MINNESOTA STATE
Board of Trustees

30 East 7th Street
St. Paul, MN 55101

651-201-1705

Board of Trustees Meetings
January 28-29, 2020

Minnesota State is an affirmative action, equal opportunity employer and educator.

MINNESOTA STATE
Board of Trustees

30 East 7th Street
St. Paul, MN 55101

651-201-1705

REVISED

Board of Trustees Meeting
January 28-29, 2020
Minnesota State
30 East 7th Street
St. Paul, Minnesota

Unless noticed otherwise, all meetings are in the McCormick Room on the fourth floor. Committee and board meeting times are tentative. Meetings may begin up to 45 minutes earlier than the times listed if a committee meeting concludes its business before the end of its allotted time slot. In addition to the board or committee members attending in person, some members may participate by telephone.

Tuesday, January 28, 2020

11:00 AM Joint Meeting: Board of Trustees and Leadership Council
Third Floor Conference Rooms 3304/3306
- Trends in Higher Education

12:00 PM Luncheon, Rooms 3304/3306

1:00 PM Committee of the Whole, Jay Cowles, Chair
1. NextGen Project Risk Review #5 Results
2. NextGen Update

2:00 PM Audit Committee, George Soule, Chair
Other board members may be present constituting a quorum of the board.
1. **Minutes of November 19, 2019**
2. Project Update: Institution Financial Control Review

2:30 PM Facilities Committee, Jerry Janezich, Chair
Other board members may be present constituting a quorum of the board.
1. **Minutes of October 15, 2019**
2. **Contracts Exceeding $1 Million:**
   a. **McMahon Student Center Renovation, Itasca Community College**
   b. **Student Affairs Renovation, Phase 2, Minneapolis Community and Technical College**
3. 2022 Capital Program Guidelines (First Reading)

3:30 PM Finance Committee, Roger Moe, Chair
Other board members may be present constituting a quorum of the board.
1. **Minutes of November 19, 2019**

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2. **Contracts Exceeding $1 Million:**
   a. **McMahon Student Center Renovation, Itasca Community College**
   b. **Student Affairs Renovation, Phase 2, Minneapolis Community and Technical College**
3. **Property Acquisition: Alexandria Technical and Community College**
4. **Surplus Property Designation: Alexandria Technical and Community College**
5. **NextGen Vendor Contract Negotiation Approval**
6. **Third Party Owners Representative Contract Approval**
7. College and University Financial Performance Update
8. 2022 Capital Program Guidelines (First Reading)

5:00 PM Meeting Ends

5:30 PM Dinner (Social event, not a meeting)

Wednesday, January 29, 2020

8:30 AM Academic and Student Affairs Committee, Alex Cirillo, Chair
Other board members may be present constituting a quorum of the board.

1. **Minutes of November 19, 2019**
2. **Proposed Amendment to Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration (Second Reading)**
3. **Proposed Amendment to Policy 3.27 Copyrights (Second Reading)**
4. **Proposed New Policy 3.43 Accreditation (Second Reading)**
5. Proposed Amendment to Policy 2.6 Intercollegiate Athletics (First Reading)
6. Proposed Amendment to Policy 3.26 Intellectual Property (First Reading)
7. **State of Minnesota Perkins V Plan**
8. **Restructuring of the Northeast Higher Education District**

10:00 AM Human Resources Committee, Michael Vekich, Chair
Other board members may be present constituting a quorum of the board.

1. **Minutes of November 20, 2019**
2. **Minutes of Joint Meeting with Audit Committee of November 20, 2019**
3. **2019-2021 Minnesota State College Faculty Bargaining Contract**

10:30 AM
- Photo Session: Lower Level Atrium

11:00 AM Diversity, Equity, and Inclusion Committee, Rudy Rodriguez, Chair
Other board members may be present constituting a quorum of the board.

1. **Minutes of November 20, 2019**
2. Title IX Civil Rights Compliance Update

12:30 PM Luncheon, Conference Rooms 3304/3306

1:30 PM Outreach and Engagement Committee, Dawn Erlandson, Chair

Other board members may be present constituting a quorum of the board.

1. **Minutes of November 19, 2019**
2. Partnership for Teachers of Color Pathway
3. Workforce Development Scholarships Update

2:30 PM Board of Trustees, Jay Cowles, Chair

4:00 PM Meeting Ends

Bolded items indicate action is required.

MINNESOTA STATE
Board of Trustees

30 East 7th Street
St. Paul, MN 55101

651-201-1705

Committee Rosters
2019-2020
(Updated December 16, 2019)

Executive
Jay Cowles, Chair
Roger Moe, Vice Chair/Treasurer
Alex Cirillo
April Nishimura
Louise Sundin
Cheryl Tefer
Michael Vekich

Academic and Student Affairs
Alex Cirillo, Chair
Cheryl Tefer, Vice Chair
Ashlyn Anderson
Dawn Erlandson
Jerry Janezich
Rudy Rodriguez
Samson Williams

President Liaisons:
Michael Berndt
Robbyn Wacker

Audit
George Soule, Chair
Michael Vekich, Vice Chair
Bob Hoffman
Jerry Janezich
April Nishimura

President Liaisons:
Richard Davenport
Stephanie Hammitt

Diversity, Equity, and Inclusion
Rudy Rodriguez, Chair
George Soule, Vice Chair
Ashlyn Anderson
April Nishimura
Louise Sundin
Cheryl Tefer
Samson Williams

President Liaisons:
Anne Blackhurst
Annesa Cheek

Facilities
Jerry Janezich, Chair
Louise Sundin, Vice Chair
Bob Hoffman
Roger Moe
Samson Williams

President Liaisons:
Faith Hensrud
Kent Hanson

Finance
Roger Moe, Chair
April Nishimura, Vice Chair
Ahmitara Alwal
Ashlyn Anderson
Bob Hoffman
Jerry Janezich
George Soule

President Liaisons:
Joe Mulford
Scott Olson

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Human Resources
Michael Vekich, Chair
George Soule, Vice Chair
Ahmitara Alwal
Dawn Erlandson
Roger Moe
Rudy Rodriguez
Cheryl Tefer

President Liaisons:
Ginny Arthur
Annette Parker

Nominating Committee
George Soule, Chair
Rudy Rodriguez, Vice Chair
Cheryl Tefer

Outreach and Engagement Committee
Dawn Erlandson, Chair
Louise Sundin, Vice Chair
Ahmitara Alwal
Ashlyn Anderson
Rudy Rodriguez

President Liaisons:
Anne Blackhurst
Hara Charlier

Chancellor Review
Jay Cowles, Chair
Roger Moe, Vice Chair
Dawn Erlandson
Michael Vekich

MINNESOTA STATE
Board of Trustees

30 East 7th Street
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Approved FY2020 and FY2021 Board Meeting Dates

The meeting calendar is subject to change. Changes to the calendar will be publicly noticed.

Approved FY2020 Meeting Calendar

Meeting	**Date**	**If agendas require less time, these dates will be cancelled.**
Board Meeting/Combined meeting with Leadership Council *Hibbing Community College*	July 23-24, 2019	July 24, 2019
Board Retreat	September 17-18, 2019	
Executive Committee	October 2, 2019	
Committee/Board Meetings Combined meeting with Leadership Council on October 15 *No meetings on October 16*.	October 15, 2019 *ACCT Leadership Congress, October 16-19, San Francisco*	October 16, 2019
Cancelled: Executive Committee	November 6, 2019	
Committee / Board Meetings *Bemidji State University and Northwest Technical College*	November 19-20, 2019	November 19, 2019
No December meeting		
Cancelled: Executive Committee	January 8, 2020	
Committee / Board Meetings Combined meeting with Leadership Council on January 28	January 28-29, 2020	
No February meeting	*ACCT National Legislative Summit, Feb. 9-12, Washington, D.C.*	
Executive Committee	March 4, 2020	

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Meeting	Date	If agendas require less time, these dates will be cancelled.
Committee / Board Meetings	March 17-18, 2020	March 17, 2020
Executive Committee	April 1, 2020	
Committee / Board Meetings Awards for Excellence in Teaching	April 21-22, 2020 *AGB National Conference* *April 5-7, Washington, D.C.*	
Executive Committee	May 6, 2020	
Committee / Board Meetings	May 19-20, 2020	May 19, 2020
Committee / Annual Board Meetings	June 16-17, 2020	June 16, 2020

Approved FY2021 Meeting Calendar

Board Meeting/Combined meeting with Leadership Council	July 21-22, 2020	July 22, 2020
Orientation for new trustees	*August or after governor makes the appointments*	
Executive Committee	September 2, 2020	
Board Retreat	September 15-16, 2020	
Executive Committee	October 7, 2020	
Committee / Board Meetings	October 20-21, 2020 *ACCT Leadership Congress* *Sept. 30-Oct. 3, Chicago*	October 21, 2020
Executive Committee	November 3, 2020	
Committee / Board Meetings	November 17-18, 2020	
No December meeting		
Executive Committee	**?**	

Committee / Board Meetings Combined meeting with Leadership Council	January 26-27, 2021	
No February meeting	*ACCT National Legislative Summit, Feb. 7-10, Washington, D.C.*	
Executive Committee	March 3, 2021	
Committee / Board Meetings	March 16-17, 2021	March 16, 2021
Executive Committee	April 7, 2021	
Committee / Board Meetings	April 20-21, 2021 *AGB National Conference, Apr. 11-13, San Diego*	April 20, 2021
Executive Committee	May 5, 2021	
Committee / Board Meetings	May 18-19, 2021	May 18, 2021
Executive Committee	June 2, 2021	
Committee / Annual Board Meetings	June 15-16, 2021	June 15, 2021

National Higher Education Conferences:

AGB National Conference	April 14-16, 2019, Orlando
ACCT Leadership Congress:	October 16-19, 2019, San Francisco
ACCT National Legislative Summit:	February 9-12. 2020, Washington, DC
AGB National Conference:	April 5-7, 2020, Washington, DC
ACCT Leadership Congress:	September 30-Oct. 3, 2020, Chicago
ACCT National Legislative Summit:	February 7-10, 2021, Washington, DC.
AGB National Conference:	April 11-13, 2021, San Diego
ACCT Leadership Congress:	October 13-16, 2021, San Diego
ACCT National Legislative Summit:	February 2022 (dates not posted)
AGB National Conference:	April 10-12, 2022, Orlando

AGB is the Association of Governing Boards of Universities and College
ACCT is the Association of Community College Trustees

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Board of Trustees

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St. Paul, MN 55101

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Joint Meeting
Board of Trustees and Leadership Council
January 28, 2020
11:00 AM
Minnesota State
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11:00 AM Joint Meeting: Board of Trustees and Leadership Council
Third Floor Conference Rooms 3304/3306

- Trends in Higher Education

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Joint Meeting, Board of Trustees and Leadership Council

Date: January 28, 2020

Title: Trends in Higher Education

Purpose (check one):

- [ ] Proposed New Policy or Amendment to Existing Policy
- [ ] Approvals Required by Policy
- [ ] Other Approvals
- [ ] Monitoring / Compliance
- [x] Information

Brief Description:

Raina Rose Tagle and Chris Jeffrey will share insights from Baker Tilly's ebook *Aligning Student and Institution Success.*

Scheduled Presenter(s):

Raina Rose Tagle, Partner, Baker Tilly Virchow Krause, LLP
Chris Jeffrey, Partner, Baker Tilly Virchow Krause, LLP

Aligning student and institution success:
Does your institution pass the test?

bakertilly
now, for tomorrow.

More of today's occupations require a college degree than ever. As such, an individual's level of education continues to be seen as a critical element of socioeconomic mobility and financial success. The U.S. Bureau of Labor Statistics projects occupations requiring postsecondary education to grow more rapidly compared to other occupations.[1] However, the demand to ensure completion of a postsecondary degree – through an impactful higher education experience – is challenged by the ability to afford one.

Concerns about the ability to afford a degree are most often cited as the key driver of retention and student success. Board members also continue to rate the price of higher education as their top concern for the future of the higher education sector.[2] With that reality comes a student population that is seeking more from their college or university as they demand a clear value proposition from their higher education investment.

In addition to the challenges of providing – and proving – this value, institutions face increasingly diverse student demographics and expectations. With a more diverse student population comes the need for more dynamic approaches, programming and services to reach and support an array of students. For all institutions, this means going beyond the traditional approach to support student success. From mental health services and campus safety, to student clubs and research opportunities, colleges and universities are asked to deliver a continuum of programs and services aimed directly at ensuring student success.

Institutional leadership continually assesses the optimal approach to meet the demands for these varied student resources, weighing the financial impact and related risks alongside their potential impact on the student experience. Leaders face the ultimate challenge of providing costly services and programs with less financial resources, as pressure to reduce the cost of attendance increases. In fact, institutional financial stability and affordability for students and their families are listed as the top two challenges by presidents and board members alike.[3]

How can colleges and universities effectively position themselves to support student success and mitigate possible risks associated with the complex culture of college and university settings, all within the context of a call to reduce the budget? Ultimately, the success of their students – and therefore, their institutions – is at stake.

In the following sections, we highlight effective approaches institutional leaders should consider to meet the challenges and risks that often impact an institution's ability to positively support their students' success.

Key takeaways for student and institution success

Promoting student care and well-being
The majority of institutions have wellness programs and activities in place. The challenge lies in understanding how programs are connected, evaluating whether the programs are effective, and ensuring resources are appropriately allocated. Institutions that gain a comprehensive view of how they manage student wellness can enhance their efforts to improve student outcomes and optimize resource allocations.

Safeguarding student data
Cybersecurity and IT risk present significant issues that can reduce an institution's ability to achieve its mission and put at risk a wide range of critical student information. Institutions that adopt an effective and enduring risk-based cybersecurity strategy are able to embed protections at the enterprise and unit levels.

Bringing prestige through successful sponsored programs
A research focus can bring prestige to an institution, helping to attract faculty and staff, enhance enrollment rates and increase funding opportunities. Successful institutions ensure their research portfolio is: in compliance with regulations; positioned to move science and the institution forward; delivering positive financial results while mitigating risk; and aligned with institutional strategy.

Enhancing student experience and support through shared services
Institutions that implement effective shared services can experience enhanced student success, improved program and service quality, cost savings and improved productivity.
To support successful adoption, institutions must identify the optimal delivery model and embrace an effective governance framework to manage the transition and resultant operations.

Achieving institutional objectives through effective human capital management
Higher education leaders are aware of the need for change, and many are investing in HR technology to ease competitive demands and achieve mission objectives. However, technology alone is never the answer. It takes committed, passionate and engaged higher education professionals to give human capital management a seat at the university's strategy table, to drive innovative thinking and to manage the transformative changes required to rethink the way HR supports the institution.

Improving decisions across the student life cycle with enhanced data
Opportunities abound for institutional leaders to use the power of data analytics to inform management issues and decisions.
As the application of data analytics continues to evolve, effective leaders must have a command of what data is available, and how to effectively access, synthesize and interpret data to support critical decisions across the institution and throughout the student life cycle.

Gaining risk assurance and protecting student experience
Assessing an institution's top risks and responses is critical. As such, progressive institutions turn to internal audit (or other risk assurance capabilities) in a more strategic way to help think more broadly about risk management and its value to colleges and universities. Institutions with a full understanding of potential risk areas and effective mitigation strategies are better positioned to achieve their strategic priorities, create consistent value and support student well-being and success.

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Promoting student care and well-being

A student's well-being is essential for academic and personal success. As such, leading higher education institutions of all types and sizes are making student wellness a key priority by offering formal programs that support students in maintaining social, emotional, physical, intellectual and spiritual wellness. Institutions face various risks when addressing student wellness, including a myriad of applicable laws and regulations, increased prevalence of mental health needs, alcohol and drug issues, sexual misconduct, complex academic and social environments, and under-addressed wellness needs of various student populations (e.g., graduate and professional students).

The majority of colleges and universities have student wellness programs and activities in place. The challenge lies in understanding how the various wellness programs are all connected, evaluating whether the programs are effective and ensuring resources are allocated at the right level and with the necessary expertise.

Addressing student wellness challenges

Addressing student wellness needs requires collaboration and coordination amongst a number of different units and departments. However, student wellness is often addressed by decentralized and specialized programs or offices, leading to communication deficiencies and disconnected care. Further, when an institution becomes aware of a wellness-related incident – on its campus or at a peer institution – personnel often take quick action after the incident occurs to address the possibility of its re-occurrence. While a reactive approach may be necessary for managing unexpected student wellness needs, institutions must also take proactive measures to address and mitigate wellness risks, while helping students reach their academic and personal goals and make the most out of their educational experiences.

Visualizing a successful approach

For example , Ken is a student living on campus and is undergoing family hardships, which has become known to staff in residential services. Ken then experiences declining grades and class attendance. Ken's house dean and his professors recognize a change in his behavior – a critical step in identifying a need for support services. Since all student-facing university staff and faculty had received required student wellness training and regular updates on the university's wellness offerings, they were well-aware of the appropriate channels for communicating their concerns about Ken. As a result, Ken's house dean and professors informed Ken of all relevant services available through the university and reached out to the appropriate university contacts to set the support services into motion. From student health and psychological services to academic advising, student life and faculty, the necessary areas were effectively networked to approach student support in a holistic and comprehensive way.

Consider, how is your institution:

- Capturing a holistic view of your student wellness programs?
- Ensuring incidents are being appropriately monitored, shared and/or addressed among wellness programs?
- Evaluating that wellness initiatives are successful and students are receiving effective care?
- Sharing student wellness initiatives with your board and audit committee members?
- Managing the wellness needs of non-undergraduate students?
- Coordinating your student wellness programs off-campus and abroad?

To ensure the health and wellness of the university community, clear lines of responsibility and accountability should be established between and among wellness programs and departments. Colleges and universities that gain a comprehensive view and assessment of how their institutions manage student wellness can provide assurance to their stakeholders and enhance efforts to improve student well-being and success.

Protecting academic integrity

Recent cases of admissions fraud at prestigious institutions have created distressing situations for colleges and universities across the nation. As a result, admissions practices have come under fire.

Proactive institutions began initiating reviews of admissions and enrollment processes to assess potential exposure to risk. Many colleges and universities are also considering how adverse events within the admissions process can impact other areas of the institution. The majority of colleges and universities have student wellness programs and activities in place. The challenge lies in understanding how the various wellness programs are all connected, evaluating whether the programs are effective, and ensuring resources are allocated at the right level and with the necessary expertise. Recent cases of admissions fraud or contention relate to:

- Fabricated student credentials
- Administrator, coach and proctor bribery
- Falsified test scores
- Claims of inconsistent or discriminatory practices

Considerations for athletics admissions

Several instances of admissions fraud involve athletics. One example includes inappropriately designating applicants as recruited athletes to gain admissions. To address these risks, institutions should:

- Compare admissions standards and requirements for non-athletic versus recruited athletic students
- Assess the relationship and communication between the athletics department, coaches and the admissions office
- Review the list of applicants identified as athletes, and determine whether those individuals were admitted at a higher rate
- Identify students admitted as student athletes that are not on an athletic team
- Implement controls to independently review an applicant's credentials
- Utilize social media research to establish athletic background

Unintended consequences of admissions improprieties

Admissions fraud can lead to a number of inadvertent consequences. For example, institutions regularly report on admissions data to external agencies. Reporting falsified data — intentionally, or unintentionally — can cause:

- Reputational damage
- Removal from rankings and/or guidebooks
- Loss of accreditation
- Loss of federal funding

Reporting errors in traditional application data have spurred investigations into financial aid application data integrity. The U.S. Department of Education has initiated investigations to examine evidence of violations governing the federal student financial aid programs administered under Title IV of the Higher Education Act of 1965.

Enhancing admissions and enrollment management functions

Institutions should take steps to ensure effective admissions operations, avoid improprieties and ensure that policies and procedures support the integrity of the institution by:

- Evaluating admissions staffing levels, roles, responsibilities and decision-making authority
- Ensuring transparency around institution-wide standards for unique student groups (e.g., athletes, honors students, merit scholars)
- Identifying red flags or control gaps that could threaten the integrity of the admissions process
- Requiring continual reporting of admissions and enrollment metrics
- Developing meaningful data analytics in support of effective and consistent decision making
- Seeking alignment of recruitment, admission and enrollment decisions with strategic priorities, including fiscal viability

Enhancing student experience and support through shared services

Colleges and universities face increased pressure from public and government leaders to "prove" the value of higher education and provide student-centric, cost-effective operations and delivery models. More frequently, colleges and universities are turning to a shared services approach in response to fiscal pressures, increased demands for compelling academic programs,and the higher levels of support services required to meet increasing student academic and mental health needs. Shared service models can enhance more than quality service to students; it can allow institutions to potentially redirect resources to student-facing activities.

What are shared services?

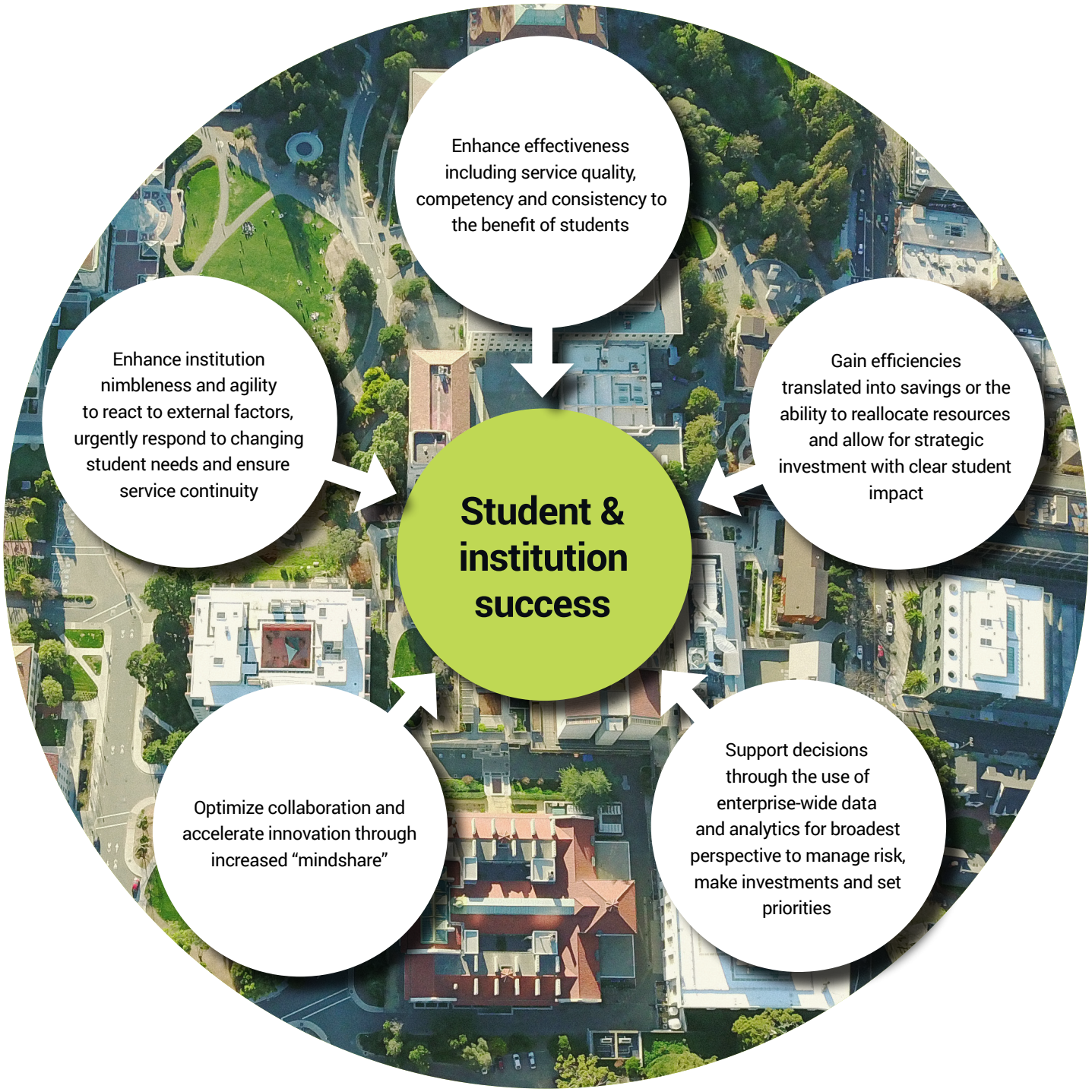
Shared services present the centralized delivery of core activities (i.e., typically institutional support services) used by multiple departments within the same institution or between institutions.

Models of shared services delivery

Consolidated	Services are housed within a service delivery organization and governed by a common leader.
Center of excellence	Each shared services activity is housed at a single institution or department that has been defined as a center of excellence.
Centralized oversight and direction	An umbrella organization provides policy direction and a common governance structure.
Transaction processing	Transaction processing occurs at functionally-based transaction processing centers.

Institutions that implement effective shared services approaches have reaped the benefits of enhanced program and service quality, as well as the ability to ensure consistent approaches and levels of expertise. Additionally, shared services allow institutions to improve operational productivity and prioritize resources for mission-oriented or strategic activities. Specifically, as a result of successful shared services implementations, many institutions realize the benefit of being able to reinvest and allocate resources to enhance student support, improve the student experience, and ultimately, increase academic success.

To be successful, shared services adoption should follow key principles that align with an institution's mission and directly impact student success.



Providing students with impactful and responsive services

Rigorous self-appraisal of service delivery approaches is vital to staying competitive in all industries – and now more than ever in higher education as it relates to student responsiveness. Delivering a positive customer experience has been a long-standing priority for corporate service functions as service quality and immediate response are necessary for customer loyalty and satisfaction. The norm involves 24/7 support access and the use of technological advances (e.g., online chatbots and artificial intelligence) to respond to inquiries. *So what does this mean in college and university settings?*

As support needs become increasingly complex, current student support approaches may no longer be sufficient to meet student expectations and respond to spoken or unspoken needs relating to academic success and campus experience. Students are accustomed to the response times and the overall service quality they receive from corporate providers. As a result, students approach institutional support functions with similar expectations and can become frustrated by what they perceive to be inefficient systems and processes lacking modern service quality.

Predictive analytics, enhanced advising and health-related compliance are just a few of the student supports requiring expertise and resource investments that may not be possible at a department or individual institution level. Shared services for more sophisticated student support offer institutions one way to stay ahead of ever-changing needs and requirements.

Specifically, the adoption of student support-related shared services can help institutions ensure equal access to expertise and allow flexibility in accommodating increased workload. This can be important in addressing recurring noncompliance or high customer service complaint situations.

In short, shared services can offer enhanced responsiveness and expertise, which can equate to improved student experience and success.

It is often believed that shared services brings with it cost savings, which may or may not be the desired outcome. The single most important benefit from shared services is the ability of an institution to assertively consider opportunities for collaboration across all forms of institutional support with the goal of strategically aligning resources to top priorities. These priorities might be articulated within an institution, between institutions or with third-party collaborators. What matters most is that all involved are crystal clear on the desired outcomes and benefits to be achieved.

Once the key principles and specific outcomes have been agreed to, rules of engagement in the form of Service Level Agreements are a critical mechanism to ensure that the customers of the shared services receive what they deem to be responsive service. Having a way to evaluate if the service is meeting expectations is important to establish upfront, so that all involved parties receive positive benefits from this new model of service delivery. It is important to note that, especially in the area of student support shared services, service metrics and targets will vary considerably across service areas (i.e., core infrastructure areas might focus primarily on short-term metrics such as cycle time, whereas, advising services may be looking for longer term performance indicators.)

The shared services delivery model can serve as a catalyst for higher education institutions to refocus resources, better serve their students and support faculty and staff. However, setting up shared services operations is complex and requires a collaborative environment with intentional decisions and agreement from senior leaders across the institution(s). Colleges and universities that effectively develop a road map to govern and manage shared services implementation and operations are able to realize the true value of shared services. However, absent an intentional plan for the design, execution and evaluation of shared services, institutions may not realize the full benefits that come with the ability to reinvest efforts and resources in support of mission-critical initiatives, including those tied to student success.

Shared services can positively impact operations in areas such as:

- Accounts payable
- Cybersecurity
- Financial reporting
- Gifts processing
- Institutional research
- IT contracts and licenses
- IT helpdesk
- Online programs support
- Payroll processing
- Student accounts
- Study abroad support

Safeguarding student data

Institutions collect and store data for many purposes. From research and financial aid information to housing and healthcare records, higher education data is typically decentralized, varied and affects many diverse constituencies.

To improve the student experience and increase student success factors, institutions will need to collect, analyze and report on many more data points than before. With increased data comes additional risks during its collection, storage, analysis, reporting and disposal. Additionally, this data will be processed by systems, likely cloud or vendor supported, further complicating the information security and privacy risks for the institution. New systems are likely to require interfaces or data transfers to existing or legacy systems, which may introduce data integrity, availability and privacy challenges.

For example, certain institutions are already using data from student identification cards to analyze where and when students use on-campus resources, such as the library or recreation center. With these new data points, institutions cannot only determine usage of facilities, but also build a profile of a student's movements and interactions across campus as it correlates to course loads, exam results, health and ultimately, grades. While the insights gained from these analyses can help identify students in need of additional support, in the wrong hands this data could put a student's physical and digital safety at risk.

What is privacy and why does it matter now?

Data privacy is the ability of an institution to safeguard private information and ensure sound data management practices. Privacy is cause for concern for all organizations collecting, processing, using or holding personal data of individuals. With a rise in privacy regulation, data subject rights and data protection policies evolving across the globe, it is imperative for institutions to ensure a sound privacy program is in place that addresses current and emerging privacy issues and compliance.

Institutions face a multitude of risks related to privacy issues including compliance, legal, financial, third-party, activism and reputational risk. Institutions are also at risk of material or nonmaterial damages. These damages include loss of control over personal data or limitation of rights, discrimination, financial loss, damage to reputation and loss of confidentiality of personal data. These damages have the potential to cause long-term implications for their students and other constituents (e.g., alumni, faculty, staff, donors).

Key privacy regulations

- *Family Educational Rights and Privacy Act (FERPA)* – FERPA requires institutions to protect the records of students, including many types of personally identifiable information related to student conduct and grades.
- *General Data Protection Regulation (GDPR)* – GDPR requires institutions to govern the collection, processing, use, and storage of personal data originating from the European Union about citizens, residents or visitors - including students.
- *Gramm-Leach-Bliley Act (GLBA)* – GLBA requires institutions to protect the financial records of student, parents, and guardians related to the processing of financial aid.
- *Health Insurance Portability and Accountability Act (HIPAA)* – HIPAA requires certain institutions to protect physical and mental health information about students.

Institutions must consider the additional cybersecurity and privacy protections that will be required when collecting and using new data points to increase student success. Institutions that adopt risk-based, effective and sustainable data safeguards are able to embed protections throughout the enterprise.

Bringing prestige through successful sponsored programs

What are sponsored programs?

Sponsored programs are restricted funds from external sources, such as federal and state agencies as well as private foundations that support scholarly or scientific inquiry or other defined projects.

The ability to attract and retain valued faculty is a major key to increasing student success. Sponsored programs can draw seasoned faculty to an institution with the opportunity to pursue their academic and research endeavors, and help faculty to stay motivated and challenged. Additionally, sponsored programs provide students with hands-on research experience to help them prepare for, and explore their interests in, careers in the scientific field. However, the receipt of sponsored awards brings new challenges and an increased level of scrutiny to an institution.

To be successful, a sponsored programs portfolio must balance three key objectives:

1. Aligned with the institution's strategy and move science and the institution forward
2. Deliver positive financial reward
3. Mitigate risk and comply with applicable laws and regulations

Sponsored programs provide students with:

- Access to experienced, passionate educators
- Improved course selection
- Exposure to emerging scientific trends, techniques and tools
- Practical research experience that fosters learning
- Knowledge and skills to prepare for graduate/professional school or explore career directions
- An opportunity to contribute to social advancement
- Tuition support, particularly for graduate students

Considerations for maximizing the impact of sponsored programs on campus

- Align research strategy with overall university strategy, culture and goals
- Provide sufficient operational infrastructure to support program objectives
- Consistently communicate and celebrate sponsored program successes
- Maximize involvement of graduate and undergraduate students
- Explore partnerships with public and private organizations on strategic research initiatives
- Proactively manage sponsor expectations
- Ensure compliance with federal, state and sponsor/agency guidelines

A fruitful sponsored programs portfolio offers substantial rewards. Colleges and universities that effectively manage their sponsored programs can achieve their research and societal goals and satisfy sponsor expectations, which consequently attracts quality faculty, enriches the student learning environment and contributes to public well-being.

Achieving institutional objectives through effective human capital management

Human capital management, and its ability to manage talent, reflects a university's commitment to retain and develop faculty and staff by helping to ensure they have the skills, aptitude and behaviors to successfully meet student needs, address institutional goals and future challenges, and serve the stated mission of the campus. Its importance has come to the fore, as institutions face increased pressure to transform in order to remain relevant and viable. The pressure comes from every direction in the higher education marketplace: academically, financially and from diverse student populations. Strategic human capital management has demonstrated transformative results across all industries. Now more than ever before it is important for higher education to embrace these more sophisticated practices, and to proactively align human resources (HR) programs to vital institutional outcomes – and ultimately, student success.

Aligning HR and talent management with student success

Student success tops the list of expected outcomes, and is a contributor to almost every concern universities face today. Showing a direct return on the student investment requires careful consideration for every human capital dollar and resource spent, and specifically how the investment will translate to student retention, academic achievement, and ultimately, graduation and career success.

A student's experience – from applicant to alumnus – drives and, in many ways, defines student success. Indeed, it is the sum of all their interactions with the institution across their entire student life cycle. As it turns out, according to multiple researchers (Noel-Levitz and Kuh 2003; Pascarella and Terenzini 2005), student experience and success is strongly correlated with the quality of the institution's workforce. The extent to which students interact with supportive adults on campus, both inside and outside the classroom, positively impacts student success. Herein lies the opportunity for higher education: introduce more effective means of attracting, developing and retaining high-quality, passionate, positive and skilled professional and academic talent within the institution.

Pressure for institutions to transform their approaches to human capital management is evidenced by:

- Demand for accountability regarding alignment of resources to **student success**
- Need to **reallocate resources** to student support services at levels critical for student success
- **Competitive pressures** to ensure faculty talent is effective at delivering alternative academic approaches
- Current public demand for **value** in higher education requiring effective faculty and staff
- **Changing demographics** of students and increased expectations for faculty and staff diversity
- HR stakeholders requiring a **business partner understanding** of their needs

Building and developing talent in higher education

In a nut shell, the foundation of modern talent management is identifying, developing, engaging, retaining and most effectively deploying employees within an organization. The College and University Professional Association for Human Resources (CUPA-HR) advises its members, as one of its four pillars, to operate by building and developing talent. This includes identifying and recruiting talent – sourcing and recruiting the external marketplace – as well as a commitment to workforce planning within the internal market. Workforce planning of today requires the ability to ensure your human capital resources are nimble and can react to changing academic and workforce needs. They must also provide the required bandwidth to address increasing student support needs, both within and outside of the classroom. Institutions must develop mission-driven performance management programs to align talent with the university's strategies, goals and evolving needs.

Personnel development is also critical. Higher education provides many opportunities for academic achievement, but these opportunities must enhance an individual's career path in order for that investment to show dividends. Lastly, talent management in higher education must focus on culture. It should assist in steering the nature of work in higher education, where talented people can perform their very best work to the benefit of institutions' students and mission.

