

MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD OF TRUSTEES STUDY SESSION MARCH 20, 2013 McCORMICK ROOM 30 7TH STREET EAST ST. PAUL, MN

Present: Chair Clarence Hightower and Trustees Ann Anaya, Brett Anderson, Margaret Anderson Kelliher, Duane Benson, Alexander Cirillo, Cheryl Dickson, Dawn Erlandson, Philip Krinkie, Alfredo Oliveira, David Paskach, Thomas Renier, Louise Sundin, Michael Vekich and Chancellor Steven Rosenstone

Absent: Trustee Maria Peluso

Update on Implementation of Strategic Framework: Driving Outcomes and Metrics

Chair Clarence Hightower convened the study session at 9:40 a.m. He explained that Chancellor Steven Rosenstone first presented the board with a proposed strategic framework in September 2011. The plan was refined over the next several months and adopted by the board in January 2012. Chair Hightower called on Chancellor Rosenstone for an update on the implementation of the workplan.

Chancellor Rosenstone explained that today's conversation will focus the big picture of where the system is going, how it is getting there, and how progress will be measured. He introduced Craig Schoenecker, director of institutional research for the system office. The outline for today's discussion is:

- a review of the broad strategic goals that the board adopted;
- a report on the implementation of the projects that were identified in November of 2011;
- an explanation of metrics that were developed to chart progress on performance
 - (metrics for each college and university and the system) and
 - the metrics for closing the achievement gap and the completion rate; and
- a discussion with the board on changes that could be made to the dashboard which is several years old.

Review of the Broad Strategic Goals that the Board Adopted

Chancellor Rosenstone recited the three commitments in the Strategic Framework:

- Ensure access to an extraordinary education for all Minnesotans;
- Be the partner of choice to meet Minnesota's workforce and community needs; and
- Deliver to students, employers, communities and taxpayers the highest value / most affordable option.

Chancellor Rosenstone added that the elements of the framework are clear and broad directions for the system's value proposition to students, communities and the people of Minnesota.

Implementation of the Projects that Were Identified in November of 2011

- With the help of the presidents, an initial set of projects was developed in November 2011. They are not the entire workplan of everything going on in our colleges and universities and in the divisions of the system. These are the initial projects driving forward these three, broad strategic goals.
- The chancellor noted that he anticipates that what will come out of the three strategic workgroups when they report to the board in June is a sense of the next set of projects. Some of the projects are completed, some are multiple-year in their implementation, and some of them might change as a result of the strategic workgroups' recommendations. The sum total of everything we are doing and will do is nothing more than the initial steps we identified a year ago in November to move things forward.
- The projects have two responsible parties for implementation.
 - The large part of the implementation is driven by the colleges and universities, which is where the students are taught and where the academic programs and planning occurs. A large part of these projects is part of the presidents' individual workplans, upon which they will be evaluated.
 - They are also part of the workplans of the divisions in the system office. The details that need to be developed under the three goals must involve faculty, students, leadership and the board.
- This past year, the tougher questions under each of these goals have been assigned to the strategic workgroups for broader consultation. Between June and October a rich conversation is anticipated and that the lion share of the board's retreat in September will be spent on reviewing the initial recommendations of the strategic workgroups.

Projects Relating to Ensuring Access to an Extraordinary Education

Chancellor Rosenstone summarized the status of projects related to ensuring access to an extraordinary education.

- Last spring, faculty led conversations on each campus on what it means to provide an "extraordinary education." Reports from those conversations have informed the system's legislative request for support for faculty-driven educational innovations. The conversations continue on many of the campuses and also have become part of presidents' evaluations. The next steps, whether on e-education, massive open online courses (MOOCs) or experiential education, are being discussed by the strategic workgroup on the education of the future.
- Program-based learning outcomes have been developed at the college and university level. About 87 percent of our programs currently have those outcomes in place, with projections of 97 percent in place by June 2013. The changes that were made and the learning outcomes that were established were in response to the workforce listening sessions held around the state.
- The system is participating in a multi-state collaborative for learning outcomes assessment. The system joined an effort initiated by the director of higher education for the State of Massachusetts that includes other systems and the State Higher Education Executive Officers (SHEEO). Presidents Ron Anderson and Earl Potter lead the system's involvement and four or five colleges and universities will be pilots in working together to develop a

learning assessment that can be used across our system but also with other states which can then be used as a benchmark for measuring the system's performance relative to other systems around the country.

