

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

Agenda Item Summary Sheet

Committee: Board

Date of Meeting: September 17, 2008

Agenda Item: Metropolitan Area Planning

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Proposed
Policy Change

☐

Approvals
Required by
Policy

☐

Other
Approvals

☐

Monitoring

☒

Information

Cite policy requirement, or explain why item is on the Board agenda:

To continue the committee's discussion about planning for growth in the Twin Cities metropolitan area.

Scheduled Presenter(s):

Linda L. Baer, Senior Vice Chancellor for Academic and Student Affairs

Outline of Key Points/Policy Issues:

A framework is recommended for building the system's capacity to contribute to the vitality of the Twin Cities through 1) keeping pace with the growing population and participation in post-secondary education and 2) meeting emerging workforce needs for baccalaureate and graduate education.

Background Information:

Previous Board discussions occurred in September, 2007; January, 2008; May, 2008; and July, 2008.

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

INFORMATION ITEM

METROPOLITAN AREA PLANNING

The Board has held several discussions about a system response to the growing population in the Twin Cities metropolitan area. A recommended strategy is proposed to adapt to the increasing numbers of Twin Cities residents who will need post-secondary education and to permit more residents to complete their bachelor's and graduate degrees at a Twin Cities public university.

BACKGROUND

Population forecasts by the Metropolitan Council anticipate nearly 1 million additional residents in the seven-county area between 2005 and 2030. Projections by the Office of the State Demographer for the region are more modest, but still forecast over 500,000 more residents by 2030. Uncertainty over the size and location of population growth complicates system planning but does not eliminate the need to assume that the system will need to accommodate more Twin Cities resident students in the years ahead.

In addition to responding to growth in overall population, the system will be expected by state leaders to increase participation in post-secondary education. The system 2008-2012 Strategic Plan starts with a commitment to achieve this goal.

With 10 community and technical colleges located across the metropolitan area, the system is well-positioned to increase capacity at the lower division level. It is less well prepared to respond to increasing needs for upper division and graduate education. Bachelor's degrees awarded by Metropolitan State University now make up approximately 11 percent of the awards granted by system institutions in the metropolitan area; master's degrees and graduate certificates account for 1 percent of the awards.

As more Twin Cities residents are successful in beginning post-secondary education and as the labor market increasingly favors workers with advanced levels of education, demand for baccalaureate and graduate degrees is likely to grow even faster than the population numbers alone would indicate. The University of Minnesota and traditional and for-profit private institutions will satisfy part of the market. In fact, the most profitable programs may be offered by many providers. Lack of a coordinated and aggressive system response, however, will limit affordable opportunities across the many fields of study that Minnesota State College and Universities delivers for Minnesota's workforce.

The eleven system institutions that make up the Metro Alliance¹ and the Office of the Chancellor recently contracted for a market study of Twin Cities area adult learners age 25 to 54 who enrolled in any public and private institution within the past 5 years. The needs and preferences of this market for post-secondary education have helped shape thinking about ways to improve the system's responsiveness to students in the Twin Cities region.

IDEAL CHARACTERISTICS OF AN EFFECTIVE TWIN CITIES FRAMEWORK

The Board's discussions on the metropolitan area have focused on short term and long term strategies that will expand the system's upper division and graduate educational opportunities in the Twin Cities metropolitan area.

Solutions to the challenges of a rapidly growing population with advanced education needs should meet the following criteria:

- **Flexibility:** Ability to adapt to changing program needs and demand over time
- **Geographic coverage:** Ability to serve populations across the metropolitan area
- **Cost effectiveness:** Containment of operating costs and capital outlays; affordable for students
- **Competitive:** Attractive to students from different learner segments², based on quality and convenience
- **System advantage and perspective:** Deploying the resources and power of a system of institutions to benefit students and employers; balancing service to the Twin Cities with a statewide mission
- **Right-sizing:** Capacity to handle developing demand, limited risk of excess capacity

STRATEGY OPTIONS

To develop a framework for expanding the system's capacity to provide baccalaureate and graduate education in the Twin Cities, the Board could address two broad areas of potential strategy:

¹ The Metro Alliance consists of Anoka-Ramsey Community College, Anoka Technical College, Century College, Dakota County Technical College, Hennepin Technical College, Inver Hills Community College, Metropolitan State University, Minneapolis Community and Technical College, Normandale Community College, North Hennepin Community College, and Saint Paul College.

² Learner segments were initially defined by PricewaterhouseCoopers and subsequently revised to identify the following six types of students served by the system: Employer sponsored learners, degree completion learners, college experience learners, pre-college learners, occupation/professional enhancement and life fulfillment learners, and remediation learners (may overlap with any of the first five segments).