Institutional challenges related to talent management include:

- **Decentralized** nature of higher education **organizational decision making** and a lack of centralized, impactful human capital management delivery models
- **Limited budgets** for talent development and rewards programs
- Increasing **competition for talent** in higher education, but also from commercial industry
- Difficulty **aligning HR strategy and execution to institution-level priorities** and desired outcomes
- Accessing and utilizing **data and technology** from enterprise-wide and unit perspectives

No one said human capital management in higher education was easy! In fact, it is fraught with challenges ranging from the decentralized nature of institution decision making, lack of strategic definition of roles and careers, difficulty in prioritizing HR services with varying institutional outcomes, and often diminished operational funding levels to support the tools, data and metrics to manage talent properly. All that said, momentum is building in higher education to address these issues. The pressures to transform the "industry" of higher education and the indelible links of talent management to the success of the university are motivating many market leaders in higher education to place big bets in rethinking human capital programs, reengineering service delivery approaches and updating aging HR technology infrastructure. And most importantly, it's motivating institutions to modernize the HR experience to deliver "business partner"-centric talent management programs that drive impactful organizational outcomes.

Modern HR technology acts as a catalyst for change in higher education

Overall, higher education institutions lag general industry for HR technology adoption. The investment in technology and workforce analytics in particular is long overdue in the majority of colleges and universities. In the end, easy access to knowledge, data and information drives sound and rational managerial decision making. HR partners in higher education can focus on their varied, decentralized constituents far better when they can understand what truly makes them different by measuring data, delivering timely metrics and guiding decision making.

Most higher education leaders are aware of the need for change, and see investing in technology as part of the solution. But frankly, technology is not the solution – it is the catalyst. The truly remarkable correlated results of student experience and talent management ultimately come from the design and execution of tailored talent management practices that completely rethink the way HR supports the institution.

> "Frankly, technology is not the solution – it is the catalyst. The truly remarkable correlated results of **student experience and talent management** ultimately come from the design and execution of tailored talent management practices…"

Improving decisions across the student life cycle with enhanced data

Most decision making is informed by data. Intentional, technology-enhanced data analytics helps us understand data trends and patterns so we can make better decisions more easily. For instance, Netflix predicts our next favorite TV show, mobile phones finish our text messages as we type, and travel apps, like Waze, help us navigate through traffic for a faster commute. Our current environment dictates the continual use of real-time, robust data to inform our decisions every day.

Likewise, students, faculty and other institutional stakeholders expect comprehensive data to be available in real time to inform a full continuum of decisions on campus. Institutional leaders are turning to the power of data analytics to address a variety of key issues such as admission yields, student attrition and the balance between operating costs and tuition levels. As the application of data analytics continues to evolve, it is important for higher education leaders to have command of what is available, and how to effectively access, synthesize and interpret data to support critical decisions throughout the student life cycle.[4]

Challenges in extracting data to inform critical decisions:

- Ensuring effective data governance
- Managing complex and legacy systems
- Navigating stakeholder expectations and outcomes
- Verifying data accuracy
- Balancing privacy and protection considerations with academic needs
- Considering ethical uses to prevent disparate impact

95%

of institutions are conducting student success studies.

Applying data to answer mission-critical objectives

Colleges and universities hold a vast amount of data to shape critical decisions and improve student and institutional outcomes. In the case of identifying institutional success drivers, colleges and universities can use data to understand interrelationships between student success and fiscal health indicators, as well as other performance indicators.

Data analytics typically falls into the following categories:

1. Dashboards (success factors, key performance indicators (KPIs), trends)
2. Enhanced data analytics (big data)
3. Predictive analytics

What is data analytics?

Data analytics is the process of identifying trends or patterns from robust data sets and linking those to specific decisions and outcomes.

Dashboards highlight key sustainability indicators and provide insights that will ultimately drive decisions toward the achievement of strategic priorities and desired outcomes (i.e., performance success factors measuring fiscal position, student academic progress, competitive position relative to rankings, recruitment yield, etc.). Dashboard indicators show trends and provide a baseline for tracking progress or highlighting gaps in performance by comparing prior year institutional performance to prior years or comparative benchmarking with peers or aspirants. Within higher education, indicators used to gauge success typically include: retention rates, net tuition revenue by student/academic program category, liquidity ratios and student post-graduation placement.

Data analytics: an important supplement to institutional data reporting (IDR)

Data analytics can be used to verify the accuracy of IDR data (e.g. data that inform rankings such as those in *U.S. News and World Report*) through checks on year-over-year patterns and to identify anomalies prior to external reporting. IDR results provide a variety of perspectives on key statistics, such as student demographics, alumni giving by various types of former students and overall student performance. This data can be used to analyze success factors within the institution in addition to honing in on opportunities for growth and improvement. For example, data analytics can be used on IDR data to assess student retention or post-graduation job placement success factors and to identify demographics of students in need of more institutional resources to succeed. IDR data in combination with data analytics is also often also used to track progress and impacts of strategic initiatives.

Enhanced data analytics allow institutional leaders to identify areas for critical decision making. Through the assessment of correlations and evaluation of relationships between data trends, leaders can consider required actions to address gaps in performance (relative to defined goals/outcomes) and/or mitigate risks that are above agreed-to tolerance levels. Enhanced data analytics helps institutions answer fundamental strategy questions about how best to compete, where to invest and how to tactically align academic program and institutional budget decisions. "Big data" is often involved in enhanced data analytics and refers to large data sets analyzed through automated processes to reveal these trends or relationships.

Robotic process automation (RPA) and artificial intelligence (AI)

The decentralized nature of higher education often impedes the synthesis of critical data points, and in the past, has involved tedious manual processes to access and collate data. The emergence of new data analytics technology in the form of RPA and AI allows institution leaders to enhance capabilities to more efficiently "mine" data and test consistency of inputs for better data validation and quality. What used to take multiple spreadsheets, system interfaces and manual intervention can now be accomplished through repeatable processes, performed by a "virtual employee" driven by technology. In addition to considerable long-term savings in terms of level of effort, this approach also reduces the risk of undetected errors and lack of consistency in data governance.

Predictive analytics are increasingly being used to identify required actions for a positive fiscal or student success impact. For example, in thinking about how to increase net tuition revenue, do you know the actual impact of scholarship distribution, which is a long-time method for enhancing student recruitment? While promoting scholarships can be an effective means of attracting applicants, institutions must also enhance the impact from scholarships by correlating scholarship distribution with student retention and academic success.

89%

of institutions are investing in predictive studies, including those to influence retention, persistence and grade point average.

In particular, do you know which category of students brings the highest level of net tuition relative to institutional scholarship investment, and how specifically that investment contributes to achieving desired retention and completion outcomes? In other words, where is your biggest return on investment (ROI) from both revenue and student success perspectives: athletes, nursing students or another student segment? By strategically targeting applicants and admits with the propensity to stay, institutions can optimize the return from their scholarship investments to enhance retention and graduation rates. Such comprehensive data analysis is paramount for leaders to objectively make decisions and take action to improve institutional sustainability and success.[5]

Predictive analytics in higher education is seen across all areas and is especially critical in aligning necessary programs and resources to drive student success related to academics, well-being and career progression after degree attainment.

To use data analytics effectively, institutions should ensure they are:

— Selecting key indicators and designing impactful dashboards

— Establishing a respected and repeatable process to gather and analyze data

— Interpreting data findings to make critical decisions

Higher education institutions hold a multitude of data points that can inform and optimize the student experience throughout the entire student life cycle. Also data should drive key decisions for institutional academic program and operations management. From initial recruitment results to alumni giving, data trends and patterns offer critical insights to make better (and more comprehensively informed) decisions, faster. By unlocking the full potential of their data, institutional leaders will learn from their past decisions and can position themselves – and their students – for future success.

Gaining risk assurance and protecting student experience

The higher education industry evolves rapidly – with an ever-widening list of priorities, risks and regulatory and compliance requirements. Understandably, institutional leaders struggle to keep up with the changing risk landscape. In fact, 65% of organizations (of all types) indicate that they have recently experienced an operational surprise due to a risk they did not adequately anticipate, and 60% believe the volume and complexity of risk is increasing.[6] Now more than ever, colleges and universities must develop a proactive approach to anticipating institutional needs, mitigating risks and adapting to change to ensure they are operating effectively to support the success of their students and stay viable.

Common institutional risks include:

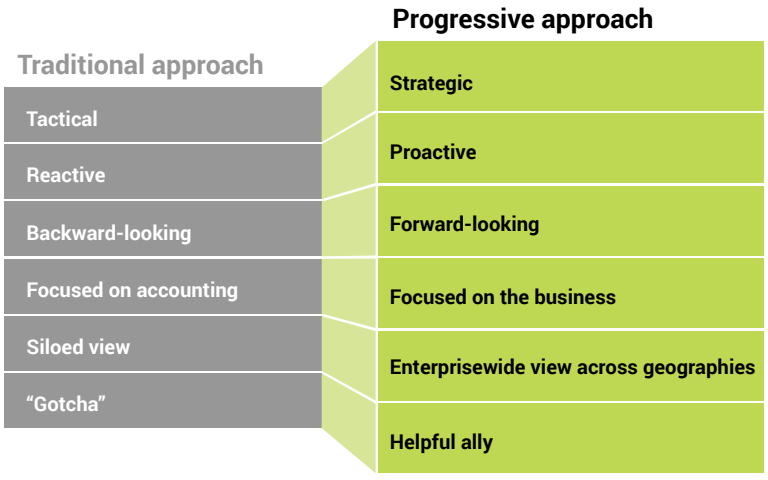
- Admissions integrity
- Advancement
- Cybersecurity
- Greek life organizations
- Institutional data reporting
- Privacy
- Sponsored programs
- Student wellness

Spotlight on institutional data reporting

One of the most important contributors to an institution's sustainability and success is its reputation. As reporting of inaccurate institutional data to external organizations continues to receive national media attention, the reputational risk associated with managing and reporting institutional data has increased substantially. In addition to the press universities receive, *U.S. News and World Report* temporarily removed more than a dozen institutions from their rankings in 2018 as a result of the institutions' misreporting of data.

Proactive institutions are taking steps to protect themselves against the risk of reputational damage caused by misreporting. While financial data receives a level of scrutiny from external auditors, nonfinancial institutional data reported to outside entities is not commonly audited by either internal or external auditors.

In higher education, the internal audit function historically focused on financial risks, compliance and looking backward. The traditional internal audit function stepped in to evaluate when something went wrong and how that situation could be prevented in the future. With the increasing pace of change in higher education, internal audit itself has evolved into a more proactive, forward-thinking ally. Now, institutions can look to internal audit in a different, more strategic way to help think more broadly about risk management and the value of risk assurance to colleges and universities.



Internal audit: yesterday and now, for tomorrow.

Risk assurance begins with identifying risk across your institution and understanding its potential impacts, then monitoring and mitigating risks with effective internal controls. These steps lay the groundwork for ensuring compliance with complex regulations and integrating risk considerations in critical decision-making processes.

Taking the first step: risk identification

The risk identification process can be daunting. Start by taking the following steps to avoid challenges and missteps that many institutions face:

- **Gain buy-in from senior leadership:** If senior leadership is not supportive and at the forefront to set the right tone, it will be challenging to get everyone else in the institution on board with the process.
- **Identify a champion:** Risk identification and subsequent management take dedication and focus. For the activity to be effective and lasting, the program should have dedicated oversight and leadership to drive progress.
- **Define roles and responsibilities:** Clearly defining everyone's role and for what they are responsible at the start avoids confusion later.
- **Talk to the right people:** The risk universe in higher education is vast. Yet, we often don't engage stakeholders across the institution during risk discovery. Make sure you are reaching across the entire enterprise, and across silos, to gain full coverage. This will also help with engagement and buy-in. For example, gaining feedback from external audit on financial risks and soliciting faculty leadership input on risks to the academic enterprise can provide unique insight.
- **Include all categories:** Make sure to gain coverage on a variety of risk categories, including financial, operational, strategic and compliance. Engaging a broad cross-section of stakeholders should help with this.
- **Focus on a few:** While you want to make sure you have coverage and are addressing all of the risk categories, only focus on a few risks to start and don't over-engineer the process. The risk universe for higher education is in the thousands. But where many institutions fail at formalizing risk management is trying to focus on too many risks. Keep it simple; consider initially focusing on 5–10 risks and developing and monitoring plans for those.
- **Engage decision makers:** Often risk identification and management is "done", and then the results are reported to the board. Engage leaders and board members through the process to gain feedback.

A strategic approach to engaging risk assurance capabilities (via an internal audit function or advisory capabilities) can enable board members and senior leadership to uncover key risks and understand how those risks can impact the achievement of institutional objectives. Colleges and universities that utilize a proactive, forward-looking approach to internal audit are better positioned to mitigate risks, reduce the chance of loss, create value for stakeholders and drive innovation.

Sources

[1]Bureau of Labor Statistics, U.S. Department of Labor, The Economics Daily, "37 percent of May 2016 employment in occupations typically requiring postsecondary education," available at https://www.bls.gov/opub/ted/2017/37-percent-of-may-2016-employment-in-occupations-typically-requiring-postsecondary-education.htm

[2] AGB 2018 Trustee Index Survey

[3]AGB 2018 Trustee Index Survey and 2017 Gallup Higher Education President's Poll

[4]Institutions' Use of Data and Analytics for Student Success, EDUCAUSE, https://library.educause.edu/resources/2018/4/institutions-use-of-data-and-analytics-for-student-success

[5] Institutions' Use of Data and Analytics for Student Success, EDUCAUSE, https://library.educause.edu/resources/2018/4/institutions-use-of-data-and-analytics-for-student-success

[6] 2018 The State of Risk Oversight: An Overview of Enterprise Risk Management Practices (9th Edition). https://erm.ncsu.edu/library/research-report/2018-the-state-of-risk-oversight-an-overview-of-erm-practices

About Baker Tilly's higher education practice

Baker Tilly is a full-service advisory and accounting firm, providing assurance, tax, internal audit and consulting services to colleges and universities, higher education systems and research institutions. In addition, we collaboratively address strategic areas such as risk, compliance, cybersecurity, talent management, cost reduction and fraud, construction, and other strategic and operational issues. We are adept at crafting effective strategies and approaches to meet the ever-evolving needs found in college and university settings.

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MINNESOTA STATE

Committee of the Whole
January 28, 2020
1:00 p.m.
McCormick Room

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

1. NextGen Project Risk Review #5 Results (pages 1-2)
2. NextGen Update (pages 3-43)

Bolded items indicate action is required.

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

Name: Committee of the Whole **Date:** January 28, 2020

Title: NextGen Project Risk Review #5

Purpose (check one):

- ☐ Proposed New Policy or Amendment to Existing Policy
- ☐ Approvals Required by Policy
- ☐ Other Approvals
- ☒ Monitoring / Compliance
- ☐ Information

Brief Description:

Internal auditing will provide an overview of the results of the fifth NextGen Project Risk Review (PRR). The PRR provides ongoing and objective assessments of NextGen to provide assurance to the board on project risk management and also provide assurance and advisory guidance to the project steering committee on project risk leading practices.

Scheduled Presenter(s):
Eric Wion, Executive Director of Internal Auditing
Mike Cullen, Baker Tilly

BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD INFORMATION
NEXTGEN UPDATE AND PROJECT RISK REVIEW #5

BACKGROUND

Internal auditing will provide an overview of the results of the fifth NextGen Project Risk Review (PRR). The PRR provides ongoing and objective assessments of NextGen to provide assurance to the board on project risk management and also provide assurance and advisory guidance to the project steering committee on project risk leading practices.

Date Presented to the Board of Trustees: January 28, 2020

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

Name: Committee of the Whole **Date:** January 28, 2020

Title: NextGen Update

Purpose (check one):

- ☐ Proposed New Policy or Amendment to Existing Policy
- ☐ Approvals Required by Policy
- ☐ Other Approvals
- ☒ Monitoring / Compliance
- ☐ Information

Brief Description:

Minnesota State launched the Next Gen ERP replacement project in March 2016 with the endorsement of the business case. Phase 1 is nearly completed, business process reviews are complete and the project team has completed RFP analysis and vendor demonstrations. The meeting today will provide trustees with a project status update and discuss next steps in the RFP process.

Scheduled Presenter(s):
Ramon Padilla, Jr., Vice Chancellor – CIO
Members of the ERP Steering Committee - TBD

BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD INFORMATION
NEXTGEN UPDATE

BACKGROUND

Minnesota State launched the Next Gen ERP replacement project in March 2016 with the endorsement of the business case. Phase 1 is nearly completed, business process reviews are complete and the project team has completed RFP analysis and vendor demonstrations. The meeting today will provide trustees with a project status update and discuss next steps in the RFP process.

January 2020

Board of Trustees

NextGen ERP Update

Imagine the Possibilities

MINNESOTA STATE

Topics

- Project and Risk Review
- Quarterly Project Update
- RFP Process
  - ✓ Development
  - ✓ Scoring Proposals
  - ✓ Evaluate Demos
  - ✓ Negotiations
  - ✓ Vendor Selection
  - ✓ Wrap up

Office of Internal Auditing

Internal Audit Report

NextGen Project Risk Review | Checkpoint 5 | Results

NextGen PRR | Background

- Approved as part of the annual Audit Plan

- Provides ongoing and objective assessments of NextGen for two purposes:
  1. Providing assurance to the Board on project risk management
  2. Providing assurance and advisory guidance to the project Steering Committee on project risk leading practices

NextGen PRR | Categories of Risk Areas Reviewed

Project governance and management

Leadership, oversight, guidance, and, decision-making over the project

Organizational change management

Planning, communications, training, support related to the successful transition, and adoption

Stakeholder involvement

Participation of key business process and control owners in definition and validation of requirements

Project execution

Evidence of all implementation activities, including operational, technical, and, compliance controls

NextGen PRR | Leading Practices for Board's Role

Project governance and management

- Approve upcoming key milestones as recommended by the Steering Committee
- Monitor project risks (via regular project team updates and PRRs)

Organizational change management

- Promote and support the project goals
- Direct any individual wanting to provide feedback to the project team

Stakeholder involvement

- Promote and support the participation of key stakeholder constituencies in the project

Project execution

- No board role in project execution

NextGen PRR | Checkpoint 5 - Conclusion

Current Checkpoint Conclusion

Current stage of NextGen Phase 1 is selecting and negotiating with the vendor(s) that were recommended by the project team following proposal evaluation; at this time, the overall risk of not achieving success, not meeting the revised timeline, and not staying within budget for Phase 1 is still low.

Note: *Conclusion is based on the information available to Internal Audit and analyzed as of January 7, 2020.*

NextGen PRR | Checkpoint 5 – Current Results

Internal Audit noted ongoing opportunities to enhance certain project activities in one of the four PRR process areas.

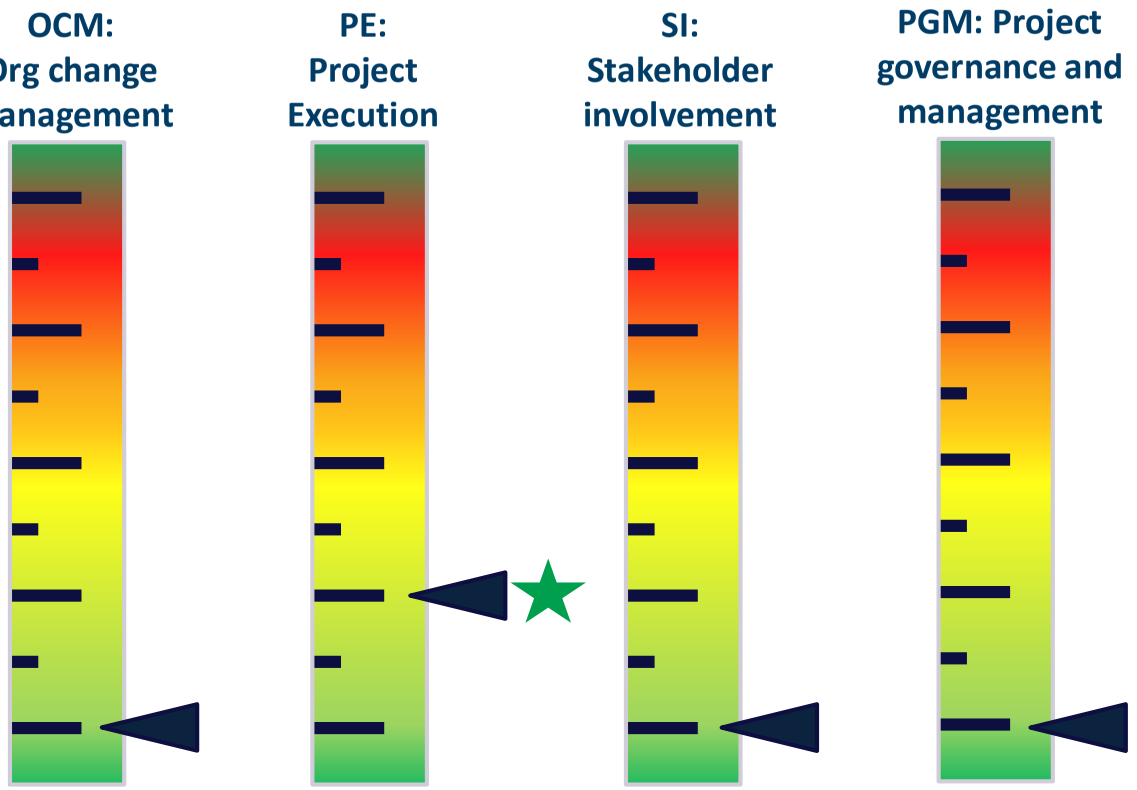
Significant Project Changes Required
Items the organization must change immediately since the project is failing.

Project Changes Required
Items the organization must change immediately due to active risk issues.

Project Controls Recommended
Items the project team should implement in the short term to mitigate known risks.

Project Improvements Recommended
Items the project team should consider implementing to mitigate potential risks.

No Changes Recommended
No items identified for project team to address at the time of the checkpoint.



★ = *Recommendation identified was addressed by the project team during the checkpoint.*

NextGen PRR | Checkpoint 5 – Strengths

- Proposal evaluation activities, including:
  - scoring rubric development
  - written proposal scoring
  - written proposal scoring debrief working sessions
  - vendor demo scenario development
  - vendor demo scoring
  - vendor demo scoring debrief working sessions
  - overall vendor scoring and recommendation

  were thoroughly and thoughtfully executed with appropriate representation from all stakeholder constituents

NextGen PRR | Checkpoint 5 – Strengths (con't)

- Project team solicited and evaluated proposals, and checked references, for owner's representative to assist project team during system implementation; contract approval is on the Finance Committee's agenda for January 2020

- Engaged external legal counsel to assist with vendor negotiations and contracting

NextGen PRR | Checkpoint 5 – Review Activities

- Reviewed, with Baker Tilly's enterprise system implementation professionals, proposal scoring methodology and approach and validated that it was adequate and appropriate for the project
- Observed proposal debrief sessions, where stakeholders discussed their feedback on specific sections of the written proposals, and provided recommendations to the project team for items to address during vendor demonstration sessions
- Conducted periodic check-in meetings with the NextGen program manager to stay engaged and up-to-date with project activities

NextGen PRR | Checkpoint 5 – Review Activities (con't)

- Participated in, as an ex-officio steering committee member, each of the vendor finalist's first demonstration session on the overview of their respective solutions
- Participated in the proposal review process for the owner's representative solicitation
- Observed final vendor demonstration debrief session, where stakeholders discussed their feedback on vendor demonstrations
- Provided on-going feedback to project leadership
- Validated results with project leadership

NextGen PRR | Checkpoint 5 – Recommendations

- Internal Audit identified one new recommendation during this checkpoint, which the project team has already addressed

- One prior recommendation remains open, the project team will address during future implementation phases since the recommendation relates to system configuration

NextGen PRR | Checkpoint 5 – New Recommendation

Recommendation	Impact	Status
PE-5-01: Vendor demonstrations should include specific topics and scenarios to address certain request for proposal (RFP) requirements. This will increase the completeness and effectiveness of the vendor demonstrations to allow stakeholders to adequately evaluate how well the system and vendor meet the detailed requirements of Minnesota State. **Note:** The specific topics and scenarios identified by Internal Audit were provided to the project team under separate cover following the written proposal scoring debrief sessions. ***[Project Improvement Recommended]***	Without specific items documented for vendors to demonstrate, stakeholders may not have significant information about system and vendor capabilities to meet requirements, potentially resulting in an inadequate vendor selection. *[CMMI for Acquisition, V1.3; Section 22]*	***Resolved*** *- The project team used our specific feedback and recommendations to improve the vendor demonstration scenario scripts and timing prior to finalization. Then the project team executed the four sets of separate vendor demonstrations to thoroughly evaluate all of the vendors. The results of the vendor demonstrations were incorporated into the overall proposal scoring and used to adequately complete the vendor evaluation process.*

NextGen PRR | Checkpoint 5 – Open Recommendation

Recommendation	Impact	Status
PE-2-01: Future state business process documentation should identify (i.e., mark with a symbol on the process flow documents) preliminary or likely internal control activities (e.g., approvals, reviews, reconciliations). This initial effort should attempt to identify the most important system/automated controls for each business process. The project team can leverage Internal Audit's initial identification of control activities in the current state documentation as a starting point for the identification of future state controls (see annotated current state business process documentation provided under separate cover). ***[Project Improvement Recommended]***	Internal controls, both automated and manual, are critical to effective and compliant business processes that are implemented with the new system. Identifying those control requirements and including them in the request for proposal is important for evaluating vendor proposals and implementing the control activities as part of the system implementation project, instead of attempting to add controls after the fact. *[PMI PMBOK, 5th Edition; Section 1]* *[CMMI for Services, V1.3; Section 11]*	***Partially Resolved*** *- Future state documentation does include control activities, such as approvals, reviews, decision points, however these controls are not yet explicitly identified in the documentation. The specific controls will be identified and confirmed during implementation phases, as the controls will be dependent on system functionality.*

NextGen PRR | Checkpoint 5 – Prior Recommendations

Internal Audit will continually track all checkpoint recommendations and report on the status of each during every checkpoint report. The summary of the prior recommendations is reflected in the table below. The specific details of the prior recommendations are included on the following pages.

PRR Process Area	Recommendations			
	Resolved	In progress	Unresolved	Total
Project governance and management [PGM]	6	0	0	6
Project Execution [PE]	2	1*	0	3
Organizational change management [OCM]	6	0	0	6
Stakeholder involvement [SI]	3	0	0	3
Totals	17	1	0	18

**: This recommendation has been partially resolved, but cannot be fully resolved until the system implementation phase.*

NextGen PRR | Next Steps

- Continue serving as ex-officio member of Steering Committee

- Execute and Report on Checkpoint 6 activities in 2020, exact timing still to be determined based on the results of the proposal evaluation and start of NextGen Phase 2

Quarterly Project Update

MINNESOTA STATE
NextGen

NEXTGEN ERP | STATUS REPORT

PREPARED BY : Melinda Clark

REPORT DATE : 12/27/2019

OVERALL HEALTH STATUS

	OVERALL	SCOPE	SCHEDULE	BUDGET	RESOURCES
CURRENT STATUS	ON TRACK	ON TRACK	ON TRACK	ON TRACK	ON TRACK
LAST STATUS	ON TRACK	ON TRACK	ON TRACK	ON TRACK	ON TRACK

Phase 1 Budget *(FY18-FY20)*

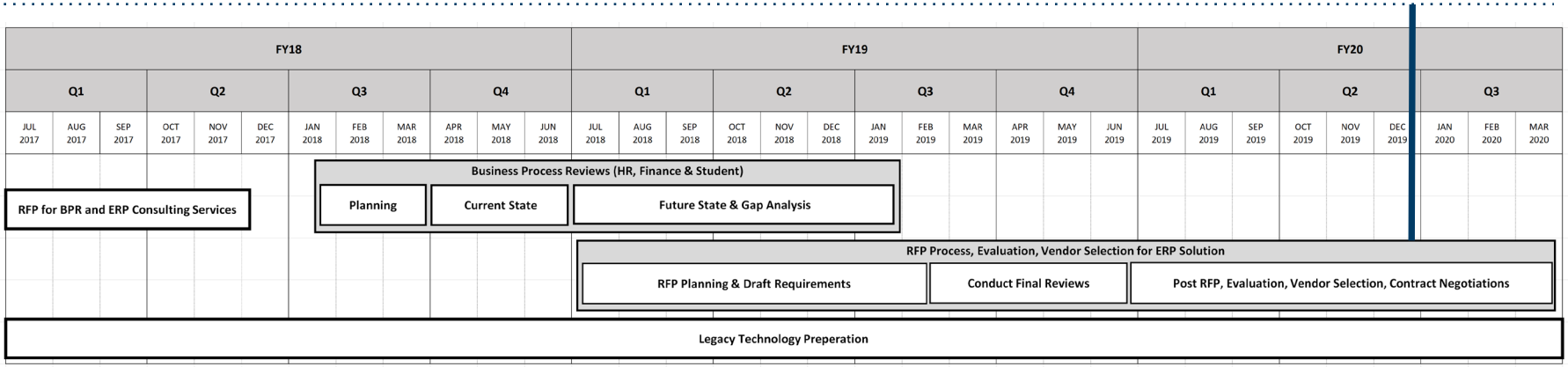
Legislative Funds	$ 16,000,000.00	
Campus/System Office Contributions	$ 20,500,000.00	
Total Funding Sources		$ 36,500,000.00
Spent to Date		$ 5,916,784.04
Current Obligations		$ 2,161,045.82
REMAINING BUDGET		$ 28,422,170.14

HEALTH STATUS NOTES:
Overall status remains ON TRACK with no risks or issues requiring assistance.

The NextGen RFP evaluation teams completed vendor demonstrations with four vendors: **Campus Management**, **Ellucian**, **Oracle**, and **Workday** (in alphabetical order). Evaluation teams will debrief on findings through January. Next steps are to enter negotiations with one or more vendor(s). In parallel, another RFP evaluation is in process to select a Third Party Owners Representative who will advise Minnesota State throughout implementation.

Change Management efforts continue with the development of Wave 1 toolkits for increasing project awareness and assisting leaders in guiding their teams through change - two of the five modules to be published in January.

PHASE 1 TIMELINE



MINNESOTA STATE
NextGen

NEXTGEN ERP | STATUS REPORT

PREPARED BY Melinda Clark

REPORT DATE 12/27/2019

MILESTONE STATUS

MILESTONES	START DATE	END DATE	LEADERSHIP COUNCIL REVIEW	BOARD OF TRUSTEES REVIEW	STATUS
Business Case w/ High-level Timeline for ERP Replacement	7/2015	3/2016	3/2016	3/2016	COMPLETE
Funding Strategy	1/2016	6/2017	6/2017	6/2017	COMPLETE
Project Charter	9/2017	9/2017		1/2018	COMPLETE
Risk Management Plan	1/2018	1/2018	--	--	COMPLETE
Communications Plan	1/29/18	4/03/18	5/2018	6/2018	COMPLETE
Change Management Plan	1/24/18	7/27/18	9/10/18	--	COMPLETE
PHASE 1					
Planning	1/23/18	4/04/18	--	3/2018	COMPLETE
Current State Process Reviews	2/12/18	6/29/18	--	--	COMPLETE
Future State Business Process Mapping	7/16/18	1/18/19	1/2019	1/2019	COMPLETE
Conduct ERP Request for Proposal (Draft, Post, Evaluation)	7/16/18	1/2020	--	--	ON TRACK
Finalize Phase 2 Funding Strategy	5/2019	5/2019	5/2019	5/2019	COMPLETE
Vendor Selection (Selection, Negotiations)	1/2020	3/2020	12/2019	12/2019	Not Started
Legacy Technology Updates	7/2016	3/2020	--	--	COMPLETE
PHASE 2					
Finance Planning & Implementation	4/2020*	9/2022*	TBD	TBD	Not Started
HR Planning & Implementation	4/2021*	12/2022*	TBD	TBD	Not Started
Student Planning & Implementation	4/2022*	8/2024*	TBD	TBD	Not Started

***Tentative – dates subject to change during implementation planning with ERP vendor.**

MINNESOTA STATE
NextGen

NEXTGEN ERP | STATUS REPORT

PREPARED BY Melinda Clark

REPORT DATE 12/27/2019

Summary of Activities

ACCOMPLISHMENTS

- ✓ BPR: Conducted Vendor Showcases
- ✓ BPR: Student, HR, and Finance Teams finalized current state business processes
- ✓ BPR: Student, HR, and Finance Teams began mapping future state
- ✓ BPR: Conducted Data Management Team and IT Team Kickoff
- ✓ BPR: Data Management and IT Teams began mapping current & future state
- ✓ BPR: Student, HR, and Finance Teams mapped future state
- ✓ BPR: Data Management and IT Teams mapped current & future state
- ✓ BPR: Conducted Data Management Tech Talk with Minnesota State Community
- ✓ BPR: Conducted IT Tech Talks with Minnesota State Community to identify current & future state 3rd party integration needs
- ✓ BPR: Conducted Future State Regional Reviews
- ✓ BPR: Finalized Future State Processes (all teams)

- ✓ RFP: Began ERP RFP Planning
- ✓ RFP: Finalized ERP RFP Timeline
- ✓ RFP: Identified ERP RFP Team
- ✓ RFP: RFP Team Kickoff
- ✓ RFP: 3rd party review of RFP requirements
- ✓ RFP: Completed final reviews of ERP RFP requirements
- ✓ RFP: Identified funding strategy
- ✓ RFP: Post ERP RFP
- ✓ RFP: ERP RFP published for vendor responses
- ✓ RFP: Vendor proposals received
- ✓ RFP: RFP Teams scored proposals

ACCOMPLISHMENTS – continued…

- ✓ CM: Finalized Change Management Plan
- ✓ CM: Launched Readiness Assessment
- ✓ CM: Conducted Transition Management Team Kickoff
- ✓ CM: Conducted Readiness Assessment
- ✓ CM: Identified Transition Management Teams
- ✓ CM: Filled Minnesota State Change Management Lead Position
- ✓ CM: Published Organizational Readiness Assessment
- ✓ CM: Identified timeline and resource plans for Wave 1 (Awareness) materials. Conducted planning meeting.
- ✓ CM: Identified timeline and resource plans for Wave 1 (Awareness) materials. Conducted planning meeting.
- ✓ CM: Finalized a high-level change management timeline for training and communications throughout Phase 2 (Implementation)
- ✓ CM: Filmed NextGen Videos
- ✓ CM: Planned content for Wave 1 (Awareness) materials
- ✓ CM: Published NextGen Video

UPCOMING ACTIVITIES (through March 2020)

