

Minnesota State Colleges and Universities
Board of Trustees Meeting Minutes
April 19-20, 2016

Present: Chair Michael Vekich, Trustees Ann Anaya, Margaret Anderson Kelliher, Duane Benson, Elise Bourdeau, Kelly Charpentier-Berg, Alex Cirillo, Jay Cowles, Dawn Erlandson, Bob Hoffman, Philip Krinkie, Maleah Otterson, Thomas Renier, Louise Sundin, Erma Vizenor, and Chancellor Steven Rosenstone

April 19, 2016

Convene

Chair Vekich called the meeting to order on Tuesday, April 19 at 1:15 PM for an update on the branding initiative update. He welcomed Noelle Hawton, chief marketing and communications officer.

Branding Initiative Update

CMCO Hawton described the activities related to the branding initiative that have occurred since the board last received an update in January 2016. Following research that revealed that prospective students and their parents do not know the difference between our colleges and universities, the University of Minnesota, or for-profit and private colleges. They think Minnesota State Colleges and Universities describes all higher education in Minnesota, and they do not understand which colleges and universities are the most affordable, lowest cost, accessible colleges that will best prepare students for careers. CMCO Hawton shared a graph that showed that Minnesota State Colleges and Universities are the most reasonably priced in Minnesota.

Each year, about 21% of Minnesota high school graduates who attend college leave for colleges in other states. Some return, and some do not, so it is a talent drain. In addition, about 20,000 people each year chose for-profit higher education, not understanding that they risk getting a sub-par education with a price tag that is five times more expensive than our colleges and universities, and they will be left with much more debt.

It is very clear that branding can help. The research revealed that 73% of prospective students and 61% of parents who know something about our colleges and universities agree that affordability, geographical accessibility, and talent development are good descriptors of Minnesota State Colleges and Universities. These attributes are what makes us different. In addition to a high quality education, these attributes are the pillars of what our students and business partners experience every day. Furthermore, these brand attributes are what prospective students and their parents seek as they shop for a college or university.

By strengthening and leveraging our brand, we can build upon our collective attributes that people understand about us and work to:

- Increase awareness of our colleges and universities, helping them grow enrollment.
- Compete more effectively by telling the powerful story of what our colleges and universities deliver compared to other institutions.
- Leverage our advertising dollars more strategically, as currently about 70% of our media buys

are spent competing against one another instead of against outside institutions.

- Communicate how our colleges and universities work together, highlighting credit transferability, degree laddering, and being able to take courses from any college or university.
- Become known more widely for our shared attributes of accessibility, affordability, and talent.

The brand steering committee has been working on this since September 2015. The committee is comprised of 17 key communicators who are the people who work with brand every day at the campus level. Other committee members are representatives from AFSCME, MAPE, MSCF, MSUAASF, MSUSA, MSCSA, three university presidents, and three college presidents. The IFO was invited to participate but chose not to do so. The committee brainstormed and thought about names and very quickly came to four choices that are very similar to what we call ourselves now.

- Minnesota State
- Minnesota State Colleges and Universities
- MinnState
- Minnesota State System

An agency developed three different alternatives to “MnSCU,” as well as three visual identity options. To vet the options, CMCO Hawton traveled throughout the state and met with many people who work with their campus brands on a daily basis, such as key communicators, graphic designers, marketing teams, admissions teams, and foundation leadership. In some places, the meetings were also attended by deans, provosts, and marketing professors. In all, CMCO Hawton consulted with about 150 people throughout the state.

Recommended Brand and Brand Identity

CMCO Hawton described each design, and ultimately recommended “Minnesota State” as an alternative to “MnSCU,” in conjunction with a ribbon motif logo containing a star.

The foundational thinking during the logo design development was to create something that is enduring, conveys academic tradition, and is timeless and modern. The ribbon was created to look clean, bold, and modern. The star is an evolution from the star in the current logo, and the top, bottom, left and right points on the star are extended. The North Star has many positive connotations. The eight-point star commonly represents a new beginning and new life, which is an appropriate meaning for someone on a path to a new career. The visual identify was far and away the favorite among those who were consulted.

