



Minnesota  
STATE COLLEGES  
& UNIVERSITIES

## QUARTERLY REPORT

### Minnesota State Colleges and Universities Work Plan for 2005-2006 Actions for September to December 2005

#### Meeting of the Board of Trustees January 19, 2006

#### **Focus Area 1: Revenue**

The revenue project to develop a sustainable financial model has adhered to the schedule published in the work plan and is scheduled to come to the Board for consideration at the January 2006 meeting. Staff will incorporate any resulting new policies into FY 2008-09 budget request (April 2006).

The Board will be asked at the January meeting to make a policy decision concerning the desirability of tuition discounting as a strategy for raising additional revenue. The staff committee work was completed, and the committee will recommend not to pursue tuition discounting as it fails the policy goals of improving access and affordability across the state. Adoption of discounting, it is believed, might only succeed at selected universities because of student demographic profiles.

Several activities have been conducted to more fully develop a system-level major gifts and grants program and provide leadership in the development of a major gifts program that will put the chancellor, the system governing board and the foundation's board into stronger collaboration with college and university presidents, staff and volunteers.

The work plan calls for the Chancellor to undertake 20 or more visits to corporate and foundation leaders to seek input into the system's strategic plan. Fifteen of the 20 visits have been completed or scheduled with promising results. Each visit has resulted in extended opportunities to work together on projects and/or possible future grant opportunities.

The Foundation office continues to work with six to ten colleges/universities to create solicitation strategies for \$100,000 individual donor prospects in partnership with the college/university, using the chancellor and campus president where appropriate.

We also are working with foundation board members, trustees of the Minnesota State Colleges and Universities and other community leaders to identify additional donor prospects. To date, we have identified primarily corporate/foundation donor prospects, the majority coming from colleagues within the Minnesota State Colleges and Universities and others in the community. The 20 foundation visits have gone a long way toward achieving this objective. Further, we pledged to initiate a corporate and foundation relations program. The recent hiring of a director of corporate and foundation relations, Maria McLemore-Sklar, will move us toward that goal.

In order to provide leadership to foundation and development staff on all campuses as they build their capacity to raise private funds, we held the first of two staff development retreats for development teams from the institutions designed to enhance capacity for fundraising through training and the dissemination of best practices. A November staff workshop was held with approximately 60 system colleagues in attendance. This workshop was in partnership for the first time with the Marketing and Communications staff.

A Web presence for the Foundation will include information on how to make a gift, links to campus foundations, and information on available funds. While the initial roll-out was completed in December 2005, final revisions to the content are being addressed before going live.

Systemwide grants have included:

- The McKnight Foundation notified the Office of the Chancellor in December that a grant of \$235,000 was awarded to the system to pilot an integrated business/industry services strategy in two regions of the state. The Office will facilitate efforts of colleges and universities to work with regional initiative foundations, industry associations and the Department of Employment and Economic Development (DEED) to develop and implement this strategy with a goal of replicating it in other regions around the state.
- Twelve of Minnesota State Colleges and Universities received 15 Minnesota Job Skills partnership (MJSP) grant awards totaling \$2,445,250, or 77.5% of total funds awarded in October. These grants will serve incumbent workforce training needs of the manufacturing and energy, social services, pharmacy, warehousing, architectural services and software development industries.
- The Minnesota State Colleges and Universities was a partner in a three-state grant proposal submitted to the Department of Labor Education and Training Administration (ETA) by the Governor's Workforce Development Council (GWDC) on behalf of the governors of Minnesota, North Dakota and South Dakota. The grant sought \$15 million over three years to develop the Minn-Kota Innovation Marketplace, an alliance integrating education, workforce and economic development, and entrepreneurial opportunities to support the energy, renewable energy and manufacturing industries. The grant proposal was in

response to an RFP issued by ETA dubbed WIRED (Workforce Innovation in Regional Economic Development). ETA anticipates issuing eight to 10 grant awards in late January 2006.

Visits to college and university sites recommended for inclusion in the 2006 legislative bonding cycle are nearly completed. The 2006-07 capital budget, approved by the Board in June 2005, was submitted on time to the Department of Finance. Individual projects continued to be reviewed by staff, fine tuning project scope descriptions and cost estimates. Legislators are completing their statewide tours to review bonding projects and will be ready to start the 2006 session informed on the \$280.4 million Minnesota State Colleges and Universities request. Government Relations staff have accompanied legislators on all of the bonding site tours where capital requests, including repair and replacement projects, were viewed. Feedback from these visits has been very positive, particularly with respect to the need for major repair and renewal funding for basic infrastructure work. I have visited 18 sites included in the capital budget and will visit the remaining five, while staff have been to each of the sites.

