations have been taken under advisement, the Leadership Council Human Resources Committee and the Cabinet will address funding and governance implications of other report recommendations with the goal of clearly outlining workable options for the for consideration in the coming months.

The assessment of the Minnesota State Colleges and Universities as a statewide or regionalized operating system (including an examination of differing and/or distinctive institutional missions) has been deferred.

Sub-Goal (IG 1-6): Establishing a culture that fosters continuous improvement

The System Office Quality Steering Committee, building on the work of the six planning teams of volunteers from the Office of the Chancellor (mentioned in the last report), completed a three-year action plan. The Steering Committee continued to discuss the training implications of the plan and developed a multi-year strategy for training Office of the Chancellor staff in process improvement methodology.

Another aspect of this sub-goal was to design and implement an evaluation process for presidents and direct reports to the Chancellor in the Office of the Chancellor and to monitor presidents' contracts with regard to contract lengths.

Presidents' contract addendums were prepared and signed by the presidents whose contracts ended June 30, 2002. Presidents gave their preference for a contract length of one, two or three years (in order to stagger renewals in the future). A revised process for evaluating the presidents was formulated and an assessment form developed. As part of the process, discussion of a web site design is taking place to accommodate online evaluation and generate evaluation summaries to be used in further developing presidents' leadership skills.

The first quarter of the next year will see evaluation meetings with the presidents. The process of scheduling individual two-hour evaluation sessions with the Chancellor has begun.

An assessment process, similar to that for the presidents, was developed for the direct reports to the Chancellor and will be implemented in July 2002.

Sub-Goal (IG 1-7): Review professional development opportunities and develop a plan to improve current activities

With the departure of a key Office of the Chancellor mid-level administrator earlier this year, work on this goal was delayed.

A survey (the Minnesota State Colleges and Universities Human Resources Training and Development Survey), prepared in conjunction with a development conference last fall, has been identified as a resource for this goal. A human resources work group will meet in September to analyze data from the Minnesota State Colleges and Universities Human Resources Training and Development Survey.

Goal (IG 2): Strengthening partnerships that build regional and state economic vitality

Sub-Goal (IG 2-1): Enhancing and/or expanding partnerships with statewide and regional businesses and industries

At year's end, the Minnesota State Colleges and Universities' efforts are on track. Recent shifts in the state's economy have forced significant changes in strategies around economic and workforce development. Activities currently in progress reflect strategic directions evident from the Work Plan goal, and are responsive to the economic change from a labor shortage environment to a surplus environment. These activities also will inform the development of an operational plan that will become part of the system Work Plan for FY 2003 to FY 2004.

Examples of recent activities include creating an action plan on the role of higher education in rural and community economic development. The Minnesota State Colleges and Universities is a program partner with the University of Minnesota for a, "Rural Community Vitality in a Global Economy," scheduled for September 2002.

A work group composed of workforce council directors and Minnesota State Colleges and Universities administrators began in April to meet monthly to improve statewide communication and planning-by promoting partnerships among the institutions, the Department of Trade and Economic Development (DTED), the Work Force Center System, and the workforce councils-for workforce development services.

In addition to addressing training needs resulting from airline industry dislocations, mass worker layoffs in the paper, distribution and mining industries are being addressed with an ongoing interagency partnership.

Office of the Chancellor staff determined that benchmarking existing partnerships required a number of preliminary steps before benchmarking targets could be selected. A framework was developed that described: (1) the role of higher education in economic and workforce development; (2) the strategies deployed within the Minnesota State Colleges and Universities in this context; and (3) evidence of the institutions' contributions through partnership activity. Types of partnerships are described by how they enhance higher education's contribution to workforce and economic development. Based on the goals and

objectives in the system Strategic Plan and the Work Plan, the framework will be used to benchmark those partnerships that continue to be or emerge as critical system activities.

The Minnesota State Colleges and Universities should take a leadership role in advocating for a stronger statewide policy framework, but at the same time should use the existing environment to support a bold effort to enhance the economic landscape in Minnesota.

Sub-Goal (IG 2-2): Collaboration with the University of Minnesota and other institutions of higher learning in the state to provide new higher education opportunities to all citizens

Partnerships and collaborations with the University of Minnesota are part of our strategic plan to leverage the state's resources in providing the broadest array of public higher education programs possible.

The Minnesota State Colleges and Universities completed a new agreement and memorandum of understanding with the University of Minnesota concerning the Rochester University Center.