Regarding the alternative to “MnSCU,” among the general public, it is understood that names like Cal State, Penn State, Michigan State all refer to some sort of higher education. Therefore, after much collaboration and debate with over 150 marketers, communicators, foundation leaders, provosts, and deans, as well as all the presidents of our colleges and universities, CMCO is now recommending that our new brand is Minnesota State and our new brand identity is the ribbon motif.

Draft Brand Manifesto

CMCO Hawton shared the draft brand manifesto, which is aspirational and communicates what we are striving for:

We are Minnesota State.

An alliance of outstanding colleges, universities, educators and staff.

We are deeply committed to greater educational success and access.

We understand that a higher education can be made practical for every student, from every culture, every part of the state and every walk of life.

We support each other, challenge each other and promote each other.

Knowing that while we are strong individually, we are more powerful collectively.

And we won't rest until high-quality higher education is a reality for everyone who aspires to do more for themselves, their communities and the state we all share.

CMCO Hawton concluded by sharing that the project is on track. In May, the team will develop a graphics standard guide, finalizing color strategy and developing roll-out communication plans. The graphic standards guidelines will guide how colleges and universities employ the new system brand.

The guidelines will require a change to Board Policy 3.23, Part 1, which is the identification with the Minnesota State College and Universities system, and System Procedure 3.23.1, which is the tagline procedure. In June, CMCO Hawton will present to the board the final brand product, including the roll-out plan.

Discussion

Chair Vekich invited questions and comments. Trustee Hoffman commented that he does not understand the need for a new name and that we may be confusing advertising with branding. The names of our colleges and universities not MnSCU, should be known because our students go to them.

CMCO Hawton responded that the research shows that people do not have a tool that helps them understand that the colleges and universities are affiliated with one another, or that our colleges and universities are our prospects' lowest cost, highest value option. By placing our identity with those of the colleges and universities, it is a brand endorsement through the lens of affordability, accessibility, and talent.

Several trustees spoke in favor of the branding initiative. Trustee Erlandson commented that the core problem is that what we deliver is not widely understood. We are the most affordable option that provides a quality education. There is value in having a unified message of accessibility, affordability, and talent. The branding initiative is about a shared promise to the people of Minnesota. Trustee Renier added that students know more about colleges and universities in their region of the state or in North Dakota or Wisconsin rather than in the parts of the state where they do not live. Students in northern Minnesota are not aware of colleges and universities in the southern part of the state. He added that he supports whatever it takes to increase the value of the job we are doing. Trustee Benson suggested replacing affordability with value. He added that the branding initiative helps us identify as a system from the marketing side and the supply side.

Chancellor Rosenstone explained that this project began over a year and a half ago with research that revealed that the acronym "MnSCU" is confusing. This was shared with the board last spring. The data showed that we needed a less confusing name. This is not about competing with the brand equity of our individual colleges and universities. The branding initiative will convey the value of being a part of a

unified team. It will create clarity about who we are, and develop a platform for telling our story. For example, there will be transfer pathways among all our colleges and all universities across the state. This is something only we offer. The new brand is not intended to be in competition with the brand equity of our colleges and universities. The board was very clear in its direction to proceed after phase one was completed last year. Similarly, in January of this year, the board was impatient to go forward with the initiative.

Trustee Sundin noted that we have been working on this for six years, but actually 20 years, ever since we became a system. The great state systems in this country are identified by “state” – New York, Ohio, California, and Wisconsin are all identified by “state,” not “system.” This is part of what we need to do to attract young people to our colleges and universities. Trustee Sundin thanked Chancellor Rosenstone for giving this the attention it has needed.