- Another project is to increase access and completion of baccalaureate degrees, especially in the metro area. A metro plan with consultation and feedback from presidents, faculty and students is in draft form. It will be presented to the board for additional discussion, feedback and counsel later in the spring.
- The system is committed to partnering with communities traditionally underserved by higher education to improve college readiness and completion.
 - A report on some of these initiatives was presented to the board in January.
 - Teams from each college and university identified and developed best practices that are being deployed systemwide.
 - Chancellor Rosenstone commented that he is a member of the P-20 Partnership and the system is collaborating on "Generation Next" (formerly "Strive"), projects to close the achievement gap.
 - The system is increasing collaborations across the colleges and universities to create the best possible courses and learning experiences.
 - Implementation is underway on a project to develop more regional and statewide academic plans.
 - The strategic workgroup on the education of the future will have additional recommendations on these projects.

Projects Related to Being the Partner of Choice

The chancellor continued with projects related to being the partner of choice.

- The first project is to realign P-12 with post-secondary education for better pathways from high school to college. The board heard a presentation last June from Brenda Cassellius, Commissioner, Minnesota Department of Education and Larry Pogemiller, Director, Office of Higher Education, on "Redesigning Grades 11-14." Elements of the initiative are in legislation before the Minnesota House and Senate, and the system has testified in support in both houses. There is tremendous excitement regarding the recommendations that were shared with the board last year.
- With respect to retention, transfer and completion, best practices and aggressive goals have been established. The Smart Transfer Plan is underway, and the Transfer Report was submitted to the Minnesota Legislature. Through its legislative request, the system is seeking resources to deploy the predictive analytics across the system so that we can do a better job of identifying the students that need help and can intervene by having the academic support and resources available to help them get back on track.
- The workforce listening sessions were completed last fall. They were a successful collaboration with Department of Employment and Economic Development (DEED) and the Minnesota Department of Commerce, and the results have been posted.
 - The presidents have begun acting in collaboration with faculty and staff on retooling learning outcomes and developing regional plans for aligning academic programs with workforce needs.
 - One part of the implementation related to this is the Itasca Workforce Alignment Team which Chancellor Rosenstone is chairing with the head of human resources of Schwan's. It is a collaboration involving all sectors of higher education including the

University of Minnesota, the privates, for-profits and the public schools as well as industry leaders, DEED and the Minnesota Chamber. A design to systematize and speed-up the alignment will be released and piloted later this spring and summer with plans to bring it to scale for the entire state sometime next year.

- To enable more people to more easily update skills and prepare for new careers, Minnesota FastTRAC is being expanded in collaboration with DEED.
 - A meeting is planned with the DEED commissioner and the new deputy commissioner of workforce along with the Greater Twin Cities United Way to begin to think long-term what the models should be for career pathways.
 - Partnerships around the workforce centers are being expanded.
 - Presidents have been working on moving customized training from individual models to more collaborative and comprehensive workplace solutions for businesses and industries across the entire state.

This is a complicated problem to solve, and it is being addressed by the Workforce of the Future Workgroup focused on the same.

Projects Relating to Delivering the Highest Value and Most Affordable Higher Education

Projects relating to delivering the highest value and most affordable higher education part of the Strategic Framework include:

- The restructuring of the Leadership Council resulted in a shared responsibility of the presidents in leading the Strategic Framework.
- The Campus Service Cooperative is well underway.
- An analysis of the Allocation Framework and the MnSCU financial model were completed, and the assessments were reviewed by the presidents. The System of the Future Workgroup will develop recommendations for a long-term sustainable model that will incent, reward and reallocate.
- The board will review recommendations for the long-term capital plan as a first reading at the May meeting, followed with a second reading in June.
- The big question going forward is the redesign of the system's organization structure and processes. The System of the Future Workgroup is working on this project and will develop recommendations.
- The executive performance evaluation process has been redesigned. Institutional performance metrics have been incorporated in the evaluations. Chancellor Rosenstone noted that this spring he will meet individually with each president and member of the Cabinet on their workplans and goals that were established earlier. It is an improved system, and focuses on what needs to be accomplished within the broad goals of the Strategic Framework.

