

**MINNESOTA STATE COLLEGES AND UNIVERSITIES  
BOARD OF TRUSTEES  
Agenda Item Summary Sheet**

**Name:** Academic and Student Affairs Committee

**Date:** January 22, 2014

**Title:** Pine Technical College - Change in Institution Type & Change in Name (Second Reading)

**Purpose (check one):**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Proposed<br>New Policy or<br>Amendment to<br>Existing Policy | <input checked="" type="checkbox"/> Approvals<br>Required by<br>Policy | <input type="checkbox"/> Other<br>Approvals |
| <input type="checkbox"/> Monitoring /<br>Compliance                                   | <input type="checkbox"/> Information                                   |   |

**Brief Description:**

Pine Technical College is requesting a change in institution type to become a comprehensive technical and community college. A request by a college or university for a change in institution type is subject to approval by the Board, following a first and second reading in accordance with Policy 3.24, Part 3, Change in Institution Type. The college is also requesting a change in name which is subject to approval by the Board in accordance with Policy 3.23, Part 2, Name Change.

New information on the requested name change is provided at the end of this document just prior to the recommended motions. The proposed name is Pine Technical and Community College. All other elements of the document remain unchanged from the Board documents reviewed by the Academic and Student Affairs Committee in November.

**Scheduled Presenter(s):**

John O'Brien, Interim Vice Chancellor for Academic and Student Affairs  
Robert Musgrove, President, Pine Technical College  
Leslie Mercer, Associate Vice Chancellor for Research, Planning and Policy

**BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

**BOARD ACTION ITEM**

**PINE TECHNICAL COLLEGE – CHANGE IN INSTITUTION TYPE  
AND CHANGE IN NAME (SECOND READING)**

**INTRODUCTION**

Pine Technical College is requesting a change in institution type to expand its mission (hereafter referred to as mission change) to a comprehensive technical and community college. Board approval of this request will enable the college to offer the Associate in Arts degree and to change its official name. A request by a college or university for a change in institution type is subject to approval by the Board, following a first and second reading in accordance with Policy 3.24. A mission change will require approval of the Higher Learning Commission subsequent to Board approval.

After extensive review, the Interim Vice Chancellor for Academic and Student Affairs fully supports the proposed mission change by Pine Technical College. The college has demonstrated the capacity to offer the Associate in Arts degree and the benefit that it will bring to the region and students.

***Current mission:*** Provide superior education and social services that enhance the communities we serve.

***Proposed mission:*** Through extraordinary technical and transfer education and superior services, Pine Technical and Community College develops innovative workers, fosters educated citizens, builds strong communities, and promotes healthy economies.

***Current Vision:*** Pine Technical College will be a vibrant, comprehensive college and community resource for quality education and services that improve lives and empower learners.

***Proposed Vision:*** No change is proposed. The proposed mission change does not alter the vision of Pine Technical College. The vision for the college is intended to be far-reaching and to encompass a time span during which Pine Technical College would achieve mission change and become a comprehensive technical and community college.

The proposed name change will be considered in concert with the mission change.

**BACKGROUND**

A mission change at Pine Technical College would enable students to complete an Associate in Arts degree. The mission change would also support students interested in exploring a technical career but unsure of which path to take by providing them with access to financial aid. The Pine Technical College application for a mission change and for the ability to offer an Associate in

Arts degree addressed the following elements based in system procedures that are elaborated below:

- Mission Alignment
- Market Demand
- Partnership Opportunities
- Comprehensive Planning
- Current and Future Capacity

Over the past decade, a number of colleges have requested and received approval for the same changes requested by Pine Technical College, including Saint Paul College and South Central College—along with, more recently, Alexandria Technical and Community College and St. Cloud Technical and Community College. The proposal from Pine Technical College to offer the Associate in Arts degree and change its mission is in line with those previous requests.

Pine Technical College consulted extensively with internal constituent groups including the Pine Technical College Student Senate, the Academic Affairs and Standards Council, faculty shared governance, and the college's leadership team. In addition, the college consulted with civic clubs, local school boards, city council and county commissions, as well as the Pine Technical College Foundation. The college also met with its regional legislative delegation and all of its program advisory committees to seek input. The response was extremely positive, including numerous letters of support from regional workforce agencies, local community organizations, and our state universities.

