Board of Trustees
Meeting Agenda
Wednesday, November 19, 2008
1:00 P.M.

Wells Fargo Place
Fourth Floor, Board Room
30 7th Street East
Saint Paul, MN

Board Policy Decisions

a. Alexandria Technical College Mission Approval (pp. 1-6)
b. Anoka-Ramsey Community College Mission Approval (pp. 7-15)
c. Minnesota State Community and Technical College Mission Approval
(p. 16-21)
d. Minnesota West Community and Technical College Mission Approval
(pp. 22-28)
e. FY 2010-2011 Biennial Operating Budget Request (pp. 29-48)
Cite policy requirement, or explain why item is on the Board agenda:
Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions requires institutions to have new missions approved by the Board. As required by procedure, the institution must indicate:

a. How its mission and vision respond to the definitions in procedure 3.24.1.

b. The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision.

c. Its purposes and the array of awards it offers.

d. How the new mission compares with the former mission.

e. Ample consultation with faculty, students, employers and other essential stakeholders.

Scheduled Presenter(s):
Kevin Kopischke, President, Alexandria Technical College
Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs

Outline of Key Points/Policy Issues:
The proposed vision, mission and purposes of Alexandria Technical College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions. The Higher Learning Commission requires accredited institutions to get approval from their governing boards for new missions.

Background Information:
The mission for Alexandria Technical College has been reviewed and found to meet all Board requirements for institutional missions.
EXECUTIVE SUMMARY

The proposed vision, mission and purposes of Alexandria Technical College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions.

Alexandria Technical College’s vision, mission, purposes and array of awards are:

Vision: To be the premier institution of career preparation and comprehensive lifelong learning by:

- Continuing our heritage of caring.
- Engaging learners as full partners in their educational experiences.
- Valuing our highly trained, professional staff, relevant programs, and state-of-the-art technology.
- Implementing instructional innovation.
- Inspiring learners through an exemplary learning environment.
- Integrating our collaborative learning alliances and partnerships within and beyond Alexandria Technical College.
- Modeling a diverse culture of empowerment, creativity, and innovation as partners in a powerful learning organization.

Mission: Alexandria Technical College provides access to learning – for careers and for life!

Purposes: Alexandria Technical College’s purposes are to:

- Provide exceptional access, opportunity and personal and professional experiences for all learners.
- Provide innovative and visionary leadership statewide, nationally, and internationally within the dynamic marketplace of higher education.
- Champion career and technical education.
- Prepare its people and the organization for changing and dynamic times.
- Design and implement innovative, best-in-class partnerships that support economic development and civic engagement.
Array of Awards: Alexandria Technical College offers the Associate in Applied Science and Associate in Science degrees as well as a variety of technical certificates and diplomas. The college also currently offers access to an AA degree and a Bachelor’s degree on campus through partnerships with state universities.

An institution’s mission, vision and purposes shall support achievement of the system mission and vision: Alexandria Technical College’s mission “provides access to learning – for careers and for life!” supports the system mission by focusing on career and personal skills for students to become productive and supportive members of the life and economies of their communities.

The mission supports the system strategic directions of access to learning through a quality education in support of the communities and surrounding region for Alexandria Technical College.

An institution’s mission, vision, and purposes shall provide a foundation for evaluation, accountability, and regional accreditation: Alexandria Technical College’s vision, mission, and purposes provide a basis for evaluation, accountability, and regional accreditation.

Compliance: Alexandria Technical College’s vision, mission, and purposes are consistent with statute, policy, and regional accreditation requirements.

BACKGROUND

Alexandria Technical College is a public two-year comprehensive technical college that was established in 1961. The college, located 140 miles north of Minneapolis in West-Central Minnesota, functions as an integral part of Alexandria and surrounding communities by providing education and support for students and industry.

ATC received its latest Reaffirmation of Accreditation from the Higher Learning Commission spring of 2008 and is scheduled to have its next Reaffirmation in 2015. The college’s next System Appraisal under the Academic Quality Improvement Program (AQIP) is due in 2011.

Mission, Vision and Purposes Application Analysis

The proposed vision, mission, and purposes of Alexandria Technical College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of System Institutional Missions.

As required by procedure, the institution must indicate:

a. How its mission and vision respond to the definitions in procedure 3.24.1.
b. The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision.
c. Its purposes and the array of awards it offers.
d. How the new mission compares with the former mission.
e. Ample consultation with faculty, students, employers and other essential stakeholders.
Additionally, the institution’s mission must be compliant with statute, policy, and regional accreditation requirements.

Review of Alexandria Technical College’s Mission, Vision and Purposes
Alexandria Technical College’s vision, mission and purposes meet these requirements.

a. **The mission and vision respond to the definitions in the procedure:**

Alexandria Technical College’s mission “provides access to learning – for careers and for life!”, emphasizes that the college focuses on not only technical education for careers but also provides students with life skills and a full learning experience through the following approaches:

- Meet the personal and career goals of a wide range of individual learners by providing open access to both unique and in-demand programs through a variety of formats.
- Enhance the quality of life for all Minnesotans by providing leadership and advocacy.
- Sustain vibrant economies throughout the state by providing a skilled and educated workforce.

The mission for Alexandria Technical College is guided by a vision that reads “To be the premier institution of career preparation and comprehensive lifelong learning.”

Alexandria Technical College envisions a future in which:

- The college will maintain its culture of caring, empowerment, creativity, innovation, and integrity while meeting the emerging demands of students, industry, the system, and higher education.
- The college will evolve with changing demands of stakeholders. It will embrace technology that serves a new generation of students and adjust programming that engages students and embraces the needs of industry.
- ATC’s genuine concern for and empowerment of the individual as a learner or an employee has created a distinctively rich and innovative environment that is difficult to document but readily recognized.

b. **The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision:**

Alexandria Technical College is a regionally accredited institution of higher education that has consistently worked with many other colleges and universities, community organizations, and K-12 schools.

The Alexandria Technical College vision, mission, and purposes are consistent with statute, policy, and regional accreditation requirements. The Alexandria Technical College mission and vision supports the system mission and vision by enabling the people of Minnesota to succeed by
providing accessible, high quality, and high value education through innovative instruction, collaborative partnerships, relevant programs, highly trained staff, and state-of-the-art technology in an exemplary learning environment.

c. **Its purposes and the array of awards it offers:**
Alexandria Technical College’s purposes are:
- Provide exceptional access, opportunity and personal and professional experiences for all learners.
- Provide innovative and visionary leadership statewide, nationally, and internationally within the dynamic marketplace of higher education.
- Champion career and technical education.
- Prepare its people and the organization for changing and dynamic times.
- Design and implement innovative, best-in-class partnerships that support economic development and civic engagement.

The purposes are designed to support Alexandria Technical College efforts to:
- Enable the people of Minnesota to succeed by providing the most accessible, highest value education in the nation by preparing its people and organization for changing and dynamic times through opportunity, leadership, partnership, and advocacy.
- Meet the personal and career goals of a wide range of individual learners by providing exceptional access, opportunity, and personal and professional experiences for all learners.
- Enhance the quality of life for all Minnesotans by providing innovative and visionary leadership statewide, nationally, and internationally.
- Sustain vibrant economies throughout the state by championing career and technical education and designing and implementing innovation, best-in-class partnerships that support economic development and civic responsibility.

Alexandria Technical College offers Associate in Applied Science and Associate in Science degrees, as well as technical certificates and diplomas.

Alexandria Technical College’s primary niche is in serving as a comprehensive technical college that provides exemplary career and technical education. The college serves a broad range of learners with relevant programs, current facilities and technology, highly skilled staff and faculty, and collaborative partnerships. The cornerstone of ATC’s stability and success is its integral relationship with its surrounding communities.

d. **Ample consultation with faculty, students, employers and other essential stakeholders:**
In 2000 the college was accepted into the Academic Quality Improvement Program (AQIP) with the Higher Learning Commission. As part of its preparation, the college reviewed its mission statement, vision, and values. Administration, staff, faculty, students, and the community
engaged in multiple “campus conversations” throughout the process. Two key elements greatly impacted the college’s revised mission statement: 1) the college had experienced significant increase in general education, and 2) all participants called for “customer focused” language to align with the Continuous Improvement focus of the AQIP accreditation process.

The college began using its revised mission statement in 2002.

RECOMMENDED COMMITTEE MOTION

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the Alexandria Technical College vision, mission, purposes, and array of awards as listed in the executive summary.

RECOMMENDED MOTION

The Board of Trustees approves the request by Alexandria Technical College to approve its vision, mission, purposes, and array of awards as listed in the executive summary.
Cite policy requirement, or explain why item is on the Board agenda:
Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions requires institutions to have new missions approved by the Board. As required by procedure, the institution must indicate:
  a. How its mission and vision respond to the definitions in procedure 3.24.1.
  b. The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision.
  c. Its purposes and the array of awards it offers.
  d. How the new mission compares with the former mission.
  e. Ample consultation with faculty, students, employers and other essential stakeholders.

Scheduled Presenter(s):
Pat Johns, President, Anoka-Ramsey Community College
Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs

Outline of Key Points/Policy Issues:
The proposed vision, mission and purposes of Alexandria Technical College meet the criteria identified in MnSCU Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of MnSCU Institutional Missions. The Higher Learning Commission requires accredited institutions to get approval from their governing boards for new missions.

Background Information:
The mission for Anoka-Ramsey Community College has been reviewed and found to meet all Board requirements for institutional missions.
EXECUTIVE SUMMARY

The proposed vision, mission and purposes of Anoka-Ramsey Community College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions.

Anoka-Ramsey Community College’s vision, mission, purposes and array of awards are:

Vision: Anoka-Ramsey Community College is committed to developing articulate, critical and creative thinkers who are responsible contributors to the community.

Mission: Anoka-Ramsey Community College is an open-door, comprehensive higher education institution committed to excellence in teaching and learning. Anoka-Ramsey is committed to responding to the educational needs of its changing communities and to providing opportunities for enhancing knowledge, skills, and values in a supportive learning environment.

