

**MINNESOTA STATE COLLEGES AND UNIVERSITIES**

**BOARD OF TRUSTEES**

**RETREAT**

**OCTOBER 19-20, 2010**

**MINNESOTA STATE UNIVERSITY MOORHEAD**

**COMSTOCK MEMORIAL UNION**

**MOORHEAD, MINNESOTA**

**Trustees Present:** Chair Scott Thiss, Duane Benson, Cheryl Dickson, Jacob Englund, Christopher Frederick, Clarence Hightower, Philip Krinkie, Dan McElroy, Alfredo Oliveira, David Paskach, Thomas Renier, Christine Rice, Louise Sundin, James Van Houten and Michael Vekich

**Trustees Absent:** None

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**Tuesday, October 19, 2010**

**Welcome/Review of the Agenda**

Chair Scott Thiss convened the retreat at 12:45 PM. He remarked that, earlier in the day, he and several other Trustees enjoyed a guided tour of the Minnesota State University Moorhead campus aboard the Dragon Express.

Chair Thiss reviewed the agenda which was designed for the Board to focus on fewer things than it has during past retreats. The retreat will focus on three areas: the Board's values and culture, what will be the Board's legacy, and the state of higher education in Minnesota.

Trustee Duane Benson introduced the film, *The Natural*, starring Robert Redford as Roy Hobbs, whose only goal in life is to be a baseball player. He is a minor league player, who gets shot leaving him with an injury that hampers his ability to play. After showing a scene from the film, Interim Vice Chancellor Scott Olson explained that the Roy Hobbs character broke every record in the book. People said, "There goes Roy Hobbs, the best there ever was in this game." Trustee Benson explained that one outcome for the retreat would be for the Board to think of what its legacy will be. (Note: selected scenes from the film were shown during the retreat.)

The baseball theme for the retreat included tee shirts for the Trustees. The shirts were from the system colleges and universities with men and women's baseball and softball teams. Each Trustee also received a set of playing cards. The cards, similar to baseball cards, had a photo and statistics including the date of appointment and committee service for each Trustee. Interim Vice Chancellor Olson suggested the rules for the playing cards. Trustees may trade their cards with other members when they have a good idea. Before the retreat is over, the goal is to get a complete set of cards, and by the end of the retreat this will be the best there ever was!

Trustee Benson commented that the Trustees will consider their legacy. The legacy is not to be confused with the goals in the strategic plan. The legacy is the big idea. In preparation for the retreat, Trustees had been surveyed for their big ideas.

### **Board Values and Culture**

Chair Thiss introduced the board values and culture discussion. The purpose is to come up with a list of values that reflects the Board's common belief systems. The core values of an organization are those values which form the foundation on which it performs work and conducts itself. Chair Thiss explained that core values are the foundation and they also are aspirational. They are not operating strategies or business strategies. Everyone at the retreat, Trustees, staff and audience, was asked to participate in an exercise describing the Board's values.

Two documents were distributed: "What Are Core Values?" and Board Policy 1C.1 Board of Trustees Code of Conduct. The Trustees, staff and audience were assigned into small groups to identify the core values of the Board.

### **Summary of Group Discussions**

The groups reported the following as core values of the Board:

Independent thinking	Courageous	Stewardship
Accountable	Transparency	Mutual respect
Innovative	Commitment to quality and access	Unbending of pressure, not afraid to do the right thing
Flexible to meet the challenges of the future,	Inspirational to telling our great story, collaborative,	Student-centered
Guardians of the dream for college	Respecting policies and procedures	Wise stewards
Financial turn on investment	Aspirational	

During discussion, the Trustees aggregated the values into these areas:

Stewardship	Visionary	Innovative
Student-Centered	Transparent	Fearless
Accountable	Integrity	Respect
Wisdom	Access	Diversity

## **Legacy Foundations**

Trustee Benson asked the Trustees to consider the state of higher education, not only in Minnesota but across the nation. In small group discussions, the Trustees, staff and audience were assigned to write a speech on "The State of Higher Education," and "Who Speaks for Higher Education." The speech should include at least two positives and two negatives, and a minority report, should there be one.