### **Mission Alignment**

The proposed mission change will advance strategic framework objectives of the Minnesota State Colleges and Universities in the following ways:

#### **1. Ensure access to an extraordinary education for all Minnesotans**

- Access to the Associate in Arts degree advances the strategic framework in an under-served region of the state, where bachelor's degree attainment rates are half of the state average. Pine Technical College's mission change would ensure more people (many of whom are place bound) have that access.
- The change will position Pine Technical College as a place of opportunity by making education accessible to Minnesotans who seek a postsecondary education, who want to update their skills, or who need to prepare for new careers.

#### **2. Be the partner of choice to meet Minnesota's workforce and community needs**

- The real-world challenge of inadequate basic and soft skills will be addressed with this change, positioning Pine Technical College to keep Minnesotans at the leading edge of their professions.
- Pine Technical College, through this change, will enable east central Minnesota to meet the need for a better educated workforce by increasing the number of Minnesotans who have access to and complete Associate in Arts degrees.

#### **3. Deliver to students, employers, communities and taxpayers the highest value / most affordable option**

- As one of the most affordable system institutions, Pine Technical College will be in a position to make that affordability available to transfer-minded Minnesotans in this region.

The college recognizes potential concerns about the impact of a mission change on technical education and remains committed to its technical college mission. As noted in the recent workforce listening sessions, general education will provide more options and access for students and will complement rather than compete with skills requested by employers. The proposed name change to Pine Technical and Community College is based on the interest in maintaining the college's tradition of providing technical education and being referred to as Pine Tech.

## **Market Demand**

Expansion of the college mission to include the Associate in Arts degree has been driven by student interest and community input. Surveys of regional high school students indicate substantial interest in career paths that require a four-year degree. Input from technical program advisory committees, system workforce listening sessions, and other employer input indicate strong support for a mission change to increase opportunities and options for students and employees in the region.

A balanced offering of liberal arts and sciences and workforce programs is a critical need in the region. The system workforce assessment survey findings highlight a pervasive need for the so-called "soft skills" across all sectors. Consequently, a mission change and the ability to teach those skills through liberal arts courses and a transfer degree are essential for the competitiveness and civic and economic health of the region. A comprehensive approach to the needs of the region requires a comprehensive college able to provide workforce and transfer options.

The statewide workforce listening sessions revealed significant needs for the types of skills most closely associated with the Minnesota Transfer Curriculum. Regardless of the sector, employers call for communications skills, interpersonal skills, analytical and problem-solving ability, teamwork and critical thinking. The statewide, multi-sector assessment noted the importance of foundational knowledge provided in the Associate in Arts degree as a platform for meeting those expressed needs and required job skills. These types of skills match up with the program and course outcomes ingrained in the Pine Technical College liberal arts and sciences courses and are aligned with the intended program and college outcomes developed as part of the Pine Technical College learner outcomes and assessment processes.

The college has experienced substantial enrollment growth, resulting in a much-improved fiscal picture and a growing faculty and staff. Student full-year equivalents (FYE) at Pine Technical College have increased from 410 in 2006 to 667 in 2013 – an increase of 63%. The increase in headcount is even more substantial, with unduplicated credit hour headcount rising from 963 to 1865 – a growth of over 94% over the same time period. This growth has generated tuition revenue and has improved the college's share of the state appropriation as driven by the system allocation formula. The college projects continued 3% per year enrollment growth in FYEs and headcount. Based on recent growth, the large percentage of the region's population with little or no higher education, and employment demand, this projection is a reasonable one.

Despite that enrollment growth, participation and education attainment rates remain a critical issue in East Central Minnesota. In 2009, only 42% of high school graduates from the region went on to enroll at a Minnesota institution. In Pine County, the rate is even lower at 32%. The Pine Technical College service area remains well below state averages in bachelor's degree attainment and that deficit ultimately results in lower per capita incomes, greater levels of poverty, and higher rates of unemployment than the rest of Minnesota and Wisconsin.