- The first set of strategic issues concerns how state university upper division and graduate programs should be organized. What should be the roles of Metropolitan State University and other state universities in the Twin Cities?

Attachment A provides information on the advantages and disadvantages of strategies that could be employed to facilitate program development. In July 2008, the Board indicated that two strategies—continuing on the current course and creating a second state university in the Twin Cities—were unlikely to be successful and therefore could be dropped from further consideration.

- A second related set of decisions involves how and where facilities should be created or modified to accommodate upper division and graduate enrollments and curriculum.

Attachment B provides more information on different facilities strategies.

Attachment C is a profile of campus facilities in the Twin Cities by quadrant.

PRINCIPLES

The following principles for development of baccalaureate and graduate education in the Twin Cities are based on the Board's discussion in July, 2008.

Institutional Roles and Responsibilities

- Metropolitan State University should remain the primary state university in the Twin Cities. As it is able and as documented demand warrants, Metropolitan State should continue aggressive development of new baccalaureate and graduate programs delivered on its own campuses and in partnership with the Metro Alliance colleges.
- There will be a role for the non-metropolitan state universities in meeting needs that cannot be addressed by Metropolitan State University.
- While a framework for expanding state university programs is desirable, assigning exclusive responsibility for geographic areas does not allow sufficient flexibility to take advantage of the different program capacities and strengths of each university or to create metro-wide programs.

Program Development

- Baccalaureate and graduate programs offered by non-metropolitan state universities in the Twin Cities should build upon, and not duplicate, lower division capacity in the Metro Alliance institutions.
- Program expansion in the Twin Cities should avoid unnecessary duplication of 1) upper division and graduate programs offered by Metropolitan State University and other state

universities and 2) specialized lower division college courses that articulate to these programs.

- Upper division programs should welcome students who have many types of prior lower division course credits. In other words, many students will not follow a traditional 2 + 2 pattern of two years at a community or technical college followed by transfer to a single baccalaureate institution for the final two years of the degree.
- Upper division and graduate programs should be delivered and marketed to Twin Cities residents who cannot move to attend the non-metropolitan universities and do not have access to local programs at the University of Minnesota or private institutions. To the extent possible, Twin Cities program development should expand opportunities and not compete with on-campus enrollments in the non-metropolitan universities.

Facilities

- Because development is occurring throughout the region, a single location would restrict access. However, it would be desirable to limit the number of locations for several reasons: to maximize public visibility and identity, to provide consistency for students and faculty, to be able to offer on-site auxiliary services, and to incur fewer transaction costs for acquiring and modifying facilities.
- When capacity exists or can be built, existing system campuses should be a first choice for locating additional upper division and graduate programs.
- Aggressive development of online and hybrid instruction throughout the system will allow Metro Alliance and other system institutions to offer convenient, competitive education in the growing Twin Cities area while limiting capital investment requirements.
- Leasing is an attractive option for testing the market in new locations and for meeting temporary needs.

RECOMMENDATIONS

In the Twin Cities metropolitan area, the Minnesota State Colleges and Universities should pursue strategies that would enable it to provide a more comprehensive, balanced set of programs and classes while expanding capacity to serve the growing population.

At present, approximately 7 percent of the full-year equivalent (FYE) instruction offered in the metropolitan area is at the upper division or graduate levels (6 percent upper division, 1 percent graduate). By 2020, the system should aim for at least 20 percent of the instruction in the metropolitan area to be at these advanced levels.³ Achieving this profile will require utilizing the

³ In contrast, outside the Twin Cities, 20 percent of the instruction offered is upper division and 4 percent is at the graduate level. These data are based on institution locations; separately identifying off-campus and online instruction

capacity of the non-metropolitan universities to supplement growing capacity at Metropolitan State University.

RECOMMENDATIONS:

Development of Baccalaureate and Graduate Program Capacity

- 1. The system should invest resources that will allow Metropolitan State University to offer more programs, to more students, in more locations.**

Within Minnesota State Colleges and Universities, institutions finance new programs by tapping their allocation from the system appropriation and their retained tuition revenues. This has been the method used to develop Metropolitan State University to its position today. The pace of change, however, has not been fast enough to respond to demand for programs in nursing and other STEM fields, for degree completion programs for community and technical college graduates, and for program opportunities for others in the community who are seeking public higher education leading to a bachelor's or graduate degree.

As part of the next biennial budget request, the Board should consider a special initiative to accelerate the development of Metropolitan State University by investing in faculty and staff who can immediately expand services and build a foundation for future growth.

