

MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD OF TRUSTEES RETREAT MINUTES NOVEMBER 8-9, 2005 HUMANITIES EDUCATION CENTER ST. PAUL, MINNESOTA

Trustees Present: Robert Hoffman, Chair, Will Antell, Duane Benson, Michael Boulton, Cheryl Dickson, Ivan Dusek, Ruth Grendahl, Carol Ley, Lew Moran, David Olson, David Paskach, Thomas Renier, Christopher Schultz and Ann Curme Shaw

Trustees Absent: Clarence Hightower

Tuesday, November 8, 2005

1. Convene Retreat

Chair Robert Hoffman convened the retreat at 6:45 p.m. by welcoming and thanking everyone for coming. He explained that the purpose of the retreat is for the Board to review and discuss the recommendations from the Ad Hoc Work Group on Strategic Planning and to approve a framework for the next strategic plan.

Chancellor McCormick also welcomed everyone. He recounted the steps involved in creating the system's first strategic plan, *Designing the Future*, which the Board approved in June of 2002. The directions and goals in the plan came from listening to the voices of the people of Minnesota and considering the recommendations in *Access to Success*, a report released in April of 2002, by the Citizen's Advisory Commission.

2. Panel Presentations and Discussion

Senior Vice Chancellor Linda Baer introduced the presidents' panel: Anne Weyandt, Anoka Technical College; Richard Davenport, Minnesota State University, Mankato; Kevin Kopischke, Alexandria Technical College; and Judith Ramaley, Winona State University. Each president will present a case study of an example of how their campus is positioning itself for the future.

President Kopischke explained how Alexandria Technical College's Center for Automation and Motion Control became the premier provider of basic and advanced manufacturing automation research and education for the state of Minnesota. Today, the Center is sought out by national and international partners to provide automation education for a wide array of manufacturers. President Kopischke reviewed the challenges and steps that the college took in building the program.

President Weyandt described a partnership that developed between Anoka Technical College and the Anoka-Hennepin School District 11 that resulted in the Anoka STEP experience. It is the nation's first K-14 educational pathway for hands-on, applied learners, and came about because of a need to align rigorous academic coursework at the

high school and technical college level with existing and emerging industry workforce needs. In the northwest metropolitan region, there is student demand and industry need for trade or technical careers.

President Davenport explained why and how Minnesota State University, Mankato is positioning its curriculum to prepare its students for internationalization, or globalization. He cited Thomas Friedman's book, *The World is Flat*, and research from the Center for Strategic and Internal Studies, as two examples of why higher education needs to redesign its educational programs to better prepare graduates for international challenges. The CSIS identified seven revolutions and forces that will affect the world as early as 2025, ranging from diseases of epidemic proportion and technology advances beyond most people's imagination to increased terrorism around the globe and undefined global leadership. Minnesota State University, Mankato has adopted internationalization as one of its strategic priorities. Disparate international initiatives that had been loosely organized on the campus are now housed in a new Office of International Affairs. President Davenport acknowledged other initiatives such as future educational experiences for students are in their infancy.

President Ramaley presented a study on why and how Winona State University embarked on transformational change to position the university for the 21st Century. She listed several critical issues that affect postsecondary institutions' ability to be responsive to a complex and changing environment. The cost of higher education has put it out of reach for many segments of our population. Raising tuition, and not making changes in campus operations, cost structure and academic programs to make them more financially viable, cannot be sustained. President Ramaley stated that it is time to practice the three "R's" of revenue enhancement, restructuring and cost reduction, while at the same time improving the quality of education. After two years of planning, the 21st Century University expansion phase is underway. The University for the 21st Century will prepare students to be intentional or lifelong learners.

Senior Vice Chancellor Baer facilitated a discussion on identifying barriers to the system's ability to be flexible and responsive in a rapidly changing environment. Some barriers that were mentioned included tenure, real estate, credit hours, budgeting and financing. Chancellor McCormick concluded the discussion by asking members to think about how the system responded to the Governor's Centers of Excellence initiatives. He also reminded them of the Citizens League report on higher education. He predicted that 80 percent of the students in Minnesota will need to have at least two-years of college education to meet workforce demands. He also noted that the Board has the authority to allocate money, and that the faculty at two-year colleges does not have tenure.

The evening discussion recessed at 8:40 p.m.