Statement of Purpose includes the following:

- Courses leading to these degrees: associate in arts, associate in science, associate in fine arts, and associate in applied science
- College-level, lower-division courses that transfer to four-year colleges and universities
- General education courses that enhance a student’s social, cultural, multicultural, and intellectual knowledge and experiences
- Occupational courses and programs that enable students to acquire and upgrade skills and knowledge leading to employment or re-employment
- General education courses for joint programs and courses for cooperative programs offered by Anoka-Ramsey Community College and other higher education institutions
- Developmental education that enhances the student’s skills necessary for success in college coursework
- Continuing education in the form of credit and non-credit courses and workshops for purposes of gaining employment, advancing professionals, upgrading skills, and addressing training and retraining needs
Comprehensive student development programs, including professional, social, cultural, multicultural, and recreational activities

- Student services that assist students with personal, educational, and career goals
- Community services in the form of cultural forums and lifelong learning opportunities

**Array of Awards:** Anoka-Ramsey Community College offers the Associate in Arts, Associate in Fine Arts, Associate in Applied Science and Associate in Science degrees as well as a variety of technical certificates.

**An institution’s mission, vision and purposes shall support achievement of the system mission and vision:** Anoka-Ramsey Community College’s mission to be “an open-door, comprehensive higher education institution committed to excellence in teaching and learning… committed to responding to the educational needs of its changing communities and to providing opportunities for enhancing knowledge, skills, and values in a supportive learning environment.” supports the system mission by focusing on being an open access institution committed to meeting the needs of a wide range of learners and connected to the communities the colleges serve.

**An institution’s mission, vision, and purposes shall provide a foundation for evaluation, accountability, and regional accreditation:** Anoka-Ramsey Community College’s vision, mission, and purposes provide a basis for evaluation, accountability, and regional accreditation.

**Compliance:** Anoka-Ramsey Community College’s vision, mission, and purposes are consistent with statute, policy, and regional accreditation requirements.

**BACKGROUND**

Led since 1990 by President Patrick Johns, Anoka-Ramsey Community College (ARCC) is unique in being both a metro and rural college. ARCC’s Coon Rapids Campus, serving the north suburban area of Minneapolis/St. Paul, is located 20 miles north of downtown Minneapolis and sits on the banks of the Mississippi River. ARCC’s Cambridge Campus, located 35 miles north of the Coon Rapids Campus, serves a primarily rural area in East Central Minnesota and is situated on the banks of the Rum River. Together, the ARCC campuses serve learners in a nine-county area of the northern Twin Cities and East Central Minnesota. During Fall 2005, 78% of the students were from the College’s service area (Anoka, Isanti, Sherburne, and Chisago counties) and from Hennepin County.

Anoka-Ramsey Community College opened as a junior college in 1965 with 579 students and a single campus. Today, ARCC has more than 10,000 students taking credit classes, approximately 3,400 people taking non-credit offerings, and nearly 800 children and teens taking courses through the College as part of the KID U/College for Kids program. ARCC has grown to encompass two campuses, a training and development center, and several off-site course locations in neighboring communities. As of November 5, 2008, ARCC has 530 employees,
including 124 full-time faculty members, approximately 176 part-time faculty members, 37
management and administrative personnel, and 193 staff members.

When ARCC opened its doors in 1965, it offered the first two years of a four-year degree.
Today, the College offers associate degrees, certificates, customized training, continuing
education, and programs for high school students and youth. To provide students greatly
expanded access to cross-campus programs and services, ARCC is a member of the Metro
Alliance, comprised of the Minneapolis-St. Paul institutions in the System. In 1999, eleven
Minnesota State Colleges and Universities institutions formed the Metro Alliance to coordinate
programs, streamline services, and improve the transfer experience for metro-area students. In
addition to the Metro Alliance, ARCC is partnering with four-year universities to better serve its
surrounding communities.

ARCC’s “portal” program brings four-year degrees and individual upper-division courses to
ARCC campuses. A partnership already exists with Metropolitan State University to offer a BA
in Business Management; St. Cloud State University to offer BS in Special Education (on the
Coon Rapids Campus) and Minnesota State University – Moorhead to offer BS in Special
Education (on the Cambridge Campus). The college is currently exploring future partnership
opportunities with all MnSCU universities.

ARCC also offers its programs and courses through a variety of delivery methods besides
traditional campus-based instruction, including online and interactive television (ITV) delivery
and program replication at other System institutions and extension sites, including area high
schools.

**Mission, Vision and Purposes Application Analysis**

The proposed vision, mission, and purposes of Anoka-Ramsey Community College meet the
criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and
Approval of System Institutional Missions.

As required by procedure, the institution must indicate:

a. How its mission and vision respond to the definitions in procedure 3.24.1.

b. The extent to which the institution will meet expectations of law, how it relates to other
   institutions of higher education, and how its mission, vision and purposes support fulfillment
   of the system mission and vision.

c. Its purposes and the array of awards it offers.

d. How the new mission compares with the former mission.

e. Ample consultation with faculty, students, employers and other essential stakeholders.

Additionally, the institution’s mission must be compliant with statute, policy, and regional
accreditation requirements.

**Review of Anoka-Ramsey Community College’s Mission, Vision and Purposes**

Anoka-Ramsey Community College’s vision, mission and purposes meet these requirements.

a. The mission and vision respond to the definitions in the procedure:
Anoka-Ramsey Community College’s mission to be “an open-door, comprehensive higher education institution committed to excellence in teaching and learning… committed to responding to the educational needs of its changing communities and to providing opportunities for enhancing knowledge, skills, and values in a supportive learning environment” focuses the institution in the following areas:

Anoka-Ramsey Community College is an open-door comprehensive institution of higher learning. This means that the institution will strive to do the following:

1. Serve anyone who can enroll at the college, regardless of academic preparation or degree intent for the purposes of enhancing knowledge, skills and values.

2. Pursue outcomes that:
   - Develop students’ commitment to lifelong learning through clear thinking, effective communication, accepting diversity and ethical decision making
   - Advance excellence in teaching and learning
   - Respond to educational needs to changing communities
   - Provide opportunities for enhancing knowledge, skills and values
   - Provide a supportive learning environment

3. Provide learning experiences that promote:
   - Thinking through reasoning, creating, and reflecting
   - Integrating information with experience and expressing insights
   - Understanding and respecting individuals, and local, regional, national and global concerns
   - Maintaining responsibility for environmental, political, economic, social and personal concerns
   - Provide an educated workforce for our communities and the State of Minnesota

The mission for Anoka-Ramsey Community College is guided by a vision that reads “Anoka-Ramsey Community College is committed to developing articulate, critical and creative thinkers who are responsible contributors to the community.”

Anoka-Ramsey Community College envisions a future in which:

- Due to Anoka-Ramsey Community College’s commitment to its vision, the community served by the college will be greatly enhanced by articulate, critical and creative thinkers who are responsible contributors to the community.

- As community needs change, the articulate, critical and creative thinkers will adjust to change and new ideas will emerge.

- Anoka-Ramsey Community College addresses a distinctive nine-county community that needs advanced-level degree programs close to home. In addition, our articulate, critical, creative thinkers are best served by our unique degree programs.

The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision:
Anoka-Ramsey Community College’s mission supports the following elements of the system strategic plan:

**Increase Access and Opportunity** by focusing in the following areas:

- a. Address educational/support needs of ESL/ELL/EAP students.
- b. Address educational/support needs of veterans.
- c. Develop enrollment projection formula based on data mining and demographics.
- d. Enhanced institutional culture
- e. Evaluate need for support services to facilitate students' achievement.
- f. Excel in student development and support services.
- g. Facilitate student achievement for students with diverse backgrounds/needs/goals by establishing effective policies and procedures.
- h. Increased awareness at the P-12 levels

**Promote and Measure High-Quality Learning Programs & Services** by focusing in the following areas:

- a. Ten new and/or enhanced programs, supportive of the Academic Master Plan, two of which will be new & interdisciplinary in allied health.
- b. A program review process that results in improvement of academic programming.
- c. ARCC will enhance existing career and transfer programs and establish new areas of study that respond to the needs of the community, employers, and the state.
- d. Encourage alternative methods of instruction, e.g., learning communities, technology-enhanced delivery.
- e. Establish & implement a plan for online programs and courses, based on collected data in areas such as student characteristics, enrollment, retention, quality of courses, student satisfaction with courses, and student success.
- f. Develop the best technology to radically improve service/learning delivery, streamlined services and student services.

**Strengthen Community Development and Economic Vitality** by focusing on the following areas:

- b. Stronger community, business and economic relationships.
- c. Faculty will serve on local arts boards, show art in the community, and perform in community music groups.
- d. Stronger community, business, & economic relationships.

The ARCC vision supports the system vision in the following ways:

- **Enable the people of Minnesota to succeed**
  - Anoka-Ramsey Community College provides educational options in a supportive learning environment. The options are career-focused and/or transfer-focused so students have the ability to successfully meet their goals.

- **Provide the most accessible education in the nation**
  - Anoka-Ramsey Community College is an open-door institution offering the lowest tuition in the state of Minnesota.
  - Promoting the college and its many programs is a priority for the institution.

- **Provide the highest-value education in the nation**
- Anoka-Ramsey Community College is committed to developing articulate, critical and creative thinkers who are responsible contributors to the community. The college has award-winning faculty, many of whom are nationally recognized and active in their respective national organizations.

c. Its purposes and the array of awards it offers:

Anoka-Ramsey Community College’s Statement of Purpose includes the following:

- Courses leading to these degrees: associate in arts, associate in science, associate in fine arts, and associate in applied science
- College-level, lower-division courses that transfer to four-year colleges and universities
- General education courses that enhance a student’s social, cultural, multicultural, and intellectual knowledge and experiences
- Occupational courses and programs that enable students to acquire and upgrade skills and knowledge leading to employment or re-employment
- General education courses for joint programs and courses for cooperative programs offered by Anoka-Ramsey Community College and other higher education institutions
- Developmental education that enhances the student’s skills necessary for success in college coursework
- Continuing education in the form of credit and non-credit courses and workshops for purposes of gaining employment, advancing professionals, upgrading skills, and addressing training and retraining needs
- Comprehensive student development programs, including professional, social, cultural, multicultural, and recreational activities
- Student services that assist students with personal, educational, and career goals
- Community services in the form of cultural forums and lifelong learning opportunities

The purposes are designed to advance Anoka-Ramsey Community College efforts in support of the system goals in the following areas:

• Buy-in and continued communication. Widespread understanding of and support for ARCC’s mission are fostered by its regular articulation through documents that reach all constituent groups. During the 1998 strategic planning process, strategic initiatives were created based on a careful consideration of mission documents, and most recently in 2004, strategic objectives were developed in alignment with the mission.