- 2. Metropolitan State University should strengthen its partnerships with Metro Alliance colleges.**

Metropolitan State University now offers courses on campuses of 8 of the 10 two-year Metro Alliance colleges. Presidents of the colleges welcome more opportunities to serve their communities by hosting baccalaureate programs that connect with their associate degrees and lower division offerings. Use of these campuses allows Metropolitan State to extend its reach to areas of the Twin Cities beyond its own locations in St. Paul and Minneapolis. Even if not housed on community and technical colleges, upper division classes built upon the system's lower division capacity provide pathways to career advancement.

Whether or not special funding to speed development can be identified, the system should expect the University to continue its expansion of baccalaureate degree programs that are offered in cooperation with Metro Alliance colleges.

- 3. Metro Alliance colleges should develop sustained partnerships with carefully chosen non-metropolitan state universities when Metropolitan State University is unable to deliver upper division and graduate programs that best meet the needs of their students.**

For the foreseeable future, Metropolitan State University will not have the ability to

fulfill the system's potential for upper division and graduate education in the Twin Cities. To make up for these gaps, the community and technical colleges have begun to develop relationships with some of the non-metropolitan state universities. Examples are North Hennepin Community College and Minnesota State University Moorhead, Normandale Community College and Minnesota State University, Mankato, and Anoka-Ramsey Community College and St. Cloud State University.

In addition to partnerships with Metropolitan State University, further pairings among Metro Alliance Colleges and other state universities should be developed. The goal should be to create a metro-wide network of significant, sustained relationships between each college and a primary state university partner to expand the number of bachelor's and graduate degrees that can be completed in the region.

If the Board accepts this framework, the Office of the Chancellor should coordinate and assist in the development of paired colleges and universities in order to address different program needs while avoiding unnecessary duplication. Relationships that develop must make sense to both the college and university partners. Metro Alliance presidents observe that successful partnerships are built when faculties share a common vision for teaching their discipline and are able to sustain rewarding professional and personal connections.

4. A marketing initiative should be created to inform Twin Cities residents that they can complete bachelor's degrees on the Metro Alliance college campuses.

Following the completion of a market study of adult learners, Metro Alliance communications staff began work on a combined communications strategy. One finding of that study is that adult learners favor community and technical college locations for taking courses toward university degrees. Once developed, a robust network of baccalaureate opportunities, in locations throughout the metropolitan area, would be a powerful message to convey to Twin Cities adults seeking to complete their undergraduate degrees.

5. To supplement intensive partnerships between individual state universities and Metro Alliance colleges, online instruction, collaborative metro-wide programs, and specialized partnerships should be used to expand access to baccalaureate and graduate education.

No single strategy can anticipate all future needs and possibilities. While the above recommendations address major system strategies in the Twin Cities, other strategies can contribute to expanded access. Online courses offered by any of the state universities can enroll Twin Cities residents. The system's doctorate in nursing degree is a collaboration among four state universities that could serve as model for other disciplines. There may also be needed bachelor's degree programs that could articulate with a college's lower division offerings that are not available through the primary state university partner.

RECOMMENDATIONS:

Facilities to Accommodate Enrollment Growth and the Expansion of Upper Division and Graduate Education

6. Metropolitan State University campuses in St. Paul and Minneapolis should be expanded as classroom enrollments grow.

Online instruction can alleviate facility needs, but Metropolitan State University will still require additional facilities to add enrollments and expand to into new program areas. As an example, to build capacity in STEM disciplines, the University will be proposing construction of a science/health sciences center on the St. Paul campus in the 2010 capital budget cycle.

7. In addition to building out each of the Metro Alliance college campuses for enrollment growth, space planning on the college campuses should allow for upper division and graduate education offered by state university partners.

Since population growth is occurring throughout the metropolitan area, every college should be expected to enroll more students in the years ahead. Online and hybrid courses will satisfy an increasing portion of the demand, but, over the long term, the system should anticipate continuing needs to expand facilities on existing campuses. While some institutions will need to consider parking structures, increased classroom and other building capacity is feasible on all existing campuses in the Twin Cities.

As a long-range strategy, the system should develop the capacity to provide a coordinated network of baccalaureate degree completion opportunities on the 11 Metro Alliance college campuses. Recent market research confirms that two-year college campuses are attractive sites for students seeking bachelor's degrees; these campuses are located in strategic locations across the metropolitan area and already contain support facilities and other amenities expected of higher education institutions.

Several recent developments provide a foundation for this strategy. Two colleges—Anoka-Ramsey Community College and North Hennepin Community College—received planning approval in the 2008 capital budget bill for new facilities to house biosciences and health professions programs that will be offered by their state university partners. With funding approved in 2008, Metropolitan State University and Minneapolis Community and Technical College are constructing a training facility on the Brooklyn Park campus of Hennepin Technical College to serve all Metro Alliance law enforcement programs. Other Metro Alliance colleges are developing capital project proposals that include space for baccalaureate completion and other state university partnerships.