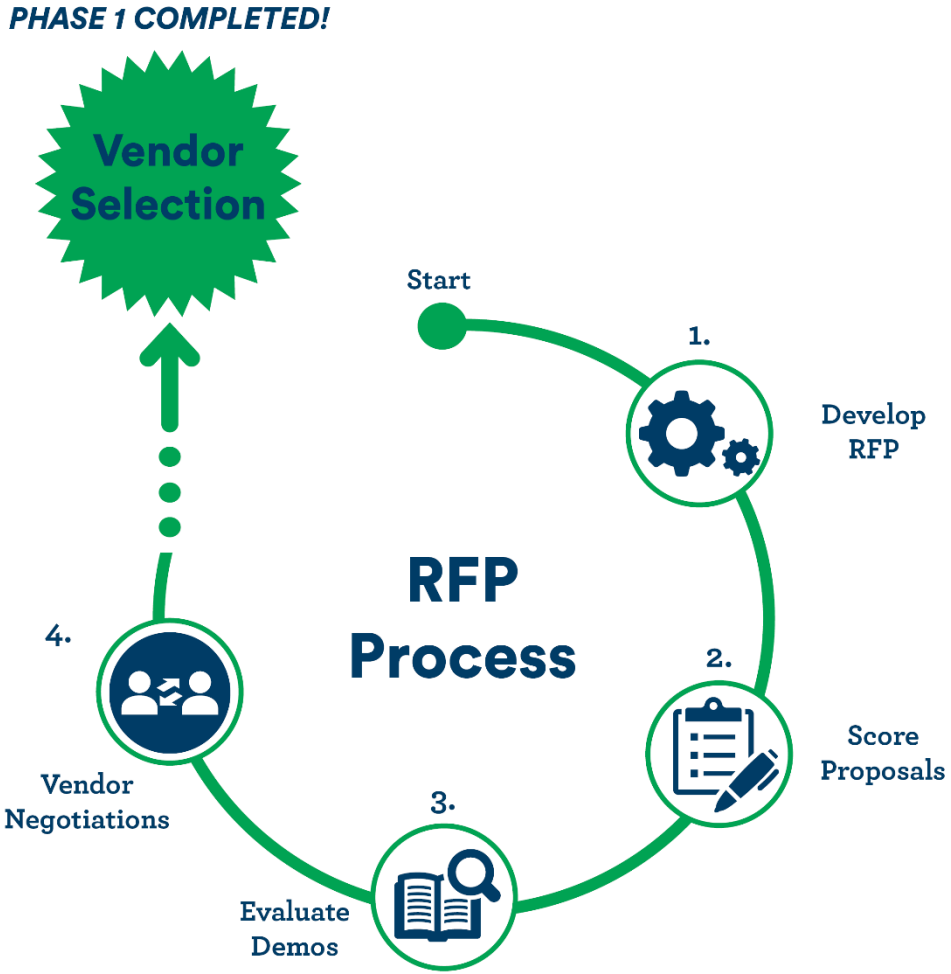
RFP: Conduct vendor demonstrations and interviews (November-January)
RFP: Selection and negotiations (January – March)

CM: Develop Wave 1 (Awareness) Materials (September – December)
CM: Establish Phase 2 Change Management Strategy (February)
CM: Deploy Wave 1 (Awareness) Materials (January – March)

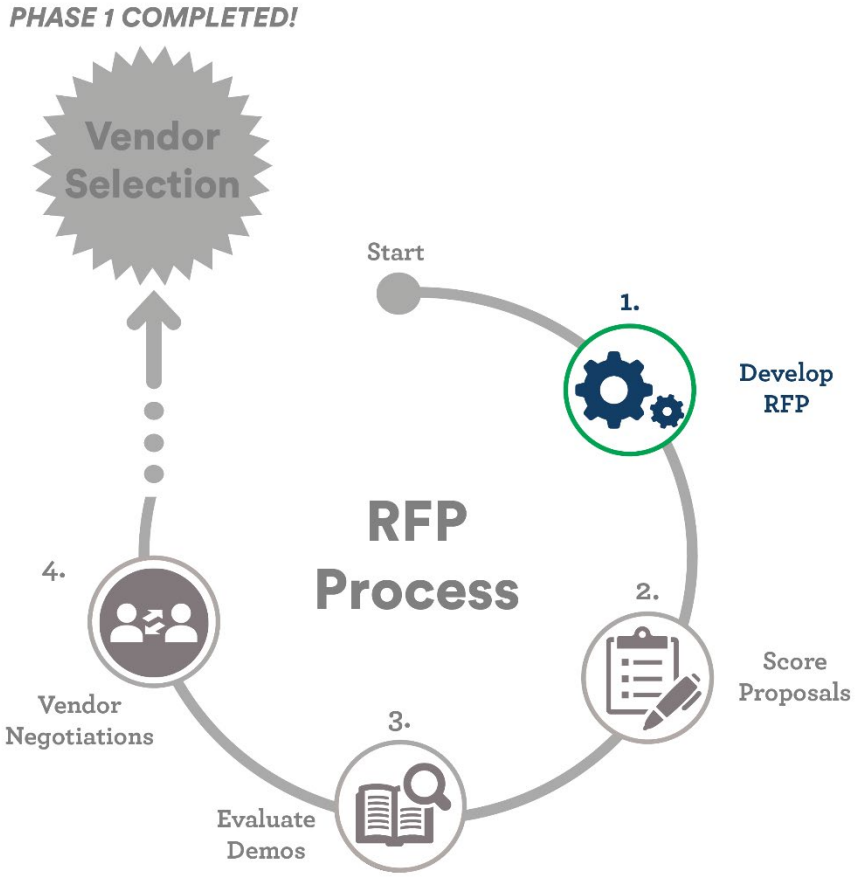
BPR – Business Process Review **CM – Change Management** **RFP – Request for Proposal**

NextGen RFP Process

RFP Process 2018-2020

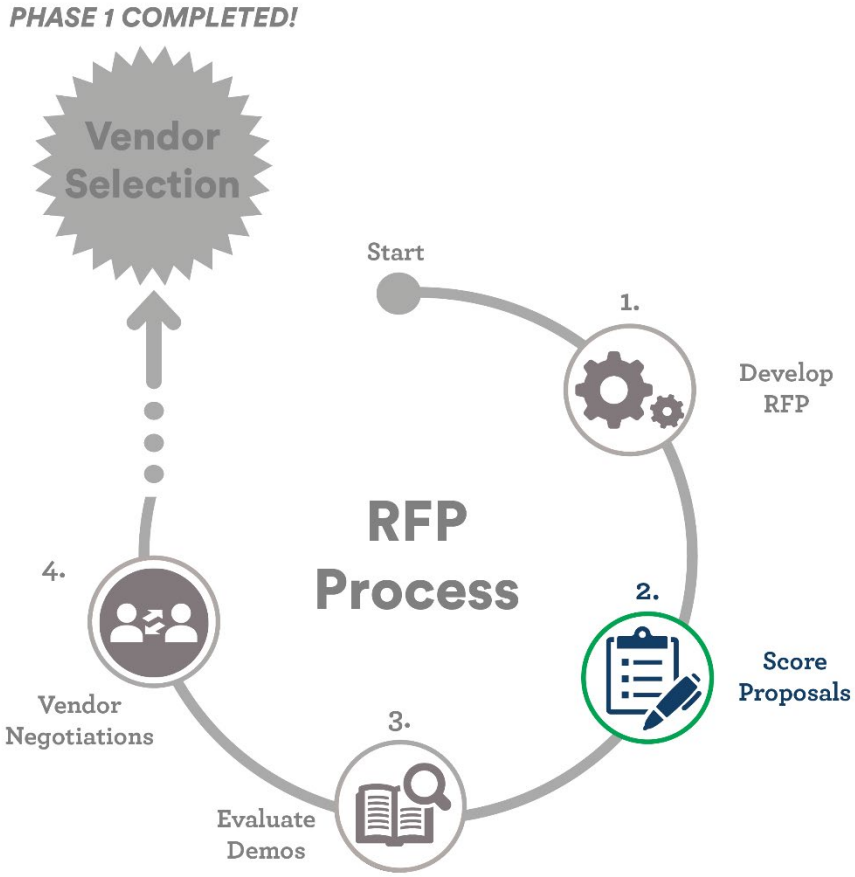


RFP Process | Develop the RFP



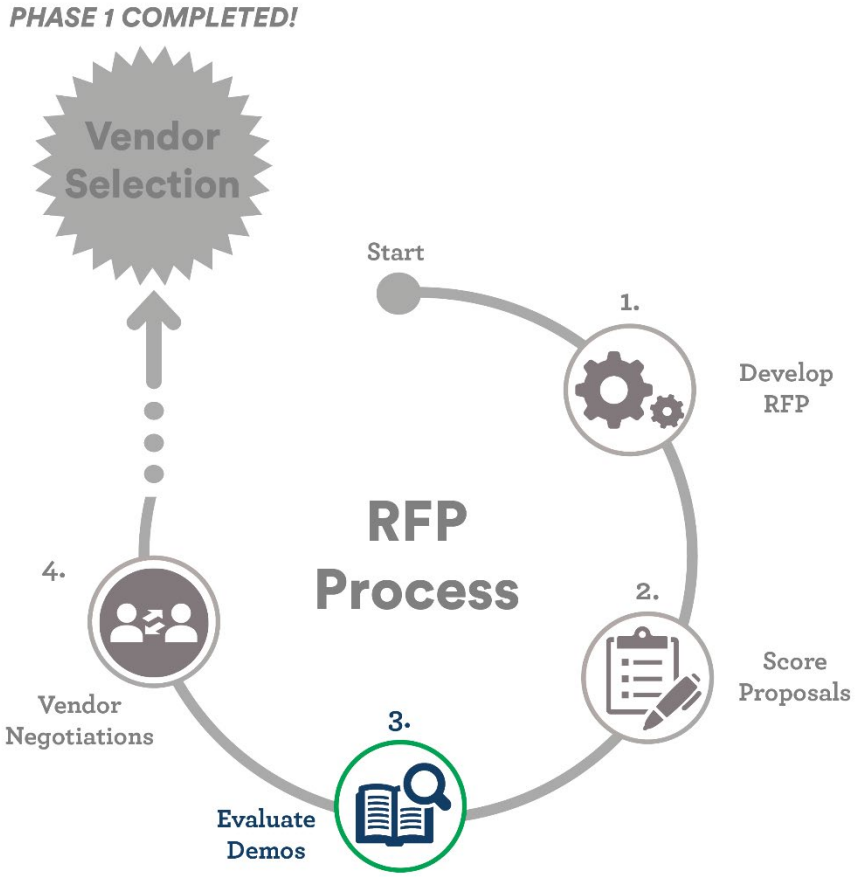
- November 2018 – June 2019
- RFP drafted by **57 individuals** from across Minnesota State with assistance from Campus Works; reviewed by Internal Audit and external consulting firm BerryDunn
- RFP includes 4,000 requirements

RFP Process | Score Proposals



- September 2019 – October 2019
- **4 Vendors** selected to move forward
  - Campus Management
  - Ellucian
  - Oracle
  - Workday

RFP Process | Evaluate Demos



- November 2019 – January 2020
- Vendors followed a script
  - ✓ Each area had an overview
  - ✓ Focused on critical requirements
- Evaluation Process
  - ✓ Demos lasted 3 days/each area per vendor (HR, Fin, IT, Student)
  - ✓ Evaluators completed a survey
  - ✓ The people doing the evaluating were the people who will use the tool
- Faculty and Student Experience Sessions published for community engagement in December and January

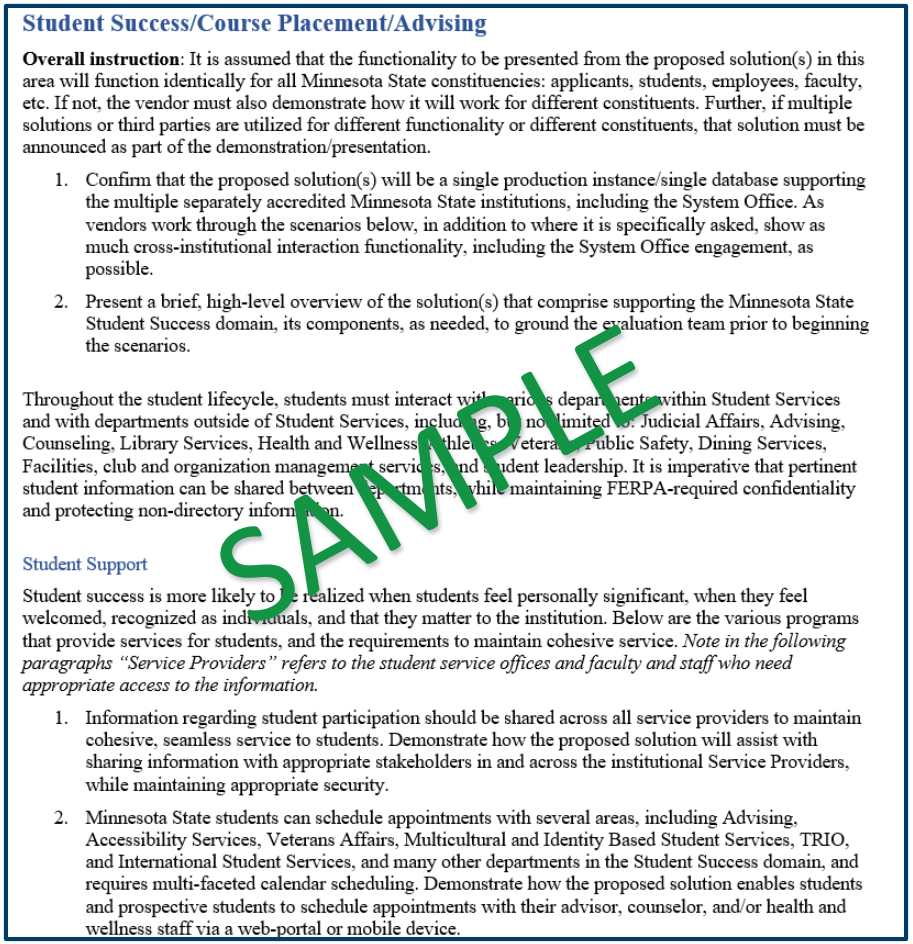
RFP Process | Evaluate Demos

Demo Scripts - Table of Contents

- General Overview (14 questions / scenarios)
- HR / Payroll (78)
- Finance (*includes Student Payroll, Public Safety, Facilities*) (90)

- General Student Overview (8)
- Curriculum & Scheduling (32)
- Recruitment & Admissions (46)
- Financial Aid (40)
- Communications & Event Management (19)
- Student Success & Advising (63)
- Academic Records & Registration (76)
- Workforce (18, additional scenarios incorporated within topics above)

- Data Management (38)
- Technology & Security (83)
- Implementation Services (52)



Student Success/Course Placement/Advising

Overall instruction: It is assumed that the functionality to be presented from the proposed solution(s) in this area will function identically for all Minnesota State constituencies: applicants, students, employees, faculty, etc. If not, the vendor must also demonstrate how it will work for different constituents. Further, if multiple solutions or third parties are utilized for different functionality or different constituents, that solution must be announced as part of the demonstration/presentation.

1. Confirm that the proposed solution(s) will be a single production instance/single database supporting the multiple separately accredited Minnesota State institutions, including the System Office. As vendors work through the scenarios below, in addition to where it is specifically asked, show as much cross-institutional interaction functionality, including the System Office engagement, as possible.
2. Present a brief, high-level overview of the solution(s) that comprise supporting the Minnesota State Student Success domain, its components, as needed, to ground the evaluation team prior to beginning the scenarios.

Throughout the student lifecycle, students must interact with various departments within Student Services and with departments outside of Student Services, including, but not limited to: Judicial Affairs, Advising, Counseling, Library Services, Health and Wellness, Athletics, Veterans, Public Safety, Dining Services, Facilities, club and organization management services, and student leadership. It is imperative that pertinent student information can be shared between departments, while maintaining FERPA-required confidentiality and protecting non-directory information.

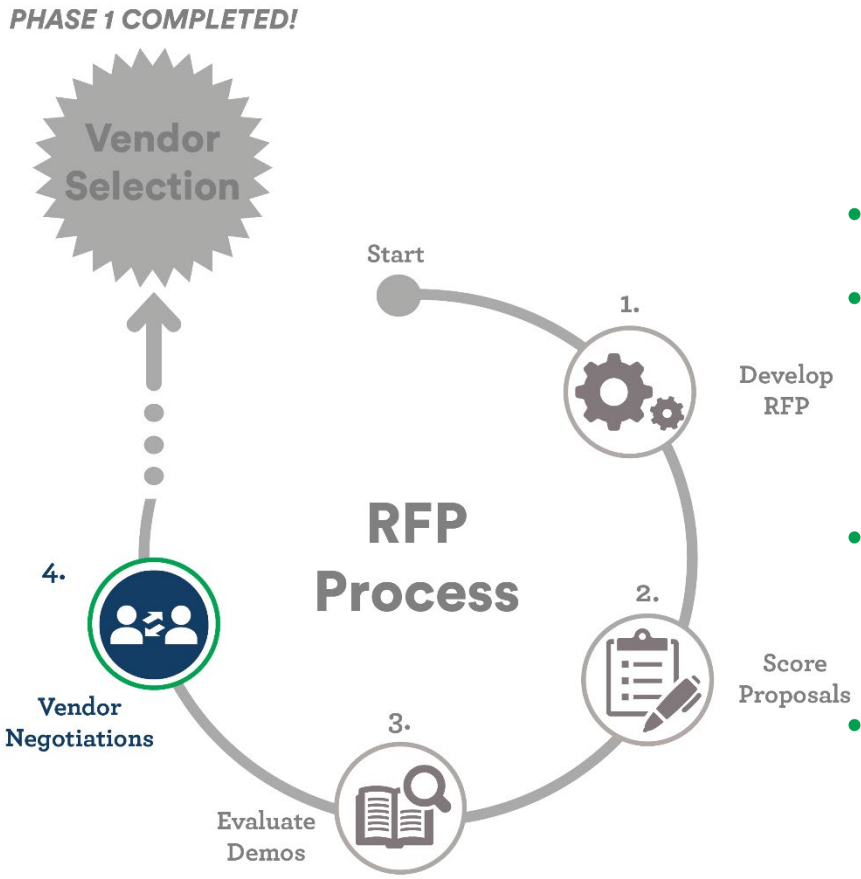
SAMPLE

Student Support

Student success is more likely to be realized when students feel personally significant, when they feel welcomed, recognized as individuals, and that they matter to the institution. Below are the various programs that provide services for students, and the requirements to maintain cohesive service. *Note in the following paragraphs "Service Providers" refers to the student service offices and faculty and staff who need appropriate access to the information.*

1. Information regarding student participation should be shared across all service providers to maintain cohesive, seamless service to students. Demonstrate how the proposed solution will assist with sharing information with appropriate stakeholders in and across the institutional Service Providers, while maintaining appropriate security.
2. Minnesota State students can schedule appointments with several areas, including Advising, Accessibility Services, Veterans Affairs, Multicultural and Identity Based Student Services, TRIO, and International Student Services, and many other departments in the Student Success domain, and requires multi-faceted calendar scheduling. Demonstrate how the proposed solution enables students and prospective students to schedule appointments with their advisor, counselor, and/or health and wellness staff via a web-portal or mobile device.

RFP Process | Vendor Negotiations



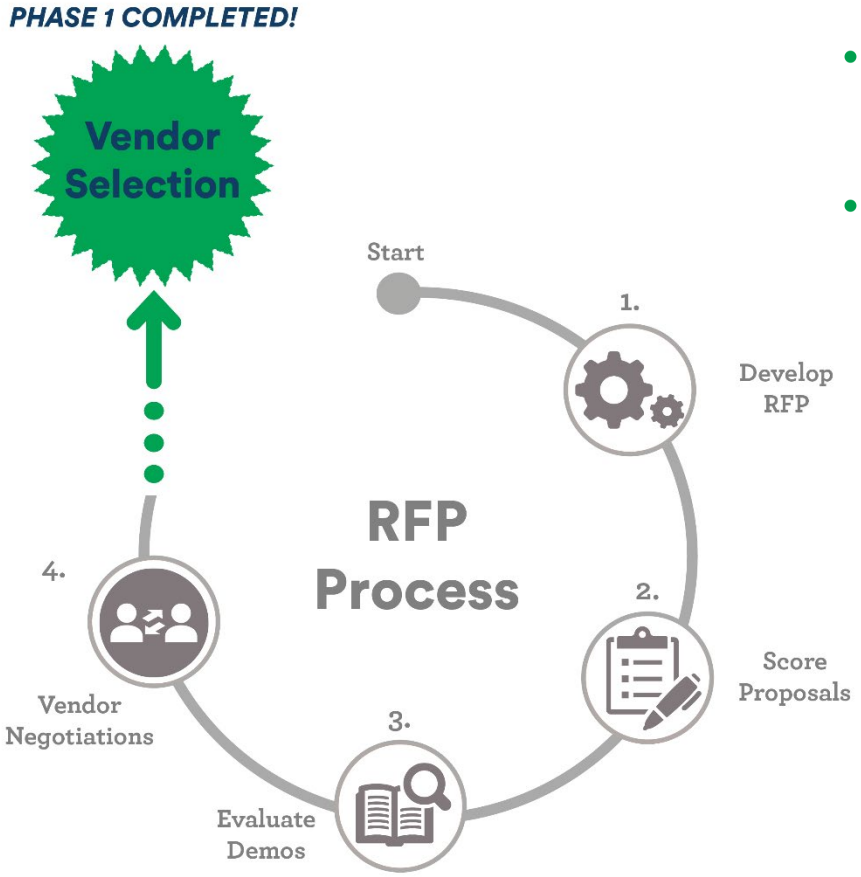
Process below pending Finance Committee motion approval on January 28, 2020.

- January 2020 – Spring 2020
- Negotiations will be held with one or more vendor(s) with the assistance of external counsel Dorsey & Whitney and a Third-Party Owner's Representative
- **Important Note:** Until negotiations have concluded, the identity of vendor(s) will not be announced
- Selected vendor will be announced at a board meeting in the spring of 2020

RFP Process | Decision-Making

- In the process of reaching a decision about which vendor(s) to enter into negotiations with, the Steering Committee took into account many variables, including cost, and carefully reviewed all feedback from the RFP evaluation team and components of the RFP responses/demonstrations.
  - ✓ Debriefs of the RFP Team after the vendor demonstrations
  - ✓ Feedback from students, faculty, and staff
- Reference checks were done.
- The entire process was an exceedingly rich change management opportunity, because through this intense and time-consuming process, our community came away with a much deeper understanding of what ERPs can offer and how organizations select one.
- Those who took part in the RFP process are now more invested in NextGen and well prepared to be **change champions** at the institutional level.

RFP Process | Vendor Selection



- When a technology solution is selected that will be the official end of Phase 1
- Steps after RFP process concludes and Vendor selected:
  - ✓ Vendor announcement highlighting features and functionality
  - ✓ Phase 2 Implementation begins
    - Begin planning with selected vendor
    - Identify implementation planning teams

NextGen | From Phase 1 to Phase 2

- Phase 1: a **4-year journey**
  - ✓ Key priority of the *Charting the Future* Technology Team
  - ✓ 52 listening sessions with students, faculty, and staff
  - ✓ Business case made the need for a NextGen solution clear
  - ✓ Vendor showcases
  - ✓ Regional reviews on current and future state
  - ✓ RFP process
- Countless people shared their time, effort, and expertise to get us to this point: the **end of Phase 1**
- We owe a great debt of gratitude to them all!

To our evaluation teams: *we got here because of* ***your hard work*** *and* ***your evaluations****!*
Thank you!

MINNESOTA STATE

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Appendix

NextGen Overview

Project Objective: Provide an enhanced student experience and future proof our technology investment.

- Deliver tools to improve registration, degree planning, credit transfer, online advising, data analytics, recruitment, and administrative processes to support student success
- **Phase 1** – Design phase (2017 – 2019)
  Business process reviews, RFP development, data integration, project management, communications and ISRS platform refresh
- **Phase 2** – Implementation phase (2020 – 2025)
  Implementation of all new functionality, new reporting and data analytics

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MINNESOTA STATE
NextGen

Topics Presented To Date

BOT SESSION	TOPICS PRESENTED	DECISIONS MADE
June 2014	• Topic introduced	
October 2015	• Student Experience (overview) • Update on listening sessions and business case development	
March 2016	Presentation of NextGen Business Case	Board supports.. • Moving forward with planning • Submitting FY2018 biennial legislative request
October 2016	Presented estimates timeline and budget	NextGen updates to be presented to Board biannually - in January and June
June 2017	• Received $8M from FY2018 legislative request - enough for team to kickoff Phase 1 (business process reviews, RFP, legacy technology preparation) • **RISK!** Failure to provide sufficient funding to enter into long term contracts for Phase 2 (implementation) will add significant and critical delays to the project.	Board supports… • Moving forward with Phase 1 • Submitting FY2018 supplemental funding request and FY2019 biennial legislative request
January 2018	• Introduction of ERP Steering Committee • Introduction of Phase 1 and vendor (CampusWorks)	Board supports… • Project overall design • Phase I timeline

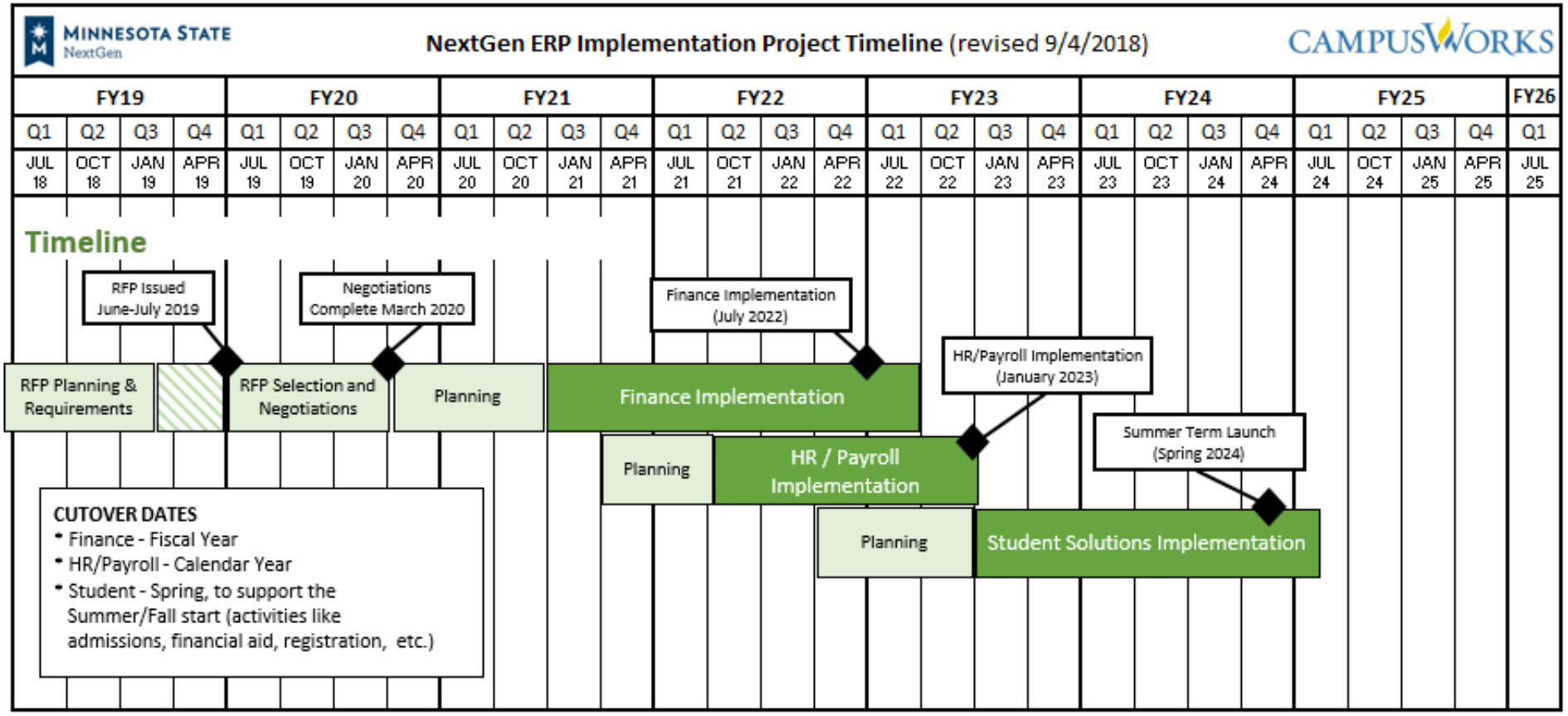
Topics Presented To Date

BOT SESSION	TOPICS PRESENTED	DECISIONS MADE
March 2018	• Project organization structure • Reviewed program dashboard template • Communication Plan for BOT and Leadership Council Updates	Board supports… • Revised project team structure • Reporting format • Update cadence for BOT and LC
June 2018	• Communications Plan • Change Management Strategy	Board supports… • Communication vehicles and cycles • Change Management Strategy and looks forward to seeing the Change Management Plan during the September Board Meeting.
September 2018	• Revised project timeline • Change Management Plan	Board supports… • Tactical adjustments made for the good of the project • Change Management role of the Board of Trustees
October 2018	• TSM Lessons Learned • Critical Success Factors	n/a – informational presentation showing the project's commitment towards continuous improvement (learning from prior projects).
January 2019	• Current & Future State Business Processes • RFP Process: Teams & Timeline • Change Management Update • Implementation Timeline	n/a – informational presentation

NextGen vs. Legacy Rewrite

NextGen Project	Typical Legacy Rewrite Project
Purchase of commercially available software.	Contractor/internal staff hired to rewrite in house/legacy code.
No customizations allowed – change business processes to match software.	Code is written to accommodate business practices. Emphasis on process standardization varies by project.
Business readiness and organizational change management is part of the software as a service acquisition process.	Process tends to focus on transferring legacy functionality to new software platform; may not start with effort to rethink how business is done.
Project governance, stakeholder engagement, board, and audit oversite are integral to the project. There are many checkpoints for course correction.	Often seen as an IT project since the focus is on rewriting existing system.
Software is maintained and hosted by vendor.	Resulting software is “one of a kind” tailored to own environment.
Project design includes substantial user engagement in product selection and change management.	Project design may or may not include user engagement as code is written.

Timeline | Implementation



NOTE! All implementation dates are TENTATIVE. Dates are subject to change during implementation planning with ERP vendor.

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MINNESOTA STATE
NextGen

Recap of Upcoming Activities

February 2020

RFP: Begin negotiations

CM: Establish Phase 2 Change Management Strategy

CM: Deploy Wave 1 Change Management Materials

Spring 2020

RFP: Complete negotiations

RFP: Seek board approval to enter into contract with selected ERP vendor

Next BOT Update

Spring 2020

BPR – Business Process Review ● CM – Change Management ● RFP – Request for Proposal

MINNESOTA STATE

Audit Committee
January 28, 2020
2:00 p.m.
McCormick Room

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

1. **Minutes of November 19, 2019 (pages 1-4)**
2. Project Update - Institution Financial Control Review (pages 5-20)

Committee Members:

George Soule, Chair
Michael Vekich, Vice Chair
Bob Hoffman
Jerry Janezich
April Nishimura

Presidential Liaisons:

Richard Davenport
Stephanie Hammitt

Bolded items indicate action is required.

MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
AUDIT COMMITTEE MEETING MINUTES
Bemidji State University – Crying Wolf Room
November 19, 2019

Audit Committee Members Present: Trustees George Soule, Robert Hoffman, Jerry Janezich, and April Nishimura (by phone).

Audit Committee Members Absent: Michael Vekich.

Other Trustees Present: Trustees AbdulRahmane Abdule-Aziz, Ashlyn Anderson, Alex Cirillo, Jay Cowles, Dawn Erlandson, Roger Moe, Rudy Rodriguez, Louise Sundin, Cheryl Tefer, and Samson Williams.

The Minnesota State Colleges and Universities Audit Committee held its meeting on November 19, 2019, in the Crying Wolf Room at Bemidji State University. Trustee Soule called the meeting to order at 3:00 p.m.

1. **Minutes of October 15, 2019**
   The minutes of the June 18, 2019 audit committee were approved as published.

2. **FY2019 and FY2018 Audited Financial Statements and Student Financial Aid Audit**
   Mr. Eric Wion, Executive Director of the Office of Internal Auditing introduced the external audit team from CliftonLarsonAllen, Mr. Don Loberg, Ms. Brenda Scherer, and Mr. Chris Knopik.

   Mr. Loberg reviewed the scope of the audits which included the results of three recently completed financial statement audits: Systemwide, Revenue Fund, and Itasca Community College Student Housing Funds, Itasca Hall and Wenger Hall (ICCSH) as well as the federal student financial aid compliance audit.

   Ms. Scherer reviewed the audit approach. She stated that CliftonLarsonAllen was issuing an unmodified opinion or a clean opinion for the systemwide financial statement audits. She added that for an organization of this size to have a clean opinion was a great accomplishment and she congratulated the organization.

   Ms. Scherer reviewed the results of the federal student financial aid compliance audit and stated that there were no material weaknesses, but there was one finding that was a significant deficiency. Minnesota State uses ESCI to do the billing and the collections for the Perkins loans, and they were required to have a compliance audit. In their audit they had a finding. Because of that, CliftonLarsonAllen reviewed Minnesota State's contract with ESCI, and found that there was missing language in that contract. The contract will expire this year and staff will add the correct language when the new contract is drafted, so this finding will be gone next year when

the new contract is signed. Ms. Scherer stated that to have only one finding with the volume of student financial aid transactions was something that should be celebrated. She added that the accomplishment took a lot of effort on the part of the campuses and they should be applauded for their good work.

Mr. Knopik explained the auditor's responsibilities and the audit approach for the financial statement audits. He reviewed the System-wide audit results. There were no material weaknesses, no significant deficiencies, and no audit adjustments. CliftonLarsonAllen offered an unmodified opinion on the financial systems.

Mr. Knopik explained that they had reviewed the IT procedures in support of the systemwide financial statement and federal student financial aid compliance audit but there was no opinion on that review. The Itasca Community College Student Housing has some separate bonds outstanding that require a standalone audit. There was also an audit of the Revenue Fund. Both of these audits had unmodifiable opinions, no material weaknesses, no significant deficiencies and no written comments.

Mr. Loberg reviewed the Governance Communication. There were no difficulties, no disagreements, no material adjustments, no uncorrected adjustments, and no other findings. He congratulated Minnesota State on a phenomenal audit.

Trustee Soule asked for feedback on the performance of the Finance Department, the Office of Internal Auditing and anyone else who provided information for the audit. Mr. Loberg stated that it has been a great relationship. He added that the audit process has improved each year and has become a very smooth process. Mr. Loberg stated that although there has been significant turnover in recent years, such as Vice Chancellor Laura King's retirement and other significant changes in positions throughout the system, those transitions have been smooth. The people that needed to step up, did a great job.

Trustee Hoffman complimented CliftonLarsonAllen on being a positive and effective partner. He stated that he appreciated the outside support, advice, and the way that they have contributed and he thanked Mr. Loberg and his staff. He also thanked Mr. Maki and Mr. Wion and their staff for all the hard work that they had done.

Trustee Sundin asked if past financial difficulties at individual institutions have an effect on the audits. Interim Vice Chancellor Bill Maki stated that the financial statements are a compilation of thirty-seven colleges and universities and the system office. So there is an implication of individual performance that weaves its way throughout the statements. Mr. Loberg added that they meet with a third of the presidents and CFOs each year and they talk about the risks. Although they do not give an institution by institution opinion, those conversations have an impact on how they might test and look at various institutions.

Interim Vice Chancellor Bill Maki provided a high level overview of the results at the system-wide level. He noted that GASB 68 and 75 had a substantial impact on the reported condition

of the colleges and universities. In past years GASB 68 and 75 have had a negative impact on the financial results, however this year they had a positive impact on result. Excluding the effects of GASB 68/75, the system reports a $39M loss

Trustee Soule called for a motion to approve the release of the fiscal year 2019 audited financial statements as submitted. Trustee Janezich made the motion, Trustee Nishimura seconded. There was no dissent and the motion carried.