In conjunction with the Facilities division, the Public Affairs division completed *Space to Learn: Shaping Minnesota's Future*, a publication outlining the system's capital budget request. The publication is being distributed to trustees, presidents, legislators, foundation board members and other opinion leaders to clarify and build support for the system's request.

I know that the Board is very interested in expanding our role in global education and understanding. As you know, six representatives from the Office of the Chancellor and system institutions were part of the Education Delegation on the Governor's Trade/Cultural Mission to China in November 2005. The group's primary findings include the following:

- To ensure the competitiveness of Minnesota and its students, the system must enhance its capacity to provide international competencies and perspectives throughout its education and training programs.
- The Chinese education market presents enormous opportunity for the state of Minnesota and the system.
- Because of the rapid pace of economic progress in China, India and other global markets, it is critical to significantly strengthen our efforts and investment in innovative international education and training initiatives immediately.
- The state colleges and universities are the only institutions in Minnesota that are uniquely positioned to provide associate/bachelor/applied master's joint degrees, which are in high demand in China.
- Through participation in the trade/cultural mission, the system strengthened relations with the University of Minnesota and its China Center, and explored

new relationships with Shanghai University and Beijing Normal University (Zhuhai Campus). During the mission, participants attended several events with the governor and corporate executives representing the spectrum of key industries in Minnesota.

Following the China trade/cultural mission, the Board of Trustees authorized the system to seek \$3.5 million from the legislature through a supplemental budget request to support a Global Initiative. This initiative would create and expand faculty and student exchange programs and customized training opportunities in China and other growing markets, and build the capacity and infrastructure to support Chinese language and cultural instruction throughout the system.

### **Focus Area 2: Productivity**

To meet the work plan's goal, *examine goals, objectives and strategies to assure better management of expenses and increased productivity*, the Leadership Council named the Human Relations Committee of the Leadership Council to be the Improved Productivity Work Team at their July 2005 meeting. The team assessed the tools available to the campuses to monitor productivity and surveyed selected campuses to determine their use of the available tools. A presentation on how the tools were used at Lake Superior College and how they drove decisions at that campus; the connection between productivity and the funding formula; and the current status of key human resources measures in the System-Level Accountability Framework were made at the December 2005 meeting of the Human Resources Policy Committee of the Board of Trustees.

At the December Board meeting, the Human Resources Committee heard and discussed several accountability measures related to productivity, including Student to Faculty and Student to Staff ratios. (This report was postponed from its original October date due to time limitations of the committee.) Staff continues to refine the measures and develop trend information that will enable the Board to monitor changes from year to year.

The Business Practice Alignment Committee (BPAC) reports extensive progress during this reporting period. Although effort continued to oversee implementation of financial business practice alignment recommendations, the committee analysis emphasis shifted to student business practice alignment opportunities.

Variations 59 through 124 are the variations that are predominantly student business practices. Of these 65 variations, 48 have now been resolved with recommendations for alignment or acceptance and six are active in referral committees such as the Assessment and College Placement Task Force or the Data Integrity Group. Only 11 student business practice items have yet to be addressed by the BPAC group.

In line with the extensive progress made to date on both finance and student related business practice variations, the emphasis of the committee discussion is now shifting to a strategic look at various system processes and to managing implementation of alignment activities currently underway.

Information Technology (IT) Services continues to provide support to the BPAC in the analysis of the IT implications of varying business practices across the System. Ongoing progress continues in the estimation, planning, scheduling and execution of IT projects and initiatives to implement revised business policies and procedures as they are approved. A development plan for implementing all approved business practice alignment projects is being included as a part of the Enterprise IT Strategic Investment Plan being developed, and the full development plan for BPAC IT initiatives will be in place by the end of this fiscal year.

### **Focus Area 3: Centers of Excellence**

Toward this goal, the Office of the Chancellor, in consultation with system institutions, developed a grant evaluation process that ensured representation by industry, faculty, administration and the system office. In addition to establishing a fair and representative selection process, a secondary consequence was that the evaluation proceedings allowed the system to strengthen ties with existing industry partners and develop relationships with new industry partners. These partners learned much about the system and its resources during the evaluation process, and had the opportunity to articulate their needs to the system.

The following four Centers of Excellence were selected by the Board of Trustees in October:

- Minnesota Consortium for Manufacturing and Applied Engineering  
Lead University: Bemidji State University
- Center for Strategic Information Systems and Security  
Lead University: Metropolitan State University
- Minnesota Center for Engineering and Manufacturing Excellence  
Lead University: Minnesota State University, Mankato
- Center for Integrated Health Science Education and Practice  
Lead University: Winona State University

While no grant was awarded in the bio-science category, the Office of the Chancellor will continue to work with system institutions and industry as it pursues \$3 million in supplemental budget funding to build and strengthen bioscience programs at system institutions.