Colleges should work with their state university partners to design classrooms and laboratories that fit short and intermediate term program plans. However, the system should avoid permanent designation of these facilities for a particular university.

The Metro Alliance should develop consistent usage and financial guidelines for shared

space when a state university offers classes on a Metro Alliance college campus. Universities that locate on college campuses need the assurance that they will be able to schedule their courses as needed. Colleges that host university classes should expect reasonable sharing of facilities and support costs. Greater consistency in these arrangements will streamline planning and reduce uncertainty.

8. When on-campus facilities are not available or appropriate, leased space should be employed on a case-by-case basis.

Although Metro Alliance campuses are distributed across the region, off-campus locations may be necessary when there is insufficient capacity or when the institution seeks to enroll students who do not have convenient access to its campus. The Senior Vice Chancellor for Academic and Student Affairs is developing guidelines for reviewing proposed off-campus locations in any area of the state. These guidelines will be used to review the market need for an additional location, to avoid unnecessary duplication among system institutions, and to assess lease arrangements.

Strategies for Organizing Program Expansion	Summary Analysis
1. Continue current practice <i>(Removed from further consideration*)</i>	Rewards initiative and voluntary partnerships but may not be systematic, efficient, or adequate to serve needs, possibly confusing to the public
2.	
3. Accelerated development of Metropolitan State University	Promotes expansion of the local university; requires dedicated resources; inhibits expansion of other state universities into the metro area
4. Metropolitan State University as broker/coordinator	Takes advantage of Metropolitan State University's regional focus and resources at other universities; could inhibit expansion of other state universities in the metro area
5. Designated or niche specialties	Takes advantage of strengths at different state universities; discourages duplication and competition in the metro area, but may retard future initiatives
6. Existing relationships and partnerships	Builds on voluntary connections and success; probably inadequate to meet all future needs
7. Systematic pairing of colleges and universities	Utilizes existing college campuses which are attractive sites for adult learners; could draw upon resources of all state universities; builds sustained partnerships; could be too inflexible and discourage other partnerships
8. Metro-wide programs	Draws on capacity at multiple universities but can be difficult to develop; not possible for all programs
9. Solicit proposals	Creates incentives to meet critical demands and to be responsive and cost-effective; requires targeted resources
10. New university <i>(Removed from further consideration*)</i>	Would have mission distinct from Metropolitan State University, including possible residential, traditional university opportunities; most expensive and long-term strategy

* In July 2008, the Academic and Student Affairs Committee reached a consensus that these two alternatives could be removed from further consideration.

Facilities Strategies	Summary Analysis
1. Temporary leased space	Can be used to test market or for short term needs; less opportunity to build visibility or create specialized space
2. On college campuses: Use existing facilities	Attractive sites for adults learners; takes advantage of past investment in facilities but inadequate to offer all courses and programs currently in demand; shared space can become an issue
3. On college campuses: Build upper division/graduate centers	Attractive sites for adult learners; visible presence; takes advantage of auxiliary services in place; need acceptable policies regarding use of space
4. Standalone upper division/graduate centers	Can build a visible presence; may not have many services found on a campus; need acceptable policies regarding use if multiple universities offer courses
5. Online and blended courses	Popular with many students; reduces pressure on facilities, but not suitable for all students or programs
6. Permanent new campus	Requires certainty about significant increases in enrollment to sustain; could include residential facilities; no clear location to serve entire region; expensive and time-consuming to create

Attachment C
Metro Alliance Campus Facilities

Metro Alliance Campus Facilities							
Quadrant/Institutions	Buildings				Acreage		
	Gross Square Feet	2007 FYE	GSF/ FYE	Number Classrooms & Labs	Main-tained	Not Main-tained	Total
Northwest: Anoka Technical College, Anoka-Ramsey Community College, Hennepin Technical College (Brooklyn Park), North Hennepin Community College	1,531,264	11,557	132	241	239	79	318
Northeast: Century College	659,872	5,957	111	102	113	49	162
Central Cities: Saint Paul College, Metropolitan State University, Minneapolis Community and Technical College	1,865,450	13,582	137	223	58	2	60
Southeast: Inver Hills Community College, Dakota County Technical College	835,326	5,691	147	127	261	36	297
Southwest: Normandale Community College, Hennepin Technical College (Eden Prairie)	871,807	7,948	110	108	162	61	223
Metro total or average	5,763,719	44,735	129	801	833	227	1,060
Remainder of state	15,331,687	91,104	168	2,047	5,860	3,397	9,257
System total or average	21,095,406	135,839	155	2,848	6,693	3,624	10,317

Note: Facilities data for Fiscal Year 2008