## **Summary of Speeches**

### **Group One**

Access is something America has that no other country has. American has access to scholars and researchers and we provide extensive research. Who speaks for higher education in Minnesota? The speakers are not necessarily all of the higher education bodies represented. The president of the University of Minnesota is seen as the spokesperson. There is not one voice speaking for higher education. We can speak louder. We can plug in and get great successes.

In terms of family support and financing of past generations there is confusion about the real cost of higher education, part-time and full time study and how long it takes to earn the credits. What is the total cost? Failure to connect and understand the students' needs.

A minority report. The public no longer understands the value of higher education, and if we can help them understand it we will all be better off.

### **Group Two**

The state of higher education is the back bone and future of the country and the world. Higher education is what will get us out of this financial crisis. With a college degree people may earn more money and they contribute to society in many ways. We continue to focus on high quality education and return on investment. Higher education values diversity and we see the intrinsic compelling value. We try to maintain affordable education. We provide financial prosperity. We focus on growing individual people. But, the brand is tainted. We have work to do. There is a lack of credibility and we need to be smart to our place in time. European nations still value higher education which is seen as the backbone.

Who speaks for higher education? The parsimonious legislators? We left it to the politicians to make decisions about higher education. We have not done a good enough job in telling our story.

### **Group Three**

We had a hard time answering this because we are not sure if there is a voice of who speaks for higher education. Back twenty or thirty years ago there was a more unified voice for higher education. Overall, still think ours is one of the best systems in the world. Strength is choice – strength in liberal arts – how to think and how to learn is foremost about economic benefits. Other countries are catching us especially in the STEM field. We may be losing ground competitively in the world. When funding and lack of funding became a challenge, the public has not been able to respond with the productivity gains that it needs to. It has responded with online education. We clearly have not led the way in being efficient and

effective in the future. Also, the lack of college preparedness is a challenge as we take all students and struggle to get them through. We have not responded to the challenges, rather we have hunkered down. The reality is that higher education's voice/leadership is in the bunker right now. Get the voice of leadership out of the bunker.

#### **Group Four**

The retreat has this wonderful sports theme. If you win in sports everybody recognizes it, but nobody is throwing a party for the kids who took first place in science fair or another academic accomplishments. In general, we have to look at how important it education to our entire society. Does education rate up there with sports? Movie stars? One of the big negatives is this interest in STEM that seems to be – how do we inspire the students? Two-thirds of the graduates in Singapore and other countries are in STEM programs. In the US, two-thirds graduate in liberal arts and the rest in STEM. On the scale of education is there something that rises to the top? We are having shortages in some field. At a recent Centers of Excellence event, we learned there would be a shortage of students and teachers in STEM in five years. Add that to the rates and it is a negative. A pundit said that the problem is not that we have enough students going to our college and universities; the problem is completion because they do not graduate. Seven year completion rates are more common which represents a cost to the student and society because these students are not in the work force and paying taxes.

Positives include three-year graduation rates, advanced placement, international baccalaureate, and concurrent enrollment. There are opportunities for motivated students. We need to be less restrictive. Students need to be able to reach their professor at any hour. We have a connection with the customer. K-12 connections and robust non-profit foundations want to put loads of money into the problem.

During discussion, the Trustees listed the major positive and negative themes that they heard from the reports on the "State of Higher Education," and "Who speaks for Higher Education."

#### **Major Positive Themes/State of Higher Education**

Life-long learning	Accessibility	Student Debt accumulation
Innovation	Competition between public, privately funded and for-profit institutions have created tensions	Entrepreneurial
Importance of university in our society	Diversity	Need to be student-centered

**Major Negative Themes/State of Higher Education**

Brand taint	Pricing/cost confusion	Funding for all players regardless of taxpayer interest
Society's prioritization of higher education has been lowered	Completion rates that are too low and take too long	Lack of respect for being an educated person in this society
Lack of readiness	Public higher education costs less than private/proprietary higher education so it is viewed as not as good	Need more innovation in administration and delivery rather than content and curriculum.
Higher education is still out of reach, both psychologically and financially, for many low-income people	No progress has been made with the P-16 Council with integrating seamless movement	Student debt accumulation

