

MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD OF TRUSTEES STUDY SESSION JUNE 19, 2012 McCORMICK ROOM 30 7TH STREET EAST ST. PAUL, MN

Present: Chair Scott Thiss, and Trustees Brett Anderson, Duane Benson, Cheryl Dickson, Jacob Englund, Clarence Hightower, Philip Krinkie, Dan McElroy, Alfredo Oliveira, Thomas Renier, Christine Rice, Louise Sundin, James Van Houten, Michael Vekich and Chancellor Steven Rosenstone

Absent: Trustee David Paskach

Study Session The Itasca Project: Higher Education Task Force, “Higher Education Partnership for Prosperity”

Chair Scott Thiss convened the study session at 2:35 p.m., and welcomed Gregory Page, chairman of the board and chief executive officer of Cargill and Allison Barmann, McKinsey & Company.

Chancellor Steven Rosenstone explained that the Itasca Project is an employer-led civic alliance that is drawn together by an interest in new and better ways to address Minneapolis – St. Paul issues that impact the region’s economic competitiveness and quality of life. Its 50-plus participants are primarily private-sector CEOs, and a small number of public and nonprofit leaders including the governor of Minnesota, the mayors of Minneapolis and St. Paul, leaders of major foundations, the United Way, the president of the University of Minnesota and the chancellor of Minnesota State Colleges and Universities. Participants agree on priority issues that will address regional economic vitality and quality of life. An individual CEO takes the leadership on each priority and assembles a task force that is data driven and results driven.

In October 2011, the Itasca Project launched a task force to identify strategies for higher education in Minnesota to drive long-term sustainable economic growth and prosperity. The work has been led by Mr. Page and a team of 11 leaders from business, nonprofit and higher education institutions. Ms. Barmann with Kinsey & Company has driven the template. Chancellor Rosenstone commented that he was honored to be a partner in this endeavor. The objective was to identify strategies that could be implemented for higher education in Minnesota to drive long-term, sustainable economic growth and prosperity. The historic work of the task force was led by the passion shared by Chancellor Rosenstone, the president of the University of Minnesota and the president of the Minnesota Private College Council. They did not address the P-12 segment because they did not feel that the business community had a perspective on P-12.

Mr. Page thanked the board for the opportunity to present the task force's preliminary findings. The task force had a perspective on higher education. Every single citizen in Minnesota will benefit if we do this work well. Higher education has a large impact on employment and wages, with significant spillover benefits for the regional community. Mr. Page commented that he attended the G-20 meeting in Cabo San Lucas. The president of South Korea reported that 80% of their high school graduates are entering post-secondary education. The United States has remained stagnant while other countries have moved higher on the education levels of their citizens. South Korea is also seeing a skills gap so there is a need for boards and governments to get the right mix of workforce.

Minnesota's higher education system has several strengths:

- Comparatively high rates of post-secondary enrollment and educational attainment.
- Presence of world-class research institutions and graduate education.
- Home to successful models of new thinking in higher education.
- Strong and diverse business community.

But, funding cuts greater than the national average have put pressure on the state's students and institutions show that Minnesota is in a more rapid decline in funding than other states. We need to turn this perfect storm to our advantage or we will lose the battle for human capital. Minnesota can be a globally competitive center of talent and innovation if business and higher education unite around four strategic priorities that are actionable and implementable:

1. Align academic offerings with workforce needs.
2. Foster an ecosystem of research and innovation.
3. Form new collaborations across higher education to optimize systemwide intellectual assets and efficiency.
4. Graduate more students on time and with debt loads that they can service with the kinds of jobs they can find.

The key is collaboration. Alignment is the predictive component and it dovetails with the work by the Department of Employment and Economic Development (DEED). Minnesota will drive long-term economic prosperity with a higher education ecosystem that brings educators and employers together to create world-class clusters of talent and innovation. The sheer size of the physical footprint of higher education provides enormous opportunities for new collaborations with businesses and across higher education. This one is an actionable and short-term goal that can be accomplished.

Mr. Page concluded his remarks by announcing that the task force will publish a white paper on their findings and recommendations soon. They will launch a steering committee and working groups to support the strategies. For the last three weeks, they have been polling companies for people who are willing to serve on the steering committee. The goal of the steering committee is to tie all four points by collaboration.

Following a brief discussion, Chair Thiss thanked Mr. Page for the report. The study session concluded 3:30 p.m.