Under the leadership of Vice Chancellor Baer and then Provost Bruininks, an intensive one-day meeting in May involving over 40 University of Minnesota and Minnesota State Colleges and Universities personnel developed a concrete work plan to address three key issues in the metropolitan area: better serving under-served populations, working with K-12 to increase college readiness, and creating career ladders for working adults. Both the Regents and Trustees received the report at their respective June meetings.

An outgrowth of the increased collaboration also has been an agreement with the University of Minnesota on piloting the College Board's CollegeEd program with selected K-12 school districts in the Metro area.

As noted in previous quarterly reports, the proposed regular meetings with President Yudof of the University of Minnesota have taken place and have proven insightful. Additionally, regular meetings with the director of the Higher Education Services Office and with the executive director of the Private College Council have been scheduled.

Sub-Goal (IG 2-3): Collaboration with the leaders of the Department of Children, Families and Learning and pre-kindergarten to high school educational systems to expand opportunities and improve the alignment of teacher preparation programs with educational system needs

As we approach the end of the fiscal year, we feel confident that we have made significant progress building collaborations that will enhance student preparation for and transitions into postsecondary education and ensuring the availability of well prepared teachers. The Chancellor has had several meetings with CFL Commissioner Jax and with leaders of key P-12 organizations. Stronger partnerships with key P-12 organizations have been forged, yielding opportunities, tangible results and the potential for the Office of the Chancellor staff to make statewide and regional presentations to educator groups and for staff to collaborate further progress in addressing key policy issues in the years ahead. The Minnesota State Colleges and Universities' teacher preparation programs have deepened their commitment to quality teacher development, from pre-service programs through professional development opportunities. The teacher preparation programs also have begun to form new collaborations that will bring two-year institutions more fully into the teacher preparation equation and help Minnesota address existing and potential future shortages of teachers.

We continue to serve as a national model for federally funded programs through the Carl T. Perkins and Tech Prep programs, providing P-12 teachers with rich opportunities to build their professional knowledge and skills and forge educational communities designed to support and enhance student

learning. Attention to policies related to collaborations with elementary and secondary students and schools have resulted in a new charter school sponsorship policy and related procedures and progress toward the improvement of existing Post-Secondary Enrollment Options policies and practices. A year focused on building a solid foundation for future collaborations has positioned us well to develop, continue, and/or renew strategies and programs designed to yield successful, tangible sustainable results.

Goal (IG 3): Enhancing the Minnesota State Colleges and Universities' public image to build support for the system and its institutions among students and prospective students, alumni and key policy makers

Sub-Goal (IG 3-1): Enhancing the public image of the Minnesota State Colleges and Universities

Phases one and two of an assessment of the system's "brand" and its recognition were completed by Nametag International, a consulting firm specializing in branding strategies. Results were shared with the Advancement Committees of the Leadership Council and Minnesota State Colleges and Universities Board of Trustees and with campus marketing, admissions and communications professionals. Phase two, development of a systemwide tagline, was completed and shared with the Board at its June meeting.

A draft of the 2002-2003 marketing plan was presented to the Advancement Committees of the Leadership Council and the Board of Trustees in April. The plan calls for a major brand-building and image building campaign to be planned and executed over the next 12 to 18 months. A Request for Proposals was developed and published attracting 16 proposals. An agency was selected to assist with the campaign and an initial information-gathering phase has begun.

In a related issue, the Board has adopted a new naming policy for colleges and universities. The policy requires that all colleges and universities identify themselves as part of the Minnesota State Colleges and Universities in their publications, marketing materials, campus signage, Web sites and other forms of external communication. Procedures are being developed to implement the policy.

Among other accomplishments were the following: the report of the Citizens Advisory Commission was published and received positive publicity; the Minnesota State Colleges and Universities received numerous awards for public relations and marketing efforts, including the Silver Anvil award from the Public Relations Society of America; and Minnesota State Colleges and Universities marketing efforts were highlighted in a seven-page feature in Admissions Marketing Report, a national magazine for college and university admissions directors.

Sub-Goal (IG 3-2): Improve the Minnesota State Colleges and Universities presence and effectiveness in Washington, D.C.

Significant progress on this goal has occurred since the last report (April 2002) was made. The Government Relations Office drafted and began implementation of its Federal Relations Planning for the Summer of 2002. This document was reviewed and approved by the Board of Trustees' Advancement Committee includes the following activities:

- collaborative development of the Office of the Chancellor/institutional procedures for Federal relations;
- development of an annual schedule for Federal relations;
- support of the development of a Federal issues agenda for the Minnesota State Colleges and Universities;

- coordination of the Federal Higher Education Reauthorization Bill proposals for the Minnesota State Colleges and Universities;
- development of relationships with other higher education professional associations;
- coordination of a Federal issues communication plan;
- coordination of a Minnesota Federal Delegation communication plan;
- assistance in development of a plan for Federal relations with other state agencies;
- development of a system for regular reporting and coordination with the Governor's Office
- development of a plan to oversee the Washington, D.C. based staff, and contractors.