The Trustees summarized a list of "who speaks for higher education":

- No unified speaker
- Harvard – Yale – God
- Role of the president of the University of Minnesota
- Fragmented
- Politicians
- U.S. President, Secretary of Education
- The public/everybody
- The public can speak but does not always
- National focus on community colleges
- No one fills the void – gap

Chair Thiss asked the Trustees to think about today's discussions and come prepared for a conclusion on a legacy idea during the next day's session.

**MSU Moorhead Campus Showcase**

Chair Thiss introduced President Edna Szymanski, Minnesota State University Moorhead who welcomed the Board of Trustees to the campus. She introduced Allen Branstiter, Student Senate President and Cindy Philips, Campus Inter Faculty President, who gave presentations. The showcase also included overviews on fiscal sustainability practices, outstanding teaching, engaged learning, faculty interaction with students, student-faculty research projects, First Year Programs, such as *Dragons After Dark* and *Friday Nights*, living learning communities and the campus spirit as exemplified by the *Nemzek Noize*.

Day one of the retreat concluded at 6:05 PM.

## **Wednesday, October 20, 2010**

### **Review of Day One**

Chair Thiss reconvened the retreat at 8:10 AM. He reviewed the Board's values and culture statements. They were: stewardship, forward-looking, visionary, innovative, creative, transparent, accountable, integrity, respect, diversity and access.

Documents prepared by Interim Vice Chancellor Olson, based on Day One's discussions, were distributed. (They are attached to the minutes):

- The State of Higher Education;
- The State of Higher Education and the Strategic Direction of the Board;
- The State of higher Education and the Values of the Board; and
- The Priority Ranking of Retreat Topics.

Trustee Benson referred to the positive and negative themes regarding the state of higher education that the Board had identified the day before. See pages 4 and 5.

### **Our Values in Action**

Interim Vice Chancellor Olson summarized the major positive themes and connected them with the Board's values and the Board's responses to a survey on topics for the retreat. The topics that generated the most interest were:

- Statewide higher education planning/collaboration
- Cost control, reorganization and right-sizing
- Higher education finance/funding
- Real/dramatic change
- Advocacy for the system
- P-20 issues
- Resources for Results

Trustee Christine Rice recited the guidelines for Big Hairy Audacious Goals that were shared previously with the Trustees when the committees were identifying their goals:

- Goal must be in sync with the system's current strategic plan;
- Goal should be innovative;
- Goal must be achievable in a relatively short time period of between one and five years;
- Goal must have an outcome where progress can be measured annually;
- Goals should be supported by the Chancellor, Vice Chancellors and staff and Leadership Council; and
- Goal should be cost-effective, affordable.

Trustee Benson commented that the timing is right for a united voice on higher education because there will be a new chancellor, new president at the University of Minnesota, new leadership at the Minnesota Private College Council and new legislators including a new governor. Trustee James Van Houten added that the budget/fiscal situation also plays a role. Trustee David Paskach commented that the most important decision for the Board to make at this time is to find the right person as the chancellor to shepherd us through the challenges.

Interim Vice Chancellor Olson challenged the Trustees to talk about "what would break the bat, open the wound, but forever change higher education." The big winners would be the students and the tax payers of Minnesota. The idea of bringing together higher education rests within the system given its moral authority, number of students, and its geographical reach.

Trustee Benson suggested that the Board could host a conversation between the system, the University of Minnesota, and the private college council. It could be a summit, retreat or a workshop to talk about the common ground and problems in terms of a legislative agenda. He asked the Trustees to consider "ways to overcome the barriers given the opportunities presented with a new chancellor, new president at the University of Minnesota, new governor, new legislature, etc.?"

Trustees remarked that there is currently very little coordination of higher education. Some members expressed that their first responsibility is to the system and its students. They wondered where such a conversation might lead without a clear roadmap.