• ARCC has increasingly integrated all planning and budgeting efforts. More than any other effort to date, this has offered a structural and procedural unity around mission. It has helped ensure that mission remains present in the core and corners of the College. Within the circle of ARCC’s vision/mission, the College strategic plan, in particular, drives other planning efforts:
academic, facilities, human resources, technology, enrollment management, marketing, institutional research, Continuing Education and Customized Training, and administrative services.

As evidence of ARCC’s commitment to implement strategic objectives, the College has set aside funding for new initiatives through a process called Strategic Initiative Proposals (SIP). Proposals are reviewed by a representative committee with recommendations forwarded to the President. Between 1999, when this process was established, and 2006, 62 Strategic Initiative Proposal grants have been awarded to ARCC faculty, staff, and administration. Through this process, the College offers and excellent funding source to encourage innovation related to mission in general and to the strategic plan in particular.

Regular committee work and conversations around that work are mission-driven.

Weathering Change.
1) presidential leadership has remained constant through a full accreditation cycle;
2) integrated business practices to keep tuition affordable and the College soundly funded;
3) integrated budgeting aligns goals with expenditures;
4) explicitly defined policies and procedures reflect the College mission;
5) academic programs are sound and taught by well-qualified faculty.

Anoka-Ramsey Community College offers the Associate in Arts, Associate in Fine Arts, Associate in Applied Science and Associate in Science degrees as well as a variety of technical certificates and diplomas.

Anoka-Ramsey Community College is a distinctive organization. The college:
- Provides the lowest tuition and fees among higher education institutions in the State of Minnesota.
- States in its strategic plan, “ARCC is the college of choice for faculty and staff.”
- Successfully meets the needs of two distinctly different populations: urban and rural. However, our service area is anxiously requesting advanced-level degrees within the area.
- Excels as a state-wide leader in online learning and e-student services.
- Offers opportunities for students through service-learning, internships, development, and leadership opportunities.
- Successfully secured and completed the largest number of Minnesota Job Skills Partnership Grants (MJSP) among all of the MnSCU institutions.
- Offers highly-regarded Biomedical Technology, Pre-engineering, Nursing, Fine Arts, Music and Theatre programs.
- Enjoys unique, river settings that help create an inviting campus environment.
- Serves as brokers of higher education for The Minnesota State Colleges and Universities.

The Anoka-Ramsey Community College vision, mission, and purposes are consistent with statute, policy, and regional accreditation requirements.
Ample consultation with faculty, students, employers and other essential stakeholders:

To map our journey, the college community updated Anoka-Ramsey Community College’s strategic plan in 2003-2004. During a six-month planning process, the college involved more than 300 community members, business and industry partners, alumni, K-12 school administrators and counselors, members of ARCC’s foundation boards and advisory committees, students, faculty, and staff in conferences, focus groups, and personal interviews. Participants affirmed the validity of ARCC’s existing vision, mission, values, and institutional goals developed during the college’s 1996-1998 planning process. From this process emerged six strategic objectives – the result of valuable input from you and others whom the college serves.

The strategic plan, Designs for Distinction 2004-2009, calls for ARCC to constantly seek input, evaluate research and programs, and implement programmatic changes that reflect community, workforce, and internal needs. Sometimes the changes strengthen the college’s uniqueness, while other times, the changes strengthen collaboration. But all benefit students.

Anoka-Ramsey is preparing to embark on a process to update its current plan which will include community, student, alumni, and employee conferences; focus groups with the same constituent groups; one-on-one interviews with members in each constituent group; and guidance by a constituent-led steering committee.

The college is also anxious to plan further into the future when the Board of Trustees finalizes their vision for the year 2020.

**RECOMMENDED COMMITTEE MOTION**

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the Anoka-Ramsey Community College vision, mission, purposes, and array of awards as listed in the executive summary.

**RECOMMENDED MOTION**

The Board of Trustees approves the request by Anoka-Ramsey Community College to approve its vision, mission, purposes, and array of awards as listed in the executive summary.
Cite policy requirement, or explain why item is on the Board agenda:
Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions requires institutions to have new missions approved by the Board. As required by procedure, the institution must indicate:

a. How its mission and vision respond to the definitions in procedure 3.24.1.

b. The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision.

c. Its purposes and the array of awards it offers.

d. How the new mission compares with the former mission.

e. Ample consultation with faculty, students, employers and other essential stakeholders.

Scheduled Presenter(s):
Ann Valentine, President, Minnesota State Community and Technical College
Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs

Outline of Key Points/Policy Issues:
The proposed vision, mission and purposes of Minnesota State Community and Technical College meet the criteria identified in MnSCU Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of MnSCU Institutional Missions. The Higher Learning Commission requires accredited institutions to get approval from their governing boards for new missions.

Background Information:
The mission for Minnesota State Community and Technical College has been reviewed and found to meet all Board requirements for institutional missions.
EXECUTIVE SUMMARY

The proposed vision, mission and purposes of Minnesota State Community and Technical College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions.

Minnesota State Community and Technical College’s vision, mission, purposes and array of awards are:

Vision: MSCTC will be a regionally recognized organization focused on and partnering for innovation, learning, and your future.

Mission: MSCTC’s mission is to provide accessible education with vigor and integrity to diverse learners, preparing them for dynamic learning, living, working, and serving.

Purpose 1 Create and deploy an Academic Strategy.
- Coordinate Center for College Readiness.
- Collaborate with regional K-12 partners in education and career ladders.
- Update curricula and programming to reflect regional needs.

Purpose 2 Create and deploy a Marketing Strategy.
- Employ marketing research firm to provide information and marketing strategy ideas.
- Invest resources in marketing strategy.

Purpose 3 Increase diversity in all aspects of MSCTC
- Support retention strategies, particularly for students at higher risk.
- Recruit diverse workforce.
- Provide curricular and co-curricular experiences with emphases on diversity.
- Identify and recruit populations we are currently underserving.

Purpose 4 Seek distinction
- Increase interactions with League for Innovation and NISOD.
- Reward excellent teaching with NISOD distinction.
- Provide current, relevant, supportive technologies for academic, administrative, and service areas.
- Provide faculty training and support for current technologies.
Array of Awards: Minnesota State Community and Technical College offers the Associate in Arts, Associate in Applied Science and Associate in Science degrees as well as a variety of technical certificates and diplomas.

An institution’s mission, vision and purposes shall support achievement of the system mission and vision: Minnesota State Community and Technical College’s mission “to provide accessible education with vigor and integrity to diverse learners, preparing them for dynamic learning, living, working, and serving.” supports the system mission by focusing on accessibility that “enhances the quality of life” for Minnesotans in our region and “sustains vibrant economies” through ongoing workforce development. The mission supports the system strategic directions of access to quality education in support of the communities and surrounding region for Minnesota State Community and Technical College.

An institution’s mission, vision, and purposes shall provide a foundation for evaluation, accountability, and regional accreditation: Minnesota State Community and Technical College’s vision, mission, and purposes provide a basis for evaluation, accountability, and regional accreditation.

Compliance: Minnesota State Community and Technical College’s vision, mission, and purposes are consistent with statute, policy, and regional accreditation requirements.

BACKGROUND

MSCTC officially became a college on July 1, 2003. The College has four campuses: Detroit Lakes, Fergus Falls, Moorhead and Wadena. A business and online service center is located in Perham. The predecessor institution to MSCTC achieved HLC candidacy status in 1969. The college’s last PEAQ evaluation was in 2002-2003; next visit will be due 2012-2013.

Mission, Vision and Purposes Application Analysis
The proposed vision, mission, and purposes of Minnesota State Community and Technical College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of System Institutional Missions.

As required by procedure, the institution must indicate:

a. How its mission and vision respond to the definitions in procedure 3.24.1.
b. The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision.
c. Its purposes and the array of awards it offers.
d. How the new mission compares with the former mission.
e. Ample consultation with faculty, students, employers and other essential stakeholders.

Additionally, the institution’s mission must be compliant with statute, policy, and regional accreditation requirements.
Review of Minnesota State Community and Technical College’s Mission, Vision and Purposes

Minnesota State Community and Technical College’s vision, mission and purposes meet these requirements.

a. The mission and vision respond to the definitions in the procedure:

Minnesota State Community and Technical College’s mission “to provide accessible education with vigor and integrity to diverse learners, preparing them for dynamic learning, living, working, and serving.” focuses the institution on the following areas:

- “Diverse learners” will be served at MSCTC, an inclusive term that refers to ethnicity, learning style, gender orientation, age, economic status, and other human differences.
- MSCTC prepares our students for “dynamic learning, living, working, and serving.” We recognize that our graduates will live in a changing society and economy. We prepare students to respond positively to change in their living and working environments.
- MSCTC provides “accessible education with vigor and integrity.” As noted, we prepare our students for their changing, dynamic work and personal lives.

The mission for Minnesota State Community and Technical College is guided by a vision that reads “MSCTC will be a regionally recognized organization focused on and partnering for innovation, learning, and your future.”

Minnesota State Community and Technical College envisions a future in which:

- The college would be widely recognized as a resource for education and training and would deliver its services in close partnerships with regional businesses, industries, K-12, and other higher education institutions.
- The Moorhead campus continues to grow in concert with economic and residential development in that area. Other MSCTC communities are seeing demographic shifts (smaller K-12 class cohorts). MSCTC envisions itself as an innovative provider of solutions for economic and individual growth, resulting in a bright future for the region. Each campus is developing its service and curricular niche to help MSCTC use resources to the region’s best advantage.
- The College responds to business needs through a highly innovative Customized Training Services unit along with traditional academic programming on the campuses. MSCTC collaborates with a large number of advisory committees who inform the curriculum and often provide equipment or facility partnerships.

b. The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision:
Minnesota State Community and Technical College is a regionally accredited institution of higher education that has consistently worked with many other colleges and universities, community organizations, and K-12 schools.