Wednesday, November 9, 2005

3. Welcome and Overview of the Day

Chair Hoffman reconvened the retreat at 8:10 a.m. The purpose of the retreat is to get the Board's input on the strategic directions and to approve a framework for a new strategic plan. He acknowledged the efforts of Trustee David Paskach and Senior Vice Chancellor Baer on their work with the Ad Hoc Work Group on Strategic Planning, and thanked the members: Trustees Duane Benson, Ruth Grendahl, Lew Moran, Christopher Schultz, and Ann Shaw; and Presidents, Richard Davenport, Kevin Kopischke, Judith Ramaley and Anne Weyandt, and Vice Chancellors Laura King, Ken Niemi and Bill Tschida.

Chair Hoffman also thanked Chancellor McCormick for his visionary leadership, and explained that in July 2001, when Chancellor McCormick officially joined the system, he brought the Board a work plan for approval. Between the time that the Board hired him in December 2000, and his official arrival in July 2001, Chancellor McCormick had already spent hours with board members and presidents and staff and others on creating a work plan. He has presented the Board with a work plan each year since that first one was approved in July 2001. One year later, in June of 2002, the Board approved *Designing the Future*, the system's first three-year strategic plan, and it provided the foundation for work group.

Chancellor McCormick commented that he has been thinking of the work before the Board in considering a new strategic plan, and that he is reminded that the system educates 62 percent of all the undergraduates in Minnesota. He cited three things that Board members may want to think about in their discussions on strategic planning. Higher education has competition unlike any seen before and it consists of a new group of institutions that are nimble. India and China are educating engineers and scientists to meet demands throughout the world. The United States cannot afford to fail – our population needs two years of higher education to succeed. Chancellor has concerns about the pipeline of students. Lastly, the Board has to made decisions about where there will be campuses. What will happen to fast growing corridors such as that along Highway 169? If 80 percent of Minnesota's students would need a two-year degree, then the system would be over capacity.

4. Setting the Stage: Recap of Work on Strategic Plan to Date

Senior Vice Chancellor Baer and Trustee David Paskach reviewed the process used by the Ad Hoc Work Group on Strategic Planning. The recommendations from the Ad Hoc Work Group are presented today for the Board's consideration. Trustee Paskach noted that the outcome for today's retreat is to find consensus on the strategic directions and to agree on a framework with measurable outcomes.

There was a discussion about the definition of success and how to measure it? Can you measure levels of success? Trustee Olson noted that one way to measure it is through the Chancellor's review but that it should delve deeper. Vice Chair Shaw commented that

success also can be measured through the Board's assessment, something that the Board has yet to do. She continued that she and Chair Hoffman received information from the Association of Governing Boards of Universities and Colleges on a board assessment, and that she will be leading a group to plan one for next year.

Trustee Paskach observed that the system's current report card is too big. The company he works for can display its strategic measurements on a half-sheet of paper. He continued that the Board's challenge is to be very specific on goals and to develop a report card that all Minnesotans can read. Trustee Paskach urged the Board to be specific, measurable, attainable, realistic and tangible, (SMART), in goal setting. He continued that the Board does not have conversations about educating 80 percent of our students, but if they would that it would be a conversation about taking risks, and that it would be a worthy discussion.

5. Review Mission, Vision and Purposes

Vice Chair Shaw introduced the discussion on mission, vision and purposes. She read the vision statement first:

The Minnesota State Colleges and Universities will challenge learners to achieve their full potential by providing them with the most accessible, highest value, teaching and learning in the nation. The System of distinctive and collaborative institutions will be recognized as a leader in the creation, application and dissemination of knowledge to enhance Minnesota's quality of life and build sustainable communities.

Trustee Shaw also read the mission statement:

Our mission is to provide Minnesota with accessible, high value, innovative higher education, relevant research, and community service that result in:

- Contributing empowered people who are active participants in a democratic society,
- Educated skilled and adaptable workers and innovative lifelong learners prepared to succeed in a global marketplace, and
- The application of practical research and development that creates successful communities and a vibrant economy.

Trustee Moran commented that the system defines what we do differently than the University of Minnesota. Can the system define itself by what it does? Trustee Benson noted that the University of Minnesota said they are going to be one of the three research institutions in the country. Senior Vice Chancellor Baer explained that the vision is taken from Minnesota State Statutes. Trustee Renier noted that vision and mission paraphrase each other. Trustee Dusek did not like the phrase "full potential" because the term may exclude some individuals. Trustee Boulton suggested "serving Minnesota to ready the future workforce." Trustee Olson commented that he believes that if you an

insert another name into the mission and it can still be read that it does not work. The mission should state what it is that sets the system apart from others? Asked what makes the system different, board members listed the following attributes:

- made up of two year and four year institutions
- accessible
- career pathways, programs
- open access
- affordability
- owned, controlled, managed and created by people of Minnesota
- educates 80 percent of nurses
- educates Minnesota, we make it work

Trustee Renier asked if there is a phrase that could capture the relationship between a campus and its community because that is another attribute that sets the system apart. Chair Hoffman commented that Waseca changed after the University of Minnesota closed its campus there. There was a discussion about the system's role, or not, in building communities. Trustee Olson noted that he believes the system does not build communities, but that it is part of the fabric of a community.