Metrics Developed to Chart Progress on Performance

Chancellor Rosenstone observed that in comparing what he knew in March of 2013 to what he knew in November of 2011, the puzzles are far more complicated than any of us knew. Much broader consultation with faculty, students, board and system leadership was needed to wrestle with the tough questions to understand and realize the ambitions of the Strategic Framework and to deal with the fast changing conditions in the higher education environment. The most important thing is

to align the metrics with the goals and drive the performance of all individuals in the system. Chancellor Rosenstone turned to Dr. Schoenecker to explain the metrics.

Dr. Schoenecker explained that a large amount of consultation has occurred in the process of developing the performance metrics. There have been a number of sessions with the Leadership Council, chief academic and student affairs officers and chief finance officers and institutional research directors in specifying and identifying data sources for the metrics. Now, consultation is underway with the research directors to develop the process for establishing the goals going forward for improvement and performance for each institution.

In total, 27 performance metrics have been defined. They are aligned with the three goals of the Strategic Framework:

- extraordinary education goal (11 metrics);
- meeting workforce and community needs goal (4 metrics);
- the highest value / most affordable option goal (7 metrics); and
- measures of collective success of the system in advancing its mission (5 metrics).

Dr. Schoenecker reviewed an example of a hypothetical college with hypothetical goals on its performance on providing access to an extraordinary education. The purpose is to illustrate the institutional performance profile that is being developed.

- Metrics on the quality of graduates include program learning outcomes and licensure exam pass rate. Student success metrics are on student persistence and completion, completion rate and affordability.
- Diversity metrics are on employee and student diversity and success and completion for students of color, and the campus diversity climate.
- Metrics for being the partner of choice to meet workforce and community needs are certificates and degrees awarded, and related employment of graduates and customized training and continuing education enrollment.
- Metrics for providing the highest value / most cost-effective higher education option track institutional support expenses, the composite financial index, the reserve ratio, the facilities condition index, private giving, grants and customized training and continuing education reserves.
- Last, there are metrics for measuring the collective success of the system in serving the state and regions. The measurements are the percentage of successful transfer of credits accepted from receiving institutions and the percent accepted from sending institutions, and curricular collaboration.

Dr. Schoenecker continued that the college and university research directors are actively engaged in the next step in the process which is developing performance goals for each college and university. The intent is to establish ambitious goals for improvement over a five-year timeframe. One of the key challenges that is being addressed is taking into consideration differences in student populations that will affect a college or university's performance on a metric. A slide displayed six-year completion rates at system universities of students ranging from least prepared to most prepared and from lowest financial need to highest financial need.

Board Discussion

Trustee Anderson Kelliher inquired what goals could be created for improving the completion rate of the least prepared students with the highest financial need. Dr. Schoenecker explained that the goals would be to take into consideration differences among students or institutions that affect performance. Chancellor Rosenstone added that the data displayed is for state universities. The goals would be specific for each institution, including the preparedness of students, and the availability of scholarships and state grant for part-time students.

Trustee Duane Benson inquired about using a four and a six-year graduation rate. Dr. Schoenecker replied that the data is available, but the national standard is to use a six-year rate. The system's universities four-year completion average is 51 percent.

Trustee Philip Krinkie inquired about the metrics for measuring campus diversity climates. Dr. Schoenecker explained that there are national student opinion surveys with a series of questions about the extent to which diversity is addressed in the context of the college and university. Trustee Krinkie asked why there is only one metric about the highest value / most cost efficient. Chancellor Rosenstone commented that the system has a very good metric that covers administrative overhead. Trustee Louise Sundin noted that the Facilities Condition Index shows less spending on physical resources. Dr. Schoenecker explained that the dollar value is declining.

Trustee David Paskach commented that he was very pleased and excited about the new set of metrics. He suggested consideration of a workforce metric correlating certificates and degrees with actual needs in the workforce.

Chancellor Rosenstone explained that the next step is for the board to provide counsel and suggestions. The metrics are about the system's values; its commitment to its students and communities. They align with the goals set out in the Strategic Framework. There is much excitement about the direction that the system is going under the board's direction.

Chair Hightower thanked Chancellor Rosenstone and Director Schoenecker and adjourned the study session at 10:50 am.

Ingeborg Chapin,
Secretary to the Board