Discussions continue with members of the Minnesota Congressional delegation concerning a variety of potential "earmarks" as well as preparation for the Congressional reauthorization of the Higher Education Act that is underway now and expected to culminate in amendments to the Act during the 2003 Session. Government Relations staff are visiting Washington, D.C. in July to consult with the Delegation and the Minnesota State College and Universities Federal liaison, Mr. Rod Grimm.

Staff also visited with several members of the delegation concerning the Minnesota State Colleges and Universities' request for money to fund a final FIPSE grant, and a project from FEMA resources to standardize and improve communication systems during security or natural disasters. The Government Relations Office has made three trips to Washington D.C. this quarter. As we strengthen this area, it will be important to make a focus of the Minnesota State Colleges and Universities FY 2003 work plan on expanding this effort.

Sub-Goal (IG 3-3): Enhancing the capacity of Minnesota State Colleges and Universities institutions to build strong alumni organizations

The first step in building capacity, compiling an accurate list of alumni, was completed, yielding a list of 553,000 names. The list was updated, shared with the institutions, and already has assisted in launching first-ever alumni mailings.

We have begun building a network of campus alumni organizations. A listserv of alumni directors has been established and is used to communicate training opportunities and other news of interest. Two statewide meetings of campus alumni directors were held.

Sub-Goal (IG 3-4): Enhancing the Minnesota State Colleges and Universities capacity to secure higher levels of non-state revenue

Significant progress was made on this goal, which is an ongoing effort.

- An external consultant came to Minnesota to assess the system's development capacity. His recommendations were shared with the Northstar Foundation's board and with the Advancement Committees of the Leadership Council and the Board of Trustees.
- The Northstar State Colleges and Universities Foundation Board held a retreat in February to assess their willingness to become a major external fund raising resource for the Minnesota State Colleges and Universities, while understanding the need to continue working with the campuses to be seen as a benefactor to the colleges not a competitor. The board agreed to proceed with a plan to raise funds for the foundation.
- The Board of Trustees passed a resolution endorsing the Northstar State Colleges and Universities Foundation Board's willingness to undertake a more active role in fundraising.

Among other accomplishments is a grant for \$150,000 from the Bremer Foundation to assist campuses in developing initiatives to combat racism. The foundation will allocate funds to campuses based on an internal grant procedure.

Despite progress, more work needs to be done to reassure the presidents and campuses that the Northstar Foundation's fund-raising will not compete with their own fund-raising efforts but will complement them and will open access to funds currently not available to individual campuses.

Goal (IG 4): Making the Minnesota State Colleges and Universities a leader in using technology to serve students in new markets

Sub-Goal (IG 4-1): Refining and implementing strategies to move effectively and successfully into the e-learning market

This goal has been accomplished with tremendous work by over 75 campus students, faculty and administrators and Office of the Chancellor staff. The E Learning Task Force completed its work in May 2002 and forwarded ten recommendations to the Senior Vice Chancellor for Academic and Student Affairs. The Task Force reviewed and approved recommendations on e Policy, e Programs and e Student Services. The Leadership Council has approved these recommendations, including the creation of Minnesota Online. A Council to oversee policy direction for Minnesota Online is in the process of being created.

Sub-Goal (IG 4-2): Improving the information technology capacity of the Minnesota State Colleges and Universities to serve its internal and external customers better

The Information Technology Roundtable has developed draft recommendations for an information technology strategic framework. A gap analysis and technology capacity analysis will be designed based on these recommendations. The Information Technology Roundtable is on schedule to complete its strategic framework recommendations and the required gap analysis identifying areas of capacity in need of attention.

A second phase will need to be included in the next work plan. This Phase II of the improvement process will focus on implementation of the recommendations emerging from the technology capacity assessment.

Sub-Goal (IG 4-3): Using technology to reach new market segments with e-learning services

With the research completed by PricewaterhouseCoopers on Minnesota State Colleges and Universities learner segments, the adoption of the Western Cooperative for Educational Telecommunications' benchmarks for online student services and the receipt of a second Congressional Award, the work on this goal is clearly on target. The completion date for this goal is June 2003.

Conclusion

We are confident that the progress we made in achieving the overall objectives of the work plan is significant and moves us forward as a system to better serve students and citizens.