The MSCTC mission supports the system mission in the following ways:

- Accessibility: MSCTC maintains four campuses in greater Minnesota as well as a robust online presence. This “enhances the quality of life” for Minnesotans in our region and “sustains vibrant economies” through ongoing workforce development.
- Meeting the “personal and career goals of a wide range of individual learners” from the system mission is directly supported by the language in the College mission.

The MSCTC vision supports the system vision in the following ways:

- MSCTC will continue to be accessible to the people of greater Minnesota through the continued development of partnerships and innovative strategies.
- MSCTC seeks distinction (regional recognition) through responsiveness and creative delivery options for the people and businesses of Minnesota.
- Our vision statement’s focus on the future supports the system vision of enabling the people of Minnesota to succeed through education.

c. its purposes and the array of awards it offers:

Minnesota State Community and Technical College’s purposes are:

**Purpose 1 Create and deploy an Academic Strategy.**
- Coordinate Center for College Readiness.
- Collaborate with regional K-12 partners in education and career ladders.
- Update curricula and programming to reflect regional needs.

**Purpose 2 Create and deploy a Marketing Strategy.**
- Employ marketing research firm to provide information and marketing strategy ideas.
- Invest resources in marketing strategy.

**Purpose 3 Increase diversity in all aspects of MSCTC**
- Support retention strategies, particularly for students at higher risk.
- Recruit diverse workforce.
- Provide curricular and co-curricular experiences with emphases on diversity.
- Identify and recruit populations we are currently underserving.

**Purpose 4 Seek distinction**
- Increase interactions with League for Innovation and NISOD.
- Reward excellent teaching with NISOD distinction.
- Provide current, relevant, supportive technologies for academic, administrative, and service areas.
- Provide faculty training and support for current technologies.
The purposes are designed to advance Minnesota State Community and Technical College efforts in support of the system goals in the following areas:

- Advancing a diversity goal in support of the system’s service to “all Minnesotans.”
- Creating an Academic Strategy supports the mission of the system by providing responsive higher education to meet regional needs.
- Creating a Marketing Strategy supports the vision of the system in providing accessible, high quality education. The Marketing Strategy will increase business efficiencies that support innovative, continued delivery of services.
- Seeking distinction supports the system mission statement in that the College is part of the “system of distinct and collaborative institutions” in Minnesota. This also supports the system vision of providing the “most accessible, highest value education in the nation.” MSCTC seeks to provide outstanding education that prepares our students for dynamic lives.

Minnesota State Community and Technical College offers the Associate in Arts, Associate in Applied Science and Associate in Science degrees as well as a variety of technical certificates and diplomas.

Minnesota State Community and Technical College’s primary niche is in giving students who enroll at MSCTC all the advantages of a much larger college on four campuses that offer a comfortable, manageable fit for persons in greater Minnesota. We offer smaller classes, supportive instructors, and strong job placement success. Our Customized Training Services unit responds to the emerging needs of business and industry in the region, customizing curricula to encourage economic growth and retention of good jobs in the region.

The Minnesota State Community and Technical College vision, mission, and purposes are consistent with statute, policy, and regional accreditation requirements.

d. Ample consultation with faculty, students, employers and other essential stakeholders:

In 2005 to 2006 meetings were held with all college and campus employee groups leading to refinement of the strategic plan by administration and faculty division chairs. Discussions were facilitated by one of the College’s instructors from Customized Training Services. The College reviewed Mission and Vision statements in the process of creating a strategic plan.

**RECOMMENDED COMMITTEE MOTION**

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the Minnesota State Community and Technical College vision, mission, purposes, and array of awards as listed in the executive summary.

**RECOMMENDED MOTION**

The Board of Trustees approves the request by Minnesota State Community and Technical College to approve its vision, mission, purposes, and array of awards as listed in the executive summary.
Cite policy requirement, or explain why item is on the Board agenda:
Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions requires institutions to have new missions approved by the Board. As required by procedure, the institution must indicate:

- How its mission and vision respond to the definitions in procedure 3.24.1.
- The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision.
- Its purposes and the array of awards it offers.
- How the new mission compares with the former mission.
- Ample consultation with faculty, students, employers and other essential stakeholders.

Scheduled Presenter(s):
Richard Shrubb, President, Minnesota West Community and Technical College
Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs

Outline of Key Points/Policy Issues:
The proposed vision, mission and purposes of Minnesota West Community and Technical College meet the criteria identified in MnSCU Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of MnSCU Institutional Missions. The Higher Learning Commission requires accredited institutions to get approval from their governing boards for new missions.

Background Information:
The mission for Minnesota West Community and Technical College has been reviewed and found to meet all Board requirements for institutional missions.
EXECUTIVE SUMMARY

The proposed vision, mission and purposes of Minnesota West Community and Technical College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of Institutional Missions.

Minnesota West Community and Technical College’s vision, mission, purposes and array of awards are:

Vision: Minnesota West Community & Technical College provides dynamic, responsive, creative, and quality education to a diverse population in an ever-changing educational, business and cultural environment.

Mission: Minnesota West Community and Technical College is dedicated to serving the varied educational needs of our diverse populations in affordable, accessible and supportive settings.

Purposes: Minnesota West Community and Technical College’s purposes are to:

• Create learning opportunities for the citizens of southwest Minnesota that reflect the rapidly changing demographics of the region.
• Create a campus atmosphere that embraces the needs of the students and encourages the desire for learning both inside and outside of the classroom.
• Create a learning environment that broadens the capabilities of student, staff and faculty by expanding its instructional horizon to include all possible learning tools.
• Collaborate with businesses and communities in southwest Minnesota to identify opportunities for the enhancement of the economy and to provide coordinated political action.
• Secure external funds to maintain high quality and affordable learning opportunities for the citizens of southwest Minnesota.

Array of Awards: Minnesota West Community and Technical College offers the Associate in Arts, Associate in Applied Science and Associate in Science degrees as well as a variety of technical certificates and diplomas.
An institution’s mission, vision and purposes shall support achievement of the system mission and vision: Minnesota West Community and Technical College’s mission “dedicated to serving the varied educational needs of our diverse populations in affordable, accessible and supportive settings” supports the system mission by focusing on affordable educational opportunities provided in supportive and accessible settings.

An institution’s mission, vision, and purposes shall provide a foundation for evaluation, accountability, and regional accreditation: Minnesota West Community and Technical College’s vision, mission, and purposes provide a basis for evaluation, accountability, and regional accreditation.

Compliance: Minnesota West Community and Technical College’s vision, mission, and purposes are consistent with statute, policy, and regional accreditation requirements.

BACKGROUND

In 1945 the Minnesota State Legislature passed the Area Vocational Technical School Enabling Law (Laws of Minnesota 1945, Chapter 304). This legislation marked the beginning of what was to ultimately be called the Minnesota State Technical College System by 1989. The system had several name changes during the 1980’s. In 1985 the area vocational technical institutes were renamed technical colleges. In 1985 the system was configured into 34 campuses and 30 administrative units. Campuses at Canby, Granite Falls, Jackson and Pipestone were consolidated to form one regional college. Southwestern Technical College was officially formed on July 1, 1984. At that time the K-12 boards of Canby, Granite Falls, Jackson and Pipestone entered into an agreement to establish a joint vocational-technical district. Soon after the merger of the four technical colleges (STC) the consolidated colleges moved to credit-based and course based delivery.

In 1991 the Minnesota Legislature passed legislation that merged Minnesota State Universities, Minnesota Community Colleges and Minnesota Technical Colleges, effective in 1995. During this period, the former Worthington Community Colleges (which was primarily a liberal arts college) joined the four technical colleges.

Campus Profiles:

Canby – Located in Yellow Medicine County in a city of 1800 population. The campus was founded in 1965. Programs currently (2008) being offered are: Accounting, Administrative Assistant, Automotive, Dental Assistant, Diesel, Electrician, Liberal Arts, Medical Coding, Wind Energy and Windsmith.

Granite Falls – The campus located in eastern Yellow Medicine County was founded also in 1965. It is located in Granite Falls with a population of 3,100. Current programs are: Accounting, Administrative Assistant, Child Development, Collision Repair, Computer Support, Computerizing Small Business Management, Fluid Power, Information Security, Liberal Arts, Machine Tool, Manufacturing Engineering, Medical Administrative Secretary, Medical Coding,

Jackson – Established in 1964 the campus is in the city of Jackson, population of 3,500. Current programs are: Accounting, Administrative Assistant, Automotive, Computer Engineering Technology, Computer Support, Cosmetology, Electric Utility, Electrician, Emergency Medical Services, Liberal Arts, Medical Administrative Secretary, Medical Coding, Networking Specialist, Power Sports, and Powerline.

Pipestone – Was built on the site of the previous Pipestone Indian Vocational School. The Indian School was founded in 1893. The current campus was founded in 1967. The population of Pipestone is 4,500 in Pipestone County. Current programs are: Accounting, Administrative Assistant, Carpentry I & II, Computerizing Small Business Management, Cosmetology, HVAC, Lamb & Wool Management, Liberal Arts, Massage Therapy, Medical Administrative Secretary, Medical Coding, Nursing Pathway – 1st Year and 2nd Year, Plumbing, Small Business Management.

Worthington – The Junior College was founded in 1936. The population of Worthington is 12,000 and is in Nobles County. Worthington Community College merged with Southwestern Technical College formally in 1997. Historically the Worthington campus offered liberal arts, general education coursework and degrees. Currently liberal arts courses, AA degrees are offered through ITV, onground and online courses through all campuses and locations.

The Worthington campus offers technical programs in: Accounting, Administrative Assistant, Agriculture, Biotechnology, Business, Computer Information, Law Enforcement, Liberal Arts, Medical Assistant, Medical Lab Technician, Networking Specialist, Nursing Pathway 1st Year and 2nd Year, Truck Driver and Web Development.

The four technical colleges and the liberal arts campus now form a comprehensive community and technical college – **Minnesota West Community and Technical College**.

**Mission, Vision and Purposes Application Analysis**
The proposed vision, mission, and purposes of Minnesota West Community and Technical College meet the criteria identified in Board Policy 3.24 System and Institutional Missions, Part 2: Review and Approval of System Institutional Missions.