3. Proposed Amendment to Board Policy 1D.1 Office of Internal Auditing - First Reading
   Mr. Wion reminded members that a new charter for the Office of Internal Auditing was approved by the Board in October. The proposed amendment to Board Policy 1D.1 would remove redundant charter language from the policy. Mr. Wion outlined key provisions that will remain in Policy 1D.1. He further stated that the proposed policy amendment went through a 30 day review and comment period, and there were no comments.

   Chair Soule stated that because the proposed amendment was not controversial, he would ask the board to suspend the rules and approve the amendment during the full board meeting.

4. **Internal Auditing Services: Authorization to Negotiate Baker Tilly Virchow Krause, LLP Contract Extension**
   Mr. Wion stated that contract with Baker Tilly Virchow Krause for internal auditing services will expire in June of 2020. He stated that internal auditing has been working with Baker Tilly in this co-sourced model for almost three years and together they have done excellent work on behalf of the committee. He added that the relationship has allowed the Office of Internal Auditing to expand the scope of work that it has been able to do. The current contract with Baker Tilly contains a provision that would allow for an extension of that contract for three additional years. Mr. Wion requested the committee's approval to enter into negotiations with Baker Tilly to extend the current contract. Mr. Wion would bring the proposed contract amendment back to the committee at a future date.

   Trustee Hoffman praised the relationship with Baker Tilly and highly recommend that the audit committee renew the contract.

   Trustee Soule called for a motion to approve the Internal Auditing Services: Authorization to Negotiate Baker Tilly Virchow Krause, LLP Contract Extension. Trustee Janezich made the motion, Trustee Hoffman seconded. There was no dissent and the motion carried.

5. **External Auditing Services: Authorization to Negotiate CliftonLarsonAllen, LLP Contract Extension**

   Mr. Wion stated that contract with CliftonLarsonAllen for external auditing services will expire in March of 2020. The current contract contains a provision that would allow for an extension of that contract for three additional years. Mr. Wion stated that the financial reporting team and the internal audit team have been very pleased with the quality of the audit services from CliftonLarsonAllen. The audit process has become very efficient. It is the recommendation of Vice Chancellor Maki as well as Mr. Wion that Minnesota State would try to extend the contract with CliftonLarsonAllen. Mr. Wion requested the committee's approval to enter into negotiations with CliftonLarsonAllen to extend the current contract. Mr. Wion would bring the proposed contract amendment back to the committee at a future date.

   Trustee Soule called for a motion to approve the External Auditing Services: Authorization to Negotiate CliftonLarsonAllen, LLP Contract Extension. Trustee Hoffman made the motion, Trustee Janezich seconded. There was no dissent and the motion carried.

The meeting adjourned at 3:57 p.m.
Respectfully submitted by Darla Constable

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

Name: Audit Committee **Date:** January 28, 2020

Title: Project Update: Institution Financial Control Review

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☐ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☒ Information	

Brief Description:

The Office of Internal Auditing will provide an update on the Institution Financial Controls Review/Assessment Project. The objective of the project is to develop a multi-year plan to assess key financial controls at each college and university on a rotational basis. A pilot project was conducted to help determine the scope, methodology, and resource needs.

Once final, the rotational plan will become part of the Minnesota's overall audit strategy and built into Internal Auditing's annual Audit Plan.

Scheduled Presenter(s):
Eric Wion, Interim Executive Director of Internal Auditing
Mallory Thomas, Baker Tilly Manager
Scott Wilson, Saint Paul College Vice President, Finance & Operations

BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD INFORMATION
PROJECT UPDATE: INSTITUTION FINANCIAL CONTROL REVIEW

BACKGROUND

The Office of Internal Auditing will provide an update on the Institution Financial Controls Review/Assessment Project. The objective of the project is to develop a multi-year plan to assess key financial controls at each college and university on a rotational basis.

A pilot project was conducted to help determine the scope, methodology, and resource needs. This included the development of an internal control assessment tool to identify risks, applicable board policies or system procedures, implemented controls, and any gaps or deficiencies for several business cycles. The assessment tool was piloted at two pilot institutions: Saint Paul College and St. Cloud State University. Their participation, cooperation, and feedback throughout was a tremendous value in helping inform the project.

Next steps include updating and refining the internal control assessment tool, developing additional templates and risk and control guidance to serve as resources to colleges and universities, and finalizing the long-term plan to conduct rotational assessments at each college and university. Once final, the rotational plan will become part of the Minnesota's overall audit strategy and built into Internal Auditing's annual Audit Plan.

Date Presented to the Board of Trustees: January 28, 2020

1/28/2020

Office of Internal Auditing

Internal Audit Report to the Audit Committee

Agenda

- Project Update: Institution Financial Controls Review
- Appendix: FY20 Audit Plan Project Updates

Financial Controls Review Project Objective

Develop a multi-year plan to assess key financial controls at each college and university on a rotational basis

- Conduct a pilot project to help determine the scope, methodology, and resource needs

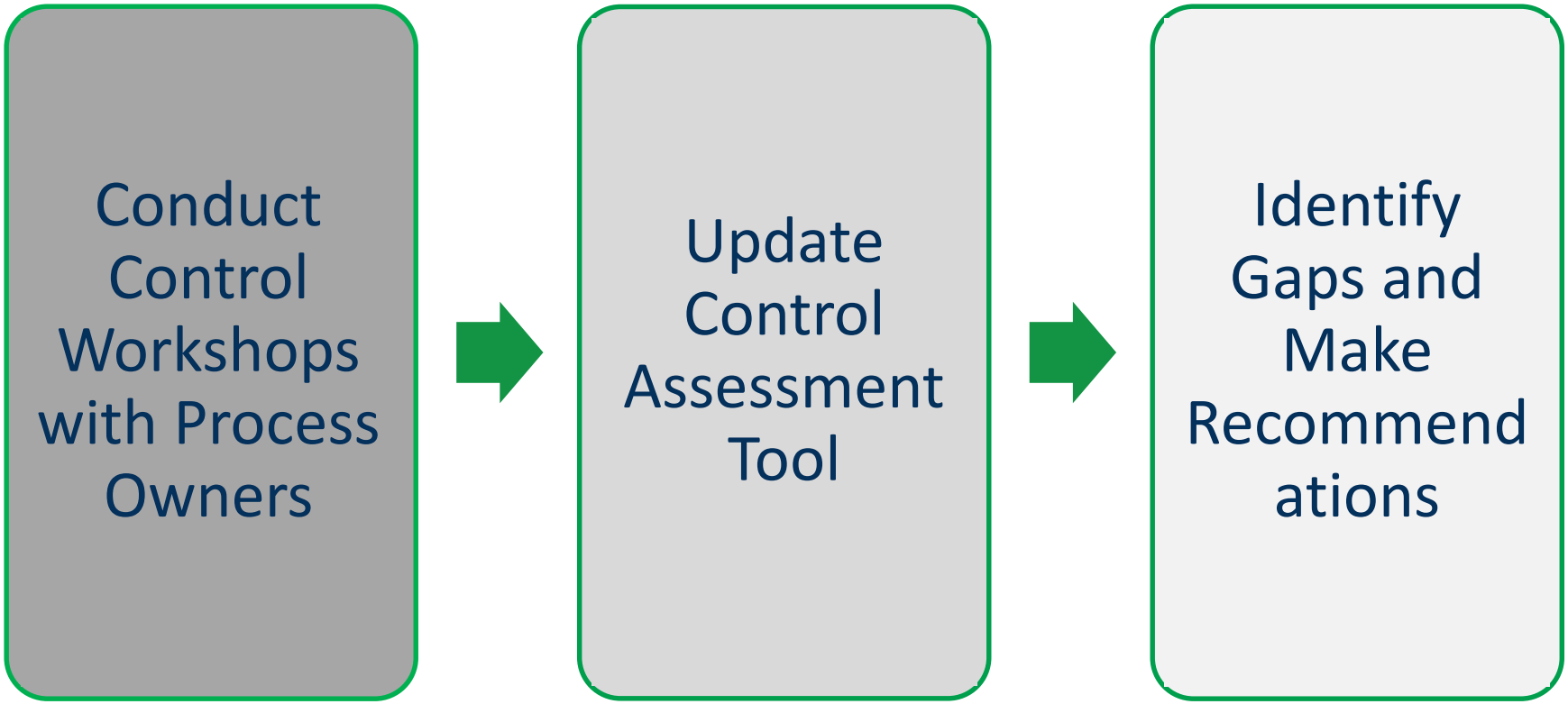
Activities Performed

- Led scoping discussions with key stakeholders, including CFO Advisory Committee, to understand current practices and challenges
- Reviewed example internal control documentation completed for external auditors as part of the annual systemwide financial statement audit
- Developed a draft internal control assessment tool
- Piloted the tool and methodology at two institutions

Internal Control Assessment Scope (Pilot)

Cash	Tuition Billing & Revenue	Accounts Payable	Inventory	Financial Reporting & Budgeting
• Cash Disbursement • Cash Receipt • Bank Accounts & Reconciliations • Auxiliary Enterprises / Customized Training • System Access	• Tuition Billing/Revenue	• Purchasing • Segregation of Duties (SOD) • P-Cards • Contracts • System Access • Budgeting	• Inventory Management • Sensitive Assets • Capital Assets • System Access	• Financial Reporting • Accounting Estimates • Budget • System Access

Pilot Phase Process



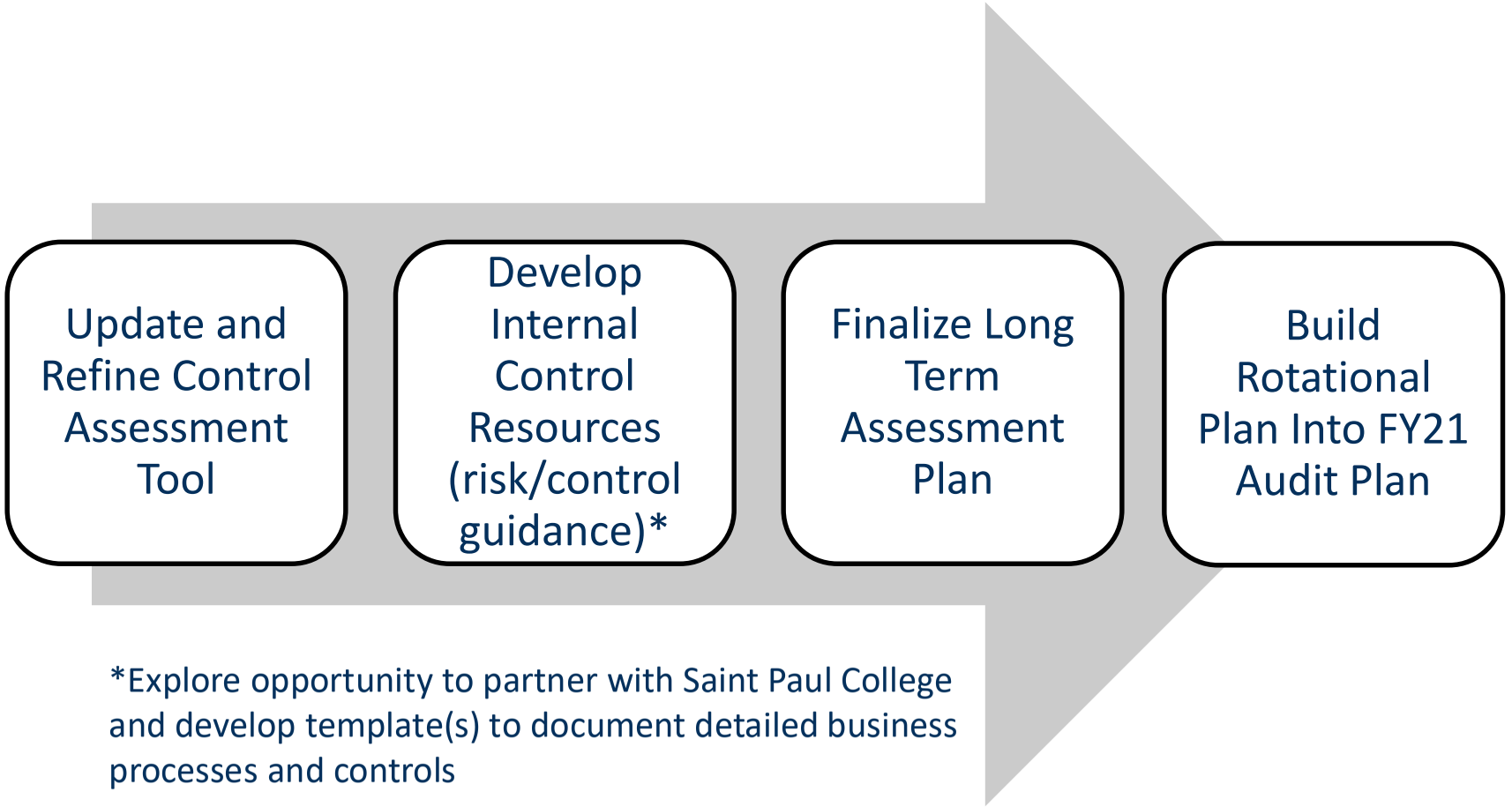
Campus Perspective - Saint Paul College Pilot

- Willingness to participate in the pilot assessment stemmed from the college's desire to promote the following:
  - Risk Mitigation
  - Financial Stewardship
  - Continuous Improvement
- A program that includes periodic assessments will help to promote and enforce these values

Tentative - Proposed Plan

Description	Number of Colleges/Universities
Internal Control Assessment Plan – Year 1	7
Internal Control Assessment Plan– Year 2	8
Internal Control Assessment Plan– Year 3	7
Internal Control Assessment Plan– Year 4	8
Internal Control Assessment Plan– Year 5	7
Total	**37**

Next Steps



*Explore opportunity to partner with Saint Paul College and develop template(s) to document detailed business processes and controls

MINNESOTA STATE

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Appendix

FY20 Audit Plan Project Updates

Project	Status
ERM Advisory – Participate in the ERM Steering Committee and assist as requested. Assist the Committee in facilitating an annual enterprise risk management assessment; conduct facilitated discussions with key stakeholders. Develop ERM resources and tools for colleges and universities.	Ongoing; System level ERM steering committee engagement continues; College pilot project in progress.
NextGen Steering Committee Participation – Participate in the ERP Steering Committee, provide professional advice, and assist as requested.	Ongoing.
NextGen Project Risk Review (PRR) – Conduct business project reviews and assess specific project processes. Perform quarterly checkpoints focused around key project milestones. Additionally, work to advise on key project risks surrounding implementation, data governance, and other project issues as they arise.	✓ Completed; Results discussed at Committee of the Whole meetings: ✓ Checkpoint #1 (June 2018) ✓ Checkpoint #2 (October 2018) ✓ Checkpoint #3 (March 2019) ✓ Checkpoint #4 (June 2019) ✓ Checkpoint #5 (January 2020) Checkpoint #6 anticipated to be completed June 2020

FY20 Audit Plan Project Updates

Projects/Objective	Status
HR-TSM Advisory – Continue to review the HR service center model progress to date, and the extent to which the desired project goals and objectives have been achieved. The project is to be completed by the end of June 2020.	Ongoing; Results discussed at joint Audit and HR Committee meetings: ✓ November 2018 ✓ January 2019 ✓ April 2019 ✓ November 2019 Next report to board anticipated in June 2020
Information Security Consultation Phase 3 – Assist the system in developing a strategy/ program for ongoing assessments to determine whether or not the Top Five information security controls are being addressed; Assess the feasibility, scalability, and sustainability of different options/models for implementing the program.	In progress; Project completion anticipated in March/April 2020
Institution Financial Controls Review (Pilot & Program Development) Develop and pilot a multi-year audit plan that would result in key financial controls being reviewed at each college and university on a rotational basis.	Pilot completed; Topic included in this month's Audit Committee agenda

FY20 Audit Plan Project Updates

Projects/Objective	Status
Data Classification Review– To protect the confidentiality of data, and to comply with applicable state and federal laws and regulations, all institutional data must be classified with the appropriate security classification. As a top five information security focus area, Internal Audit will perform a review of compliance with the information classification requirements. Survey institutions to review how they implemented the data classification operating procedures and instruction. Based on the survey results, Internal Audit will validate responses for further review.	In progress; Project completion anticipated in March/April 2020
Shared Service Initiative: Comprehensive Workforce Solutions (CWS) Review – Evaluate the shared service initiative, review project execution to plan, and identify barriers and potential opportunities to improve results and achieve the project's expected benefits and outcomes.	Project planning started
Shared Service Initiative: Metro Alliance Bookstore Review – Evaluate the shared service initiative to determine if benefits and intended outcomes have been achieved, and to identify barriers and potential opportunities to improve results. Perform a scalability assessment using the Enterprise Shared Services Governance Roadmap.	Not started

MINNESOTA STATE

Facilities Committee

January 28, 2020
2:30 PM
McCormick Room

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

1. **Minutes of October 15, 2019 (pp. 1-5)**
2. **Contracts Exceeding $1Million: (pp. 6-11)**
   a. **McMahon Student Center Renovation, Itasca Community College**
   b. **Student Affairs Renovation, Phase 2, Minneapolis Community and Technical College**
3. 2022 Capital Program Guidelines (First Reading) (pp. 12-15)

Committee Members:
Jerry Janezich, Chair
Louise Sundin, Vice Chair
Bob Hoffman
Roger Moe
Samson Williams

_____

President Liaisons:
Kent Hanson
Faith Hensrud

Bolded items indicate action is required.

Minnesota State Board of Trustees
Facilities Committee Meeting Minutes
October 15, 2019

***Facilities Committee members present**: Jerry Janezich, Chair; Louise Sundin, Vice Chair; Trustees Roger Moe, and Bob Hoffman and Chancellor Devinder Malhotra*

***Facilities Committee members absent**: Trustee Samson Williams*

***Other board members present**: Trustees April Nishimura, George Soule, Cheryl Tefer, Alex Cirillo, Dawn Erlandson (by phone), Michael Vekich, and Jay Cowles, Board Chair*

***Cabinet members present:** Bill Maki, Interim Vice Chancellor*

***Others present**: President Kent Hanson, Anoka-Ramsey Community College and Anoka Technical College, Lisa Harris, Dean of Student Affairs, Anoka-Ramsey Community College, and Associate Vice Chancellor for Facilities, Brian Yolitz*

Committee Chair Janezich called the meeting of the Facilities Committee to order at 8:45 AM.

1. Approval of the Facilities Committee Meeting Minutes

Committee Chair Janezich called for a motion to approve the Facilities Committee Meeting Minutes of June 19, 2019. A motion was made by Trustee Moe and seconded by Trustee Hoffman. The minutes approved as written.

Facilities Update: Associate Vice Chancellor, Brian Yolitz

Associate Vice Chancellor Yolitz offered updates before moving to the formal agenda**.** He shared Faith Hensrud, President, Bemidji State University and Northwest Technical College was continuing as a presidential liaison to the Facilities Committee. Kent Hanson, President Anoka-Ramsey Community College and Anoka Technical College will be the new liaison. Together they will offer insights and perspectives to the Facilities Committee from Leadership Council and their respective cohorts and campuses.

A. New Business - 2020 Capital Program: Following board approval in June, the board's $271.2 million capital program request for 2020 was submitted to Minnesota Management and Budget (MMB) for review and forwarding to the legislature and Governor Walz' office. Since then, there had been several campus tours by the House and Senate Capital Investment Committees and key MMB staff.

On October 1, the board's 2020 capital program request was presented to the Executive Budget Team (EBT) that included MMB Commissioner, Myron Frans and his staff, Minnesota Office of Higher Education Commissioner Dennis Olson and staff, and representatives from the Governor Walz' office. Introductory remarks and comments by Chancellor Malhotra and MSU Moorhead, President Anne Blackhurst, helped set the stage for the request and well received. The EBT was cautiously supportive of the request, noting demand was high for state general obligation (GO) bond funding, totaling more than $5.5 billion. Typical GO bond funding is $1.0 billion. If that trend remains, potentially only 1 in 5 requests will be addressed during the upcoming session. The EBT shared they appreciate the Minnesota State program capital development process and that it helps them set priorities much easier.

In addition, Interim Vice Chancellor Maki presented the EBT context and framework for system leadership and the board's approach in considering a supplemental request. Details on this reviewed in the Finance Committee meeting.

FY2020 session dates are Tuesday, February 11, 2020 through Monday, May 18, 2020.

B. New Business - Capital Improvement Program Report:

Minnesota State has nearly $300 million in ongoing design and construction of capital projects. Several key milestones in this work include ribbon cuttings for Campus Renovation at Hibbing Community College, Student Health and Academic Renovation of Eastman Hall at St. Cloud State University, and for the Education Village project at Winona State University. Groundbreaking events held for the Haag Sauer Academic Learning Center replacement project at Bemidji State University, and the Transportation, Trade and Industrial Education Center at Riverland Community College in Albert Lea.

C. New Business - 2020 Capital Program Guidelines:

Associate Vice Chancellor Yolitz asked members to think about recommendation guidelines for the 2022 bonding request for projects funded through the state capital budget process and revenue fund bond sales. Staff will use input for discussions with various groups including the Leadership Council.

2. Action Item: Contract Exceeding $1 Million: College Services and Library Renovation, Anoka-Ramsey Community College, Coon Rapids

Associate Vice Chancellor Yolitz said the action item to approve the renovation of the Coon Rapids campus college services spaces and adjacent library had been a priority within the college's comprehensive facilities plan for some time. They had been budgeting for this work for nearly 6 years. They are now in a position to execute the work. The contemplated construction contract is in excess of $1 million and requires board approval.

He introduced President Kent Hanson and Lisa Harris, Dean of Student Affairs, and said they would be able to answer any detailed questions regarding the project.

Associate Vice Chancellor Yolitz presented slides on project scope for renovation of 30,400 square feet of existing space including the visitor entrance. Construction planned for two phases. Phase one focuses on renovation of the library including rightsizing, technology enhancements and repurposing of space and is planned for December 2019 through August 2020. Phase two is renovation of the college services space to increase accessibility, student success, and improve wayfinding for Advising and Counseling services. Phase two planned for March 2020 to January 2021. Estimated total project cost is $6 million. Project funding will have a modest impact on the college Composite Financial Index (CFI) reducing from 4.99 to 4.33 (non-GASB). Associate Vice Chancellor Yolitz shared that students have been involved throughout the process through the Student Senate, Facility Advisory Committee membership, and participation in predesign and design processes.

Finally, he offered a motion for the Facilities Committee to recommend the board approve a construction contract not to exceed $5 million for the college.

Committee Discussion

Committee Chair Janezich expressed reservations and stated this kind of project is normally part of the tradition capital bonding process through the state of Minnesota, and that the state should be paying for it, not the college. He indicated a future group discussion should take place.

Trustee Hoffman asked in what ways this renovation improves the library for future needs. Associate Vice Chancellor Yolitz said that improving and modernizing the library are at the heart of the project. It will reduce hardcopy holdings; infuse technology, increase multi-media presence, and offer individual student and group learning/team study areas. Trustee Hoffman asked that the campus president address this.

President Hanson responded that the library has 70's technology and needs updates. Students want a mix of private and group study spaces. The current spaces do not have ample electrical service and outlets. They have used librarian input on design improvements to bring the library up to date and prepare for the future. Trustee Hoffman asked if students could access online resources. President Hanson responded that they could.

President Hanson asked to address Chair Janezich. He shared that bonding requests through the state can take a great deal of time and wants the project completed to serve students as soon as possible. This project focuses on student success, academic excellence, equity, diversity and inclusion, and partnerships for four-year degrees. College finances are strong to reinvest in the campus. He recognizes they are using campus funds and not waiting for state funding support, but feels the important need to act now for the success of their students.

Committee Chair Janezich said he understood President Hanson's position, but he still had reservations that project did not come through the system for state funding. He said he was

willing to support and approve the project, but stressed reservations about campuses using local funds instead of using the state bonding process.

Trustee Moe made the motion that the Board of Trustees authorize the chancellor or the chancellor's designee to execute a construction contract not to exceed $5 million for purposes of construction of the College Services renovation and the library refurbishment at Anoka-Ramsey Community College, Coon Rapids campus. The motion seconded by Trustee Sundin and approved by the committee.

Trustee Sundin asked how often trustees get a report on the number of construction contracts awarded to minority and women owned companies. Associate Vice Chancellor Yolitz responded that he was not sure of a formal report but that it is part of the procurement redesign work currently underway and a topic on the Finance Committee agenda. He said one of the goals of the procurement redesign work was to provide more opportunities for minority and women owned businesses in construction and professional/technical services. The system office design and construction team met yesterday on this topic to review 2017 and 2018 HEAPR projects. Staff will bring minority and women owned contractor utilization information to the Facilities Committee. Trustee Sundin requested a regular report on this. Chair Janezich asked if this was doable. Associate Vice Chancellor Yolitz responded he thought it was and that the system needed the right data and systems in place to be effective. The 2017 Disparity Study was only able to show top-level general contractors we have dealt with. We do not have visibility into the subcontractor area where most minority owned businesses are so it is difficult to gauge the total impact in those areas yet. Staff will look for ways to improve our data and reporting systems. Trustee Sundin would like to see more minority owned businesses used for smaller projects too. Associate Vice Chancellor Yolitz concurred.

Trustee Tefer asked how common it is for campuses to finance their own projects. Associate Vice Chancellor Yolitz said Minneapolis Community and Technical College is doing the same thing at this time, but that projects of this size are not a common occurrence. It is a tough decision for campuses to finance projects on their own. It is a campus/community effort and is sometimes the best way to effectively serve student needs given timelines and urgency of needs.

Trustee Erlandson asked, due to state support for system buildings, what the current strategy is for private financial support for buildings. She suggested putting donor names on buildings as a possible option that could get money for projects quicker. Associate Vice Chancellor Yolitz responded that colleges and universities welcome donor funding and that there is board policy and process around naming of facilities. The process is campus/community focused with presidents seeking input from multiple constituent groups on building naming proposals. Naming of facilities previously focused on recognition of broad and significant contributions to an institution, not just financial. He was not certain of the success rate of using this option to bring in large amounts of money to renovate or build large facilities. He did note success in smaller, tactical funding for specific needs such as technical labs or equipment.

Trustee Sundin suggested that trustees could help find people to fund projects if donors recognized with building naming. She also recommended thinking of other ways to get community involvement and commitment to financing buildings similar to what happens with K-12 funding. Depending on the community and area of the state, people may be interested in helping fund projects to keep institutions in their community.

Chair Janezich adjourned the meeting at 9:20 AM.

Respectfully submitted: Kathy Kirchoff, Recorder

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Facilities Committee / Finance Committee **Date:** January 28, 2020

Title: Contracts Exceeding $1 Million:

1. **McMahon Student Center Renovation, Itasca Community College**
2. **Student Affairs Renovation, Phase 2, Minneapolis Community and Technical College**

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☒ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☐ Information	

Brief Description:

Board Policy 5.14, *Contracts, Procurements, and Supplier Diversity*, requires Board of Trustees approval of any procurement, lease agreement, or professional/technical/consulting service contract with a value in excess of $1,000,000 or contract amendment that would increase the total value of a contract to more than $1,000,000.

Scheduled Presenter(s):

Facilities Committee: Brian Yolitz, Associate Vice Chancellor for Facilities

Finance Committee: William Maki, Interim Vice Chancellor – Chief Financial Officer

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
CONTRACTS EXCEEDING $1 MILLION: **1. McMahon Student Center Renovation, Itasca Community College** **2. Student Affairs Renovation, Phase 2, Minneapolis Community and Technical College**

BACKGROUND
Board Policy 5.14, Contracts, Procurements, and Supplier Diversity, requires Board of Trustees approval of any procurement, lease agreement, or professional/technical/consulting service contract with a value in excess of $1,000,000 or contract amendment that would increase the total value of a contract to more than $1,000,000. There are two college contracts for Board consideration.

1. McMahon Student Center Renovation, Itasca Community College
Itasca Community Colleges seek approval to design, renovate and construct a $5.475 million project for a new student center to create an inviting environment where students can find support resources, study areas, lounge and recreational space, and interact with each other. The project is integrated within the college's Comprehensive Facility Plan and prompted by strong student and alumni support.

Upon completion, the project relocates its student center space from the Backes Student Center building to a new location on campus as outlined on **Attachment A.** The key components of the new student center include the renovation of the campus Media Center (12,300 sq. ft.), a portion of Davies Hall (1,800 sq. ft.), an existing entry vestibule (200 sq. ft.), and building a new 3,700 sq. ft. connecting link to infill space between Davies Hall and Media Center buildings, plus a 350 sq. ft. second floor balcony.

To meet Board policy, the college seeks authority from the Board to enter into a construction contract in an amount not to exceed $5 million to accomplish the work. The college is pleased to report that it is receiving substantial financial support for this project from the Itasca Community College Foundation (with generous support from the Blandin Foundation) in the amount of $4.9 million.

The college expects to begin work upon receipt of final, irrevocable financial commitments for the outside funding from the foundation. Pending Board approval, project work will be completed in one phase beginning in May 2020 and with substantial completion in July 2021. The college is also pursuing financial support from the Iron Range Resources and Rehabilitation Board (IRRRB) to provide financial support for demolition and infrastructure work. College funding for this project will be $575,000, payable primarily from bookstore reserves.

2. Minneapolis Community and Technical College, Student Affairs Renovation, Phase 2

In January 2019, Minneapolis College received Board approval for phase 1 of a multiphase renovation of its student affairs space in the T-Building. The college now seeks approval to enter into a construction contract for Phase 2 of the project. This contract value is not to exceed $1.7 million.

Phase 2 construction work will renovate the existing Northwest floor segment of Student Services and include a Welcome Center, TRIO Equal Opportunity Center (EOC), Admissions, K-12 Initiatives, Enrollment, and event space. See **Attachment B**.

Pending Board approval, the college plans a Phase 2 design development kick off starting in February 2020. The college would enter into a construction contract for Phase 2 in July 2020 in an amount not to exceed $1.7 million funded from college resources. The summary project timeline of current and all future phases are as follows:

Phase 1 – Complete renovation of existing southeasterly floor segment
October 2019 – March 2020

Phase 2 – Renovate the existing Northwest floor segment of Student Services and include a Welcome Center, TRIO Equal Opportunity Center (EOC), Admissions, K-12 Initiatives, Enrollment, and event space
July 2020 – November 2020.

<u>Future Board approvals (preliminary phasing plans, subject to modification)</u>

Phase 3 – Renovate east floor segment
July 2021 – December 2021

Phase 4 – Renovate northeast floor segment
July 2022 –December 2022

Phase 5 – Construct stair between floors 2-3. Renovate remaining common areas Floor 3,
July 2023 – December 2023

RECOMMENDED COMMITTEE ACTION:

The Facilities Committee and Finance Committee recommend that the Board of Trustees adopt the following motion:

a. The Board of Trustees authorizes the chancellor or chancellor's designee to execute a construction contract not to exceed $5 million to renovate and construct a new student center at Itasca Community College, provided 1) the college may award the construction contract upon receipt of final, irrevocable financial commitments for non-state contributors/donors in the amount of $4.9 million, and 2) upon providing satisfactory evidence to the chancellor or chancellor's designee of sufficient financial resources encumbered to complete the project.

b. The Board of Trustees authorizes the chancellor or chancellor's designee to execute a construction contract not to exceed $1.7 million for Phase 2 construction of the student affairs renovation located in the T-Building of Minneapolis Community and Technical College.

RECOMMENDED BOARD OF TRUSTEES MOTION:

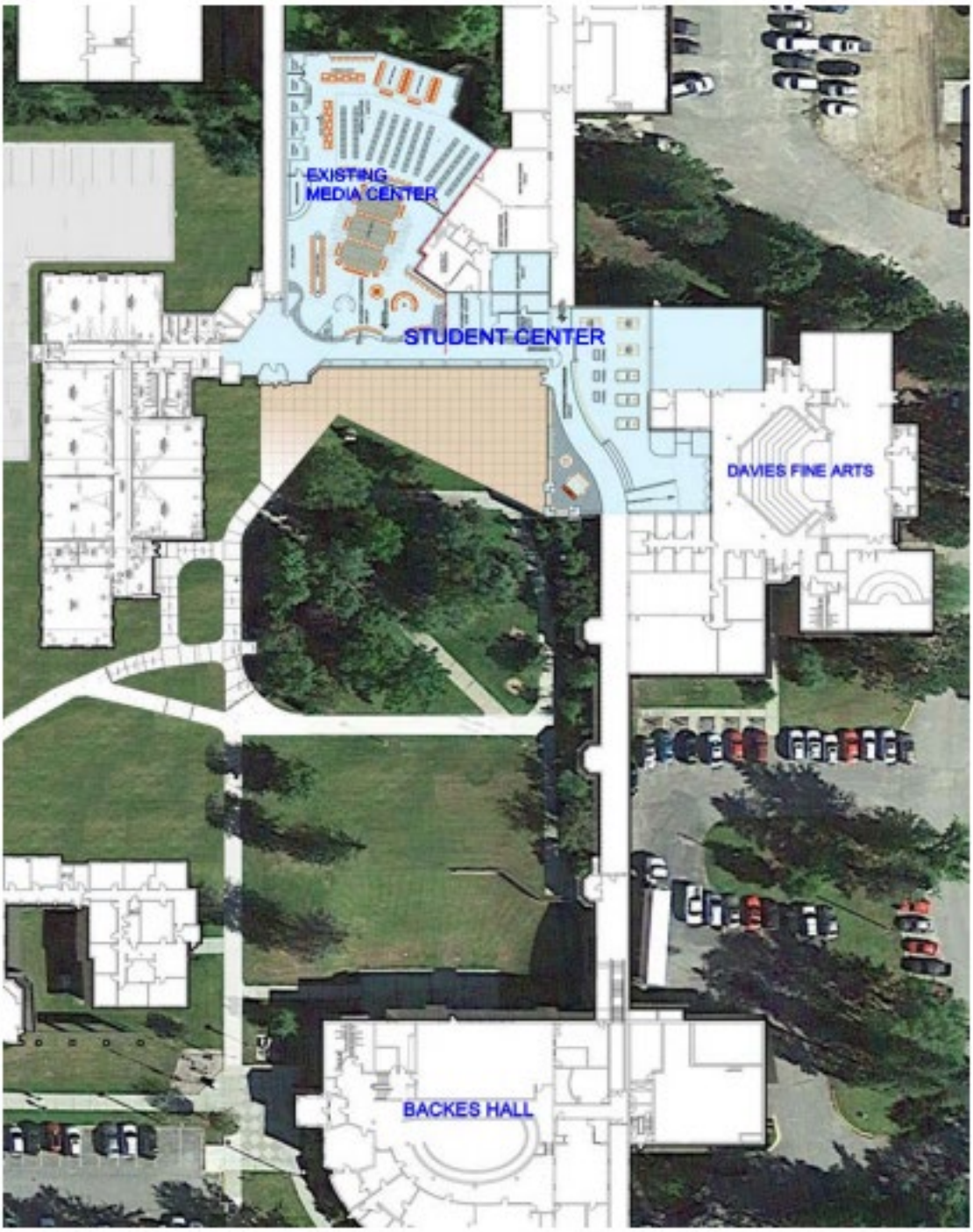
a. The Board of Trustees authorizes the chancellor or chancellor's designee to execute a construction contract not to exceed $5 million to renovate and construct a new student center at Itasca Community College, provided 1) the college may award the construction contract upon receipt of final, irrevocable financial commitments for non-state contributors/donors in the amount of $4.9 million, and 2) upon providing satisfactory evidence to the chancellor or chancellor's designee of sufficient financial resources encumbered to complete the project.

b. The Board of Trustees authorizes the chancellor or chancellor's designee to execute a construction contract not to exceed $1.7 million for Phase 2 construction of the student affairs renovation located in the T-Building of Minneapolis Community and Technical College.