- Pine County's bachelor's degree attainment is among the lowest in the state with 12.9% and neighboring Kanabec County at 13.8% (statewide figure is 20%).
- Pine County had the highest poverty rate (15.2%) in the region, which was much higher than the state of Minnesota as a whole (11.5%) in 2010.

Another troubling aspect is the significant gap in the intentions of local high schools students and their eventual postsecondary participation rates. According to the ACT PLAN survey, almost 70% of 10th graders in the region intend to seek a bachelor's degree. However, as noted earlier, the reality is that only around 40% of graduates in the region actually do enroll in postsecondary education after high school graduation.

### **Partnership Opportunities**

Pine Technical College has attempted to use partnerships to offer the Associate in Arts degree. However, much like the previous partnership efforts and mission changes proposed by Alexandria Technical and Community College and St. Cloud Technical and Community College, the college has found that partnership in offering the Associate in Arts degree is not a workable model for students.

Through a mission change and the implementation of an Associate in Arts degree, the college would remove barriers that prevent students from taking advantage of higher education because of location or financial issues. The requested mission change will allow undecided students to enter Pine Technical College with a declared major (the Associate in Arts) and meet federal regulatory requirements that limit student access to financial aid for those courses required for a particular program. Since the Associate in Arts degree is not as narrowly proscribed as many technical degree programs, students can maintain eligibility for financial aid while they are exploring degree and career options.

Despite efforts to partner with Mesabi Range Community and Technical College and Lake Superior College in offering the Associate in Arts degree, barriers related to federal Title IV financial aid eligibility for undeclared majors and enrollment at the degree-granting institution make it unnecessarily burdensome for students to co-enroll at Pine Technical College and the partner institutions. The mission change and offering of the Associate in Arts degree is the best solution to this problem and the best option for Pine Technical College students.

### **Comprehensive Planning**

The planning process undertaken by the college has involved the entire college community and many external stakeholders, including city and county governments, school districts, employer groups, and program advisory committees. Campus-wide strategic planning days in the spring and fall of 2012 focused on this project and mission change. Each unit of the college examined ways in which it could make a positive contribution to the success of the mission change effort, and each has developed action goals with measurable outcomes.

The college community and external stakeholders support the ways that the mission change will substantially increase higher education opportunities for the region. Two primary objectives identified by these stakeholders are to provide additional transfer opportunities and

to enable students who are undecided to take courses and receive support in establishing an educational plan.

### **Current and Future Capacity**

Pine Technical College has demonstrated the capacity to offer the Associate in Arts degree through its improved financial condition, growth in enrollment, and increased course offerings. The primary additional capacity and costs are associated with increased library staff and faculty credit load, support for advising, a transfer specialist, and marketing. The system office Finance division has reviewed the college estimates on projected enrollment, existing capacity, and potential emerging costs to offer and support the Associate in Arts degree and is satisfied with the financial pro forma that supports the proposed mission change.

Pine Technical College has increased its available inventory of general education courses from a total of 121 semester credit hours in 2006 to 243 semester credit hours in 2012. The college has 79 courses across the ten goal areas of the Minnesota Transfer Curriculum with excess capacity in those offerings to accommodate projected enrollment. The college employs 18 core general education faculty members, and all of the faculty members meet credentialing requirements.

Fiscally, the college's three-year average Composite Financial Index (CFI) stands at 3.17, which is above the system average of 2.98 for all colleges. Some fluctuation occurs, particularly in 2012, when a large capital project was completed. The college's reserves as a percentage of operating revenue stand at 8.0%, better than the 6.6% for all colleges as identified by system accounting. Actual available cash is nearly 25% of operating revenue. In addition, the college has strengthened its regional partnerships to position itself to be competitive in the acquisition of grant funds. Since 2009, Pine Technical College and its partner colleges have received \$39.6 million in Federal grant funds to significantly enhance and expand programs in allied health, manufacturing and information technology. These funds have covered the first three years of start-up costs for additional programs and enabled the college to broaden its program inventory and enhance its enrollment and viability. Due to the college's negotiated Federal indirect cost rate of 29.7%, Pine Technical College has been able to add to its strategic reserves for future investment.