As required by procedure, the institution must indicate:

a. How its mission and vision respond to the definitions in procedure 3.24.1.
b. The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision.
c. Its purposes and the array of awards it offers.
d. How the new mission compares with the former mission.
e. Ample consultation with faculty, students, employers and other essential stakeholders.
Additionally, the institution’s mission must be compliant with statute, policy, and regional accreditation requirements.

**Review of Minnesota West Community and Technical College’s Mission, Vision and Purposes**

Minnesota West Community and Technical College’s vision, mission and purposes meet these requirements.

a. **The mission and vision respond to the definitions in the procedure:**

Minnesota West Community and Technical College’s mission “dedicated to serving the varied educational needs of our diverse populations in affordable, accessible and supportive settings”, emphasizes that the college focuses on not only technical education for careers but also provides students with life skills and a full learning experience through accessible delivery in supportive settings, which is particularly noteworthy in a rural region that is experiencing significant demographic and economic change.

The mission for Minnesota West Community and Technical College is guided by a vision that reads “Minnesota West Community & Technical College provides dynamic, responsive, creative, and quality education to a diverse population in an ever-changing educational, business and cultural environment.”

Minnesota West Community and Technical College envisions a future in which:

The institution will continue to be responsive, creative in an ever changing environment that includes increasingly diverse population and needs, more electronic means and uses for educational delivery, more measures of accountability, and increasing opportunities for partnerships.

b. **The extent to which the institution will meet expectations of law, how it relates to other institutions of higher education, and how its mission, vision and purposes support fulfillment of the system mission and vision:**

Minnesota West Community and Technical College is a regionally accredited institution of higher education that has consistently worked with many other colleges and universities, community organizations, and K-12 schools.

The Minnesota West Community and Technical College vision, mission, and purposes are consistent with statute, policy, and regional accreditation requirements. The Minnesota West Community and Technical College mission and vision supports the system mission and vision by enabling the people of Minnesota to succeed by providing accessible, high quality, and high value education through innovative instruction, collaborative partnerships, relevant programs, highly trained staff, and state-of-the-art technology in an exemplary learning environment.
Its purposes and the array of awards it offers:

Minnesota West Community and Technical College’s purposes are:

1. Create learning opportunities for the citizens of southwest Minnesota that reflect the rapidly changing demographics of the region.
2. Create a campus atmosphere that embraces the needs of the students and encourages the desire for learning both inside and outside of the classroom.
3. Create a learning environment that broadens the capabilities of student, staff and faculty by expanding its instructional horizon to include all possible learning tools.
4. Collaborate with businesses and communities in southwest Minnesota to identify opportunities for the enhancement of the economy and to provide coordinated political action.
5. Secure external funds to maintain high quality and affordable learning opportunities for the citizens of southwest Minnesota.

The purposes support Minnesota West Community and Technical College efforts to:

- Increase the level of underrepresented students.
- The college will provide services/education to diverse populations.
- The college will expand distance learning opportunities.
- Minnesota West will increase economic opportunities for businesses and communities.
- Minnesota West will secure external funds to maintain affordable learning opportunities.
- The college will improve student retention.

Minnesota West Community and Technical College offers Associate in Applied Science and Associate in Science degrees, as well as technical certificates and diplomas.

Minnesota West Community and Technical College has a profoundly unique role within the system because of the demographics:

- An agricultural setting with abundant natural resources for biofuels, wind energy and traditional farming.
- A population of increasing diverse populations and in some towns 15 or more languages.
- Increasing health care facilities, aging population and health care needs.

Unique Responses

1. The multi-faceted delivery system places Minnesota West 3rd in small colleges in the nation for quality digital educational delivery.
2. New programs in biodiesel fuel and wind energy production are unique.
3. Diversity student programs on five campuses.
4. Online and ITV delivery to a wide range of constituent partners.

5. Partnership with Sanford Health, utilizing hospital facilities.
Ample consultation with faculty, students, employers and other essential stakeholders:

Minnesota West Community and Technical College has had a thorough planning process. Beginning prior to merger advisory committees, partners and constituents had been included in identifying the mission and purposes. In August of 2001 Minnesota West Community and Technical College contracted with the Clements Group (consulting firm) to conduct an extensive strategic planning process which, for the next year, included students, staff, faculty, businesses and industry, and college wide constituents. The result of the process concluded with a revised mission statement, goals, vision and articulated purposes. Group advisory feedback, surveys, interviews and research of relevant demographics were used to reach a comprehensive statement.

RECOMMENDED COMMITTEE MOTION

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the Minnesota West Community and Technical College vision, mission, purposes, and array of awards as listed in the executive summary.

RECOMMENDED MOTION

The Board of Trustees approves the request by Minnesota West Community and Technical College to approve its vision, mission, purposes, and array of awards as listed in the executive summary.
Committee: Finance, Facilities and Technology  Date of Meeting: Nov 19, 2008

Agenda Item: Fiscal Year 2010-2011 Biennial Operating Budget Request

Proposed Approvals  Other  Monitoring
Policy Change  Required by Policy

Information

Cite policy requirement, or explain why item is on the Board agenda: Every other year, as part of the state’s operating budget process, the Minnesota State Colleges and Universities develops a biennial operating budget request. Board Policy 5.9 Biennial and Operating Budget Planning and Administration Including Revenue Fund, Part 3, states that the Board of Trustees shall approve the biennial budget requests and systemwide allocations.

Scheduled Presenter(s): Laura King, Vice Chancellor - Chief Financial Officer
Judy Borgen, Associate Vice Chancellor Budget
Karen Kedrowski, System Budget Director

Outline of Key Points/Policy Issues: The Board is being asked to consider a budget request recommended by the Chancellor that is focused on infrastructure needs, access and affordability, and strategic plan advancements. The request would be financed by two sources of new revenue: increased state appropriation and additional tuition revenue plus reallocation of current resources.

The requested increase in state appropriation totals $126.7 million, with a 4 percent ($222 per year) average tuition increase at the universities and a 3 percent ($122 per year) average increase at the colleges generating an additional $68.0 million for total new revenues of $194.7 million. In addition, the Chancellor is recommending that the System reallocate $20.0 million of existing resources to generate the necessary resources to support a total package of $214.7 million.

Background Information: The development of the biennial operating budget request has been guided by the 2008-2012 strategic plan and the 2009 action plan and tempered by the financial outlook of the State of Minnesota.
BOARD ACTION

FY 2010-2011 Biennial Operating Budget Request

BACKGROUND

Every other year, as part of the state’s operating budget process, the Minnesota State Colleges and Universities develops a biennial operating budget request. The request for the 2010-2011 biennium is due to Minnesota Management and Budget and the Governor on October 15, 2008. The following proposal was submitted for the committee’s consideration at its September 2008 meeting. A public hearing was held on October 8, 2008 at which time campus constituents and the public provided testimony to the committee about the proposal. The committee and the Board will be asked to adopt a final proposal at the Board meeting scheduled for November 18 and 19, 2008. The Minnesota Management and Budget has been apprised of the later date for approval and will accommodate it in their process.

STRATEGIC OUTLOOK

In March 2008, the Board adopted its strategic plan for 2008-2012, Designing the Future, with the following four strategic directions:

1. Increase access and opportunity.
2. Promote and measure high-quality learning programs and services.
3. Provide programs and services that enhance the economic competitiveness of the state and its regions.
4. Innovate to meet current and future educational needs

The following five strategic priorities are included in the adopted 2009 action plan:

1. Reaching the Underrepresented
2. Science, Technology, Engineering, and Mathematics (STEM)
3. Tuition Study and Price of Attendance
4. Succession Planning
5. Workforce of the Future

The development of the biennial operating budget request has been guided by the 2008-2012 strategic plan and the 2009 action plan and tempered by the financial outlook of the State of Minnesota.
I. THE ECONOMIC ENGINE

The Minnesota State Colleges and Universities serve 6,000 employers across the state, providing workforce development opportunities to 151,000 employees each year. The training is tailored to the needs of employers, so employees get exactly the skills they need for the job, with training often provided at the workplace. The System also responds to dramatic changes in the state economy by providing retraining opportunities to displaced workers.

The 34,000 state college and university students who graduate each year make Minnesota work: business owners and teachers, nurses and carpenters, social workers and electricians, journalists and lab technicians, city managers and police officers, accountants and computer programmers and more. Statewide, the colleges and universities contribute to successful communities by providing education and training for:

- More than half of the state’s new teaching graduates;
- 82 percent of the state’s new nursing graduates;
- 89 percent of the state’s law enforcement officers;
- 41 percent of new business graduates;
- 89 percent of new graduates in the construction trades; and
- 9,000 of the state’s “first responders” – those first on the scene when disasters and emergencies strike – each year.

Almost 87 percent of these graduates land jobs related to their field of study within a year of graduation. Of critical importance to the state’s investment in these students is that 83 percent of all graduates stay in Minnesota to work or to continue their education.

Companies of all sizes in every region of the state depend on the Minnesota State Colleges and Universities system to prepare and maintain a qualified workforce, increase workplace productivity and support new business growth. The System's colleges and universities provide career preparation and continuing career education for more Minnesotans than any other organization in the state. The institutions work closely with business and industry to develop and deliver skill-based instruction identified as essential by employers and executives.

There has been a wide range of skill-based instruction provided to business and industry. Training has occurred in advanced packing automation and motion control; environmental and safety issues for the ethanol industry; composite technology; lean manufacturing; Six Sigma; and web offset press and bindery training.

The continuing education component of the System’s efforts to serve training and development needs of the workforce makes training possible through non-credit instruction. The System’s colleges and universities can provide coursework that leads to skill advancement and increased employability. Individuals who enroll in continuing education
are generally seeking skill-upgrades to retain an existing job, improve upon their skills to support a new job or advance in their current position.

There are 47 workforce development centers located throughout Minnesota, with 8 centers located onsite at the System colleges. In fiscal year 2008, System colleges partnered with local workforce development centers and workforce investment boards, as well as business and industry partners, to win $6 million in competitive grants from the U.S. Department of Labor. The four projects funded will increase the number and quality of workers prepared for employment in Minnesota's construction, health care, and energy industries.