Chancellor McCormick observed that the system has regional responsibility like no other higher education entity in the state. Trustee Olson noted that the system is set apart also because no other institution offers the number of majors and options that the system does. President Weyandt added that the system is the only institution in the state that is looking at making structural changes to plug the holes between P-12 and higher education.

Vice Chair Shaw asked the members for any comments on the guiding principles. Trustee Dickson proposed using "drive" or "encourage" rather than "embrace innovation."

Trustee Paskach said the ideas and suggestions from board members are valid and would be taken into consideration by staff in drafting a revised and concise vision statement and a more unique mission statement.

6. Strategic Direction Four: Create the Capacity for Innovation

Trustee Paskach introduced Strategic Direction Four: Create the Capacity for Innovation. The Board members were asked to consider four alternate descriptions for this direction:

- Innovate to remain Minnesota's best value in higher education throughout the 21st Century
- Innovate throughout the system to stimulate transformation change
- Through innovation, enlarge system capacity for transformational change
- Innovate to lead the nation in transformation change in higher education

Trustee Olson stated that the system cannot make someone innovate, rather it can create an atmosphere for innovation to occur, but that there are barriers. Chair Hoffman agreed that the system creates the environment for innovation. The environment should include support, financial and otherwise. Vice Chair Shaw added that the Board takes an active role by allocating resources to create an environment for innovation.

Trustee Paskach asked members if there was interest in having a goal that would be to remove the barriers for innovation. Responding to a question about the definition for innovation, Trustee Paskach defined it as to make something better; to improve it; change it. Vice Chair Shaw added that it would be change for student success or student improvement; or a better way to reach student success.

Trustee Renier commented that the term “best value” conjures up discount higher education. Trustee Paskach remarked that “value” is the one word he has fought for over the past six months in discussions with the Ad Hoc Work Group because if you are delivering a service then you need to do it as cheaply as possible. He continued that cheapest does not win out, but that best value wins out all the time. To build a culture where people want to change, the allocation model could be built to reward those behaviors.

Trustee Dickson noted that teacher training could be improved, and she questioned if a president had any ideas for creating another way to train teachers? President Davenport replied that it was a challenging question. A younger faculty would be open to a new model for teacher education, but before that could happen, the curriculum would have to be reformed. Programs are reviewed every five years, but in the meantime there is a commitment to getting students through a program they have signed up for before phasing out a program.

President Barden noted that it is the Board of Teaching that licenses teachers, and that while there is criticism of teacher preparedness, it is the Board of Teaching that should be held accountable. The Governor appoints the Board of teaching. Trustee Dickson added that this is an example of an external barrier that affects the system yet the system has no control over it. Trustee Moran offered that if the goal is to demonstrate quality then it is up to us to prove to the regulatory body that approves the programs that we have improved or are the same.

Trustee Paskach stated that to remove barriers that reward the ones that make the effort to innovate another goal then would be to “reward innovation and remove barriers that achieve excellence in education.” Vice Chair Shaw said that the Centers of Excellence are examples of one way to reward innovation. Trustee Benson wondered about whether the word “innovate” talks about “improving,” and whether “new opportunities, new this, new that” really don’t mean “better.”

There was consensus in adding a fifth strategic direction “to remove barriers and create an environment that fosters innovation.”

There was a discussion about creating a think tank to drive change within the system. The allocation formula also could be a tool to drive change. Presidents and faculty could be asked to identify barriers. Trustee Benson commented that the Board could take on the role of driving change, but that it currently is not organized this way. The Board could have discussions about transfer or other student issues. Trustee Olson noted that he would prefer to discuss big policy issues rather than hear committee reports on functions that he knows staff is taking care of.

Trustee Benson stated that the board structure is a barrier, and there was agreement among the members. He continued that the Board does not discuss big policy issues such as where are we going, what are we doing and who is going to get us there? Trustee Olson remarked that one of the positive things that came out of the last retreat were the major topic discussions that the Board has had on Wednesday mornings. Trustee Dickson commented that one model that she has read that does not work is when the board mimics the work of the staff, and that is what is happening. She agreed that there needs to be a realignment of the work of the Board, but there also has to be a way to stay in touch with what is going on. Trustee Olson suggested forming committees around each of the strategic directions. Chancellor McCormick suggested two other areas for committees might be futures and barriers, and he continued that the Board does not spend enough time on these issues. Vice Chair Shaw suggested a board meeting with four or five committees; one on innovation, another on access and another yet on access and opportunity. There were differing opinions on whether or not board members should serve on a barriers committee, with the majority expressing that the strategic body should be on the barriers committee.