Chair Vekich invited Richard Davenport, president of Minnesota State University, Mankato, to comment on the branding initiative. President Davenport commented that competition impacts every one of the MnSCU institutions. We are competing to a less degree with one another than with the private and non-profit colleges. One issue is that some of our best and brightest students go to colleges and universities out of state. The other issue is retention, which is our biggest challenge. If we could manage retention better than we do, it would solve many of our budget challenges. MSU, Mankato, loses about 25% of its students each year. Then we lose another 15% the second year, resulting in the loss of about 40% of students in all and most of them do not return. Transfer students used to balance the student losses but their numbers are declining. Understanding that we are all connected is important and, as transfer credits are more easily accepted, it will get better. The branding is not so much in the name as it is the *message* that will help the public understand what MnSCU is all about. We cannot compete with Wisconsin and other states unless we can keep our students and help them graduate. The system brand as described will work for Minnesota State University, Mankato.

Trustee Cowles commented that he supports the initiative. He inquired as to how it will be implemented and whether there are plans to target student groups and regions. CMCO Hawton responded that the colleges and universities will be asked to make the switch where there is no cost such as first, as online and digital.

Trustee Erlandson commented that we are a family and we want to keep the business in the family. The stronger we are internally, the stronger we will be externally. Currently, students are going to colleges and universities similar to ours but in other states. The branding initiative is a huge opportunity to make our colleges and universities attractive to external candidates.

Chair Vekich thanked everyone for the discussion and recessed the board meeting at 2:08 pm.

April 20, 2016

Reconvene

Chair Vekich reconvened the Board of Trustees meeting at 10:19 am. Trustee Vizenor participated in the meeting by telephone. Chair Vekich announced a change to the agenda. (The appointments of the presidents will follow the Chancellor’s Report.)

Consent Agenda

- a. **Minutes of the Board of Trustees Meeting on March 16, 2016**
- b. **Approval of Contracts Exceeding \$1M for:**
 1. **Metropolitan State University Health Services Vendor**
 2. **St. Cloud State University Twin Cities Center**
 3. **Winona State University Lease Approval – Rochester Location**
- c. **Minnesota State University Moorhead Gift of Real Property**

Chair Vekich called the question and the Consent Agenda was approved with one nay.

Chair's Report: Michael Vekich

Chair Vekich had no report this month.

Chancellor's Report: Steven Rosenstone

Chancellor Rosenstone thanked those who reached out to him over the past week upon the announcement of his retirement next year. He added that Chair Vekich reminded him to keep his foot firmly on the gas between now and midnight on July 31, 2017.

Performance Goals

Chancellor Rosenstone announced that he was very pleased that we have not only met every performance goal the legislature set for this biennium – we have exceeded each of the goals.

Goal 1	Increase by at least 4% the degrees, diplomas, and certificates conferred.	The actual increase has been nearly 17%.
Goal 2	Increase by at least 5% the related employment rate of graduates.	The actual increase was nearly 8%.
Goal 3	Reallocate \$22 million of costs in FY2016.	We exceeded that amount by nearly \$16 million, reallocating close to \$38 million.
Goal 4	Decrease by at least 10% the headcount of students enrolled in developmental courses.	The actual decrease was 25.5%.
Goal 5	Increase by at least 5% the degrees awarded to students who took no more than 128 credits for a baccalaureate degree and 68 credits for associate degrees	The actual increase for these degrees was more than 23%.

The chancellor thanked the presidents, faculty, and staff across our colleges and universities for their dedication and hard work that led to our exceeding each and every one of the legislatively mandated performance goals.

Legislative Update

Chancellor Rosenstone thanked all the students, faculty, staff, and presidents who met with their local legislators to tell the story about the importance of our requests and who are continuing to advocate for our capital investment projects and \$21 million supplemental request. He expressed gratitude to the Governor and Lt. Governor for their support and for the Lt. Governor's visits to our campuses to promote our bonding projects across the state.

A highlight of the session so far was last week's presentation to the Senate Higher Education and Workforce Development committee. Chancellor Rosenstone thanked those who shared with senators the progress we have made on the transfer pathways:

- MSCSA Vice President Tim St. Claire,
- the IFO's Dean Frost,
- MSUAASF's Jim Anderson,
- MSCF's Anne Byrd, and
- Assoc. Vice Chancellor Lynda Milne.

The chancellor also thanked Sen. Miller and Rep. Heintzman, who carried the legislation that brought us to this point. He also thanked the 120 students, faculty, and staff serving on the four transfer pathways teams and coordinating team, and the 475 statewide discipline stakeholders who have provided feedback on the four pilot pathways.