Trustee Van Houten suggesting looking at things that the Board can address such as consolidating campuses, program duplication, other efficiencies and campus autonomy. Chair Thiss announced that he met with Clyde Allen, Chair of the University of Minnesota Board of Regents, who also was concerned about larger issues relating to higher education. Chair Thiss added that the public and legislature are confused about the Minnesota State Colleges and Universities system's and the University of Minnesota's missions. What are the expectations of the society and do they value higher education. If we do not do "something," the legislature will do "something" to us." He suggested that the Board has an opportunity to convene a higher level discussion on the role of higher education in Minnesota. Trustee Benson reminded the Trustees that they concluded that nobody speaks for higher education.

Trustee David Paskach questioned the outcome of a dialogue. A dialogue is not going to change the system. The system is the big player and it is already doing what the whole country is talking about and that is the transition to a higher education workforce. The for-profits will compete for our business so the system has to be the best at what we do. A dialogue is fine, but the Office of Higher Education should take a role. The issue where we need to start a dialogue is with K-12.

Trustee Benson reviewed the state of higher education as they related to the strategic directions and concluded that there is an opportunity to fix the tainted brand. Trustee Dickson commented that there are competing ideas, some of which are attractive. A reorganization of higher education in Minnesota is not going to happen. A common agenda where together the different entities could address the things that need to be fixed to help the students, parents and tax payers, then she would be proud to be the convener of a great conversation.

Trustee Dan McElroy wondered how the Board could have a conversation with K-12 which has 350 districts. Trustee Louise Sundin added that the political arena has changed and there is a desire for a conversation. She proposed identifying a small group, such as the "Parents United Group" to see if they are interested in starting a conversation. Trustee Clarence Hightower said any discussion about higher education needs to include K-12. Chair Thiss asked the presidents if

they see the Board as having a role in conversations with K-12 or P-14, or should the Board focus on only higher education.

President Kevin Kopischke explained that many rural schools have begun a P-14 rural partnerships giving high school students access to college courses. There is a great interest, particularly on the part of the younger superintendents as they know that during their tenure these things must change. A conversation with K-12 could start with the commissioner of education - if we can get the P-14 to work, then it could be aligned with P-16 and P-20. President Richard Davenport commented that working with P-12 is already a conversation in Mankato. MSU, Mankato has a pilot program, giving high school students a head start on completing a baccalaureate. The major barriers are funding and the role that the Board can take is working with the K-12 model and coming up with a funding mechanism. President Edna Szymanski suggested a role for a statewide P-20 council with an added need to focus heavily on mathematics. She commented that it is almost a daily occurrence for a student to arrive at the university with a high grade point but they test low in math. It is a problem it is an issue for both higher education and K-12. Trustee McElroy asked if there is a separate role for adult basic education in the discussion. Interim Vice Chancellor Olson reminded the Board that progress on readiness and STEM were two challenges that they had identified yesterday.

Trustee Phil Krinkie suggested another big idea would be a guaranteed tuition. It would be student-centered, transparent, and students would know their tuition costs for the product and service. This could be for the students who are ready, focused and know where they want to go. Trustee Benson explained that the Academic and Student Affairs Committee is currently studying a 3-year baccalaureate and remedial education. Trustee Van Houten proposed looking at cost containment, shared services, how to continue march to efficiency, productivity, etc. Trustee Hightower commented that the visionary/aspirational goal is how do we educate Minnesotans? The high school graduation rate continues to decline. Trustee Rice commented that the privates, University of Minnesota and for-profits do not have a pipeline problem. She suggested no longer accepting students who are not ready for college. It would require legislative action. Trustee Hightower commented that the focus should be to fix the pipeline.