The System educates about 382,000 students each year at 32 institutions on 53 campuses in 46 communities across the state; about 242,000 of those students are enrolled in credit-based courses. All economic development regions in the state directly benefit from the education and training provided to the students enrolled in credit and non-credit courses at the System’s colleges and universities. Students enrolled in non-credit courses (approximately 125,000) are predominately individuals in the current workforce. Graph A shows student headcount in credit and non-credit courses by the Minnesota Department of Employment and Economic Development regions.

**Graph A**

**Minnesota State Colleges and Universities**  
**Fiscal Year 2007 Credit and Non-Credit Headcount**  
**By Department of Employment and Economic Development Regions**
Employment in the Minnesota State Colleges and Universities system is spread over 53 campuses in 46 communities across the state. The System is the largest state agency and comprises 38 percent of its workforce. The System is larger than the next three state agencies combined. Over 67 percent of the workforce is employed in communities outside of the Minneapolis-St. Paul metropolitan area. As a significant employer throughout the state, the Minnesota State Colleges and Universities are vital components of local economies.

Faculty members comprise 63 percent of the 19,486 total employees. Staff makes up 34 percent of the total and administrators make up 3 percent. On a full-time-equivalent basis, the total number of employees system wide was 14,903 for fiscal year 2007.

II. SHARED FINANCING RESPONSIBILITY

Measured on a full year equivalent (FYE) basis, enrollment is about 140,000 students per year. The vast majority – 86 percent – of those students are Minnesota residents; however, more than 3,300 students come from other countries.

Full-time students comprise about 59 percent of the total. Undergraduate students make up about 97 percent of all enrollment. The System is the fifth largest system of two- and four-year colleges and universities in the country, based on student enrollment. All of the System’s two-year community and technical colleges have an open admissions policy, which means that anyone with a high school diploma or GED may enroll.

The Minnesota State Colleges and Universities system educates students from diverse academic, financial, cultural, racial and ethnic backgrounds. The colleges and universities educate students who are looking for an opportunity to better their lives and those of their families. The colleges and universities educate students who rank at the top of their class. The System enrolls more students of color than any other higher education provider in Minnesota – close to 33,000 in fiscal year 2007, not including international students. In addition, the System educates more than 20,000 high school students taking college courses through the Post-Secondary Enrollment Options program. About 5,900 students with disabilities were enrolled in fiscal year 2007. Enrollment of women exceeds that of men by 56 percent to 44 percent. The average age of students is 25.4 years. About 35 percent of all students are over age 25.

The colleges and universities offer over 3,900 academic programs that result in a credential—a degree, a diploma or a certificate. These programs are dynamic; from year to year, new programs are created and other programs are suspended or closed in response to declining enrollment or reduced labor market demand. In the past two years, our System has introduced 352 new programs, redesigned 563 programs, and closed or suspended 362 programs. Academic program declines in areas such as agricultural business and management, general sales, merchandising and related marketing operations, business operations support and assistant services, and vehicle maintenance and repair technologies have been offset by new programs in computer software and media applications, computer engineering technologies, nursing, and business administration and management. Almost 60,000 students each year are able to complete part of their education through online course work. The System’s colleges
and universities now offer more than 230 programs completely or predominately online and more than 8,000 credit and non-credit course sections online.

For many years Minnesota has led the nation with a policy of “Shared Responsibility.” The principle behind the policy is that both a public and a private benefit are derived from investment in post secondary education. The state’s policy has been to value the public investment at 2/3 of the cost of the education and the private investment at 1/3 the cost. The policy was expressed both in state funding levels for the System and in the development and administration of the state’s financial aid program.

The state has not been able to fund its commitment to this policy for many years. While the policy statement remains in statute, the funding levels have declined over time. In the last decade, the System has seen revenue from tuition increase faster than state appropriation. Between fiscal years 1997 and 2007, the System saw an overall increase of 3.7 percent in state appropriation per FYE student, while tuition increased 105 percent during that same time period. (Graph B) Tuition has financed the state and student share of inflation.

**Graph B**

**Minnesota State Colleges and Universities**  
**State Appropriation and Tuition**  
**Per Full-Year Equivalent Student**  
**Fiscal Years 1997 to 2009**

Despite increases in tuition and more recent increases in state appropriation, the System’s purchasing power is declining. Between fiscal years 1997 and 2007, actual appropriation and tuition per FYE student increased overall 37 percent ($6,396 to $8,784); when adjusted for inflation, the increase was just 6 percent ($6,396 to $6,801). (Graph C)
The System has responded to the declining purchasing power with aggressive cost controls, cost reallocations and tuition increases. Even with the aggressive cost controls of the past ten years, the increased burden on students has been substantial.

III. AGENT OF CHANGE

The Minnesota State Colleges and Universities system leads public colleges and universities across the nation in the establishment of a very exacting process of strategic planning, goal setting, measurement, and accountability for results. The 2008-2012 strategic plan guides the efforts of 32 colleges and universities and the staff in the Office of Chancellor. An annual action plan is adopted by the Board of Trustees which includes measurable goals with targets for each specific strategy. The goals are then translated to the work plan for the System leadership and measured as part of the annual performance evaluation process.

The Accountability Dashboard is a part of the change that has taken place in the past years. The Dashboard, which has received national attention, allows members of the public access in a transparent, accessible manner to key performance measures for each of the colleges and universities and the System overall. The following ten key performance measures are tied to the four strategic directions within the strategic plan:

Graph C

Minnesota State Colleges and Universities
Total State Appropriation and Tuition Funding Per
Full-Year Equivalent Student
Fiscal Years 1997-2009

The Accountability Dashboard is a part of the change that has taken place in the past years. The Dashboard, which has received national attention, allows members of the public access in a transparent, accessible manner to key performance measures for each of the colleges and universities and the System overall. The following ten key performance measures are tied to the four strategic directions within the strategic plan:
Access and Opportunity
- Percent change in enrollment
- Net tuition and fees as percent of median income

Quality Programs and Services
- Licensure exams pass rate
- Persistence and completion rate
- High quality learning
- Student engagement

Meet State and Regional Economic Needs
- Partnerships
- Related employment of graduates

Innovation and Efficiency
- Innovation
- Facilities condition index

Data is available and displayed on six of these measures, and data collection for a seventh is underway. The remaining three (learning outcomes, partnerships and innovation) are under development and will be completed in 2009. Substantial effort will be devoted to improving these performance measures. For example, each presidential work plan includes strategies to support these measures as well as other priorities of the System’s strategic plan.

IV. PROCESS SUMMARY

It was important that development of the System’s biennial operating budget be a collaborative process between the Board, the Leadership Council, and constituent groups. The development of the 2010-2011 biennial budget request began in May 2008 with a report to the Board regarding a proposed budget development process. All of the System’s constituent groups have participated in multiple discussions concerning the proposal and were invited to propose elements for inclusion. The Leadership Council has been providing oversight and input as the proposal took shape. Information about the biennial operating budget process has been shared with the Board of Trustees at several meetings. Trustee input was also requested in order to frame the request in accordance with the goals of the Board. Most of the colleges and universities and constituent groups submitted items for consideration in the biennial operating budget request.

The state’s most recently released planning estimates for 2010-2011 were considered as the System developed its 2010-2011 biennial operating budget request. The state has estimated, after 2008 legislative session adjustments, a $940 million deficit in the 2010-2011 biennium before consideration of cost inflation. The deficit would increase by an additional $1.04 billion assuming the Minnesota Management and Budget’s initial inflation planning estimate of 1.9 percent increase per year. The state’s economic outlook has a significant influence on
the System’s economic future. Slightly more than half of the System’s general fund is supported by state appropriation. The System moves into the 2010-2011 biennium with a $7.7 million reduction in appropriation as a result of 2008 legislative adjustments. In addition, the System will experience inflationary cost increases. This budget request represents a balanced approach to financing public higher education. It asks the Legislature and the people of Minnesota to invest in students, it asks students to continue to invest in their own education, and it anticipates reallocating $20.0 million in existing resources to fund a share of the inflationary costs and campus initiatives.

V. PROPOSAL

The Board is being asked to consider a budget request recommended by the Chancellor that is focused on infrastructure needs, access and affordability, and strategic plan advancements. The request would be financed by two sources of new revenue: increased state appropriation and additional tuition revenue plus reallocation of current resources.

The requested increase in state appropriation totals $126.7 million, with a 4 percent ($222 per year) average tuition increase at the universities and a 3 percent ($122 per year) average increase at the colleges generating an additional $68.0 million for total new revenues of $194.7 million. In addition, the Chancellor is recommending that the System reallocate $20.0 million of existing resources to generate the necessary resources to support a total package of $214.7 million. (Table 1).

Table 1

<table>
<thead>
<tr>
<th>Minnesota State Colleges and Universities</th>
<th>Fiscal Years 2010-2011 Biennial Operating Budget Request Components</th>
</tr>
</thead>
<tbody>
<tr>
<td>($ in millions)</td>
<td>Request Components</td>
</tr>
<tr>
<td></td>
<td>Inflation</td>
</tr>
<tr>
<td></td>
<td>Tuition Assistance</td>
</tr>
<tr>
<td></td>
<td>Campus Initiatives</td>
</tr>
<tr>
<td></td>
<td>State University Faculty Compensation Special</td>
</tr>
<tr>
<td></td>
<td><strong>Total New State Appropriation Request</strong></td>
</tr>
<tr>
<td></td>
<td>Tuition Assumption: 4% universities; 3% colleges</td>
</tr>
<tr>
<td></td>
<td><strong>Total New Revenues</strong></td>
</tr>
<tr>
<td></td>
<td>Reallocation Commitment</td>
</tr>
</tbody>
</table>
A. **Inflation.** In accordance with the Minnesota Management and Budget guidelines, inflation is assumed at 3 percent each year for total compensation and other operating expenses. Overall, the inflation assumptions incorporated into this budget request total $133.6 million. The inflation costs would be covered by a combination of increased state resources and tuition dollars as follows:

- State appropriation: $58.7 million
- Tuition: $68.0 million. The package assumes a 4 percent ($222 per year) average annual tuition increase at the universities and a 3 percent ($122 per year) average increase at the colleges.
- Reallocation: $6.9 million of existing resources will be reallocated to supplement the amount available to cover inflation.