Date Presented to the Board of Trustees: *January 28, 2020*
Date of Implementation: *January 29, 2020*

Attachment A

Itasca Community College
Student Center Renovation and Construction Overview



Attachment B

Minneapolis Community and Technical College
Student Affairs Phase 2 – Admissions/Onboarding
(dashed line identifies Phase 2 primary work area)

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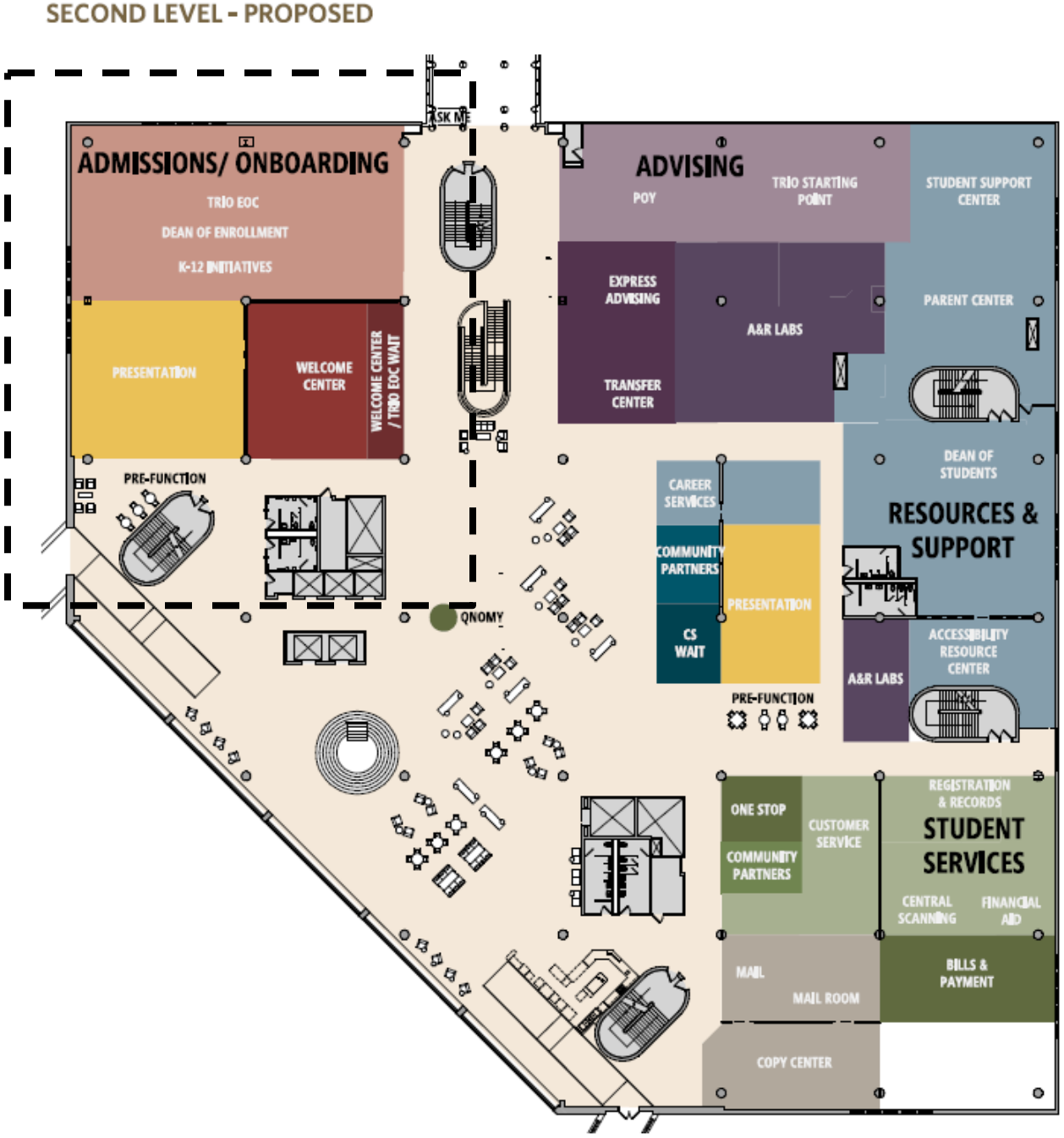

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Facilities Committee **Date:** January 28, 2020

Title: 2022 Capital Program Guidelines (First Reading)

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☒ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☐ Information	

Brief Description:

Board Policy 6.9, *Capital Planning*, calls for the chancellor to develop and recommend for board approval capital funding guidelines for system facilities and real property. These guidelines shape college and university facility project planning and recommendations for capital bonding requests from the State of Minnesota in 2022 as well as potential Revenue Fund bond sales for 2021 and beyond.

Key aspects of the proposed recommendation:

1. Protect and modernize academic and student support spaces
2. Facilitate achieving the vision of Equity 2030
3. Energy efficiency and renewable energy infrastructure
4. New square footage in rare cases only
5. Vale partnerships
6. Seek funding for college and university priorities

Scheduled Presenter(s):

Brian Yolitz, Associate Vice Chancellor for Facilities

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
2022 Capital Program Guidelines **(First Reading)**

BACKGROUND

Board Policy 6.9, *Capital Planning*, calls for the chancellor to develop and recommend for board approval capital funding guidelines for system facilities and real property. Minnesota State is responsible for more than 28 million square feet of college and university facility space and over 7,000 acres of property in its 54 campuses across the state. College and university property and buildings contribute to the delivery of extraordinary higher education and the Minnesota State experience. They set a lasting first impression of ours institutions and their programs and directly impact the recruitment, retention and success of student, faculty, and staff.

Academic facilities, to include classrooms, labs, student support spaces, and offices make up 80% of our facility space and is eligible for capital investment through the state of Minnesota. Revenue Fund facilities, including residence halls, dining facilities, student unions, some parking ramps and lots, along with other auxiliary facilities make up the remaining 20% of campus facilities. Capital investment in these auxiliary facilities come through the sale of revenue bonds.

Capital investment by the State of Minnesota typically occurs in even-year legislative sessions. While the Minnesota State system has statutory authority to conduct Revenue Fund bond sales when needed, they have traditionally occurred in odd years. It's important that Minnesota State effectively prioritize and invest in the most urgent and impactful capital needs of its colleges and universities. The following guidelines will shape college and university facility project planning, prioritization, and recommendation of capital bonding requests from the state of Minnesota in 2022 as well as potential Revenue Fund bond sales for 2021 and beyond.

CAPITAL PROGRAM GUIDELINES

1. **Protect and modernize academic and student support spaces:** Uphold our collective stewardship responsibilities by focusing capital investments on maintaining, repairing, and updating existing campus classroom, laboratory, and student support space to meet and enhance core academic missions of our colleges and universities. Quality facilities directly impact the recruitment, retention, and success of students, faculty, and staff. Preserving Minnesota State's facilities ensures faculty and students have safe, secure, compliant, and inspiring environments in which to teach and learn, reduces the impact campus buildings have on operating budgets and the environment, and remains the system's top capital investment priority.

2. **Facilitate achieving the vision of Equity 2030:** Prioritize facility improvements that support student success at Minnesota State colleges and universities. These improvements should ensure Minnesota State provides inclusive educational opportunities, grow programs, and improve campus climate.

3. **Energy efficiency and renewable energy infrastructure.** Reduce the long term impact on campus operating budgets and the environment by eliminating obsolete space, creating flexible and adaptable spaces, prioritizing sustainable construction and operating practices, and utilizing renewable energy systems where practicable.

4. **New square footage in rare cases only.** Maximize utilization and potential of existing facility spaces through renovation and retrofit before adding new square footage; additional square footage should be considered only in unique situations where options for reutilization or replacement of existing space have been exhausted.

5. **Value Partnerships.** Recognize the value and opportunity presented by regional partnerships and interconnectedness between Minnesota State colleges and universities, their industry partners and the communities they serve.

6. **Seek funding for college and university priorities:** Seek funding to meet the capital investment priorities expressed by presidents to meet the most urgent needs of their colleges and universities. Prioritize asset preservation and investments to build upon work enabled by the 2020 and 2021 legislative sessions. Given the construction associated with planning and design in the board's 2020 request, anticipate a chancellor's recommendation for the 2022 capital budget request from the State of Minnesota on the order of $350 million. Revenue Fund bond sales to be based on college and university priorities and the financial viability of individual projects.

OTHER CAPITAL PROGRAM CONSIDERATIONS

While capital bonding is the primary focus of even-year legislative sessions, there may be opportunities for capital bond funding through the State of Minnesota in odd-year sessions. The board has historically supported the completion of unfunded priorities from the bonding session immediately prior to the odd-year session. That strategy is recommended for future odd-year sessions as well. At the conclusion of the 2020 legislative session, staff will provide an update of the final bonding bill and prepare a list of unfunded 2020 priorities for the board to consider and seek funding for in the 2021 legislative session. A similar approach would be used in preparation for the 2023 legislative session based on outcomes of the 2022 session.

CAPITAL BONDING DEBT MANAGEMENT

The state requires Minnesota State to pay one-third of the total debt service obligation attributable to the individual capital projects funded for the benefit of the system (excluding Higher Education Asset Preservation and Replacement (HEAPR) projects). Given recent discussion and feedback, the recommendation is to remain with the historical policy of sharing debt service 50% with state funds taken off the top of the state allocation and 50% paid by the benefiting college or university. This approach would be effective with the 2018 capital program. Staff will continue to monitor the impacts of this policy in context with the many other drivers of campus financial conditions.

2021 REVENUE FUND BOND GUIDELINES

The 2019 Revenue Fund bond guidelines will be used as guidance as the system prepares for its 2019 revenue bond sale, which is expected to be brought for Board consideration in the fall of 2020. The revenue bond process is distinguishable from the capital bonding process by two primary differences:

1. Minnesota State has statutory authority to issue revenue bond debt, and
2. Each campus is responsible for the full debt service and must levy student/user fees and charges sufficient to finance the full debt service and operating requirements for their particular project and program.

To that end, the board will support projects in the revenue fund capital program and bonds sale that present:

1. Show evidence of strong student involvement and support for a project
2. Balance student affordability with required reinvestment in the buildings
3. Reduce program operating cost and maintenance backlog
4. Address long-term demographic and associated enrollment forecasts
5. Leveraging of partnerships or private industry to generate additional income

RECOMMENDED COMMITTEE MOTION:

This is a first reading. No action is required.

MINNESOTA STATE

Finance Committee
January 28, 2020
3:30pm
McCormick Room
30 7th Street East
St. Paul MN

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

Finance Committee, Roger Moe, Chair
Other board members may be present constituting a quorum of the board.

1. **Minutes of November 19th, 2019 (pp. 1-8)**
2. **Contracts Exceeding $1 Million: (pp. 9-10)**
    a. **McMahon Student Center Renovation, Itasca Community College**
    b. **Student Affairs Renovation, Phase 2, Minneapolis Community and Technical College**
3. **Property Acquisition: Alexandria Technical and Community College (pp. 11-14)**
4. **Surplus Property Designation: Alexandria Technical and Community College (pp. 15-18)**
5. **NextGen Vendor contract negotiation approval (pp. 19- 24)**
6. **Third Party Owners Representative contract approval (pp. 25-28)**
7. College and University Financial Performance Update (pp. 29-50)
8. 2022 Capital Budget Guidelines (First Reading) (pp. 51-54)

Committee Members:
Roger Moe, Chair
April Nishimura, Vice Chair
Ahmitara Alwal
Ashlyn Anderson
Bob Hoffman
Jerry Janezich
George Soule

President Liaisons:
Joe Mulford
Scott Olson

Bolded items indicate action is required.

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Minnesota State Board of Trustees
Finance Committee Meeting Minutes
November 19, 2019
Bemidji State University
1500 Birchmont Drive NE
Bemidji, MN 56601

Finance Committee members present*: Roger Moe, Chair; Trustees Ashlyn Anderson, Bob Hoffman, Jerry Janezich, George Soule, and Chancellor Devinder Malhotra. President Liaisons: Joe Mulford and Scott Olson.*

Present by Telephone: *Committee Vice Chair April Nishimura; Trustees AbdulRahmane Abdul-Aziz and Rudy Rodriguez.*

Other board members present*: Board Chair Jay Cowles, Trustees Alex Cirillo, Dawn Erlandson, Louise Sundin, Cheryl Tefer, and Samson Williams.*

Cabinet Members Present: *Interim Vice Chancellor Bill Maki*

Committee Chair Moe called the meeting to order.

1. Approval of the Finance Committee Meeting Minutes

Committee Chair Moe called for a motion to approve the Finance Committee Meeting Minutes from October 15, 2019. Trustee Hoffman made the motion. Trustee Anderson seconded. The minutes were approved as written.

Vice Chancellor Maki was recognized by the Chair and presented updates before entering into the agenda:

- 2019 Financial Statement and related audit work is now complete. Will be working with the audit committee to determine systemwide results and will then report back to this committee in January with college and university financial performance updates. In addition, related to the post-it notes from the September retreat, we will be talking about the revenue and cost drivers that make up the system and college budgets.
- Finance community of our colleges and universities will meet on December 12-13 in St. Paul at the annual conference. Portions of the agenda that might be of interest include a joint discussion that will occur with Dr. Pickett and the Campus Diversity Officers. This topic will focus on how our policies and procedures relate to the work of Equity 2030. In addition, we will be celebrating our colleagues with our award program during the early portion of the conference.

Greg Ewig, Senior System Director for Capital Development, joined Vice Chancellor Maki at the front table to present the next agenda item.

2. Contracts Exceeding $1 Million:

Contracts Exceeding $1 Million:

a. Bookstore Lease, Bemidji State/Northwest Technical College
b. Food Service Agreement extensions, Bemidji State University, Minnesota State University Mankato, Minnesota State University Moorhead, and St. Cloud State University.
c. Lease Amendment, 1380 Energy Park, Metropolitan State University

Committee Chair Moe called for questions on any of the items presented.

Trustee Janezich asked how we get to the five year term. Director Ewig answered that most vendors want a ten year term for longer certainty. For board policy we typically break those up into 5+5 year terms to allow for an opportunity to assess performance after the first 5 years. If things are operating well, we go back and extend another 5 years.

Vice Chancellor Maki added that the length of the contract has to do with the partnership with vendors. Typically contracts involve significant investments in facilities, and vendors need 5-10 years to amortize the costs of those facilities over the term of the contract.

Chair Cowles asked if there was any aspect of the food service agreements that specifically speaks to dealing with food insecurity issues on campus and ways that the service vendors will participate in campus efforts to stock food pantries.

Committee Chair Moe thanked Chair Cowles for his question and reiterated that this issue was an important one and was also one of the items raised in the letter from LeadMN.

Director Ewig noted that there were several examples. At St. Cloud State University, they developed a food insecurity program in coordination with Chartwells, which included donated swipes for meal plan cards so that students with food insecurity have those available to them. There are also additional funds provided as a feature of the contracts that are directed into food insecurity both at St. Cloud State and Mankato State. The three vendors involved, Chartwells, Sodexo, and Aramark, each have a different approach to food insecurity.

Trustee Anderson asked if students could use financial aid to pay for food with the food service providers. Director Ewig replied that they could.

Trustee Erlandson asked if students can use food stamps (SNAP) to pay for meals on campus. Director Ewig stated that St. Cloud State is currently exploring this very issue.

C*ommittee Chair Moe asked for a motion to adopt the following:*

RECOMMENDED MOTION:

a. The Board of Trustees authorizes the chancellor or the chancellor's designee to extend a bookstore income contract for a term not to exceed five (5) years. The board directs the chancellor or his designee to execute all necessary documents

b. The Board of Trustees authorizes the chancellor or the chancellor's designee to negotiate, execute and approve the five (5) year extension option for the contracts held by Bemidji State University, Minnesota State University Moorhead, Minnesota State University, Mankato and St. Cloud State University with their food service vendor, specifically approve St. Cloud State University's five (5) year extension signed July 1, 2019, report back to the Finance Committee the final results of the negotiations, and grant construction authority to upgrade university facilities using capital reinvestment dollars, provided vendors provide appropriate design and construction documentation that conforms to system and related universities' design and construction standards.

c. The Board of Trustees authorizes the chancellor or the chancellor's designee to modify, amend and extend the lease at 1380 Energy Park Drive, Suite 104, St. Paul, which contains approximately 7,946 sq. ft., for a minimum of four (4) months, starting January 1, 2020.

Trustee Janezich made the motion and Trustee Anderson seconded.

Committee Chair Moe called for a vote on the motion. The motion was adopted.

3. Proposed amendment to Policy 5.14 Contracts and Procurements – Second Reading

Vice Chancellor Maki provided a summary of the proposed changes. There was one additional change since the first reading. This was under Subpart E, Exemptions, where a clause from the original policy language that had been removed, was replaced.

Committee Chair Moe called for a motion to approve the following:

RECOMMENDED MOTION:

The Board of Trustees adopts the proposed amendment to Board Policy 5.14 Contracts and Procurement.

Trustee Hoffman made the motion. Trustee Anderson seconded the motion.

Committee Chair Moe called for a vote on the motion. The motion was adopted.

4. Supplemental Budget Request

Vice Chancellor Maki reviewed the key elements of budget status following the legislative session. Since the October board meeting, this budget status information has been shared with the bargaining units and student organizations. We have received a written response from LeadMN and generally received positive support of seeking support in helping our colleges and universities deal with the structural gap.

Committee Chair Moe called on Presidential Liaisons Joe Mulford, Pine Technical and Community College, and Scott Olson, Winona State University to offer their statements on the topic.

President Mulford spoke to the budgetary challenges that Pine Tech has faced due to overall enrollment declines, inflation costs, and healthcare cost increases. He also stated that the message to the legislature on this issue needs to be clear and simple to better emphasize the need. President Olson added that despite minor enrollment increases at Winona State, they are facing a $4 million shortfall.

Trustee Hoffman asked if the decline in enrollment projection was greater than we thought? Vice Chancellor Maki answered that it is, by about 1% more than the projection the colleges and universities used for their planning when they submitted their budgets last June. Presidents typically manage to the enrollment decline as it happens and make adjustments, but the funding to cover the inflationary costs and the cost increases is what makes this piece important.

Trustee Hoffman agreed with all of the comments but indicated that he had some concern for the projected enrollment decline.

President Olson added that the demographics of high school graduates should slightly increase through 2025, but then Minnesota will face a pretty steep 5% decline for about a decade. So there is a bit of a roller-coaster in store.

Trustee Erlandson expressed support for President Mulford's point to keep the message clear and simple. To that point, a 1% tuition increase nets an additional $25,000, but the inflation alone is an extra $431,000. So to cover the inflation, it would require a roughly 18% tuition increase. These are the kind of numbers that clearly indicate what's going on and would hope these would wake them up.

Trustee Sundin stated that no one was looking for the inflationary factor that hit the news recently which was that the two largest producers of electrical energy in the state, are applying

for a 15% increase. That would push us over the national average and will be the largest increase in decades. When things like this happened between our last ask and this February, it really has the potential to increase the inflationary factor. This example shows that we have a new message to tell, and not just the same message we had before.

Vice Chancellor Maki invited bargaining unit and student organization leaders to come forward and provide their perspective.

Matthew Snyder, Northwest Technical College Student Senate President, representing LeadMN, was recognized and made a statement.

As part of the supplemental budget request, LeadMN urged the board to request resources to address basic needs and prevent a tuition increase from driving more students out of higher education. In particular, Mr. Snyder stressed that food insecurity issues for students should be addressed with additional funds from this budget request.

Brent Jeffers, IFO President, was recognized and made a statement.

The IFO supports the supplemental budget request. The IFO Government Relations Committee and the IFO governing body of the IFO board, has reviewed this request. The IFO would like to thank the leadership of Vice Chancellor Maki and Chancellor Malhotra for proposing both the ask and substance of the ask. Mr. Jeffers spoke further about the impact that continued underfunding has on the classroom resources, class size, student support services, and more.

Trustee Soule asked if he understood correctly that the supplemental request amount (1) funds NextGen from the state as opposed to the schools, (2) fills some of the gap for the operating budgets, and (3) freezes tuition for the second part of the biennium. Vice Chancellor Maki confirmed that this understanding was correct. Trustee Soule then asked about a reference in the letter from LeadMN to a 2017 state allocation of $2327 per student for attendance at a community or technical college, and $3672 per student to attend a state university. Trustee Soule asked if this was true and if so, what role does this body play in setting those amounts and what would be the rationale for the difference in those numbers. Vice Chancellor Maki stated that while he has not had the opportunity to look carefully at the numbers in the letter, his initial observation was that the differences had to do with the different missions between the community colleges, the regional comprehensive universities, and R1 institution that the University of Minnesota is. This board has some discretion to move these numbers. Our allocation model distributes the state appropriation in a manner that reflects the difference in mission that we have between the universities and the colleges, as well as the authority in setting tuition rates.

Trustee Erlandson asked why the K-12 system based on a per-pupil formula with extra money going for students that have additional needs. But in higher-ed this is flipped. Trustee Erlandson

stated that she supports the U's research program but that it should be funded separately. Whys is K-12 funded one way and higher-ed completely the reverse?

Trustee Sundin commented about our relationship with the counties and how we might leverage better funding by changing k-12 school districts to county school districts.

Trustee Abdul-Aziz asked if this was an optimistic request or a conservative request. Vice Chancellor Maki responded that the request is aligned with the biennial budget request we submitted last session and in that regard is more on the conservative side given the softening of enrollment and other cost considerations. If this was a new biennial budget dependant process, we may want to be more aggressive than this supplemental budget request.

Chancellor Malhotra stated that one of the defining underlying principles was to ask for what we need. In that respect, the biennium request last year was one of the most aggressive in recent years. So, the underlying predicate for this supplemental request is let's insist that what we asked for is what we needed, therefore, we should get what you did not allocate to us then because that was an authentic, genuine request. Additionally, since 2011, enrollment has seen an overall decrease of about 8% and our employee headcount has gone down by about 7.8%. We are not asking the legislature to fund our declining enrollment, we make those adjustments internally. What we are asking for is (A) affordability for our students, (B) resources to keep pace with inflation, and (C) recognition that increases in tuition go to replace loss of state allocation rather than any massive increases in our cost per head. In this request, our priorities are three-fold: funding for NextGen, affordability for students, and the ability to keep pace with inflationary cost so structural deficits do not get worse.

Committee Chair Moe stated that there are more things we could be doing to assist in the food insecurity issue. Chair Moe also stated that this committee will be updated at each meeting as to the status of the supplemental request. Whatever we have to face next June, we will all be informed by that time.

Committee Chair Moe called for a motion to adopt the following:

RECOMMENDED MOTION:
The FY2021 supplemental budget request strengthens the state's commitment to access and affordability, invests in critical technology infrastructure, and supports student success. The Board of Trustees approves the request of $54.2 million in base funding to support ISRS Next Gen and to support campuses by reducing a portion of the structural funding gap and keeping tuition affordable.

ISRS Next Gen will equip students with state-of-the-art tools to empower them to optimize the plan to studies while enhancing efficiency, effectiveness, and affordability. The implementation

of this project will begin in the summer of 2020 and additional state funding will ensure students have access to the digital tools that drive their success. In addition, it directly reduces the contributions that colleges and universities will need to make from their operating budgets—which would negatively impact student access to student success resources.

The campus support request provides critical operating funds to every college and university and if fully funded would allow the board to hold undergraduate tuition rates at current levels. The board, after consultation with Minnesota State constituents, will make final budget decisions, including tuition rates, at the conclusion of the legislation session.

Trustee Janezich made the motion. Trustee Soule seconded.

Committee Chair Moe called for a vote on the motion. The motion was adopted.

Committee Chair Moe adjourned the meeting at 12:06pm.

Respectfully submitted: Don Haney, Recorder

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee **Date:** January 28, 2020

Title: Contracts Exceeding $1 Million:

1. **McMahon Student Center Renovation, Itasca Community College**
2. **Student Affairs Renovation, Phase 2, Minneapolis Community and Technical College**

Purpose:

[X] Approvals Required by Policy

Brief Description:

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than $1,000,000, must be approved in advance by the Board of Trustees. The actions requested in this report concern contracts with campus specific impact.

See the Facilities committee board report, pp 6-11 for the full description and materials.

This item has been previously reviewed by the Facilities Committee. That committee has already voted to approve the recommended motion below.

Recommended Motion

The Finance Committee, in agreement with the Facilities Committee, recommends the Board of Trustees adopt the following motion:

a. The Board of Trustees authorizes the chancellor or chancellor's designee to execute a construction contract not to exceed $5 million to renovate and construct a new student center at Itasca Community College, provided 1) the college may award the construction contract upon receipt of final, irrevocable financial commitments for non-state contributors/donors in the amount of $4.9 million, and 2) upon providing satisfactory evidence to the chancellor or chancellor's designee of sufficient financial resources encumbered to complete the project.

b. The Board of Trustees authorizes the chancellor or chancellor's designee to execute a construction contract not to exceed $1.7 million for Phase 2 construction of the student affairs renovation located in the T-Building of Minneapolis Community and Technical College.

Scheduled Presenter: William Maki, Interim Vice Chancellor – Chief Financial Officer

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee **Date:** January 28, 2020

Title: Property Acquisition: Alexandria Technical and Community College

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☒ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☐ Information	

Brief Description:

Board Policy 5.14, *Real Estate Transactions and Management*, calls for the Board of Trustees to real estate property acquisitions funded by campus operating monies valued at $1,000,000 or 1% of the college or university annual operating budget, whichever is greater.

Alexandria Technical and Community College seeks the Board to acquire approximately 20 acres of real estate adjacent to the east and northern edge of the main campus for $1.75 million.

Scheduled Presenter(s):

Brian Yolitz, Associate Vice Chancellor for Facilities

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
PROPERTY ACQUISITION: **ALEXANDRIA TECHNICAL AND COMMUNITY COLLEGE**

REQUEST

The college seeks Board approval to purchase approximately 20 acres of land adjacent to the east of the main Alexandria Technical and Community College campus as identified on **Attachment A**. The purchase price is expected to be $1.75 million based on an independent appraisal.

AUTHORITY

The Board may acquire real property for sale under its control pursuant to Minnesota Statute §136F.60, subdivision 1. Board of Trustees Policy 6.7, Real Estate Transactions provides for the Board to approve an acquisition valued at or greater than $1 million or 1% of the college or university annual operating budget.

BACKGROUND

The college has been interested in acquiring the school district land located immediately to the east and north/northeast of the main campus building since the system merger in 1995. The land offers needed outlets to manage storm water and provide additional land for parking and expansion of the building where the majority of students are located.

For many years, the Alexandria School District operated the subject property as its high school, parking lot and athletic fields. The school district and college maintained ongoing discussions about the subject parcel, which intensified after the community passed a school bond referendum and planned to replace the old high school with a new one in a new location. The new high school eventually was constructed and opened in September 2014. Ultimately, the college lacked the financial resources necessary to make the acquisition viable at that time. After informing the school district of the situation, the district sold the entire former high school parcel (which included the subject parcel) to a developer.

The developer and college kept in touch about the subject property. After the developer signaled interest in selling the 20 acre parcel to the college, the college obtained an independent appraisal in January 2019. The estimated value of the property is $1.75 million based on the appraisal.

To generate the funds necessary for this acquisition, the college opted to rebalance its property holdings, declaring some lands surplus in order to use the proceeds from those sales to purchase the subject parcel. To that end, the Board designated a college campus parking lot parcel as surplus in March 2019 and authorized the college to sell the property to the county allowing for an expansion of the county hospital clinic. Likewise, the college is also seeking a surplus action

this month (under separate agenda item) and authorization of a sale to Douglas County for their expansion of the Pope/Douglas Waste Management plant. Combined, proceeds from the two sales are expected to generate adequate net proceeds to pay the purchase price and redevelopment of the subject property for college use without having to use any additional college operating resources.

RECOMMENDED COMMITTEE MOTION:
The Finance Committee recommends that the Board of Trustees adopt the following motion:

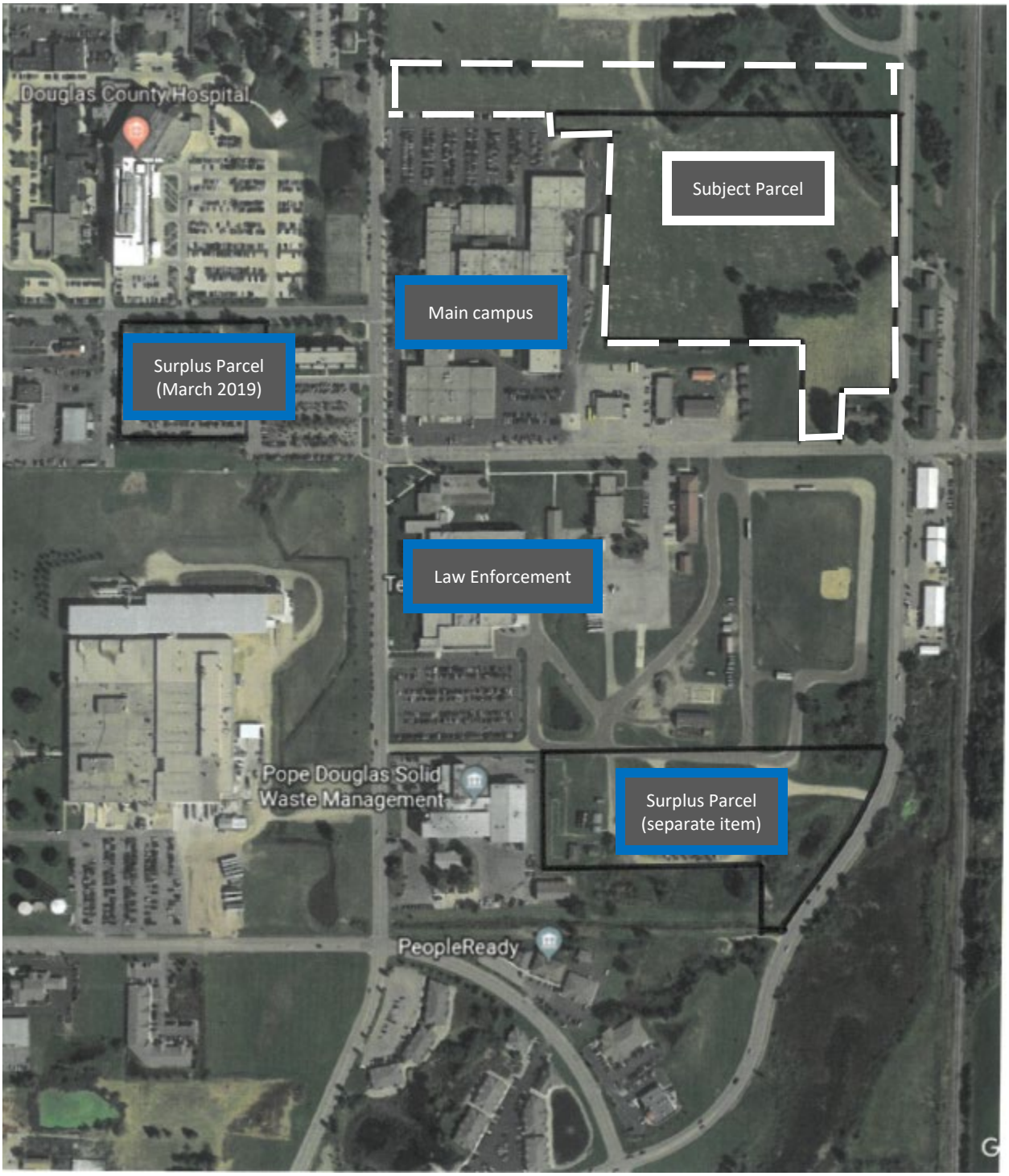
The Board of Trustees authorizes the chancellor or chancellor's designee to acquire approximately 20 acres adjacent to Alexandria Community and Technical College for the $1.75 million appraised value plus closing costs and execute documents necessary to finalize the transaction.

RECOMMENDED BOARD MOTION:
The Board of Trustees authorizes the chancellor or chancellor's designee to acquire approximately 20 acres adjacent to Alexandria Community and Technical College for the $1.75 million appraised value plus closing costs and execute documents necessary to finalize the transaction.

Date Presented to the Board of Trustees: *January 29, 2020*
Date of Implementation: *January 29, 2020*

Attachment A

Alexandria Technical and Community College
Property Acquisition



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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee **Date:** January 28, 2020

Title: Surplus Property Designation: Alexandria Technical and Community College

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☒ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☐ Information	

Brief Description:

Board Policy 5.14, *Real Estate Transactions and Management*, calls for the Board of Trustees to designate real estate valued at $250,000 or greater that is no longer needed by a college or university as surplus but before being offered for sale. Surplus real estate must first be offered for sale at appraised value to the city, county, or other local jurisdiction where the property is located before being offered for sale to the general public,

Alexandria Technical and Community College seeks the Board to designate 8.8 acres of campus real estate as surplus.

Scheduled Presenter(s):

Brian Yolitz, Associate Vice Chancellor for Facilities

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
SURPLUS PROPERTY DESIGNATION: **ALEXANDRIA TECHNICAL AND COMMUNITY COLLEGE**

REQUEST

The college seeks to surplus approximately 8.8 acres of land on the southerly side of campus adjacent to the Pope/Douglas Waste Conversion plant as identified on **Attachment A**.

AUTHORITY

The Board may designate as "surplus" and offer real property for sale under its control pursuant to Minnesota Statute §136F.60, subdivision 5. Board of Trustees Policy 6.7, Real Estate Transactions provides for the Board to first designate as surplus the real property that has an expected appraised value greater than $250,000. Under state statute, the Board is obligated to offer the surplus property first to local jurisdictions, including the city, county and school district. Douglas County has expressed an interest in acquiring the property for expansion of its waste management plant. The offering process is initiated with an independent appraisal which establishes the floor for the sale price.

BACKGROUND

Pope/Douglas Waste Management (PDWM) has a facility adjacent to the southern edge of Alexandria Technical and Community College's (ATCC) property. PDWM approached ATCC about an easement for a new access to their plant. The new access relocates the current access point from Jefferson Street to Nokomis Street and will reduce truck traffic on Jefferson Street which is the main road to ATCC.

PDWM shared their future plans to expand and redesign their campus. During their presentation they showed that they were going to purchase adjacent land to their south. This property has several businesses and their buildings will have to be razed to meet the demands of the PDWM new campus. During that conversation they expressed an interest in property owned by ATCC.

The approximate 8.8 acres of property owned by ATCC has an outdoor Law Enforcement training area and a storage and receiving warehouse. The law enforcement (LE) outdoor training buildings are in need of major repair and/or need to be razed and reconstructed to offer more effective programming. An appraisal, dated November 18, 2019, put a value of $800,000 on this land and buildings. The proceeds from this sale, along with proceeds from a Board approved surplus action in March 2019, would be used for the purchase of the 15.3 acres of adjacent land and reconstruction of the LE outdoor training buildings and upgrade to the truck driving program track.

The sale of this property to PDWM shows community collaboration. It gives PDWM sufficient property to meet their new demands, does not have a negative effect of moving established private businesses, and does not take any property off of the tax rolls. Also, it gives ATCC an opportunity to relocate the LE warehouse to a better location and will allow for the upgrade of the LE outdoor training facilities.