Since their selection in October, the office and the centers have made significant progress toward full implementation. Initial efforts have focused on developing the governance, leadership and personnel of each Center of Excellence. The centers have in place or are confirming an advisory committee of industry and higher education representatives. In addition, the institutions involved in each center have been meeting regularly to address the allocation of resources, confirm the objectives and leverage the strengths of each partner.

Each center also has focused on marketing and promotion opportunities with the recent public interest in the October Board of Trustees' announcement. Promotional efforts have included visits to some of the lead universities by the Governor or the Commissioner for the Minnesota Office of Higher Education. In addition, many of the partnering colleges have conducted their own regional celebrations. Other events have had workshops held in conjunction with industry partners to heighten interest in economic development and other collaborative opportunities, as well as joint meetings with K-12 to promote student recruitment.

The programming efforts of each center have focused on expansion or refinement of articulation agreements among two and four-year partners. Work also has focused on sharing of effective practices in academic programming and services and related opportunities for replication. Finally, new program development and related grant opportunities are being pursued.

The Office of the Chancellor has addressed a number of issues requested by the Board of Trustees in making the awards. Of particular note is the negotiation of award amounts with the individual centers to adhere to the \$10 million available in FY06. The office also has been working with the lead universities to conduct a cluster program evaluation to address the legislative reporting requirements and individual center outcomes. A Request for Proposals was issued for a cluster evaluation, which will provide for a common approach to the evaluation while allowing for the different designs of the four centers. A selection panel with a representative of each center, faculty who are evaluation experts and staff of the Office of the Chancellor, will interview three finalist firms on January 20, 2006, and make a recommendation to the Senior Vice Chancellor for Academic and Student Affairs.

The Public Affairs division issued a news release regarding the Centers of Excellence selection and also assisted the individual colleges and universities with their news releases to local media. A meeting of communications specialists from participating institutions was convened. Continuing public relations assistance is planned as the centers get up and running.

#### **Focus Area 4: Strategic Planning**

Over the past seven months, the Ad Hoc Work Group on Strategic Planning has developed a renewed and revised plan that will take the Minnesota State Colleges and Universities to 2010. The entire Board participated in a retreat in November that resulted in a new Strategic Direction on Innovation that I believe will put the system on a path to achieve its vision to *enable the people of Minnesota to succeed by providing the most accessible, highest value education in the nation.*

The board will be voting on the plan at the January meeting. Once approved, work will begin immediately on the 2007 work plan. In the next six weeks, I anticipate visits with each trustee to discuss ideas for the work plan.

## **Focus Area 5: Serving the Underrepresented**

We have made significant progress in implementing the Diversity Task Force plan. Whitney Harris has provided sound leadership, but work in this area is a priority for all divisions/area in the Office of the Chancellor.

The work plan included a goal of creating a Community Action Council. Diversity consultant Christopher Metzler was retained to give advice and counsel on the establishment of a Community Action Council. Dr. Metzler met with Trustee Antell, President Roy Saigo, members of the cabinet and the staff of the Diversity and Multiculturalism division, and me. The consultant has submitted his report and recommendations. The Leadership Council's Diversity Committee will discuss the report at its next meeting and develop a set of recommendations for creating the Community Action Council. The goal is to convene an organizational meeting of the council on March 20.

Of course, the Board of Trustees has created its own Diversity and Multiculturalism Committee. This committee is charged with "the oversight of strategic planning and ongoing endeavor to better serve all Minnesotans toward increased growth, progress, and appreciation of traditionally underserved students, faculty and staff throughout the system." Trustee Will Antell is chair, and Trustee Clarence Hightower is the vice chair. The committee has adopted a work plan for 2005-2006.

The Board of Trustees' Diversity and Multiculturalism Committee, Craig Schoenecker (Institutional Research), John Asmussen and Whitney Harris have worked to reduce the number of students reported as "unknown" with regard to their race/ethnicity. A comprehensive report was developed and presented to the Board of Trustees' Diversity and Multiculturalism Committee. This report is currently being reviewed by both the Board's committee and the Leadership Council. Actions are being taken to improve the accuracy of students' demographic data. This is an on-going project.

The American Indian Initiative is a key activity. A general meeting of the system's American Indian faculty and staff is scheduled for January 20. The focus of the gathering will be on the experiences and insights of the participants from their perspectives as individuals of American Indian heritage who are professionally involved in higher education. This is one phase of a multi-phased endeavor that has included visits with tribal leaders, along with follow-up sessions with the educational leaders of those same communities by appropriate college and university administrators, and Office of the Chancellor staff. Visits have been made with the Red Lake, White Earth, Grand Portage, Mille Lacs, Upper Sioux, Lower Sioux and Bois Forte reservations. The follow-up team has visited or has scheduled visits with the educational leaders of these bands. In addition, opportunities for others with expertise in this area to share their insights are part of the total strategy. Data collected at the January 20, 2006, meeting will be used in conjunction with information from the visits with the tribes, as well as from other research activities will be used to develop a proposed initiative to be presented to the board within the next few months.