The inflationary funds would allow the System to invest in its workforce, strengthen its ability to recruit and retain a high quality workforce that delivers exceptional services, and reward exceptional performance.

**Outcomes:**
- The Minnesota State Colleges and Universities system will be able to retain quality employees.
- The Minnesota State Colleges and Universities system will be competitive in recruiting for employees.
- The Minnesota State Colleges and Universities system will continue to pursue efficiencies in other operating areas (i.e., facilities, supplies, utilities, etc.).

B. **Tuition assistance.** The request includes $23.9 million for tuition assistance. The state resources would be used to fund the following tuition assistance programs:

1. **Power of You:** The request includes $5.3 million of state resources to be used to continue the successful program, Power of You (POY), and expand the program to four institutions, two located in the metropolitan area and two located in greater Minnesota. The current POY program provides high school graduates of Minneapolis or Saint Paul public schools, who are residents of Minneapolis or Saint Paul, the chance to attend Metropolitan State University, Minneapolis Community and Technical College or Saint Paul College tuition-free for 2 years or 72 credits. The POY program also provides support services to ensure the academic success of the POY students. The additional state resources would ensure that the tuition assistance and support services continue at the current locations and expanded to new locations.

**Outcomes:**
- Continued tuition assistance and support services for the current programs at Minneapolis Community and Technical College, Saint Paul College, and Metropolitan State University (serving approximately 800 students per year).
• Increased program participation (estimated 300 students in the first year and 750 in the second year) at the four additional institutions.
• Increased support services to ensure academic success.
• Increase in the number of underrepresented students attending college in the target areas.
• POY students will have academic achievement levels at least as high as their non-POY peers.

2. **Part-time student grant program:** The request includes $18.6 million of state resources for a new part-time student grant program. This grant program would be campus-based with grants awarded to financially needy Minnesota resident undergraduate students enrolled in the Minnesota State Colleges and Universities for between 3 and 11 credits per term. A special focus would be on financially needy students who are enrolled part-time and who also work part-time (as these students are most often disadvantaged by the Minnesota State Grant proration formula for part-time students). More detailed information on the part-time student grant program can be found in Attachment 1.

**Outcomes:**
• Provide grant assistance to ensure fair and equitable treatment to needy Minnesota resident undergraduate students enrolled in the Minnesota State Colleges and Universities for between 3 and 11 credits by distributing the same dollar per credit value for each enrolled credit.
• Decrease the drop-out rate for these students by providing more equitable grants. According to the Minnesota Office of Higher Education approximately 63% of the state’s part-time students are enrolled in the System’s two-year institutions. In addition, part-time students at two-year institutions, who did not receive a Pell Grant or Minnesota State Grant, were twice as likely to drop out as those who received an award.

C. **Campus initiatives.** The request includes $26.2 million of state resources to enable the colleges and universities and the System to move forward and make significant progress toward its strategic goals. It is anticipated that 95 percent of the funds will be distributed to colleges and universities. The balance of the funds is needed to support leadership, coordination, data collection, analysis and evaluation of these initiatives. The Chancellor is also recommending that the System reallocate $13.1 million of existing resources to be used for the Workforce 2020 initiatives. The requested funds would support the following initiatives:

1. **Workforce 2020 - $21.2 million**
   - **Healthcare and manufacturing education ($9.0 million):** These are the state’s first- and second-largest industries facing the most critical workforce and skills shortage in the future. The funds would be used to support the following:
     - Increase the number of bachelor’s prepared nurses.
Focus on innovation, patient safety, and program accreditation.
Support students who serve rural Minnesotans.
Address the greater bottleneck – availability of nursing faculty.
Customized skills development for small manufacturing and engineering firms.
Expansion of training programs for low income students and under-skilled, incumbent workers to gain skills in high-tech manufacturing.

Outcomes:
- Increase the number of customized training customers in manufacturing by 15 percent over 2008 by 2012.
- Expand M-Powered to each of six Minnesota regions to reach a total of 600 students by 2012.
- Increase number of bachelor’s prepared nurses through expansion of BSN programs; accelerated program to fast-track students with other degrees and development of two provider-based nursing programs.
- Support students who serve rural Minnesotans through online education for students at a distance and expansion of high cost allied health programs.
- Address the bottleneck of nursing faculty: loan forgiveness program, nursing faculty tuition subsidy, competitive faculty salaries and online masters in teachings.
- Focus on innovation, patient safety and accreditation of programs through: leveraged equipment fund; regional simulation centers; expansion of electronic medical record training (8-14 additional programs; 750+ students); clinical coordination for students and program accreditation subsidy/support.

Science, technology, engineering and math (STEM) education ($9.0 million): The funds would be used to continue support for the following:
- Improve student preparation for college (e.g., bridge programs, K-12 outreach)
- Increase student engagement and success (e.g., undergraduate research opportunities, faculty professional development)
- Increase student knowledge of career opportunities and skill requirements (e.g., internships, curriculum developed in partnership with industry)
- Develop and recruit effective STEM teachers and faculty
- Provide infrastructure for effective STEM education (e.g., leveraged equipment program)

Outcomes:
- Increased success and retention of students in transition to college.
- Increased percentage of students taking college-level STEM courses.
- Increased percentage of students succeeding in introductory, or gateway, STEM courses.
• Increased student election of, and retention of students in, STEM majors.
• Increased percentage of first and second year students who participate in authentic research.
• Increased options for students to become engaged in STEM and related fields.
• Increased number of students who participate in mentorships/internships.
• Increased number of new math and science teacher graduates.
• Increased number of STEM teachers demonstrating content- and pedagogy-rich changes in their courses as a result of professional development opportunities and other professional experiences.
• Increased number, diversity and preparation levels of new teacher/faculty recruits.

  o **Centers of excellence ($2.0 million):** Centers of excellence retain, attract, and engage employers, jobs, students, faculty and partners in strategically chosen instructional areas to address a state or region’s greatest needs. The funds would be used to create two centers of excellence in two critical industry sectors for Minnesota’s future competitiveness:

  o **Agri-industry:** The Minnesota State Colleges and Universities system offers education in over 40 different programs in the fields of agriculture, food, and natural resources; alternative energy; and environmental sciences on 15 college and five university campuses around the state. This center will provide guidance on the development of new programs, articulation, and advancements in the sciences to support Minnesota’s agri-industries.

  o **Biosciences:** This was an area proposed by the Governor as one of the original centers of excellence. It would build on work funded through System initiatives focused on serving the biomedical device manufacturing, biotechnology, renewable energy, and nanotechnology industries and the convergence of technologies between these industries. The Bioscience Center of Excellence will extend and institutionalize activities begun with $1.4 million in one-time funding from the fiscal year 2008 bioscience initiative.

**Outcomes:**

  **Agri-industry:**

  • Fiscal and instructional resources from public and private organizations are secured for developing training and education programs for workforce development. With the goal of receiving $150-300K each year, multiple grant proposals eclipsing $1 million annually will be completed in partnership with state agencies, University of Minnesota, and industry stakeholders.

  • Agri-industry leaders and Minnesota State College and Universities system faculty and staff will update current, and create and promote new multi-institutional education and training programs in Agriculture, Food, and Natural Resource (AFNR) programs. In addition to current college
and university advisory committee meeting input, industry personnel will be invited to provide input and resources for creating one new program each year.

- Three professional development activities offered annually to 200 faculty and staff of AFNR programs to upgrade their technical, program design and management, and/or instructional knowledge and skills.
- Systematic inquiry into the information of the databases of the system to make evidence-based decisions. Queries into the existing annual farm business management education and system databases will be used to inform AFNR programming, and the business management education practices for small business owners and farmers. In addition, the research will demonstrate the economic impact of business owners and entrepreneurs enrolled in programs of the system.

**Bioscience:**

- Students across the system will have access to faculty and industry-driven curriculum that prepare the students to enter the bioscience workplace job-ready. This objective has begun to be addressed by the professional development workshops and digital learning objects library being funded through the fiscal year 2008 bioscience initiative and a $1.0m renewable energy grant from the U.S. Department of Labor leveraged with funding from the bioscience initiative.
- Career pathways will extend from middle-school through graduate-level programs. This objective has begun to be addressed through the development a mobile science laboratory serving K-12 schools in Central Minnesota funded in part through the fiscal year 2008 bioscience initiative and last year's launch of the first regulatory affairs masters degree program in the Midwest by St. Cloud State University. It is estimated the Central Minnesota mobile science laboratory could serve 1,500 students and 50 teachers per year.
- Students and faculty will have access to internship opportunities in industry and research facilities. This objective has already begun to be addressed through the creation of an office of bioscience internships funded by the fiscal year 2008 bioscience initiative.

**Entrepreneurship and small business education ($1.2 million):** There are nearly 500,000 small businesses or sole proprietorships in Minnesota, many of which are currently served by Minnesota State Colleges and Universities’ Small Business Management Education program. As the state continues to see growth in women- and minority-owned firms, entrepreneurship and small business education will be increasingly critical to fueling the state’s innovation economy. Resources are needed to allow greater instructor efforts to recruit, educate and retain small business owners from these populations.

The funds would be used to expand/enhance current programming and establish up to ten new entrepreneurship and business management education
programs that will serve 350-450 new entrepreneurs and small business owners including underrepresented populations. In addition, funds will be used to conduct a market assessment of needs for small businesses to create training and education programs based on emerging trends.

Outcomes:

- Increased number of management and entrepreneurship programs for underrepresented populations of small business owners and entrepreneurs, and individuals with limited access to current programs.
- A diverse cadre of management education instructors who better represent the cultural and ethnicity of the underrepresented populations and business sectors within Minnesota.
- Appropriate curricula and instruction to optimally meet needs of underrepresented populations and students from small businesses with limited access to the current programs.
- A more diverse population of students enrolled in the Minnesota Management Education programs.

2. Capacity building for the metropolitan area - $5.0 million: The $5.0 million of state resources would be used to support the metropolitan area planning initiative to aggressively expand the capacity of Metropolitan State University to provide baccalaureate and graduate education within the metropolitan area.