RECOMMENDED COMMITTEE ACTION:
The Finance Committee recommends that the Board of Trustees adopt the following motion:

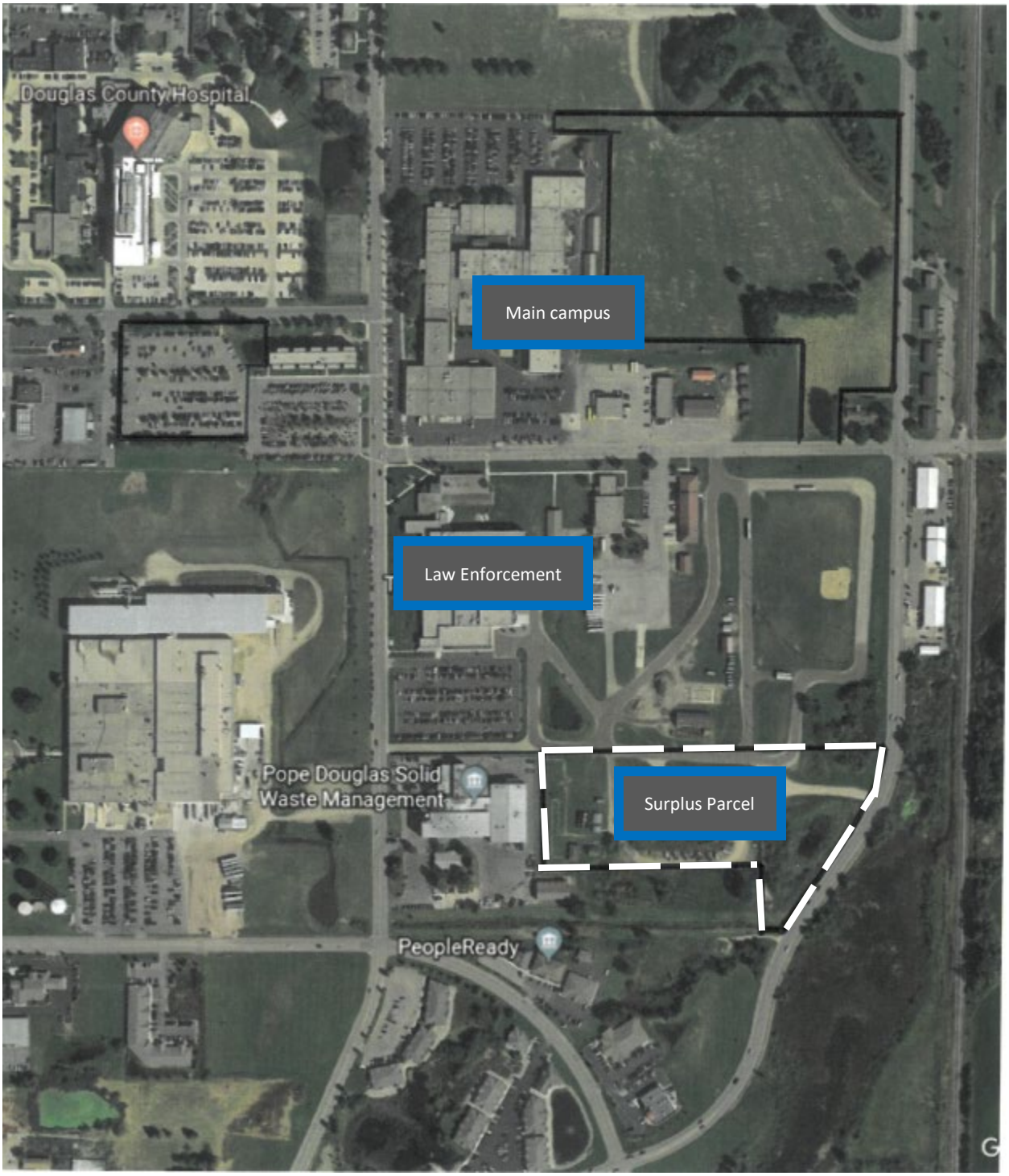
The Board of Trustees designates approximately 8.8 acres of land on the south/easterly part of Alexandria Community and Technical College as surplus and authorizes the chancellor or chancellor's designee to offer the property for sale and execute the documents necessary to finalize the transaction.

RECOMMENDED BOARD OF TRUSTEES MOTION:
The Board of Trustees designates approximately 8.8 acres of land on the south/easterly part of Alexandria Community and Technical College as surplus and authorizes the chancellor or chancellor's designee to offer the property for sale and execute the documents necessary to finalize the transaction.

Date Presented to the Board of Trustees: *January 29, 2020*
Date of Implementation: *January 29, 2020*

Attachment A

Alexandria Technical and Community College
Surplus Property Designation



MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee **Date:** January 28, 2020

Title: NextGen Vendor Contract Negotiation Approval

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☒ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☐ Information	

Brief Description:

At the June 2019 Board of Trustees Meeting, the Board approved the project plan and the finance plan for NextGen along with a timeline and deliverables. The motion approved by the Board of Trustees also stated that the Board will be asked to approve final vendor selection prior to negotiation of contract terms and conditions.

The system office is seeking approval to begin negotiations of contract terms and conditions with selected vendors for the NextGen ERP solution.

Scheduled Presenter: William Maki, Interim Vice Chancellor – Chief Financial Officer

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
NEXTGEN VENDOR CONTRACT NEGOTIATION APPROVAL

BACKGROUND

At the June 2019 Board of Trustees Meeting, the Board approved the project plan and the finance plan for NextGen. The project plan approved had the following timeline and deliverables:

PROJECT TIMELINE AND DELIVERABLES

Phase 1

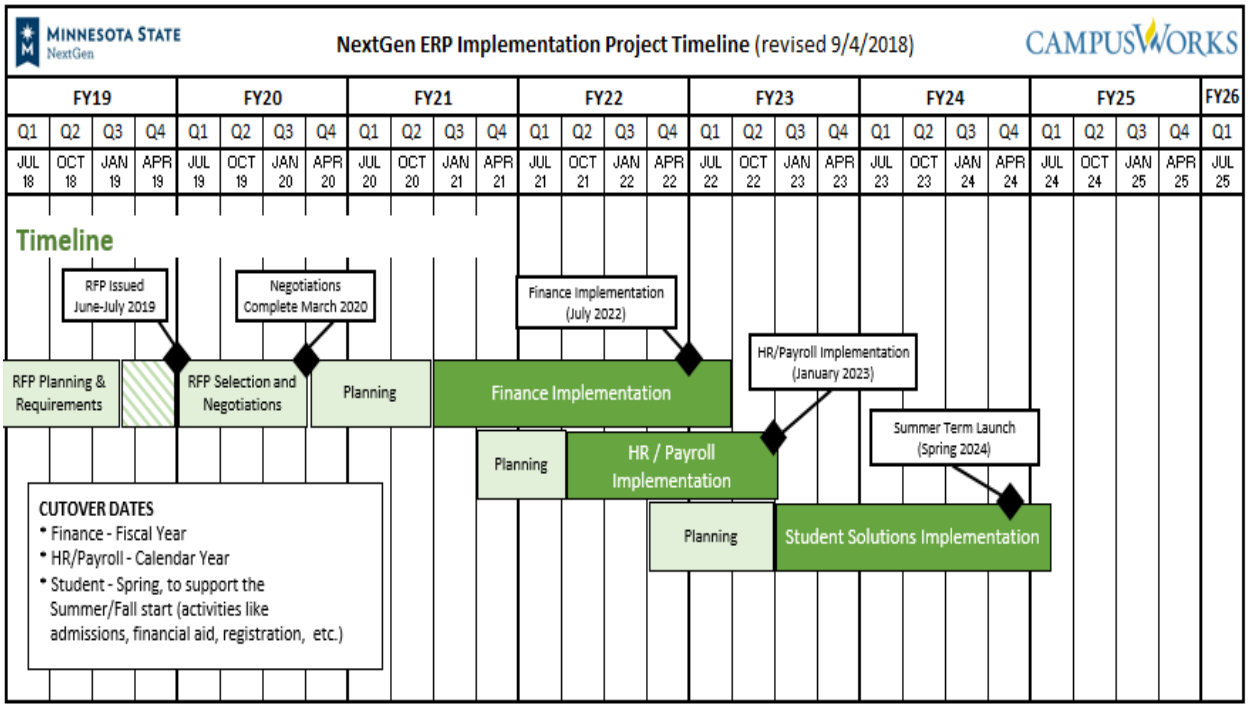
Business process reviews for HR, Finance and Student functionality began in January 2018 and were completed in January 2019. Planning for the RFP requirements and drafting of the RFP began in July 2018, to be completed in June 2019.

Vendor selection and board review is planned for December 2019 /January 2020 and execution of the contract is intended by the end of March 2020.

Phase 2

Phase 2 (Implementation) will begin with implementation planning in April 2020 once a contract is in place with the selected vendor. The current phasing plan contemplates the following dates for implementation of each component:

Finance	July 2022
Human Resources/Payroll	January 2023
Student Solutions	Spring 2024



The project finance plan approved indicated that all amounts are approximate pending the advice of the implantation vendor and the bids on the software solution. It was stated that a revised budget would be provided in the spring of 2020. The finance plan was built on the estimated project costs in the 2016 business case. It was understood that the total project may be revised when the RFPs are completed. The finance plan includes recognition that state and campus/system office funding levels may need to be adjusted and that an internal cash flow loan is required for external contracts under all current assumed state funding levels to support annual spending rates that exceed annual assumed revenues. It is expected that internal agreements will be negotiated providing the loan of campus fund balances to the project to be repaid with interest from future project revenues.

PROJECT FINANCE PLAN (Phase 1 and phase 2)

Internal requirements – Internal work includes working team expenses, change management, communications, training teams, and support of implementation teams.

Period: FY2018-FY2025
Estimated costs over the term: **$**32M

External requirements – External work includes the Phase 1 contractor (CampusWorks), project manager, owner's representative, implementation partner, and vendor training, data integrations and technology investments in a data hub. External requirements also include software license costs. The project budget includes an annual license cost for the software with the assumption that the cost begins in 2020. The start date, and the annual cost will be negotiated when the vendor is selected. For project planning purposes, the project budget

assumes the license cost during the period of implementation. Upon implementation, the license cost will be assumed by the ITS base budget.

Period:	FY2018-FY2025
Estimated costs over the term:	$111.5M

Data hub/ISRS refresh and overall project coordination

Period:	FY2018-FY2025
Estimated costs over the term:	$7.6M

Total estimated Project costs	**$151.1M**

RFP PROCESS

This approval also included releasing a RFP to the market to begin the selection process for a software solution and an implementation vendor. The RFP was drafted by 57 individuals from across Minnesota State with assistance from Campus Works and review by Internal Audit and external consulting firm BerryDunn. The RFP includes 4,000 requirements.

RFP evaluation teams worked diligently throughout the fall evaluating ERP vendors. Tier 1 of the RFP included written proposals and pricing while Tier 2 of the RFP for selected vendors included demonstration sessions, reference checks and pricing. Each vendor demonstration lasted a total of 3 days for each area of human resources, information technology, finance, and student. The teams worked with Campus Works to understand the strengths and weaknesses of each product as each vendor followed a uniform demo script.

The proposals that were evaluated were from:

- Campus Management
- Ellucian
- Oracle
- Workday

Recorded faculty and student experience sessions from each vendor were also posted to provide feedback from the Minnesota State Community through January 17, 2020.

The motion approved by the Board of Trustees in June 2019 also stated that the Board will be asked to approve final vendor selection prior to negotiation of contract terms and conditions. Since then the system has hired external counsel Dorsey & Whitney and is the process of hiring a Third-Party's Owner's Representative to assist with negotiations. Until negotiations have concluded, the identity of vendor(s) will not be announced. It is anticipated that the selected vendor(s) will be announced at a Board meeting late in the spring of 2020. The finance plan will

also be revised to reflect the total project cost with the selected vendor (s) and be submitted for Board approval.

The Finance committee recommends that the Board of Trustees approve the following motion:

RECOMMENDED COMMITTEE ACTION:
The Board of Trustees approves the Chancellor or the Chancellor's designee to begin negotiations of contract terms and conditions with selected vendor(s) for the Next Gen ERP solution. The Board will be asked to approve the final contract terms and conditions prior to the contract(s) being executed. At that time, the Board will also be asked to approve a revised finance plan.

RECOMMENDED BOARD ACTION:
The Board of Trustees approves the Chancellor or the Chancellor's designee to begin negotiations of contract terms and conditions with selected vendor(s) for the Next Gen ERP solution. The Board will be asked to approve the final contract terms and conditions prior to the contract(s) being executed. At that time, the Board will also be asked to approve a revised finance plan.

Date of Adoption: *January 29, 2020*
Date of Implementation: *January 29, 2020*

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee **Date:** January 28, 2020

Title: Third Party Owners Representative Contract Approval

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☒ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☐ Information	

Brief Description:

Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than $1,000,000, must be approved in advance by the Board of Trustees.

The system office is seeking approval to enter into a contract between Minnesota State and a selected vendor for a Third Party Owner's Representative (TPOR) for the NextGen ERP project. The Board approved a TPOR as part of the NextGen project and finance plan at its June 2019 meeting. The TPOR will assist Minnesota State in the successful implementation of the ERP solution(s) by being a strategic partner and advisor to Minnesota State throughout the planning and implementation process of the selected ERP solution(s).

Scheduled Presenter: William Maki, Interim Vice Chancellor – Chief Financial Officer

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
THIRD PARTY OWNERS REPRESENTATIVE CONTRACT APPROVAL

BACKGROUND
Board Policy 5.14, Procurement and Contracts, requires that contracts, including amendments, with values greater than $1,000,000, must be approved in advance by the Board of Trustees.

The system office is seeking approval to enter into a contract between Minnesota State and a selected vendor for a Third Party Owner's Representative (TPOR) for the NextGen ERP project. The Board approved a TPOR as part of the NextGen project and finance plan at its June 2019 meeting. The TPOR will assist Minnesota State in the successful implementation of the ERP solution(s) by being a strategic partner and advisor to Minnesota State throughout the planning and implementation process of the selected ERP solution(s). An RFP was posted in September 2019 and there were six responses. The committee scored vendor responses based on costs, qualifications, and interviews/reference checks with three finalists. The RFP committee included four members of the chancellor's cabinet, an associate vice chancellor, and two system directors. At the conclusion of the process, BerryDunn was chosen as the TPOR.

BerryDunn has been providing full range consulting services for 45 years. They have worked with all of the ERP solutions Minnesota State is considering and have expertise in assessing the full suite of ERP modules offered by these ERP vendors. In addition to higher education experience, they have served as a third party advisor in many other state system implementations.

The ERP NextGen Program Manager and Steering Committee will monitor the TPOR contract's scope and deliverables.

RECOMMENDED COMMITTEE ACTION:
The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a contract with BerryDunn on behalf of the system office for a term not to exceed seven (7) years including renewals and a total amount not to exceed $3,000,000. The Board directs the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD OF TRUSTEES ACTION:

The Board of Trustees authorizes the chancellor or the chancellor's designee to execute a contract with BerryDunn on behalf of the system office for a term not to exceed seven (7) years including renewals and a total amount not to exceed $3,000,000. The Board directs the chancellor or his designee to execute all necessary documents.

Date of Adoption: *January 29, 2020*
Date of Implementation: *January 29, 2020*

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee **Date:** January 28, 2020

Title: College and University Financial Performance Update

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☐ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☒ Information	

Brief Description:

A review of the Minnesota State FY2019 and FY2018 financial statements results as well as the college and university FY2019 financial health indicators.

Scheduled Presenter: William Maki, Interim Vice Chancellor – Chief Financial Officer

January 28-29, 2020

FINANCE

College and University Financial Performance Update

Board of Trustees
Finance Committee Meeting

Presentation Overview

- Minnesota State FY2019 and FY2018 financial statements results

- College and university FY2019 financial health indicators

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Financial Results Summary

- System reported an operating loss of $18.9 million; less than 2% of FY2019 revenue*
- 28 colleges and universities reported an operating loss in FY2019 (17 in FY2018)*
- Campus budget reserves preserved – critical risk management strategy

** Excludes the unfunded pension/OPEB liability entries*

Key Performance Metrics

Fiscal Year 2019 vs. 2018

Revenues and Expenses

- $2.059 billion revenue (increase of 1% from FY2018)
- $2.034 billion expenses (increase of 2% from FY2018)

Net Position

- $2.30 billion net position; same as in FY2018*
- $25.0 million increase in net position compared to FY2018*

College and university operating reserve

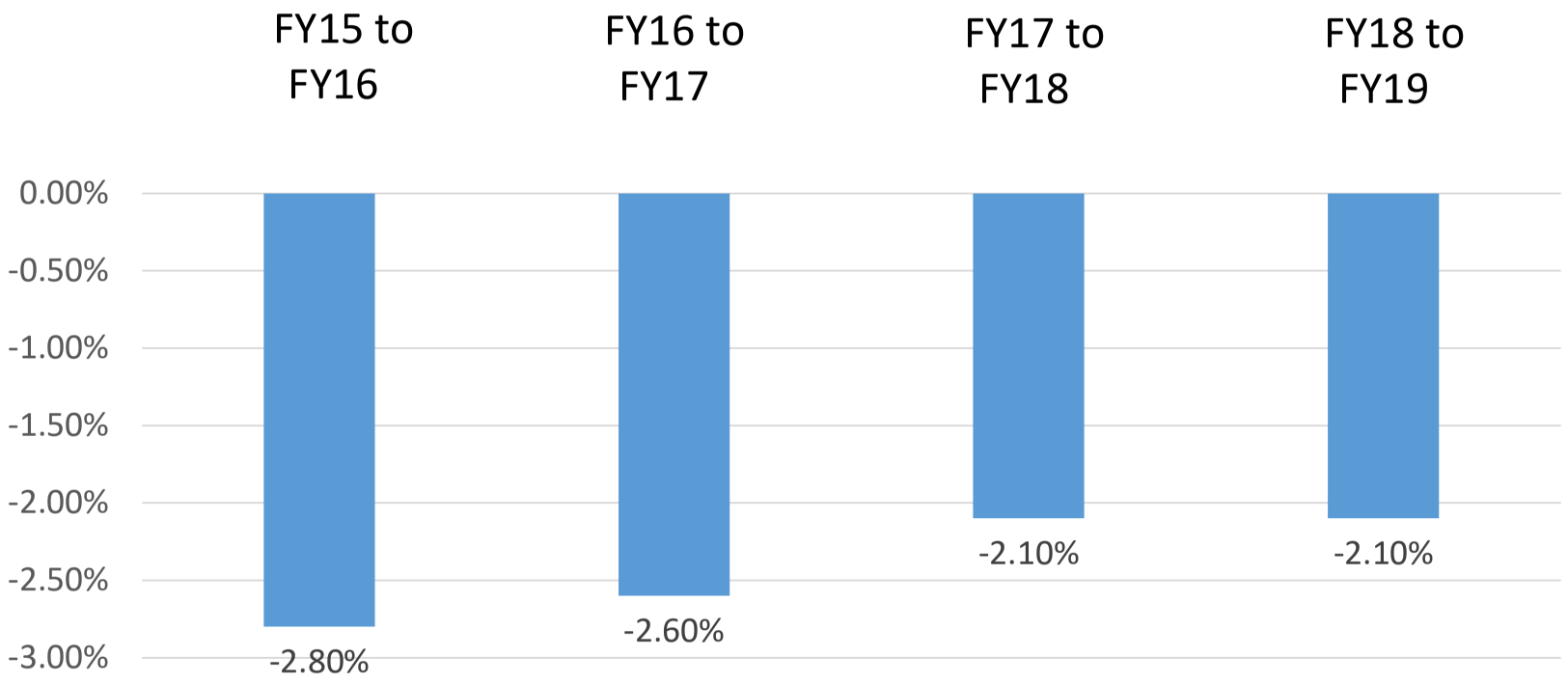
- $105.4 million, increase of $0.8 million compared to 2018
- 6.7% of general fund revenue; Board requirement = 5% to 7%

** Excludes the unfunded pension/OPEB liability entries*

FY2019 financial results indicate stable financial position; cost management critical

- Stable financial position maintained
- Continued reliance on state operating appropriation to support mission critical services; state's funding pattern contributed to the operating gain in 1st year of biennium and the operating loss in the 2nd year
- Tuition revenue declined primarily due to declining enrollments at the universities and colleges
- Enrollment management and cost management strategies critical

System enrollment decline past few years has been consistent



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Five indicators measure financial health

Two enrollment-based indicators

- A1. Long-term enrollment decline of more than 8 percent over two years
- A2. Short-term enrollment shortfall more than 2% compared to budget

Two cash-based indicators

- B1. General fund cash balance less than 20 percent of annual general fund revenue
- B2. General fund balance decline of 10% or more over three year period

One accrual-based indicator

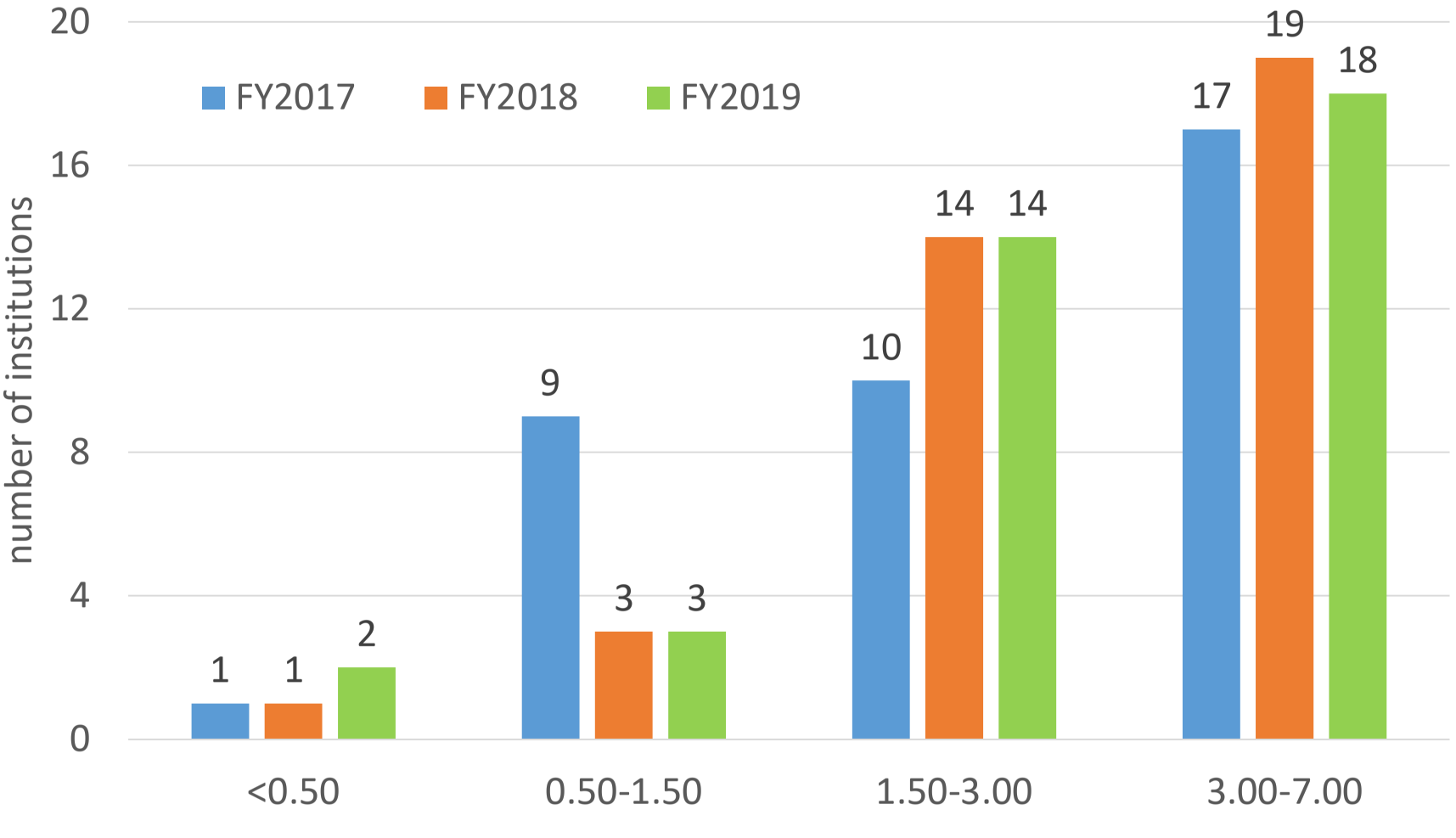
- C1. Adjusted CFI (without pension liability entries) below 1.5 (2-year average) or 0.5 (most recent year)

Composite Financial Index - CFI

- FY2019 CFI = 2.26 (without GASB 68/75)
- FY2018 CFI = 2.43 (without GASB 68/75)
- FY2017 CFI = 1.98 (without GASB 68/75)

- FY2019 CFI = 3.03 (with GASB 68/75)
- FY2018 CFI = (1.60) (with GASB 68/75)
- FY2017 CFI = (1.29) (with GASB 68/75)

CFI improvements mostly maintained in FY2019



Excludes the unfunded pension/OPEB liability entries

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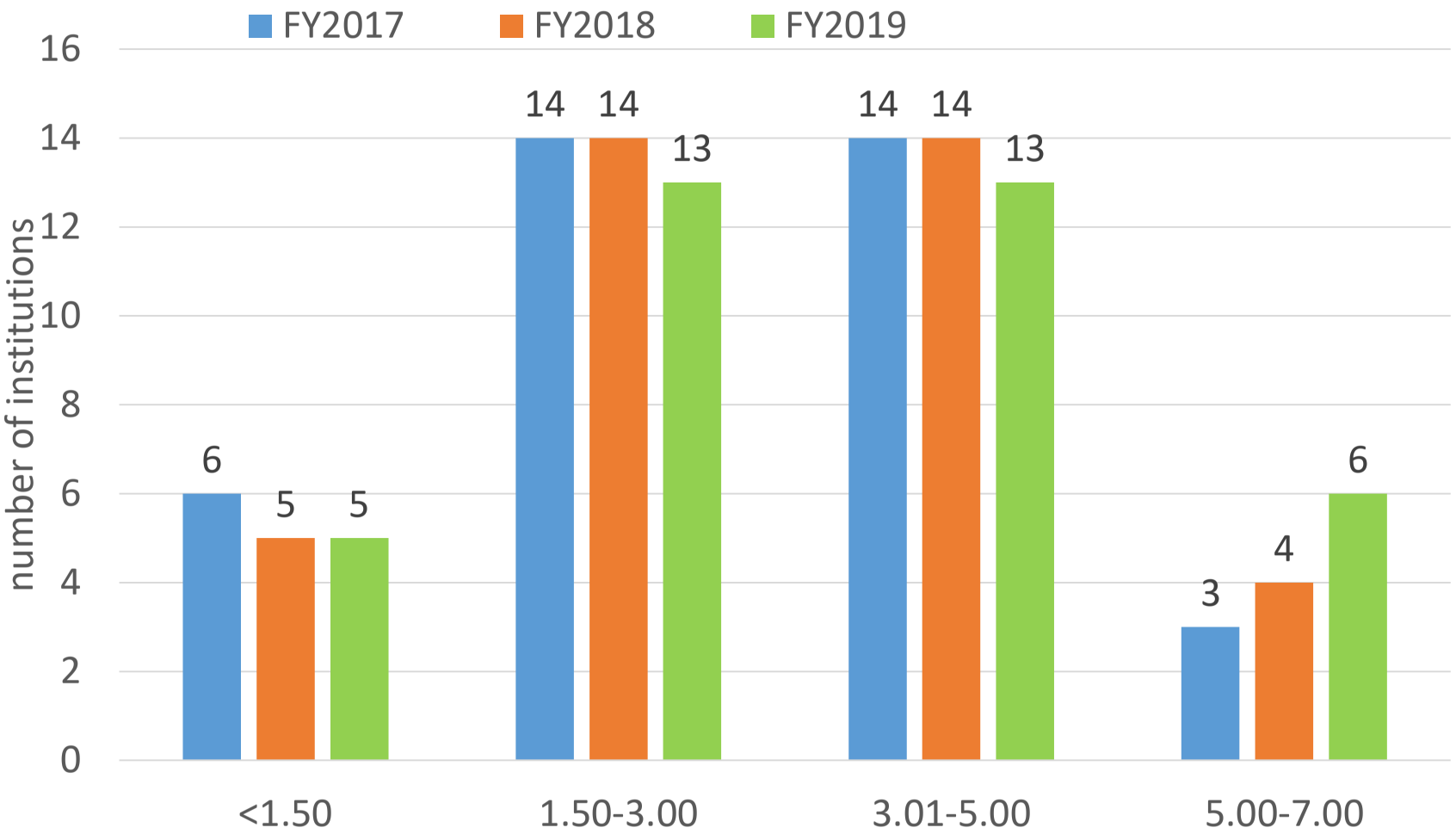
Two-year average CFIs show improvement



Excludes the unfunded pension/OPEB liability entries

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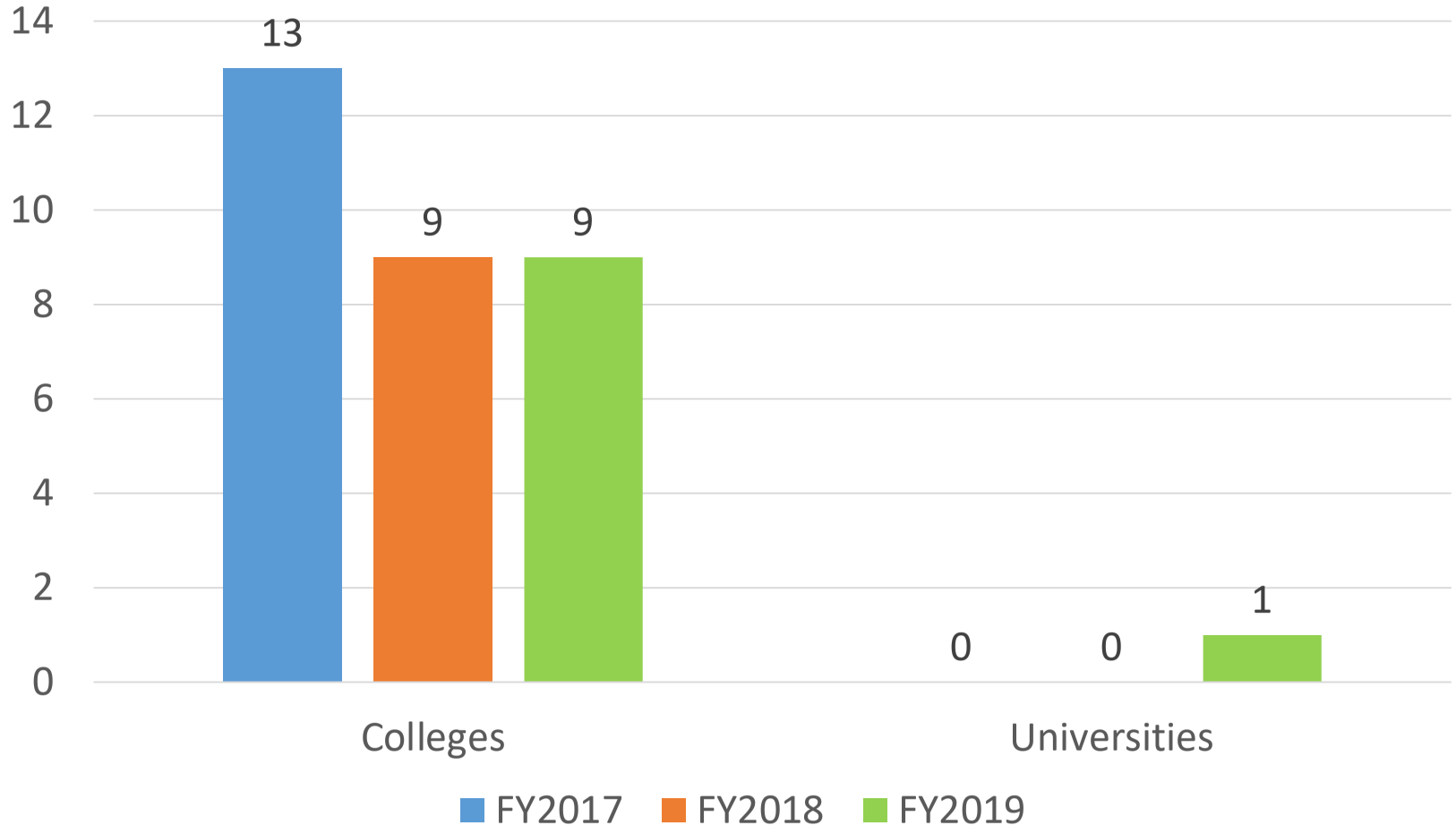
Enrollment decline for each sector and the system from FY2017 to FY2019

- Colleges -7.3%
- Universities -5.7%
- System -6.7%

A1. Enrollment decline of more than 8% over two years



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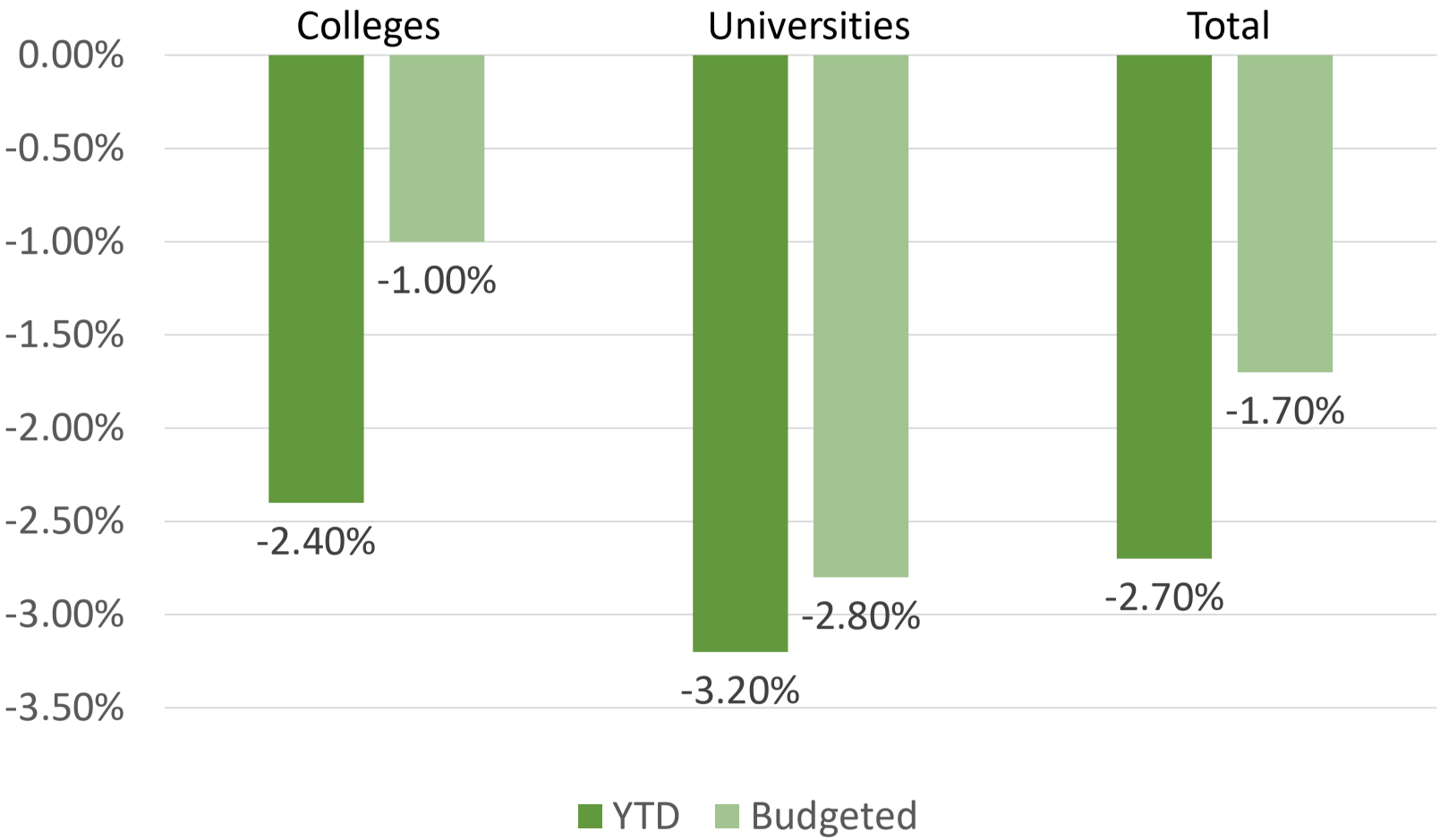
A2. October 2019 year-to-date enrollment lower than budgeted enrollment