There are a number of other small but important developments that help us move toward the larger diversity goals. We are developing affirmative goals for employees. A professional development day was held for all affirmative action officers at St. Cloud State University. The program focused on techniques and resources for creating diverse pools of candidates. Participants were given an opportunity to express their expectations of the Diversity and Multiculturalism division. A person from the Office of Federal Contract Compliance Program also presented information on the development of an affirmative action plan.

The staff of the Diversity and Multiculturalism division met with Martha Brechlin, Director of Affirmative Action, Department of Employee Relations, to gain clarification on various items and additional information regarding the preparation of the 2006-2008 affirmative action plans. A follow-up meeting with the system's affirmative action officers is scheduled for March 2006. Ms Brechlin will be invited to attend that meeting.

Renée Hogoboom, Manager and Investigator, is leading a committee that is revising the 1B.1 Nondiscrimination Policy and Procedure. The committee is composed of representatives from throughout the system. Several consultations with the Attorney General's office were held. It is expected that the committee will recommend several substantial policy changes. In accordance with the requirements of the Office for Civil Rights (OCR) of the Department of Education, on-site reviews were conducted at Northland Community and Technical College and Minneapolis Community and Technical College. The reviews evaluate compliance with OCR's equal opportunity policies and guidelines.

The division has offered several professional development programs and presentations. These programs have included such topics as, internal investigations of allegations of discrimination, diversity in higher education, diversity councils and presentations to various search committees, including the three presidential search committees.

Raúl Ramos has been active with the Higher Education Anti-Racism Team (HEART) project. HEART was formed in 2004, to provide higher education initiatives a forum for discussing the struggles and strategies and to refine models of anti-racism training. Minnesota State University Moorhead, St. Cloud State University and the Office of the Chancellor were among the founding members. Other colleges and universities from our system are expected to join with the HEART group.

Using a competitive grant process, Academic and Student Affairs, in consultation with Diversity and Multiculturalism, allocated one million dollars of legislative initiative appropriations to 11 colleges and universities for projects. The projects are intended to improve outreach, transition to college and retention for underserved students. Projects are required to use best practices in retention such as learning communities, intrusive advising and supplemental instruction. We also have issued a call for presentations for the annual Student Affairs Conference on Recruitment and Retention of Underserved Students. The conference is scheduled for March 2 and 3.

We were able to secure Perkins funding to support a joint pilot project by the Metro Alliance colleges and universities for outreach services to underserved students and students in nontraditional occupations. The Alliance has hired an outreach specialist who is housed in the Office of the Chancellor.

### **Other Significant Areas**

Work on the model to develop a facilities reinvestment strategy was completed on time in August 2005, and presented to the Leadership Council in October. The model describes the backlog of facilities repair and renewal needs across the system, as well as predicts reinvestment requirements for the next ten years. A proposed reinvestment strategy will be presented to the Leadership Council and Board in greater detail in March in preparation for new capital budget guidelines for 2008-2013 to be proposed to the Board in April and May.

Notable progress has been made on this item in connection with the heightened interest regarding the long term status of the Owatonna College and University Center. Modeling criteria was developed which is now being applied to the interest evidenced in Fairmont. Chair Hoffman and I met with members of the Owatonna community in December and shared an initial report on needs and opportunities in the I-35 corridor from Faribault to Austin. We agreed to set up a joint committee composed of representatives of the Owatonna Center Board, the Office of the Chancellor, Minnesota State University, Mankato, Riverland College and South Central College. The first meeting of the group will be in early February.

We continue to build awareness and understanding of the system among external constituencies, successfully placing stories in statewide media on technology transfer at St. Cloud State University, systemwide agriculture programs, the Dakota County railroad conductor program, Trustee Antell's lifetime achievement award, MSU Moorhead's professor of the year, our injured Iraqi veteran in the Century College prosthetics program, Mankato's expert on marketing to children, and the MSU Mankato wired-up exercise machines. Linda Baer and Craig Schoenecker appeared on the "Talk Education" show regarding the *Getting Prepared* report.

In December, we presented the 2006-2007 strategic marketing and communications plan to the Board, along with a three-year integrated marketing and communication plan. We continue to make improvements to the system's public Web site, including developing new templates for office division sites, a new resources site, updated graphics and updated statistics.

There are new or updated publications available on the system's biosciences programs and health care careers. The *Amazing Facts* booklet already has been updated to reflect the most recent information and statistics with the help of the Research and Planning offices.

Finally, and in keeping with the work plan, to build awareness and understanding among internal constituencies, we have launched *The Review*, a monthly electronic newsletter. The publication is for all system employees and is geared to inform them of initiatives throughout the system, board actions and other interesting systemwide activities.