

**QUARTERLY REPORT**  
**Minnesota State Colleges and Universities Work Plan for 2005-2006**  
**Actions for First Quarter**

**October 19, 2005**

**OVERVIEW**

The Minnesota State Colleges and Universities System 2005-2006 Work Plan was approved by the Board of Trustees in July 2005. The plan includes five annual priorities:

- Increase Revenue
- Improve Productivity
- Create Centers of Excellence
- Update the System Strategic Plan
- Serve the Underrepresented

This report represents only a summary of the major achievements in addressing these five priority areas and the challenges stated in each for the first quarter (July-September) of this year. What is especially noteworthy is that all five of the priorities were the topic of discussion and action at this month's meeting of the Board of Trustees. We have succeeded in increasing the link between the Annual Work Plan and the work of the Board of Trustees.

**RESULTS**

**Focus Area One: Revenue**

***Challenge One: Develop a sustainable financial model that meets the system's strategic directions and is consistent with the state's higher education objectives.***

The Revenue Model Project is right on schedule. The Board had a productive and informative presentation and discussion in September with national higher education finance expert, Dennis Jones, President of the National Center for Higher Education Management Systems. Dr. Jones provided trend information that shows higher education is experiencing a national trend in the decline of state support. The outlook is clouded by state budget pressures in other expenditure areas such as health care and corrections. The Finance Committee this month received preliminary policy options which center on alterations to our tuition policy. Final recommendation is due to the Board in March 2006. This is a very important issue for us and for our students and warrants careful deliberation in the months ahead.

To support the work of the project, staff in the Office of the Chancellor prepared background information on financial aid and net costs of attendance for System students and developed a simulation model to assess impacts of alternative financial models on students and institutions.

***Challenge 2: Begin to implement strategies to expand support from the legislature, corporations and business, foundations and citizen groups.***

### **Foundation Visits**

Two visits to area foundations have been completed: the Archibald Bush Foundation and the UPS Foundation. The meetings have been mutually beneficial, enabling the foundations to share their interests and thought on future directions for the Minnesota State Colleges and Universities, and providing us the opportunity to describe some of the many innovative and important activities that are going on at colleges and universities throughout the system. Six additional visits are scheduled in the upcoming months.

### **Legislative and Executive Branch Visits**

Government relations and facilities staff have accompanied House and Senate members on their fall bonding tours throughout the state.

- Trustees Hoffman and Paskach, Chancellor McCormick, Leslie Mercer and Bernie Omann met with Governor Pawlenty to update him and his staff on the status of the Centers of Excellence process.

### **Planning for the Governor's trade mission to China**

The Strategic Partnerships Unit, Academic and Student Affairs, served as liaison between the Minnesota Trade Office and the system's delegates to facilitate preparations for the November 2005 China trade mission and to ensure that the Education Delegation itinerary meets the objectives of our system. Two meetings of the system's delegates to the China trade mission were convened to discuss this.

In cooperation with Public Affairs, the Strategic Partnerships Unit began preparation of Chinese language publications, electronic media, and business cards for distribution by system delegates while in China. Development of a mission statement and system highlights for delegates to use as background while in China was also initiated.

In addition, the system developed an ongoing working relationship with the University of Minnesota's China Center that resulted in five meetings between system officials and visiting delegations of Chinese higher education administrators.

### **Focus Area Two: Productivity**

***Challenge One: Examine goals, objectives and strategies to assure better management of expenses and increased productivity.***

The Productivity Initiative progress report to the Human Resources Committee was postponed until the December meeting of the Board of Trustees.

Institutions are held accountable to the Higher Learning Commission (HLC), our regional accrediting agency, for reviewing data and for measuring effectiveness with those data in mind. Colleges and universities accredited through either the of the Higher Learning Commission's Academic Quality Improvement Program or Program to Evaluate and Advance Quality (PEAQ) accreditation processes must engage in active data gathering and analysis. The improvement of institutional efficiency and effectiveness is at the core of these processes.

Greater detail will be forthcoming at the December Board of trustees meeting when the full report, including a detailed example of the data-driven decision-making process, is delivered to the Human Resources Policy Committee.

***Challenge Two: Focus further attention on the development of key measures of progress in the System-level Accountability Framework.***

This quarter, the Research Unit in the Office of the Chancellor has developed the methodology and prepared draft human resources measures that have been presented to the Institutional Research Directors Group, Office of the Chancellor Human Resource staff and selected college and university academic affairs and human resource staff for review and refinement.

The unit also continues development of an institution version of the student success dashboard for colleges and universities to use to monitor their progress and improvement in retaining and graduating students. They also have begun to collect National Survey of Student Engagement and Community College Survey of Student Engagement data from System universities and colleges to be used to develop measures for student satisfaction and engagement.