Following-up to Trustee Christopher Frederick's inquiry on whether Minnesota has an attainment goal of higher education for students, Trustee Van Houten read Minnesota Statute §135A.011 State Higher Education Objectives:

*Minnesota's higher education investment is made in pursuit of the following objectives: (1) to ensure quality by providing a level of excellence that is competitive on a national and international level, through high quality teaching, scholarship, and learning in a broad range of arts and sciences, technical education, and professional fields; (2) to foster student success by enabling and encouraging students to choose institutions and programs that are best suited for their talents and abilities, and to provide an educational climate that supports students in pursuing their goals and aspirations; (3) to promote democratic values and enhance Minnesota's quality of life by developing understanding and appreciation of a free and diverse society; (4) to maintain access by providing an opportunity for all Minnesotans, regardless of personal circumstances, to participate in higher education; and (5) to enhance the economy by assisting the state in being competitive in the world market, and to prepare a highly skilled and adaptable workforce that meets Minnesota's opportunities and needs.*



Trustee Krinkie commented that a measurable goal would be to influence the legislature for funding equity for K-12 and higher education. Higher education enrollments have grown while K-12 has declined. Minnesota cannot have a great higher education system if it does not have a great K-12 system.

Trustee Dickson mentioned a conference she recently attended sponsored by the Community Action Partnership of Ramsey & Washington Counties. One student said that we are setting kids up for failure with kids dropping out of high school. Another issue is children having children and this is a societal problem. She said she would support legislation to raise the graduation rate. Trustee Benson remarked that he hoped that the notion of a common agenda for higher education and the barriers and solutions that were discussed could be done without legislation.

Trustee Benson referred to other issues that could have been taken up in the small group discussions. Issues such as cost containment, shared services and pricing. What should they look like? How about transparent? Does anyone understand them? What is the biggest barrier to having a better cost containment system? An appropriate allocation system? Trustee McElroy cited the higher cost of technical classes; another is historic tension between the system and institutions, urban and rural areas given the population decline in rural counties.

Trustee Sundin commented that the MN AFL-CIO passed a resolution to change the funding for technical courses, so they may be a partner with a common goal. Also, expand P-16 to include more than system heads such as board members and others. Another idea would be to eliminate or restructure the Higher Education Advisory Council of the Office of Higher Education with the P-16 or P-20 Council

Trustee Hightower offered a resolution that the Board Chair is authorized and encouraged to reach out to other educational institutions and policy makers to foster discussion regarding the improvement of education in Minnesota. Trustee Dickson commented that the Chair does not need a resolution by virtue of his office and that he speaks for the Board and has already begun conversations. Following a discussion that included General Counsel's opinion that no action is typically taken at retreats, Trustee Hightower withdrew the motion.

### **Next Steps and Conclusions**

Chair Thiss commented that the Board could take a more formal approach to convening a conversation after giving additional consideration, such as a study session, to all of the ideas and suggestions brought forward during the retreat. He added that a more formal approach may not occur until March.

Trustee Krinkie brought up the achievement gap which was mentioned several times. He asked if the Board was going to tackle it and if so, what would be the action item and measurable goal. Trustee Benson responded that the Board has been talking about it for five-six years. He suggested setting up a task force to see what we need to do to address the achievement gap in Minnesota. Chair Thiss responded that the Board has supported pilot projects across the system to address the achievement gap. Trustee Krinkie proposed setting a date and time when the system will no longer accept unprepared students. Trustee Sundin commented that conversations have already been going on that the system should have been a part of but were not. For

example, it has been ten years now that K-12 has vacated technical education and now they are figuring out that they need to bring it back.

Chair Thiss asked the Trustees to evaluate the retreat. The background materials were purposely brief so that the Trustees would come with only their good thoughts. Several of the Trustees remarked that the conversations were meaningful, engaging and productive. They liked the audience participation. Trustees also liked the small group discussions but felt that Board was small enough to have meaningful conversations as a whole. Trustees also appreciated the summaries of the group discussions that were prepared by Interim Vice Chancellor Olson. Another member equated the measure of success with blood pressure which was high at the moment because of the need to create a sense of urgency. The stars are aligning with new leaders everywhere. Following the theme, others evaluated the retreat in baseball terms calling it a stand-out triple; ground rule, double, runner on second base, but the run does not count until the runner makes it home.

### **Retreat Concludes**

Chair Thiss thanked everyone and the retreat concluded at 11:15 AM.