Outcomes:

- Increased numbers of full-time Resident Faculty.
- Increased numbers of staff to provide direct service to students in critical areas: recruitment, academic advising, academic support, financial aid, registration services, and disability services.
- Increased numbers of staff to provide direct services to students in online learning, graduate programs, and information technology.
- Increased numbers of staff in over-stretched, critical infrastructure areas such as human resources and financial management.
- Provide a full staffing complement to support co-location with Minneapolis Community and Technical College: academic advisors, testing services, disability services, financial aid, and admissions recruiters.
- Expand leased instructional and office space, pending permanent construction of additional state-owned facilities.
- Construction of a Science/Health Sciences Center in St. Paul.
- Property acquisition and pre-design work for construction and renovation of additional state-owned facilities.
- Explore development of affordable housing options for Metropolitan State students.
D. **State university faculty compensation special.** The request includes $17.9 million to further the System’s efforts to improve the relative competitiveness of the base salaries of university faculty in order to improve the System’s ability to attract and retain outstanding faculty. Any salary increase will be the product of good faith collective bargaining in which the state universities will continue its efforts to develop a work environment that facilitates the delivery of high quality, high value educational opportunities that our students expect.

**Outcome:**
- The Minnesota state universities will be able to remain competitive in the recruitment of outstanding faculty. The rate of successful searches should remain constant and/or improve to meet the increasing demands in higher education.

The tuition assumption in this request is predicated on receipt of the full $126.7 million in requested new state appropriation resources. The tuition assumption incorporated into this request recognizes the Chancellor and Board’s interest in limiting the growth of tuition rates. If state resources are appropriated in an amount other than the request, the Chancellor would return to the Board after the conclusion of the legislative session for additional discussion regarding tuition.

**VI. SUMMARY**

The 2010-2011 biennial operating budget request is dedicated to supporting the System’s infrastructure and advancing the strategic plan. This biennial operating budget requests adds an additional $126.7 million (9.3 percent increase) of state appropriation to the System’s current base of $1,363.4 million for a 2010-2011 biennium total appropriation of $1,490.1 million. (Table 2)

**Table 2**

<table>
<thead>
<tr>
<th>Minnesota State Colleges and Universities</th>
<th>Fiscal Year 2010-2011 Biennial Operating Budget Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>($ in millions)</td>
<td>Fiscal Years 2010-2011 Percent Change</td>
</tr>
<tr>
<td>Base Appropriation</td>
<td>$1,363.4</td>
</tr>
<tr>
<td>Appropriation Request</td>
<td>$126.7 9.3%</td>
</tr>
<tr>
<td>Total Fiscal Years 2010-2011</td>
<td></td>
</tr>
<tr>
<td>State Appropriation</td>
<td>$1,490.1</td>
</tr>
</tbody>
</table>
VII. RECOMMENDED COMMITTEE ACTION

The Finance, Facilities and Technology Policy Committee recommends that the Board of Trustees adopt the following motion:

RECOMMENDED MOTION:

The Board of Trustees is committed to providing high-quality, accessible education at all Minnesota State Colleges and Universities. The Board strongly urges the state of Minnesota to support the Minnesota State Colleges and Universities 2010-2011 biennial operating budget request as illustrated in Table 2. This budget request builds in a modest tuition increase that supports the Board of Trustees’ interest in affordability and accessibility. The Board of Trustees is committed to providing the System’s colleges and universities with the ability to generate sufficient financial resources to provide a quality and competitive education to the learners of today. Final tuition decisions will be made at the conclusion of the 2009 legislative session.

The Minnesota State Colleges and Universities’ Board of Trustees approves the final 2010-2011 Minnesota State Colleges and Universities biennial operating budget request for transmittal to the Minnesota Management and Budget. The Chancellor is requested to provide periodic updates on the progress of the budget through the executive and legislative branch review and approval process.

Date Presented to the Board: November 19, 2008
Attachment 1
Part-time Student Grant Program

WHAT:

The Minnesota State Colleges and Universities is seeking funding for the creation of a campus-based grant program to provide assistance to financially needy Minnesota resident undergraduate students enrolled in the Minnesota State Colleges and Universities for between 3 and 11 credits who either work part-time or are dependent students from lower income families.

WHY:

These students are currently eligible for financial assistance under the Minnesota State Grant Program. The Minnesota State Grant is intended to work in tandem with the federal Pell Grant. However, a flaw in the State Grant calculation formula causes these students to be treated inequitably:

-- **a student who doesn’t work (or a dependent student whose parents don’t work)** and who is eligible for a Pell/State Grant at a full-time level of enrollment will receive a **proportionally** lower Pell/State Grant as their enrollment level decreases – that is, at an enrollment equal to 80% of full-time (12 credits), they will receive 80% of a full-time Pell/State Grant; at an enrollment level equal to 60% of full-time (9 credits), they will receive 60% of a full-time Pell/State Grant, etc. This proportionality extends all the way down to 3 credits (20% of full-time).

-- **a student who works part-time (or a dependent student whose parents work at low income levels)** but still shows financial need and is eligible for a Pell/State Grant at a full-time level of enrollment will receive a **disproportionally** lower Pell/State Grant as their enrollment level decreases – that is, at an enrollment equal to 80% of full-time (12 credits), they may receive between 46%-73% of a full-time Pell/State Grant; at an enrollment level equal to 60% of full-time (9 credits), they may receive between 5%-46% of a full-time Pell/State Grant; and at any lower enrollment level they may receive between 30% and nothing.

The result is that the dollar value per credit decreases as credit load decreases. The two examples below show the impact of the current method of awarding a state grant compared to the proposed grant program. As a point of clarification, the examples below exclude the impact of a Pell grant. It is acknowledged that Pell impacts the level of State Grant and the same principle would apply to the State Grant for students who have both a Pell grant and a State Grant.
### Example 1: Single parent, 2 children, income = $52,500, attending a Twin Cities Community College (calculated using the Financial Aid Estimator on the Office of Higher Education website)

<table>
<thead>
<tr>
<th>Enrollment Level (credits)</th>
<th>Current State Grant</th>
<th>State Grant (if pro-rated @ $140/cr)</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>$ 2,098</td>
<td>$ 2,098</td>
<td>$ -</td>
</tr>
<tr>
<td>14</td>
<td>$ 1,708</td>
<td>$ 1,680</td>
<td>$ 252</td>
</tr>
<tr>
<td>13</td>
<td>$ 1,324</td>
<td>$ 1,540</td>
<td>$ 994</td>
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<tr>
<td>12</td>
<td>$ 935</td>
<td>$ 1,238</td>
<td>$ 745</td>
</tr>
<tr>
<td>11</td>
<td>$ 546</td>
<td>$ 1,820</td>
<td>$ 496</td>
</tr>
<tr>
<td>10</td>
<td>$ 162</td>
<td>$ 1,400</td>
<td>$ 1,238</td>
</tr>
<tr>
<td>=&lt; 9</td>
<td>$ -</td>
<td>$ -</td>
<td>$1,260 to $480</td>
</tr>
</tbody>
</table>

### Example 2: Dependent student, two parents, 3 children, 2 in college, income = $62,500, attending a Twin Cities Community College (calculated using the Financial Aid Estimator on the Office of Higher Education website)

<table>
<thead>
<tr>
<th>Enrollment Level (credits)</th>
<th>Current State Grant</th>
<th>State Grant (if pro-rated @ $116/cr)</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>$ 1,740</td>
<td>$ 1,740</td>
<td>$ -</td>
</tr>
<tr>
<td>14</td>
<td>$ 1,350</td>
<td>$ 1,624</td>
<td>$ 274</td>
</tr>
<tr>
<td>13</td>
<td>$ 966</td>
<td>$ 1,508</td>
<td>$ 542</td>
</tr>
<tr>
<td>12</td>
<td>$ 577</td>
<td>$ 1,392</td>
<td>$ 815</td>
</tr>
<tr>
<td>11</td>
<td>$ 188</td>
<td>$ 1,276</td>
<td>$ 1,088</td>
</tr>
<tr>
<td>10</td>
<td>$ -</td>
<td>$ 1,160</td>
<td>$ 1,160</td>
</tr>
<tr>
<td>=&lt; 9</td>
<td>$ -</td>
<td>$ -</td>
<td>$1,044 to $348</td>
</tr>
</tbody>
</table>

**HOW:**

This inequity results from the unique way that the Office of Higher Education calculates awards for less than full-time students:

-- For financial aid purposes “need” is defined as:
  Cost of attendance (tuition and fees plus living and other expenses)
  minus
  an Expected Family Contribution (EFC)
For financial aid programs other than the Minnesota State Grant, the cost of attendance and the EFC are normally calculated at a full-time enrollment level and then adjusted proportionally downward to account for less than full-time enrollment.

For Minnesota State Grant, the cost of attendance is adjusted proportionally downward for less than full-time enrollment, but the EFC is not.

The net effect is that Minnesota State Grants for part-time students are disproportionately reduced for any student who has a positive EFC (i.e. working students). A pro-rated approach would distribute the same dollar per credit value for each enrolled credit.

Research by the Minnesota Office of Higher Education indicates that during the period 2002-2006 part-time students at two-year institutions who didn’t receive a Pell Grant or Minnesota State Grant were twice as likely to drop out as those who received an award.

This grant program is intended to provide the system’s financial aid offices with a tool to use to redress this inequitable treatment. It parallels a Part-Time Student Grant program that the State operated from 1977-1993. In 1994 this Part-Time Grant was folded into the main State Grant program. Since then the Minnesota Association of Financial Aid Administrators and the Minnesota State Colleges and Universities Student Associations have made repeated attempts to persuade the State (Higher Education Coordinating Board, Higher Education Services Office, Office of Higher Education) to remedy this flaw in the grant formula.

**WHO:**

According to the Minnesota Office of Higher Education approximately 63% of the State’s part-time students are enrolled in the Minnesota state colleges. Another 12% are enrolled in the Minnesota state universities. The remaining 25% is distributed fairly evenly among the University of Minnesota, the Private not-for-profit, the Private for-profit, and the Private for-profit on-line sectors.

The Office of Higher Education has produced projections in the past that estimate the cost of making this change to the State Grant program at approximately $24 million per year. The Minnesota State Colleges and Universities system enrolls 75% of the State’s part-time students; 75% of $24 million is $18 million. We have adjusted that amount slightly upward to reflect inflation since the original cost estimates were produced.