Trustee Moran commented that he did not think that the committee needed to be reorganized, but rather redirected. Trustee Benson offered that he thinks the board is currently revolved around activities rather than policy formation and that they ought to be setting more policy. Trustee Renier agreed that the Board’s time could be better spent. Trustee Olson agreed as well commenting that the board meetings, two days, once a month, are excessive, and that the Board’s time could be structured to be more productive.

Trustee Dickson noted that the board processes have been evolutionary and that this discussion is evidence of the Board moving to another level. She recalled that there was a time when the Board packet was three inches thick. Trustee Olson suggested the formation of a task force to look at our whole governance model. Chair Hoffman replied that it will be named in January. Vice Chair Shaw commented that one goal is to work with the Association of Governing Board of Universities and Colleges to do a Board assessment.

7. Strategic Direction One: Improve Access and Success

Trustee Benson introduced Strategic Direction One: Improve Access and Success, and reviewed the goals. Funds for underrepresented students, improved retention, placement, and postgraduate and student follow-up were discussed and added to goal 1.1. Affordability, debt burden (whether students graduate or not), funding, pipeline, preschool and on, and pathways to encourage students were discussed in 1.2. Working with communities of color could be goals in either 1.1 or 1.3. Teacher education, advanced opportunities such as post-secondary enrollment options, high school drop-out rates, and enriching the 11th and 12th year were discussed for 1.3. Working with part-time students and passport issues also were mentioned and the need to address the state scholarship program was added to 1.2.

8. Strategic Direction Two: Promote and Measure High Quality Learning

Trustee Moran introduced Strategic Direction Two: Promote and Measure High Quality Learning. An assessment of low quality programs, global standards, Academic Quality Improvement Process Assessment (AQIP), measures for those who do not graduate, the Higher Learning Commission (HLC) and specialized disciplines, lag in measurement of quality and PEAK were discussed under goal 2.1.

Also discussed under goal 2.1 were that the system needs to be more nimble, that quality should be defined before it can be measured, and to find a way to evaluate faculty.

Skills needed for the 21st century, competency based education, communication, computation, and problem solving were discussed under goal 2.2. Consideration of having core competency requirements for all system graduates was discussed as another goal. Reading, writing and ready to work, guarantee range of measurable standards, and shared expectations between the responsibilities of students and institutions were also mentioned.

9. Strategic Direction Three: Engage in Economic Development and Community Vitality

Trustee Grendahl introduced Strategic Direction Three: Engage in Economic Development and Community Vitality. She distributed excerpts from a presentation entitled, *Profile of Midwest Employment by Major Industry, 2005*, that was prepared by Richard W. Judy, Workforce Associates, Inc., and presented at the Midwestern Education to Workforce Policy Initiative: Seamless Development of Talent for the 21st Century Conference in late October. The presentation profiled employment trends in the Midwest in 2005 and projected the trends for 2025, and the three top major industries were services, retail trade and manufacturing. A profile of median earnings by education and ethnicity for 2003 indicated that those with higher education had higher salaries. Trustee Grendahl also distributed population growth data showing that from 1990 to 2000 Minnesota's population grew by 12.4 percent, while the United States as a whole grew by

13.2 percent. Hispanics lead the population growth in Minnesota at 24.5 percent between 2000 and 2004.

There was a discussion about the system's role in strengthening community development and economic vitality. Some members felt that this direction was redundant in that it was addressed in the other directions. Other members commented that the challenge would be in figuring out how to measure it. Senior Vice Chancellor Baer explained that the Gap analysis tool could be used to measure activity in customized training and work force development. It could look at regional disparity, too.

10. Action: Approve the Framework for the Strategic Plan

Trustee Paskach commented that this has been one of the richest discussions he has had since joining the Board. He continued that staff will revise the strategic directions to reflect the Board's suggestions and present a draft strategic plan at the December meeting.

11. Next Steps: November – January

Chair Hoffman announced that beginning in January, Vice Chair Shaw will steer an ad hoc committee of trustees to prepare for a board assessment and a new process for the Board that will be in place by July 1.

Senior Vice Chancellor Baer summarized the next steps. The strategic directions will be revised to include the Board's suggestions. A draft of the strategic plan will be presented at the December meeting.

12. Adjournment

Chair Hoffman adjourned the retreat by consensus at 3:10 p.m.

Ingeborg K. Chapin
Secretary to the Board