***Challenge Three: Make significant progress to create a system in which students can easily move from one institution to another without encountering financial or organizational barriers.***

Over the last quarter, the Business Practice Alignment Committee (BPAC) has progressed in its continuing drive to eliminate business practice variances that hinder access, impede seamlessness, and drive up internal maintenance costs. Most particularly and most visibly, the committee's recommendation for alignment of "drop for non-payment" practices has been reviewed and approved in policy by the Board of Trustees. The BPAC also has forwarded its recommendation for a common term start date, and that new policy will be in front of the Leadership Council in short order. At present, sixteen of the committee's recommendations have been implemented and are complete, while the remainder is in the Office of the Chancellor consultation process under the guidance of the Vice Chancellors for Academic and Student Affairs and for Finance.

### **Focus Area Three: Centers of Excellence**

Centers of instructional program distinction are designed to address Minnesota's needs for a trained and educated workforce. Centers of Excellence will focus investment, reduce duplication, and strengthen programs and partnerships.

***Challenge One: Initiate a process to identify distinct programs and partnerships among colleges and universities.***

Consultation took place with the Department of Employment and Economic Development and the Board of Trustees in July to identify the following four areas for potential Centers of Excellence:

- Biosciences
- Business/Technology
- Healthcare
- Manufacturing/Engineering

***Challenge Two: Position the system to attract faculty, respond to business and industry needs, and define and develop exceptional programs.***

Conducted industry meetings in late August for the four areas above that resulted in over 200 faculty and administrators and approximately 25 industry panelists in attendance to discuss industry needs and review a proposed Request for Proposal.

***Challenge Three: Develop a process to select three to eight centers.***

In a very rapid process, the Office of the Chancellor issued a Request for Proposals (RFP) on September 9 after consultation with the Board of Trustees, Leadership Council, faculty unions, and other stakeholders. We received 11 proposals by the RFP deadline of October 4, including two in the biosciences and three in the other three industry areas.

Under the leadership of Senior Vice Chancellor Linda Baer, we conducted a two-stage proposal review process on October 10-11. The first day included a review of the proposals by industry evaluation committees consisting of a cross-section of system faculty and administration and industry and external higher education representatives, including individuals from centers of excellence in other states. The second day included a review of the top seven proposals from the first round by an evaluation committee consisting of system leadership from faculty and administration, president emeriti, a cross-section of industry representatives, other higher education representatives, and senior administration officials.

The Board of Trustees considered the recommended proposal this morning and heard presentations by the recommended awardees before selecting:

- Business/Technology: Metropolitan State University
- Healthcare: Winona State University
- Manufacturing/Engineering: Minnesota State University, Mankato
- Manufacturing/Engineering: Bemidji State University

#### **Focus Area Four: Strategic Planning**

***Challenge: Support the ad hoc work group on Strategic planning of the Board of Trustees to review the existing strategic plan; reaffirm or revise the system's vision, mission and purpose statements; and assess the role of the system in economic development.***

The Ad Hoc Work Group consisting of four Trustees, four presidents and four senior staff from the Office of the Chancellor, has revised the Mission, Vision and Purpose Statements for the Minnesota State Colleges and Universities System. The work group also revisited the four strategic directions and developed draft goal for the first three. . A draft plan will be ready for full Board discussion at its November retreat.

#### **Focus Area Five: Serving the Underrepresented**

***Challenge One: Create a standing committee on diversity in the Leadership Council.***

The Leadership Council established a diversity committee in July 2005. It is composed of six members. The committee has met three times. Its current projects include providing advice to the Office of the Chancellor on the American Indian Initiative and the establishment of a Community Diversity Advisory Council. The chair and co-chair of the committee also have worked with the ad hoc committee on diversity of the Board of Trustees in the development of its charge. The staff is currently assisting the Board's committee as it writes its work plan.

With regard to the American Indian Initiative, the chair and co-chair of the diversity committee have visited the Red Lake Nation and White Earth reservation, and met with the Minnesota Chippewa Tribal Education and Human Services Sub-committee at the Grand Portage Lodge. Plans are currently underway to complete visits with all of the tribal chairs on their reservations. This initiative is staffed by Diversity and Multiculturalism.

***Challenge Two: Implement the Diversity Task Force plan to assure access and maximize opportunities for students in underrepresented populations.***

Best practices have been identified and a protocol for establishing the Community Diversity Advisory Council will be developed by October 31, 2005. Selection of members will occur during November and December 2005. The first meeting of the council is scheduled for February 2006.

Plan and coordinate implementation of changes in the collection and uploading of student race-ethnicity data form the placement testing process to reduce variation and improve completeness of race-ethnicity data.

#### **CONCLUSION**

We have made significant progress with this year's objectives.