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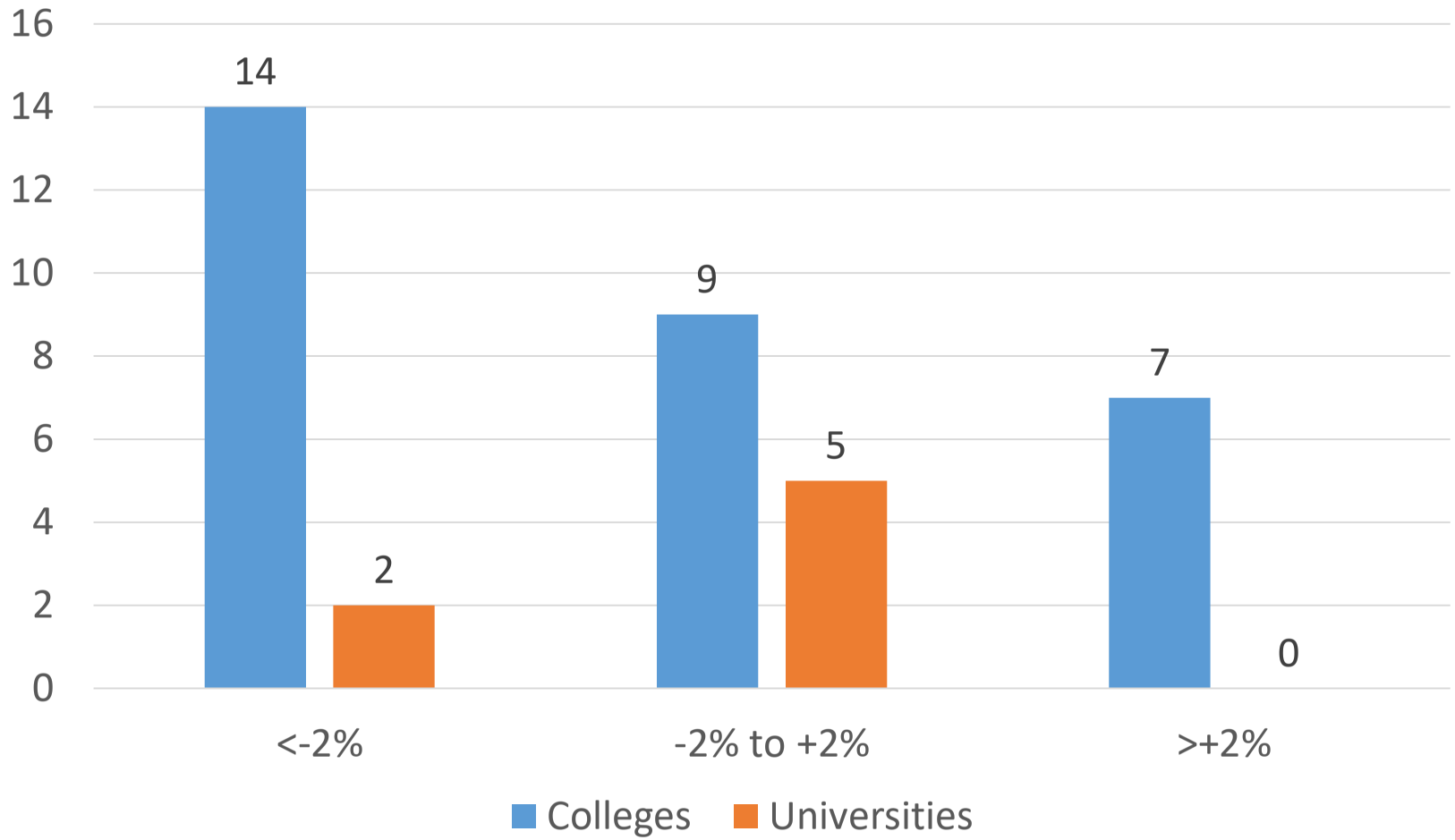
A2. Year-to-date enrollment versus budgeted



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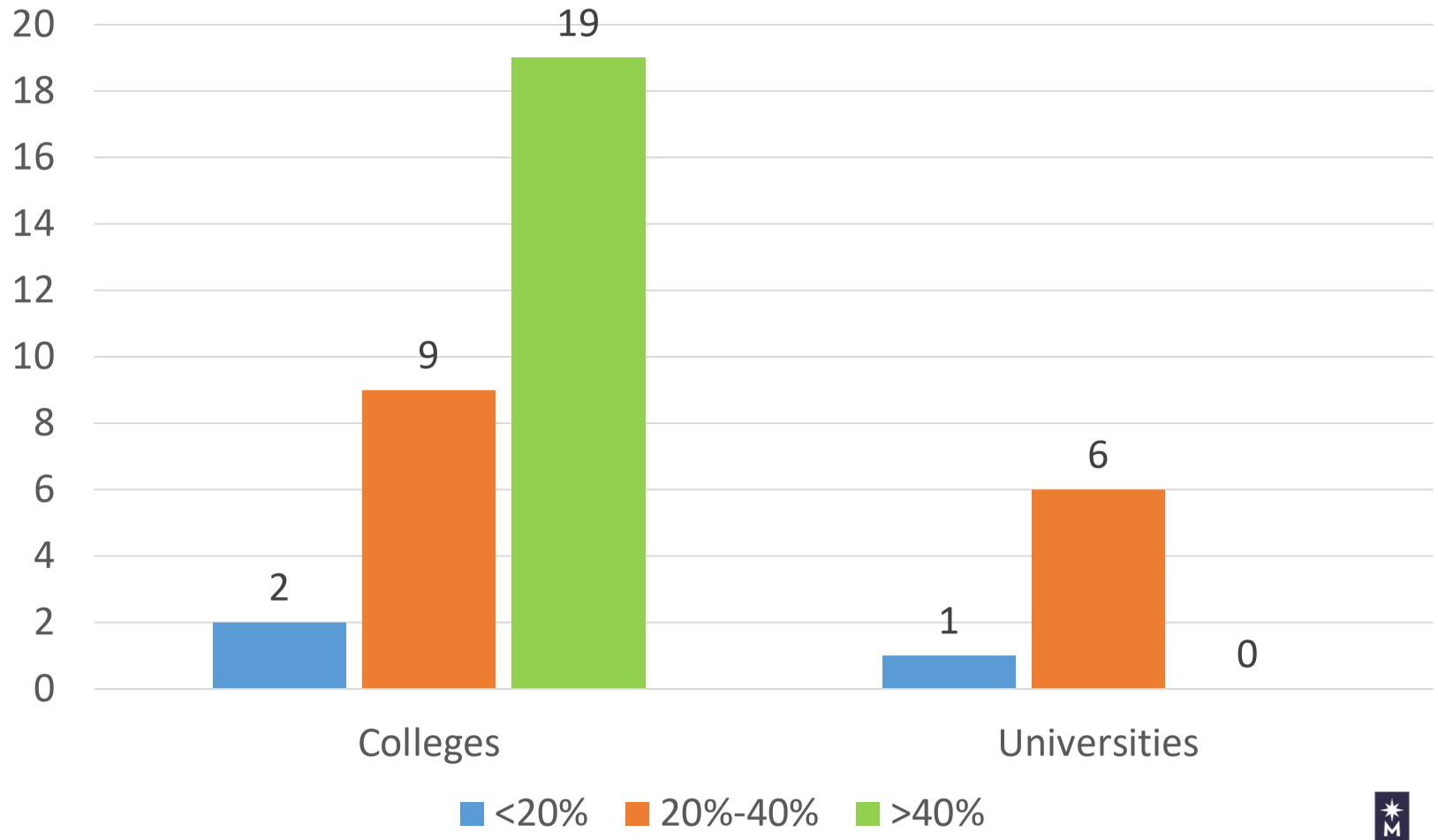
B1. Most fund balances are adequate compared to annual revenues



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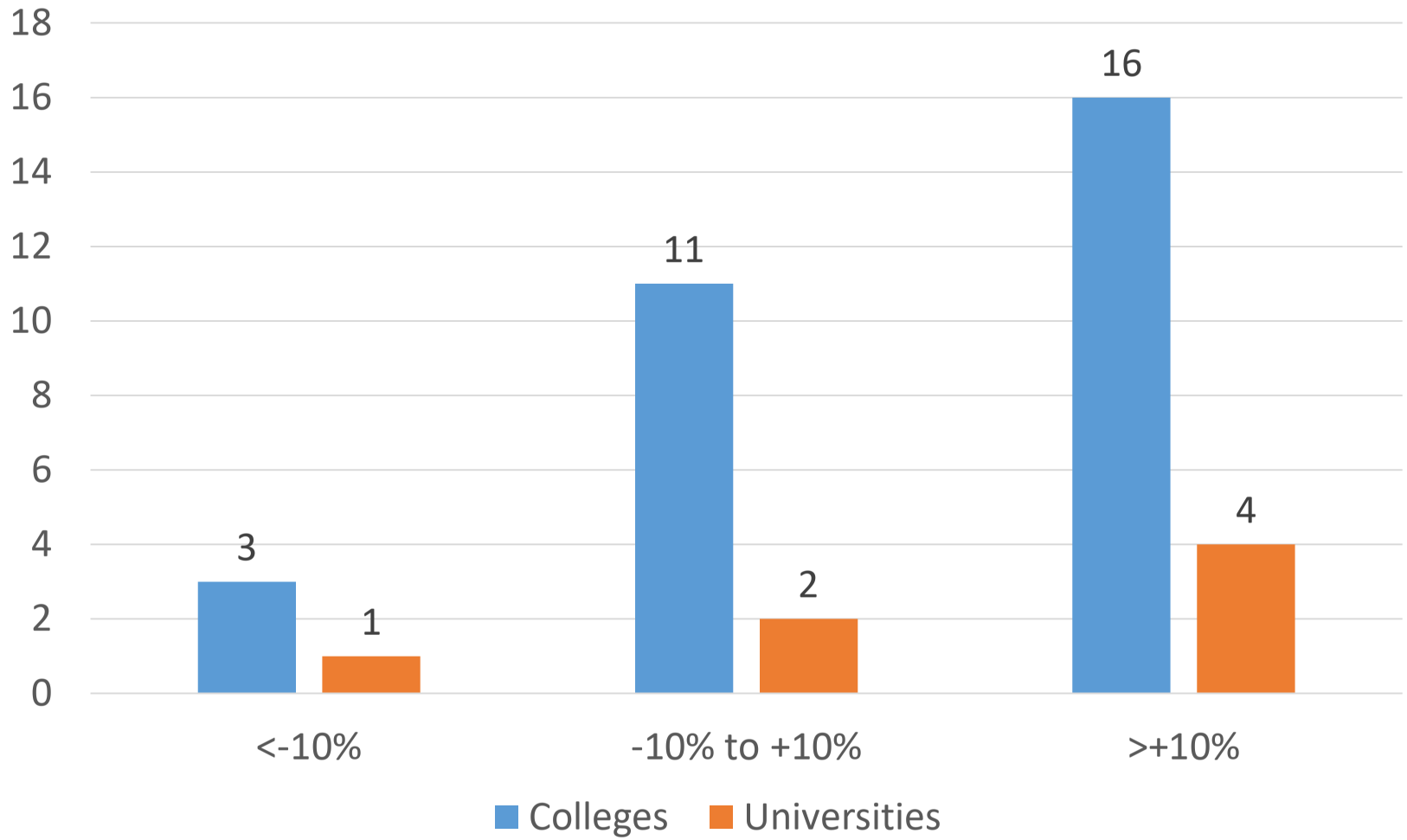
B2. General fund balance change FY17 to FY19



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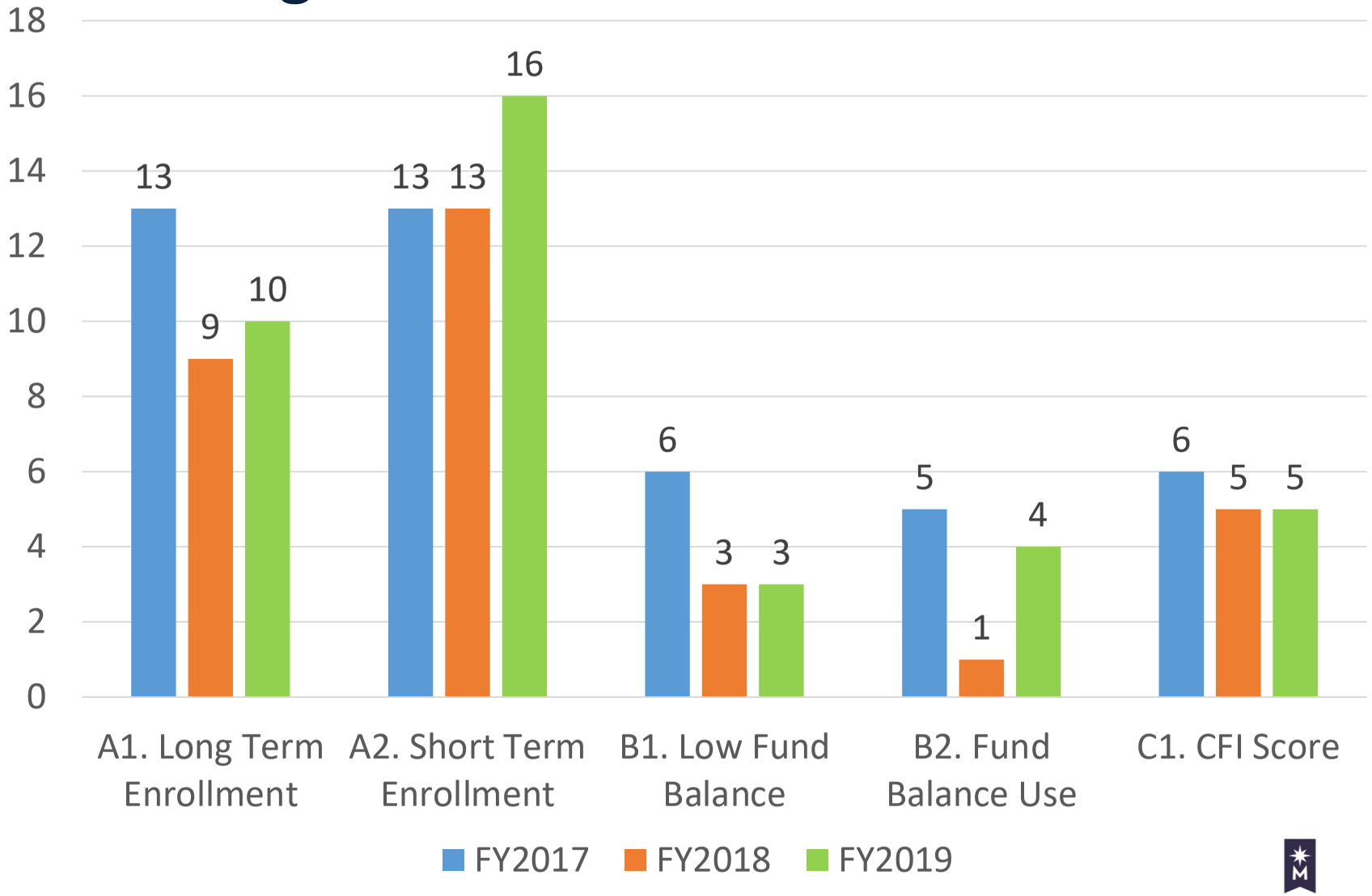
Indicators triggered in FY2019 reflect continuing enrollment concerns



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Financial Health Reporting and Monitoring

- Ten enrollment plans or updates to enrollment plans were submitted resulting in colleges and universities developing specific strategies and measures related to enrollment (A1)

- Sixteen revised FY2020 operating budgets were submitted (A2)

- Six institutions have submitted new or updated financial plans or a report on use of fund balance (B1, B2 & C1)

Colleges and Universities Financial Health Summary

- Colleges and universities continue to face financial and enrollment challenges that they are working hard to solve

- State funding pattern continues to create structural issues that must be addressed

- Most institutions doing an excellent job; some addressing significant challenges

2019 College and University Financial Performance Update

End of presentation

MINNESOTA STATE

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MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Finance Committee **Date:** January 28, 2020

Title: 2022 Capital Program Guidelines (First Reading)

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☒ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☐ Information	

Brief Description:

Board Policy 6.9, *Capital Planning*, calls for the chancellor to develop and recommend for board approval capital funding guidelines for system facilities and real property. These guidelines shape college and university facility project planning and recommendations for capital bonding requests from the State of Minnesota in 2022 as well as potential Revenue Fund bond sales for 2021 and beyond.

Key aspects of the proposed recommendation:

1. Protect and modernize academic and student support spaces
2. Facilitate achieving the vision of Equity 2030
3. Energy efficiency and renewable energy infrastructure
4. New square footage in rare cases only
5. Vale partnerships
6. Seek funding for college and university priorities

This item has been previously reviewed by the Facilities Committee.

Scheduled Presenter: William Maki, Interim Vice Chancellor – Chief Financial Officer

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION
2022 Capital Program Guidelines **(First Reading)**

BACKGROUND

Board Policy 6.9, *Capital Planning*, calls for the chancellor to develop and recommend for board approval capital funding guidelines for system facilities and real property. Minnesota State is responsible for more than 28 million square feet of college and university facility space and over 7,000 acres of property in its 54 campuses across the state. College and university property and buildings contribute to the delivery of extraordinary higher education and the Minnesota State experience. They set a lasting first impression of ours institutions and their programs and directly impact the recruitment, retention and success of student, faculty, and staff.

Academic facilities, to include classrooms, labs, student support spaces, and offices make up 80% of our facility space and is eligible for capital investment through the state of Minnesota. Revenue Fund facilities, including residence halls, dining facilities, student unions, some parking ramps and lots, along with other auxiliary facilities make up the remaining 20% of campus facilities. Capital investment in these auxiliary facilities come through the sale of revenue bonds.

Capital investment by the State of Minnesota typically occurs in even-year legislative sessions. While the Minnesota State system has statutory authority to conduct Revenue Fund bond sales when needed, they have traditionally occurred in odd years. It's important that Minnesota State effectively prioritize and invest in the most urgent and impactful capital needs of its colleges and universities. The following guidelines will shape college and university facility project planning, prioritization, and recommendation of capital bonding requests from the state of Minnesota in 2022 as well as potential Revenue Fund bond sales for 2021 and beyond.

CAPITAL PROGRAM GUIDELINES

1. **Protect and modernize academic and student support spaces:** Uphold our collective stewardship responsibilities by focusing capital investments on maintaining, repairing, and updating existing campus classroom, laboratory, and student support space to meet and enhance core academic missions of our colleges and universities. Quality facilities directly impact the recruitment, retention, and success of students, faculty, and staff. Preserving Minnesota State's facilities ensures faculty and students have safe, secure, compliant, and inspiring environments in which to teach and learn, reduces the impact campus buildings have on operating budgets and the environment, and remains the system's top capital investment priority.

2. **Facilitate achieving the vision of Equity 2030:** Prioritize facility improvements that support student success at Minnesota State colleges and universities. These improvements should ensure Minnesota State provides inclusive educational opportunities, grow programs, and improve campus climate.

3. **Energy efficiency and renewable energy infrastructure.** Reduce the long term impact on campus operating budgets and the environment by eliminating obsolete space, creating flexible and adaptable spaces, prioritizing sustainable construction and operating practices, and utilizing renewable energy systems where practicable.

4. **New square footage in rare cases only.** Maximize utilization and potential of existing facility spaces through renovation and retrofit before adding new square footage; additional square footage should be considered only in unique situations where options for reutilization or replacement of existing space have been exhausted.

5. **Value Partnerships.** Recognize the value and opportunity presented by regional partnerships and interconnectedness between Minnesota State colleges and universities, their industry partners and the communities they serve.

6. **Seek funding for college and university priorities:** Seek funding to meet the capital investment priorities expressed by presidents to meet the most urgent needs of their colleges and universities. Prioritize asset preservation and investments to build upon work enabled by the 2020 and 2021 legislative sessions. Given the construction associated with planning and design in the board's 2020 request, anticipate a chancellor's recommendation for the 2022 capital budget request from the State of Minnesota on the order of $350 million. Revenue Fund bond sales to be based on college and university priorities and the financial viability of individual projects.

OTHER CAPITAL PROGRAM CONSIDERATIONS

While capital bonding is the primary focus of even-year legislative sessions, there may be opportunities for capital bond funding through the State of Minnesota in odd-year sessions. The board has historically supported the completion of unfunded priorities from the bonding session immediately prior to the odd-year session. That strategy is recommended for future odd-year sessions as well. At the conclusion of the 2020 legislative session, staff will provide an update of the final bonding bill and prepare a list of unfunded 2020 priorities for the board to consider and seek funding for in the 2021 legislative session. A similar approach would be used in preparation for the 2023 legislative session based on outcomes of the 2022 session.

CAPITAL BONDING DEBT MANAGEMENT

The state requires Minnesota State to pay one-third of the total debt service obligation attributable to the individual capital projects funded for the benefit of the system (excluding Higher Education Asset Preservation and Replacement (HEAPR) projects). Given recent discussion and feedback, the recommendation is to remain with the historical policy of sharing debt service 50% with state funds taken off the top of the state allocation and 50% paid by the benefiting college or university. This approach would be effective with the 2018 capital program. Staff will continue to monitor the impacts of this policy in context with the many other drivers of campus financial conditions.

2021 REVENUE FUND BOND GUIDELINES

The 2019 Revenue Fund bond guidelines will be used as guidance as the system prepares for its 2019 revenue bond sale, which is expected to be brought for Board consideration in the fall of 2020. The revenue bond process is distinguishable from the capital bonding process by two primary differences:

1. Minnesota State has statutory authority to issue revenue bond debt, and
2. Each campus is responsible for the full debt service and must levy student/user fees and charges sufficient to finance the full debt service and operating requirements for their particular project and program.

To that end, the board will support projects in the revenue fund capital program and bonds sale that present:

1. Show evidence of strong student involvement and support for a project
2. Balance student affordability with required reinvestment in the buildings
3. Reduce program operating cost and maintenance backlog
4. Address long-term demographic and associated enrollment forecasts
5. Leveraging of partnerships or private industry to generate additional income

RECOMMENDED COMMITTEE MOTION:

This is a first reading. No action is required.

MINNESOTA STATE

ACADEMIC AND STUDENT AFFAIRS COMMITTEE
JANUARY 29, 2020
8:30 AM

MCCORMICK ROOM
30 7TH STREET EAST
SAINT PAUL, MN

Please note: Committee/Board meeting times are tentative. Committee/Board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot**.**

Academic and Student Affairs, Alex Cirillo, Chair
Other board members may be present constituting a quorum of the board.

1. **Minutes of November 19, 2019 (pp 1-6)**
2. **Proposed Amendment to Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration (Second Reading) (pp 7-16)**
3. **Proposed Amendment to Policy 3.27 Copyrights (Second Reading) (pp 17-21)**
4. **Proposed New Policy 3.43 Accreditation (Second Reading) (pp 22-26)**
5. Proposed Amendment to Policy 2.6 Intercollegiate Athletics (First Reading) (pp 27-30)
6. Proposed Amendment to Policy 3.26 Intellectual Property (First Reading) (pp 31-41)
7. **State of Minnesota Perkins V Plan (pp 42-150)**
8. **Restructuring of the Northeast Higher Education District (pp 151-154)**

ACADEMIC AND STUDENT AFFAIRS COMMITTEE
Alex Cirillo, Chair
Cheryl Tefer, Vice Chair
Ashlyn Anderson
Dawn Erlandson
Jerry Janezich
Rudy Rodriguez
Samson Williams

Presidents Liaisons
Michael Berndt
Robbyn Wacker

Bolded items indicate action required.

Minnesota State Board of Trustees
Academic and Student Affairs Committee
November 19, 2019
Crying Wolf Room
Hobson Memorial Union
Bemidji State University
Bemidji, MN

Academic and Student Affairs Committee members present: *Alex Cirillo, Chair; Cheryl Tefer, Vice Chair; Ashyln Anderson, Dawn Erlandson, Jerry Janezich, Samson Williams*
Remote: *Rudy Rodriguez*
Academic and Student Affairs Committee members absent: *None*
Other board members present: *Jay Cowles; Bob Hoffman; Roger Moe, George Soule, Louise Sudin, Chancellor Devinder Malhotra*

Committee Chair Cirillo called the meeting to order at 1:20 PM. Chair Cirillo reviewed the agenda, stating there were four groups of topics for the day. 1) approval of the meeting minutes from the previous three (3) meetings; 2) review and approval of the Mission Statements for Ridgewater College and South Central College; 3) the first reading of three policies and 4) a presentation/discussion on innovation.

1. **Minutes of May 22, 201**
2. **Minutes of June 18, 2019**
3. **Minutes of October 15, 2019**

Chair Cirillo called for approval of the minutes from May 22, June 18 and October 15, 2019. Trustee Rodriguez moved to approve the three sets of minutes as written. Trustee Anderson seconded the motion and the minutes were unanimously approved

4. **Approval of Mission Statement: Ridgewater College**

Sr. Vice Chancellor Anderson stated that Ridgewater College has gone through the requisite process for evaluating its mission statement as part of ongoing work at the college. Additionally, he explained that the language in the statement has been reviewed and it is compliant with Board policy and procedure. He introduced Ridgewater College President Craig Johnson to provide more detail.

President Johnson stated that the mission statement change is a direct result of the strategic planning effort at the college. President Johnson explained the process that was followed to determine and eventually hire an outside consultant to assist in the effort of developing a strategic plan. He stated the consultant, Enterprise Minnesota, began work in February 2019. The first step was to hold a workshop with the administrative council of the college to discuss high-level opportunities and to build a framework for the project. Next, they held 15 different listening sessions in both Hutchinson and Willmar to gather input. These sessions involved over

200 people including students, faculty, staff, and community members. The consultant used the SOAR approach (strengths, opportunities, aspirations, results) to gather information and identify the key themes. The main ideas were generated in April, after which five key initiatives were developed. These initiatives will drive the work of the college over the next three years.

The initiatives are:

- Expand and enhance engagement;
- Challenge the status quo;
- Champion diversity, equity and inclusion;
- Create a distinctive Ridgewater experience; and
- Achieve financial stability.

A key part of the planning process was to identify the strategic objectives, but there was agreement that the mission, vision and values of the college should be revisited to ensure they matched-up with the objectives and current culture.

President Johnson stated that the proposed new mission and vision statements were reviewed by several organizations including the system office. They are:

> ***Mission Statement:*** Ridgewater College empowers diverse learners to reach their full potential and enrich their lives through personalized and relevant education in an accessible, supportive and inclusive environment.
>
> ***Vision Statement:*** Ridgewater College is a student-centered education leader focused on innovation, excellence and affordability.

Vice Chair Tefer and Trustee Hoffman thanked President Johnson for the committee's work on this process. There was some discussion amongst the Trustees regarding the backing received from the community, both in terms of support for the technical programs and the ability for the college to act as a stepping-stone to a university for a 4-year degree. Additionally, there was discussion regarding students obtaining a technical degree before, after or at the same as they are obtaining a four-year degree, which may enhance their degree and make them more employable.

Chair Cirillo asked for a motion to recommend approval the mission statement of Ridgewater college. Vice Chair Tefer moved to approve the mission statement. Trustee Williams seconded the motion.

5. Approval of Mission Statement: South Central College

Sr. Vice Chancellor Anderson stated that the language in the statement has been reviewed and it is compliant with Board policy and procedure. He introduced South Central College President Annette Parker to provide more detail.

President Parker stated that a couple of years ago the college became an Achieving the Dream school. There are about 250 colleges in the cohort, which focuses on closing equity gaps, retention rates, and student success. President Parker stated there are nine innovation teams working throughout the college on two major priorities. The first is holistic Student Services, which deals with food and housing insecurity; the second is curricular pathways, which align to our transfer pathways and also deal with stackable credentials that are industry certified. When the process of developing a new strategic plan began, the college wanted to build it around Achieving the Dream. Achieving the Dream is focused on setting goals and setting best practices. President Parker explained the methods that are used when you become an Achieving the Dream School; including the coaches that are provided.

President Parker reviewed the process that was used in the development of the strategic plan, including the use of college-wide group discussions, surveys and a strategic planning summit. She stated the previous mission statement was absent any mention of student success or inclusivity, which are focal points now.

There was discussion amongst the trustees regarding the new mission and vision statements. Trustee Rodriquez asked for an explanation of how success of the vision statement would be measured. President Parker stated the success would be measured related to employment after graduation as well as transfer and an increase of student retention

Chair Cirillo asked for a motion to recommend approval of the mission statement of South Central College. Trustee Erlandson moved to approve the mission statement. Trustee Anderson seconded the motion. The motion passed unanimously.

6. Proposed Amendment to Policy 3.27 Copyrights (First Reading)

Sr. Vice Chancellor Anderson stated that Policy 3.27 was reviewed as part of the normal five-year review process. The policy has been amended to incorporate the new writing and formatting styles. The only substantive change to the policy is the deletion of a role called the intellectual property coordinator, and the language referring to that role in the policy. That role has not been used for a number of years, since the system director for policy procedure and intellectual property, along with the general counsel's office that provides that guidance to the campuses. The language in the policy has been updated to reflect the change. No action is necessary at this time since this is the first reading of the Policy.

Chair Cirillo opened the floor for comments, of which there were none.

7. Proposed New Policy 3.43 Accreditation (First Reading)

Sr. Vice Chancellor Anderson stated that in the past there has not been a board policy relating to accreditation. Policy 3.43 codifies the fact that Minnesota State institutions are expected and required to be regionally accredited. Sr. Vice Chancellor Anderson explained that the policy also encourages programs to explore program-level accreditation where appropriate to the discipline and/or the program. He stated that an annual report with the accreditation status of

all the institutions would be submitted to the Board. No action is necessary at this time since this is the first reading of the Policy.

8. Proposed Amendment to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration (First Reading)

Sr. Vice Chancellor Anderson stated that Policy 1A.1 has been amended to incorporate the new writing and formatting styles. One significant addition to this policy is to create a path for the approval of pilot projects across our institutions that may require the temporary suspension of existing board policy.

Sr. Vice Chancellor Anderson stated that suspension of policy may be important with regards to Equity 2030 and as a result of that work changes are identified as necessary to an existing practice. It would be necessary to test a new process to ensure it is achieving appropriate results before the policy was changed. No action is necessary at this time since this is the first reading of the Policy.

9. Innovation within Minnesota State

Sr. Vice Chancellor Anderson explained there were three main questions posed during the Reimagining Minnesota State project that began approximately a year ago. The questions were: 1). what is Minnesota State's unique value proposition to the State of Minnesota; 2). how does Minnesota State foster a culture of innovation, collaboration and partnership as we share responsibility for the achievement of our goals; 3) how do we leverage our system to the benefit of our students in the state. He stated that this presentation on innovation is designed to provide an overview of the approach to innovation as it relates to Equity 2030. He also invited the committee and board members to ask questions throughout the presentation to make the interaction more dynamic.

Sr. Vice Chancellor Anderson introduced Kim Lynch, Senior System Director for Educational Innovations, Stephen Kelly, Open Education and Innovations Program Coordinator and Mary Rothchild, Senior System Director for Workforce Development. Ms. Lynch, Mr. Kelly and Ms. Rothchild provided a summary and presentation of the Innovations taking place at the system-level. Topics and highlights of the presentation were:

- The goal is to create the conditions necessary broad meaningful and sustained change.
- The approach used is a disciplined process grounded in need, dedicated resources, links between innovation and operations, multiple innovation methods and openness to multiple origins for new ideas.
- Explanation of the Shark Tank Open: what it is, what has been learned and how has it evolved.
- A public approach to innovations, making them intentionally public, has resulted in recognition at the campus-level and within the surrounding communities.
- A broader range of funding opportunities now exists, beyond seeding to sustaining or booster grants to pay it forward grants to expand effective ideas. Also, there is a

clear pathway between the funding source and the multi campus collaboration funding.

- A review of multi-campus collaboration efforts and an explanation of the application and funding processes.
- An overview of the programs that have been funded through the program.
- An overview of the graphic depicting the two-year lifecycle of an innovation idea, as it progresses from an idea to an award recipient to the project life cycle.
- An explanation of what happens if a project fails the first time, and how it can be successful when approached a second time.
- Discussion of a potential Chancellor's Innovation Institute, focused on innovators on the campuses.
- The program review process, including the various kinds of funding currently available to accommodate projects which have different skill levels.

Michael Berndt, Interim President of Inver Hills Community College and Dakota County Technical College, and Robbyn Wacker, President of St. Cloud State University came before the Committee to address the challenges and opportunities of innovation which are faced on campuses. Included were:

- A discussion of the CICEL project (Center for Interdisciplinary Collaboration, Engagement and Learning), which nurtures innovation by mining the intersections of 3 disciplines.
- A project at a college that is focused on organizational structures and the potential redesign to modernize career tracts.
- An example at a college of newly remodeled buildings which bring together health, mental health and wellness in addition to the academic programs.
- Examples of challenges faced at colleges and universities surrounding collaboration across campuses, funding as well as systematic barriers such as internal policies that stand in the way of innovation.
- Discussion surrounding the importance of keeping the innovations focused on the core, which is the right to learn and success for all students, while being mindful of funding.
- The need to address systemic barriers that could keep the system from moving forward.

Sr. Vice Chancellor Anderson gave a brief summary of the presentation and the grass roots approach that was used. He then asked the Committee the following:

- To provide feedback regarding the process and recommendations for different focuses.
- What would innovation success look like for Equity 2030?
- What is missing from the current matrix?

There was discussion amongst the Trustees and the Presidents regarding the barriers that could be encountered, inhibiting the success of the program. The discussion was surrounding

resource allocation, implementation and potential partnerships with outside organizations. Additionally, there was discussion about linking the work to Equity 2030 and how to measure the success of the program.

Sr. Vice Chancellor Anderson shared a story of project that was funded through Shark Tank. The project was through Minneapolis College, the context of which was the depiction of a successful first year of a college Freshman... Students shared their stories of challenges and successes. These were published into a book called “Out from the Shadows of Minneapolis”.