With regard to facilities, the college has demonstrated that there is substantial room for growth to accommodate the classroom-based courses taught in the Associate in Arts degree. The college's new science laboratory provides a modern facility for teaching its lower division science course inventory. At present the laboratory is used 33 hours per week, with availability in the evenings and on weekends to accommodate additional course sections, should those be needed.

### **CONCLUSION**

Pine Technical College's history, heritage, and culture are centered on technical education. This proposed change in mission to become a comprehensive college will strengthen, not diminish, this focus. The mission change is not a wholesale change for the college but the completion of a process that has been underway for some time. The substantial benefits of providing educational access to students in this part of the state far outweigh the costs and risks. It is clear the college intends to retain its heritage as a college that educates students primarily for the workforce – but

also enhances its ability to provide an extraordinary education for students in its service area in the most accessible and effective way possible.

**NAME CHANGE (this is new information not included in the November Board packet)**

Pine Technical College requests a name change, in accord with Minnesota State Colleges and Universities Board of Trustees Policy 3.23: Naming Colleges and Universities.

*New Name: Pine Technical and Community College*

*Current Name: Pine Technical College*

The rationale for the name change is the pending approval of the college's change in institution type from a technical college to a comprehensive technical and community college. Chancellor Steven Rosenstone recommends approval of the name change, pending approval of the change in mission.

Under Board Policy 3.23, Part 2, Subpart A, "If a state college or university requests a change to its official name, or if a new institution is created through merger or other means, the college or university president shall forward the proposed name to the Chancellor for recommendation to the Board. The Board shall establish a name after receiving a recommendation from the Chancellor."

"A state college or university seeking to change its name, or a new institution seeking to create a name, must clearly state the rationale for the name change or new name." President Robert Musgrove's letter requesting the name change, which outlines the consultation and research the college has undertaken, is provided below.

According to Board Policy 3.23, Part 2, Subpart D, "Approval of a name change by the board under this policy shall constitute an amendment of Board policy 1A.11 to reflect the approved name, with no further action of the board required."

**RECOMMENDED COMMITTEE MOTIONS**

The Academic and Student Affairs Committee recommends that the Board of Trustees approve the change in institution type and corresponding mission proposed by Pine Technical College.

Upon the recommendation of the Chancellor, the Academic and Student Affairs Committee recommends that the Board of Trustees change the name of Pine Technical College to Pine Technical and Community College.

**RECOMMENDED MOTIONS**

The Board of Trustees approves the request by Pine Technical College for a change in institution type and corresponding mission.

The Board of Trustees approves changing the name of Pine Technical College to Pine Technical and Community College.

*Date Presented to the Board of Trustees: January 22, 2014*

December 1, 2013

Chancellor Steven Rosenstone  
Minnesota State Colleges and Universities  
Wells Fargo Place  
30 7th Street E  
St. Paul, MN 55101

Dear Chancellor Rosenstone:

Pine Technical College is requesting a name change as part of its overall request for a mission change to comprehensive college status. This is in keeping with Policy 3.23, Procedure 3.23.1: Naming Colleges and Universities, as established by the MnSCU Board of Trustees.

The college identified five prospective new college names as part of its planning and communications process. In the course of seeking input on the mission and name changes, college officials met and surveyed a number of PTC constituent or stakeholder groups, including:

- Program advisory committees,
- The Faculty Shared Governance Council,
- The Student Senate,
- The Foundation Board,
- The Campus Roundtable,
- Regional high school administrators,
- PTC's regional Manufacturing Alliance and Healthcare Alliance.

Further, as is stated in our narrative on the mission change, the College is committed to its role as the principal provider of technical education in this region, and it is proud of its heritage as a technical college. Neither the expansion of the mission nor the name change will impair that focus and that commitment.

As a result of the conversations, surveys and meetings listed above and in keeping with its history and commitments, the College has chosen to select the following name after mission change: **Pine Technical and Community College**. We would also note that this phraseology is in keeping with recent practice in the system concerning similar changes at Alexandria and St. Cloud technical colleges.

The mission expansion, coupled with this name change, will empower the College to continue its record of service and program excellence. They will enable Pine Technical and Community College to provide even greater service to the region and its students through both excellent technical programs and the highest quality liberal arts, science and math transfer offerings.

Sincerely,



President, Pine Technical College