Leadership Changes

Chancellor Rosenstone noted the following leadership changes in the bargaining units and student associations.

MSUAASF President Jim Anderson of MSU Moorhead is stepping down. Chancellor Rosenstone thanked him for his service and congratulated his successor, Tracy Rahim, of Winona State University.

AFSCME Policy Committee President June Clark is stepping down. Chancellor Rosenstone thanked her for her service. AFSCME will hold its election for President Clark's successor later this spring.

Chancellor Rosenstone thanked outgoing MSUSA State Chair Cara Luebke and MSCSA President Kevin Parker, and congratulated the incoming student leaders:

- MSUSA Chair-elect Joe Wolf; and
- MSCSA President-elect Dylan Kelly.

Progress Minnesota Award for Lake Superior College

Chancellor Rosenstone congratulated President Pat Johns and the faculty and staff at Lake Superior College for winning a 2016 Progress Minnesota Award earlier this month. The award, presented by the publication *Finance & Commerce*, honors individuals and companies that are making an innovative economic impact across Minnesota. Lake Superior College was honored for its partnership with area employers in manufacturing, healthcare, and aviation to ensure employers have the talent they need to continue to grow.

Board Standing Committee Reports

Human Resources Committee, Dawn Erlandson, Chair

Succession Planning

Trustee Erlandson commented that the committee heard a report on succession planning.

Appointment of President of Bemidji State University / Northwest Technical College

Committee Chair Erlandson moved that the Board of Trustees, upon the recommendation of Chancellor Rosenstone, appoint Faith Hensrud as president of Bemidji State University / Northwest Technical College effective July 1, 2016, subject to the completion of an employment agreement. The board authorized the chancellor, in consultation with the chair of the board and chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms conditions of the MnSCU Personnel Plan for Administrators.

The motion was seconded and carried unanimously.

Appointment of President of Metropolitan State University

Committee Chair Erlandson moved that the Board of Trustees, upon the recommendation of Chancellor Rosenstone, appoint Virginia Arthur as president of Metropolitan State University effective July 1, 2016, subject to the completion of an employment agreement. The board authorized the chancellor, in consultation with the chair of the board and chair of the Human Resources Committee, to negotiate and execute an employment agreement in accordance with the terms and conditions of the MnSCU Personnel Plan for Administrators.

The motion was seconded and carried unanimously.

Student Associations

Kevin Parker, president, Minnesota State College Student Association provided written comments.

Cara Luebke, state chair Minnesota State University Student Association, addressed the board.

Minnesota State Colleges and Universities Bargaining Units

June Clark, president, policy committee American Federation of State, County, and Municipal Employees addressed the board.

Jim Grabowska, president, Inter Faculty Organization, addressed the board.

Kevin Lindstrom, president, Minnesota State College Faculty, addressed the board.

Board Standing Committee Reports Continued

Audit Committee, Robert Hoffman, Chair

- Federal Single Audit
Committee Chair Hoffman reported that the committee received the federal single audit report.

Finance and Facilities Committee, Jay Cowles, Chair

- Update on the Work of the Long-Term Financial Sustainability Workgroup
Committee Chair Cowles reported that the committee heard an update on the work of the long-term financial sustainability workgroup.

Joint Meeting: Academic and Student Affairs and Finance and Facilities Committees, Alex Cirillo and Jay Cowles, Co-Chairs

- **Protecting Affordability for our Students**

Committee Co-chair Cirillo reported that the committee heard a presentation on protecting the affordability of our students

Trustee Reports

Trustee Bourdeau reported that she attended the MSUSA conference and the Association of Governing Boards National Conference on Trusteeship. Trustee Charpentier-Berg commented that she and Trustee Otterson attended the MSCSA conference.

Adjournment

Chair Vekich announced that the Executive Committee will meet on May 11, 2016. The next Board of Trustees meetings are on May 17 and 18, 2016.

The meeting adjourned at 11:07 AM.

Ingeborg K. Chapin, Secretary to the Board