Chancellor Malhotra stated the goal of innovation is to form ideas, from which come processes. It may be a simple idea that leads to a great innovation. Additionally, he stated that the work has been done in a very innovative manner, in terms of its funding. The funds have come through reallocations, from a system wide perspective.

Vice Chair Tefer questioned intellectual property aspect of the project. There was discussion about the rules and policies surrounding intellectual property.

Chair Cirillo adjourned the meeting at 2:51 PM.

Meeting minutes prepared by Rhonda Ruiter 12/23/19

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs Committee **Date:** January 29, 2020

Title: Proposed Amendment to Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration

Purpose (check one):

- [√] Proposed New Policy or Amendment to Existing Policy
- [ ] Approvals Required by Policy
- [ ] Other Approvals
- [ ] Monitoring / Compliance
- [ ] Information

Brief Description:

The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

Scheduled Presenter:
Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION – SECOND READING

BOARD POLICY 1A.1 MINNESOTA STATE COLLEGES AND UNIVERSITIES ORGANIZATION AND ADMINISTRATION

BACKGROUND

Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration was adopted and implemented by the Board of Trustees on August 12, 1992. The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment adds language on pilot programs in Part 6, Subparts C and E. The new language permits a temporary and limited implementation of a pilot to determine the viability of a new practice. The chancellor shall consult with the board chair, vice chair, and general counsel prior to implementation of a pilot program. The pilot proposal must identify the board policies and system procedures that will be suspended. The temporary suspension of these board policies and system procedures will occur only to the extent necessary to implement the pilot. The chancellor shall inform the board of scheduled pilots before implementation, the policies to be suspended, and provide updates as appropriate.

The amendment also applies and the new formatting and writing styles which reorganizes the definitions in Part 3 into alphabetical order, adds the definition of *pilot* and *Minnesota State Colleges and Universities*, replaces the definition of *system* with a reference to the Minnesota State Colleges and Universities definition, and replaces *system* and *MNSCU* with *Minnesota State* throughout the document.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

RECOMMENDED COMMITTEE MOTION

The committee recommends the Board of Trustees adopt the proposed amendment to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration.

RECOMMENDED BOARD MOTION

The Board of Trustees adopt the proposed amendment to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration.

Date Presented to the Board of Trustees: *01/29/2020*
Date of Implementation: *xx/xx/20*

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD POLICY – SECOND READING			
Chapter	1A	Chapter Name	System Organization and Administration
Section	1	Policy Name	Minnesota State Colleges and Universities Organization and Administration

1A.1 Minnesota State Colleges and Universities Organization and Administration

Part 1. Name of Organization~~.~~
The name of the organization is the Board of Trustees of the Minnesota State Colleges and Universities.

Part 2. Vision and Mission Statements~~.~~
The following vision and ~~vision~~ mission statements have been adopted by the Board of Trustees.

Subpart A. Vision statement~~.~~
~~It is t~~The core value of the Minnesota State Colleges and Universities is to provide an opportunity for all Minnesotans to create a better future for themselves, for their families, and for their communities.

Subpart B. Mission statement~~.~~
The core commitments of Minnesota State Colleges and Universities are to 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 higher education option.

Subpart C. College and Universities related missions~~.~~
Each ~~state~~ college and university has a distinct mission that is consistent with, and supportive of, the overall mission of Minnesota State Colleges and Universities.

Minnesota State Colleges and Universities provides high quality programs comprising:

1. Technical education programs delivered principally by technical colleges, which prepare students for skilled occupations that do not require a baccalaureate degree.
2. Pre-baccalaureate programs, delivered principally by community colleges, which offer lower division instruction in academic programs, occupational programs in which all credits earned will be accepted for transfer to a baccalaureate degree in the same field of study, and remedial studies.

3. Baccalaureate programs delivered by ~~state~~ universities, which offer undergraduate instruction and degrees; and
4. Graduate programs, delivered by ~~state~~ universities, including instruction through the master's degree, specialist certificates and degrees, and applied doctoral degrees.

Part 3. Definitions~~.~~

The following definitions ~~have the meanings indicated for~~ apply to all ~~B~~board policies unless the text clearly indicates otherwise.

~~Subpart A.~~ Board~~.~~

~~"Board" means t~~The Board of Trustees of the Minnesota State Colleges and Universities.

Board policy

A policy statement enacted by the board to provide the governing authority and structure for Minnesota State and its constituents, in accordance with the Minnesota State mission and philosophy. Board policies are to be concise statements of the board on matters of governance it deems important to Minnesota State and its operation, consistent with governing law.

College and university policy or procedure

A policy or procedure approved by the president to govern the operation of the college or university, consistent with board policy and system procedure.

~~Subpart B.~~ Consolidated colleges~~.~~

~~"Consolidated Colleges" means~~ The community and technical colleges that under board direction have formally reorganized into single comprehensive institutions.

~~Subpart C.~~ Executive officers~~.~~

~~"Executive officers" means those p~~Persons appointed by the board to manage Minnesota State ~~Colleges and Universities~~ or one of its colleges or universities ~~institutions~~, and includes the chancellor, vice chancellors, and the presidents.

~~Subpart D. Board policy.~~

~~"Board policy" means a policy statement enacted by the board to provide the governing authority and structure for Minnesota State Colleges and Universities and its constituents, in accordance with the System's mission and philosophy. Board policies are to be concise statements of the board on matters of governance it deems important to the system and its operation, consistent with governing law.~~

~~Subpart E. Campus policy or procedure.~~

~~"Campus policy or procedure" is a policy or procedure approved by the president to govern the operation of the college or university, consistent with Board policy and System procedure.~~

Minnesota State
See Minnesota State Colleges and Universities

Minnesota State Colleges and Universities
Minnesota State Board of Trustees, Office of the Chancellor, its colleges and universities, and the system office.

Operating instructions
Instructions approved by the chancellor, chancellor's designee responsible for the area, or executive director of internal auditing, giving explicit direction, instructions or guidance on internal forms, processes, and other administrative or managerial matters, consistent with board policy and system procedure.

Pilot program
An experimental program of limited duration supported by the chancellor and designed to promote the interests of students. The pilot program may be inconsistent with current board policy and may lead to amendments of board policy and system procedure.

~~**Subpart F.**~~ **Policy change~~.~~**
~~"Policy change" means~~ The adoption of a new ~~B~~board policy, or amendment or repeal of an existing ~~B~~board policy.

~~**Subpart G.**~~ **Procedure change~~.~~**
~~"Procedure change" means~~ The adoption of a new ~~S~~system procedure, or amendment or repeal of an existing system procedure.

~~**Subpart H.**~~ **Statutes~~.~~**
~~"Statute(s)" means the~~ Minnesota Statutes.

~~**Subpart I. State.**~~
~~"State" means the State of Minnesota.~~

~~**Subpart J.**~~ **System~~.~~**
~~"System" means Minnesota State Colleges and Universities, including the Board of Trustees, and its colleges, universities and System office.~~ See Minnesota State Colleges and Universities.

~~**Subpart K. Operating instructions.**~~
~~"Operating instructions" means instructions approved by the chancellor, chancellor's designee responsible for the area, or executive director of internal auditing, giving explicit direction, instructions or guidance on internal forms, processes and other administrative or managerial matters, consistent with Board policy and System procedure.~~

~~**Subpart L.**~~ **System office~~.~~**

~~"System office" means t~~The central administrative and staff office under the direction and supervision of the chancellor.

~~Subpart M.~~ System procedure~~.~~

~~"System procedure" means a~~ A procedure approved by the chancellor to implement ~~B~~board policies. System procedures specify the manner in which policies, law, or managerial functions must ~~shall~~ be implemented by the colleges, universities and ~~S~~system office.

~~Subpart N.~~ Technical change~~.~~

~~"Technical change" means a~~ A change that does not alter the meaning of a ~~B~~board policy or ~~S~~system procedure, including correction of errors in spelling, case, or syntax, or format changes.

Part 4. Legal Basis~~.~~

The legal basis for the Board of Trustees and the Minnesota State Colleges and Universities is established under Minn. Stat. Ch. 136F.

Part 5. Rules of Procedures~~.~~

Robert's Rules of Order, in its most recent revised edition, must ~~shall~~ be the rules of procedure for all meetings to the extent that they are not inconsistent with law, these operating policies, or any special rule of the board.

Part 6. Board Policies and System Procedures~~.~~

Subpart A. General authority to enact policies~~.~~

The board is authorized by Minn. Stat. §136F.06, Subdivisions 1 and 2 to adopt suitable policies for the institutions it governs. These policies are broad general directions developed by the board to govern the colleges, universities, and system office. These policies are not subject to the administrative requirements of state agencies including public hearing examiners and contested case procedures required by Minn. Stat. Ch. 14.

Subpart B. Proposed changes to policies or procedures~~.~~

The chancellor may convene working groups or seek consultation from any party to develop a proposed policy or procedure change. Before the adoption of any change in ~~B~~board policy or ~~S~~system procedure other than a technical change, the proposed change must be:

1. Submitted to the chancellor's cabinet and presidents for review and comment.
2. Published for comment through electronic posting or transmission to interested parties.
3. Discussed with bargaining groups in meet and confer when required under a collective bargaining agreement.

Any ~~B~~board policy change proposed by the ~~S~~system's executive officers must be approved by the ~~C~~chancellor or ~~C~~chancellor's designee prior to submission to the board for consideration.

Subpart C. Pilots

After consultation with the board chair, vice chair, and general counsel, the chancellor may institute a pilot program. The chancellor may temporarily suspend applicable board policies and system procedures to the extent necessary to implement the pilot. The board policies and system procedures suspended by the pilot must be identified in the pilot proposal. The chancellor shall inform the board of scheduled pilots before implementation, including the specific policies being suspended and provide updates as appropriate.

Subpart D~~C~~. Policy adoption~~.~~

Each proposed ~~B~~board policy change must ~~shall~~ be assigned to a committee by the chair, or to the board meeting as a committee of the whole. The committee shall take the matter under consideration and make such recommendations to the board as it deems appropriate. Except for technical changes, final ~~B~~board action must ~~shall~~ not occur earlier than the calendar month following the first committee reading. Technical changes may be approved by the board on its consent agenda and may be approved in the same month as committee consideration of the proposed technical changes.

Subpart E~~D~~. Suspension~~.~~

Any provision of these policies may be suspended in connection with the consideration of a matter before the board by an affirmative vote of two-thirds of the board.

Subpart F~~E~~. System procedures~~.~~

The chancellor is authorized to approve ~~S~~system procedures when necessary to provide additional administrative instructions to ~~B~~board policy or to other administrative actions. These procedures must ~~shall~~ be made available electronically to the colleges, universities and the general public in the same manner as ~~B~~board policies.

Subpart G~~F~~. Operating instructions~~.~~

The chancellor, chancellor's designee responsible for the area, and executive director of internal auditing are authorized to issue operating instructions consistent with ~~B~~board policy and ~~S~~system procedure.

Subpart H~~G~~. College and university ~~Campus~~ policies and procedures~~.~~

College and university ~~Campus~~ policies and procedures may be adopted by the president of a college or university consistent with ~~B~~board policy and ~~S~~system procedure.

Subpart I~~H~~. Periodic review~~.~~

The chancellor shall establish procedures to ensure that each ~~B~~board policy and System procedure is reviewed at least once every five years. The policy or procedure must ~~shall~~ be reviewed to determine whether it is needed, that it is current and complete, not duplicative of other policies, does not contain unnecessary reporting requirements or approval processes, and is consistent with style and format requirements. The chancellor shall

periodically report to the board on the review of policies and may make recommendations for amendment or repeal if appropriate.

Subpart J~~I~~. Form and effect~~.~~

1. **Publication.** Board policies and system procedures must ~~shall~~ be maintained by the chancellor in hard copy format and on the Minnesota State ~~system~~ website. Changes in ~~B~~board policies and ~~S~~system procedures must ~~shall~~ be entered on the Minnesota State ~~System~~ website as soon as practicable, but not later than ~~five~~ ten business days following board adoption of policy changes or chancellor approval of procedures. The board must ~~shall~~ be notified when the policy and procedure has been published.
2. **Format.** Board policies and ~~S~~system procedures must be written in accordance with style and format standards established by the chancellor, and must include historical notations on changes made.
3. **Effect.** In the event of a conflict between ~~B~~board policy and any ~~S~~system procedure or operating instruction, campus policy or procedure, or ~~system guideline~~, ~~B~~board policy must~~shall~~ govern. In the event of a conflict between ~~S~~system procedure and any campus policy or procedure, ~~S~~system procedure must~~shall~~ govern.
4. **Severability.** Unless otherwise provided, the provisions of all ~~B~~board policies and system procedures must~~shall~~ be severable.

Part 7. Legislative or Administrative Proposals~~.~~

Interaction with the legislature and other state or federal agencies.

a. **~~System~~ Minnesota State legislative or administrative positions or proposals.** The board must have approved ~~System~~ **Minnesota State** proposals brought before ~~F~~federal and state legislatures or executive branches on behalf of the board, **Minnesota State,** ~~the System~~ or its institutions. Once board approval has been granted, all institutions are expected to actively support ~~B~~board-approved requests and to respect the priority of the board. The board shall have a method for timely response to proposals or positions not originated by the board, but which may affect the operation of **Minnesota State.** ~~the System.~~

b. **Administrative or legislative appearances on Minnesota State ~~Colleges and Universities~~ concerns.** Employees asked to provide expert testimony before ~~F~~federal and state legislatures or executive branches on legislative issues shall make every effort to quickly accommodate requests, and shall notify the ~~System~~ **Minnesota State** Government Relations Office of requests so ~~that~~ the board will be aware of appearances and ~~so~~ the ~~O~~office may provide logistical support, background assessments, and other assistance as needed. Employees covered by the ~~MnSCU~~ Minnesota State Personnel Plan for Administrators, who are responsible for providing expert testimony on legislative or ~~S~~state agency issues, and take positions contrary to the board, must disclose at the outset that their testimony is contrary to the board's position.

Related Documents:

- **Board Policy 1A.2** Board of Trustees

To view any of the following related statutes, go to the Revisor's Web site (**http://www.revisor.leg.state.mn.us/**). You can conduct a search from this site by typing in the statute number.

- Minnesota Statute 136F
- Minnesota State Laws Chapter 14

Policy History:

Date of Adoption: *08/12/92*
Date of Implementation: *08/12/92*
Date of Last Review: *xx/xx/20*

Date & Subject of Amendments:

Xx/xx/20 - Organized the definitions in Part 3 in alphabetical order, added the definition of pilot and Minnesota State Colleges and Universities, replaced the definition of system with a reference to the Minnesota State Colleges and Universities definition, replaced system and MNSCU with Minnesota State, added information on pilots in Part 6, Subparts C and E, and applied the new writing and formatting standards.

01/25/17 - Amended to rename "guidelines" to "operating instructions" in an effort to clarify that compliance is mandatory.

11/18/14 - Amended Part 2, updating the board's vision and mission statements to reflect the board's adoption of the strategic framework. Amended Part 6, Subpart E to clarify that system procedures will be made available electronically in the same manner as board policies. Amended Part 6, Subpart I to eliminate the need to print paper copies of policy and procedures and to include language requiring that the board be given notice when a policy or procedure has been published.

11/16/11 - Effective 1/1/12, the Board of Trustees amends all board policies to change the term "Office of the Chancellor" to "system office," and to make necessary related grammatical changes.

*Additional **HISTORY***

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs Committee **Date:** January 29, 2020

Title: Proposed amendment to Policy 3.27 Copyrights

Purpose (check one):

- [√] Proposed New Policy or Amendment to Existing Policy
- [ ] Approvals Required by Policy
- [ ] Other Approvals
- [ ] Monitoring / Compliance
- [ ] Information

Brief Description:

The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

Scheduled Presenter:
Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION – SECOND READING

BOARD POLICY 3.27 COPYRIGHTS

BACKGROUND

Board Policy 3.27 Copyrights was adopted by the Board of Trustees on June 19, 2002 and implemented on January 1, 2003. The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment updates the statutory exceptions in copyright law, adds language on seeking permission from the copyright holder when no exceptions apply, and expands the current Board of Trustees' support for creating and sharing Creative Commons licensed materials to also include of Open Education Resources.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

RECOMMENDED COMMITTEE MOTION

The committee recommends the Board of Trustees adopt the proposed amendment to Board Policy 3.27 Copyrights.

RECOMMENDED BOARD MOTION

The Board of Trustees adopt the proposed amendment to Board Policy 3.27 Copyrights.

Date Presented to the Board of Trustees: *01/29/2020*
Date of Implementation: *xx/xx/20*

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD POLICY – SECOND READING			
Chapter	3	Chapter Name	Educational Policies
Section	27	Policy Name	Copyrights

3.27 Copyrights

Part 1. General Statement~~.~~
Copyright owners ~~of original works, regardless of the format of the work,~~ have exclusive rights with respect to their creations~~s~~ of original works. ~~The Minnesota State Colleges and Universities System (system)~~ Minnesota State promotes the recognition and protection of these rights, including the rights of reproduction, preparation of derivative works, distribution, display, and performance. ~~The system also recognizes that r~~Reproduction and use of ~~original~~ copyrighted works in accordance with fair use limitations and Sections 110(1) and (2) of the Copyright Act can further teaching, research, and public service at ~~its~~ Minnesota State colleges and universities. Where proposed uses of copyrighted works exceed those permitted by fair use and other statutory exceptions, permission to use the copyrighted works should be obtained from the copyright holder.

Consistent with the mission of the Board of Trustees and the distinct missions of ~~system~~ the colleges and universities, the ~~B~~board supports the creation and sharing of new knowledge for course development and to improve student learning~~, such as~~ through creative commons licenses and open education resources (OER).

Part 2. Applicability~~.~~
This policy applies to ~~system~~ colleges, universities, the system office and their respective employees and students, and to works in which colleges, universities or ~~the system~~ Minnesota State has a legally recognized interest.

Part 3. Definitions. The following definitions apply to this Policy and to Procedure 3.27.1 Copyright Clearance.

~~Subpart A.~~ Copyright~~.~~
~~Copyright is a~~ A form of protection granted by federal law for original works of authorship that are fixed in a tangible medium of expression. Copyright covers both published and unpublished works.

~~**Subpart B.** **Copyright Compliance.**~~
The actions of colleges, universities, the system office and their respective employees and students that ensure proposed uses of materials comply with copyright laws and do not infringe on the intellectual property rights of the copyright owners.

~~**Subpart C. Intellectual Property Coordinator.**~~
~~The Intellectual Property Coordinator is the person appointed at each college, university, and the system office who administers Board Policies 3.26 Intellectual Property, 3.27 Copyrights, and any related procedures.~~

Part 4. Copyright Notice.
A copyright notice (Copyright © [year] College or University Name) ~~shall~~ may be placed on college, university, and ~~system~~ Minnesota State-owned materials that will be made available to the public. The date in the notice ~~shall~~ should be the year in which the materials are first published, i.e. distributed or made available to the public or any sizable audience. Where a work is revised over a period of time, a range of years should be used.

Part 5. Copyright Registration.
Prior to commercialization of works in which a college, university, or the system office has an ownership interest, such works ~~shall~~ should be registered with the U.S. Copyright Office in the name(s) of the copyright owner(s).

Part 6. Copyright Compliance.
Colleges, universities, and the system office shall develop and implement policies, procedures, ~~processes~~ and practices to comply ~~be in compliance~~ with federal copyright laws.

~~**Part 7. Intellectual Property Coordinator and Administration.**~~
~~The Intellectual Property Coordinator as designated in Board Policy 3.26 Intellectual Property at each college, university and the system office has the responsibility for implementation of this policy and any related procedures.~~

Related Documents

- Board Policy 3.26 Intellectual Property
- System Procedure 3.27.1 Copyright Clearance
- System Procedure 5.22.1 Acceptable Use of Computers and Information Technology Resources
- Minnesota State IP/Copyright Tools and Forms
- Minnesota State Copyright Resources
- U.S. Copyright Office

To view related federal statutes, go to the U.S. Government Publishing Office site (https://www.gpo.gov/fdsys/search/home.action). You can conduct a search from this site by typing in the statute number.

- 17 U.S.C. §§ 101-810 Copyrights

Policy History

Date of Adoption: *6/19/02*
Date of Implementation: *1/01/03*
Date of Last Review: *xx/xx/20*

Date & Subject of Amendment:

Xx/xx/20 – Added to Part 1 language that references the statutory exceptions in copyright law and OER. Applied the new formatting and writing styles to the policy.
11/16/11 - Effective 1/1/12, the Board of Trustees amends all board policies to change the term "Office of the Chancellor" to "system office," and to make necessary related grammatical changes.
5/19/10 - amended to provide guidance to help system colleges, universities and their respective students and employees comply with federal copyright laws

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs Committee **Date:** January 29, 2020

Title: Proposed amendment to Policy 3.43 Accreditation

Purpose (check one):

- [√] Proposed New Policy or Amendment to Existing Policy
- [ ] Approvals Required by Policy
- [ ] Other Approvals
- [ ] Monitoring / Compliance
- [ ] Information

Brief Description:

The policy is NEW and establishes the accreditation requirements for the colleges and universities.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

Scheduled Presenter:
Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION – SECOND READING

BOARD POLICY 3.43 ACCREDITATION

BACKGROUND

Proposed NEW Board Policy 3.43 Accreditation establishes the accreditation requirements for the colleges and universities. Colleges and universities are required to achieve and maintain institutional accreditation through the Higher Learning Commission. Colleges and universities are required to achieve and maintain certain program accreditations. The policy also requires colleges and universities to keep the chancellor or designee updated on their communications and interactions with the Higher Learning Commission.

The proposed new policy was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

RECOMMENDED COMMITTEE MOTION

The committee recommends the Board of Trustees adopt the proposed new Board Policy 3.43 Accreditation.

RECOMMENDED BOARD MOTION

The Board of Trustees adopt the proposed amendment to Board Policy 3.43 Accreditation.

Date Presented to the Board of Trustees: *01/29/2020*
Date of Implementation: *xx/xx/20*

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD POLICY – SECOND READING			
Chapter	3	Chapter Name	Educational Policies
Section	43	Policy Name	Accreditation

Single Underlining – proposed new language for first reading
~~Single Strikethrough~~ – proposed deletion of language after first reading
Single Underlining – proposed new language added for Second reading

3.43 Accreditation

Part 1. Purpose

To establish accreditation requirements for colleges and universities.

Part 2. Background

Higher education institutions demonstrate that they and their educational programs meet minimum standards through accreditation. Accreditation can be attained at the institutional or programmatic level. Once achieved, accreditation must be renewed periodically to ensure that the quality of the institution and educational programs is maintained.

In order for students to receive federal student aid from the U.S. Department of Education for postsecondary study, the institution must be accredited by a federally recognized accreditor.

~~While there are both regional and national accreditors, regional accreditation uses more stringent standards of quality. Credits earned from regionally accredited institutions are more widely accepted and more easily transferable than credits earned at nationally accredited or non-accredited institutions.~~

Part 3. Definitions

Accreditation
A process and a status that assures higher education institutions and programs meet a set of standards developed by peers.

a. **Institutional accreditation**
Accreditation of an entire institution determined by ~~regional or~~ national accreditors, indicating that each of an institution's parts is contributing to the achievement of the institution's mission and objectives.

b. Program/specialized accreditation

Accreditation of an institution's programs that involves examination of the individual academic units, programs, or disciplinary offerings to ensure they are providing students with a quality education in a particular area of study. Programmatic accreditation may be required in some fields for graduates to seek licensure or certification. Programmatic accreditation in other fields serves to provide a recognition of quality.

Higher Learning Commission

The Higher Learning Commission (HLC) is an independent corporation that is one of the ~~regional~~ institutional accreditors in the United States. HLC accredits degree-granting post-secondary educational institutions in the North Central region (including Minnesota) and is recognized as a ~~regional~~ accreditor by the United States Secretary of Education.

~~Regional~~ National accreditation

The accreditation process used or status granted by one the federally recognized regional accreditors in the United States.

Part 4. Accreditation

Subpart A. ~~Regional~~ Institutional Accreditation

Colleges and universities shall achieve and retain ~~regional~~ institutional accreditation through the Higher Learning Commission. Any college or university that does not maintain accredited status with the Higher Learning Commission may be subject to loss of degree granting authority.

Subpart B. Program Accreditation

For programs that have an accreditation and for which people working in that field must be licensed or certified for employment, then colleges and universities shall achieve and maintain accreditation for those programs (i.e., law enforcement, nursing, dental hygiene, etc.).

Colleges and universities are encouraged, though not required, to obtain voluntary program accreditation where appropriate and aligned with the mission of the college or university (i.e., automotive technician, business, chemistry, etc.).

Part 5. Report to the Board

The chancellor shall provide an annual report to the Board of Trustees on the status of regional accreditation for each college and university. College and university presidents shall provide ~~submit~~ an annual update to the chancellor, or chancellor's designee, on the status of their ~~regional~~ institutional accreditation.

Related Documents:

- Board Policy 3.36 Academic Programs

- System Procedure 3.36.1 Academic Programs

Policy History:

Date of Adoption: *xx/xx/20*
Date of Implementation: *xx/xx/20*
Date of Last Review: *n/a*

Date & Subject of Revisions: n/a

No additional HISTORY

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs Committee **Date:** January 29, 2020

Title: Proposed amendment to Policy 2.6 Intercollegiate Athletics

Purpose (check one):

- [√] Proposed New Policy or Amendment to Existing Policy
- [ ] Approvals Required by Policy
- [ ] Other Approvals
- [ ] Monitoring / Compliance
- [ ] Information

Brief Description:

The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

Scheduled Presenter:
Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

BOARD OF TRUSTEES
MINNESOTA STATE

INFORMATION ITEM
INTERCOLLEGIATE ATHLETICS

BACKGROUND

Board Policy 2.6 Intercollegiate Athletics was adopted by the Board of Trustees on May 16, 1995 and implemented on July 1, 1995. The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment consists of technical edits resulting from the application of the new formatting and writing styles.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD POLICY – FIRST READING			
Chapter	2	Chapter Name	Students
Section	6	Policy Name	Intercollegiate Athletics

2.6 Intercollegiate Athletics

Part 1. Conference and Division Membership~~.~~

Consistent with the unique identity and mission of the institution, a college or university may engage in programs of intercollegiate athletics. A college or university may join one or more conferences and add or remove sports after a review of the impact on students, finances, the ~~institution's~~ facilities master plan, Title IX compliance, and completion of the student and college/university consultation process. The college or university shall operate according to the rules and standards of the conference as long as such rules are not in conflict with federal or state law, board policies, or system procedures. Adding any sport at the National Collegiate Athletic Association or the National Junior College Athletic Association division-one level requires a recommendation from the chancellor and prior approval by the board. A request for ~~B~~board approval of participation in a division-one-level sport ~~shall~~ must be directed to the chancellor or designee and ~~shall~~ include analysis and review of the expected impact on students, institutional and student services finances, the college's or university's ~~institution's~~ mission and facilities master plan, compliance with equal opportunity requirements, and a report of the consultation process used.

Part 2. Gender Equity in Athletics~~.~~

The Minnesota State ~~C~~colleges and ~~U~~universities are committed to providing equal opportunity in athletics for students of all gender identities and gender expressions. Each college or university with intercollegiate athletics ~~must~~ shall provide athletic opportunities for students in accordance with federal and state requirements.

Part 3. Student Athlete Health Insurance~~.~~

Students participating in intercollegiate athletics are required to maintain health insurance through a plan or rider that includes coverage for participation in intercollegiate athletics. Prior to student participation in intercollegiate athletics, colleges and universities ~~must~~ shall provide adequate written notice to students of the requirement for health insurance.

Related Documents:

- Board Policy 2.3 Student Involvement in Decision-Making
- System Procedure 2.3.1 Student Involvement in Decision-Making

To view the related statute, go to the Revisor's Web site (http://www.revisor.leg.state.mn.us/). You can conduct a search from this site by typing in the statute number.

- Minn. Stat. §13.392 Internal Auditing Data

Policy History:

Date of Adoption: *5/16/95*
Date of Implementation: *7/01/95*
Date of Last Review: *xx/xx/20*

Date & Subject of Revisions:

Xx/xx/20 – Replaced "institution's" with "college's or university's" in Part 1, and applied new writing and formatting styles.

4/22/15 – Editorial changes and revised language in Part 2 to encompass all gender identities and expressions of students.

03/17/10 - Amends Part 1 clarifying that Board approval is required in order to add a sport at the Division 1 level. Amends Part 3 to require student athletes to have adequate health insurance.

12/17/03 - Deleted Part 1. Definitions, Subparts A and B; clarified conference and division membership by colleges and universities (Part 2) and renumbered to Part 1; amended language in Part 3 and renumbered to Part 2; deleted Part 4.

No additional HISTORY

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs Committee **Date:** January 29, 2020

Title: Proposed amendment to Policy 3.26 Intellectual Property

Purpose (check one):

- [√] Proposed New Policy or Amendment to Existing Policy
- [ ] Approvals Required by Policy
- [ ] Other Approvals
- [ ] Monitoring / Compliance
- [ ] Information

Brief Description:

The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

Scheduled Presenter:
Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs

BOARD OF TRUSTEES
MINNESOTA STATE

INFORMATION ITEM
INTELLECTUAL PROPERTY

BACKGROUND

Board Policy 3.26 Intellectual Property was adopted by the Board of Trustees on June 19, 2002 and implemented on January 1, 2003. The policy was reviewed as part of the five year review cycle pursuant to Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6, Subpart H, Periodic review.

The amendment reorganizes the types of works in the Part 2 Definition section, adds student internship agreements and open educational resource agreements in Part 4, Subpart B, 4 & 5; deletes the intellectual property coordinator language in Parts 5 and 10; adds language on system legal counsel's review of contracts involving intellectual property in Part 5, Subpart B; retitled Part 5 to the Management of Intellectual Property, and made general technical edits throughout the policy.

The proposed amendment was reviewed by the Office of General Counsel, cabinet, then sent out for formal consultation and received support from the presidents, employee representative groups, student associations, and campus leadership groups. All comments received from the consultation were considered.

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD POLICY – FIRST READING			
Chapter	3	Chapter Name	Educational Policies
Section	26	Policy Name	Intellectual Property

3.26 Intellectual Property

Part 1. Policy Statement~~.~~
The Board of Trustees endeavors to develop and maintain a post-secondary educational system marked by academic excellence. Research and development of original works and inventions that require intellectual property protection are a vital part of the academic community. The ~~B~~board recognizes and acknowledges that ~~system~~ colleges~~, and~~ universities, and the system office may create or commission the creation of such works on its behalf and incorporates in ~~B~~board policy the traditional commitment to faculty and student ownership in scholarly work.

Part 2. Applicability~~.~~
This policy applies to colleges, universities, the system office and their respective employees, student employees, and students.

Part 3. Definitions~~.~~
For the purposes of this ~~P~~policy only, the following definitions apply. ~~words and terms shall have the meanings given them:~~

~~Subpart A.~~ Agreement~~.~~
~~Agreement when used in this policy means a~~ A signed written contract between or among a corporation , business, individual(s), and a college, university, or the system office, but does not include ~~mean a~~ sponsorship agreements and ~~or a~~ collective bargaining agreements between the ~~B~~board and ~~an~~ exclusive bargaining representatives.

~~Subpart B.~~ Collective ~~B~~bargaining ~~A~~agreement.
~~A collective bargaining agreement means a~~ A negotiated contract between the ~~B~~board and a specific bargaining unit.

~~Subpart C.~~ College or ~~U~~university~~.~~
~~College or university, except where specifically defined otherwise, means a system~~ A Minnesota State college or university.

~~Subpart D.~~ College, ~~U~~university, or system office ~~R~~resources~~.~~
College, university, or system office ~~resources means~~ services and all tangible resources ~~including~~ such as buildings, equipment, facilities, computers, software, personnel, research assistance, and funding.

~~**Subpart E. Course Outline.**~~

~~The course outline is the document approved by the college or university curriculum committee and shall include the course title, course description, prerequisites, total credits, lecture/lab breakdown, and student learning outcomes. (As referenced in Board Policy 3.22 Course Syllabi and Course Outlines)~~

~~**Subpart F. Course Syllabus.**~~

~~The course syllabus is a document that contains the elements of the corresponding course outline, standards for evaluation of student learning, and additional information that reflects the creative work of the faculty member. (As referenced in Board Policy 3.22 Course Syllabi)~~

~~**Subpart G.** **Creator/Inventor.**~~

~~A creator is an~~ The individual or group of individuals who invent, author, discover, or are otherwise responsible for the creation of intellectual property. And inventor refers to the creator of an invention that may be patentable.

~~**Subpart H.** **Employee.**~~

~~An employee is a~~ Any person employed by the State of Minnesota as defined by the Public Employees Labor Relations Act (PELRA).

~~**Subpart I.** **Faculty.**~~

~~The term "Faculty" refers to f~~ Full-time and part-time employees performing work in bargaining units 209 and 210 and other employees who teach or conduct research with a level of responsibility and self-direction equivalent to that traditionally exercised and enjoyed by instructional unit employees when engaged in similar activities, e.g., the preparation of research articles for peer review journals by Administrative and Service Faculty (ASF) members or graduate students.

~~**Subpart J.** **Intellectual P~~p~~roperty.~~

~~Intellectual property is any~~ Any work of authorship, invention, discovery, or other original creation that may be protected by copyright, patent, trademark, or other category of law.

~~**Subpart K.** **Intellectual P~~p~~roperty R~~r~~ights.~~

~~Intellectual Property Rights means a~~ All the protections afforded the owner or owners of an original work under law, including all rights associated with patent, copyright, and trademark registration.

~~**Subpart L.** **Jointly C~~c~~reated W~~w~~ork.~~

~~A jointly created work is one where two or more creators contribute to the work and intend that it result in a unified, single work.~~ A work prepared by two or more individuals who intend their separate contributions be merged into a single work.

~~**Subpart M.** **Minnesota State Colleges and Universities System.**~~

The public higher education system established at Minnesota Statutes Chapter 136F. ~~The system~~ Minnesota State includes the Board of Trustees, ~~the~~ office of the chancellor, system office, ~~the state~~ colleges and universities, and any part or combination thereof.

~~**Subpart N. System O~~o~~ffice.~~

~~System office means the~~ The central administrative office under the direction and supervision of the chancellor ~~and~~ which is part of ~~the~~ Minnesota State ~~Colleges and Universities system.~~

~~Subpart O.~~ Sponsor~~.~~

~~A sponsor is a~~ A person, ~~private sector~~ company, organization, or governmental entity, other than ~~the system~~ Minnesota State, that provides funding, equipment, or other support for a college, university, or the system office to carry out a specified project in research, training, or public service.

~~Subpart P.~~ Sponsorship ~~A~~agreement~~.~~

~~A sponsorship agreement is a~~ A written agreement between the sponsor and a college, university, and/or the system office ~~and~~ that may include other parties ~~including~~ such as the creator of the work.

~~Subpart Q~~. Student~~.~~

~~A student is an individual who was or is~~ An individual enrolled in a class or program at ~~any system~~ a Minnesota State college or university at the time the intellectual property was created.

~~Subpart R.~~ Student ~~E~~employee~~.~~

~~A student employee is a~~ A student who is paid by any ~~system~~ college, university, or the system office for services performed. Graduate assistants and work-study students are student-employees. For graduate students who teach, see Faculty definition~~.~~ ~~in Subpart I~~.

~~Subpart S~~. Substantial ~~U~~use of ~~R~~resources~~.~~

Substantial use exists when resources are provided beyond the normal professional, technology, and technical support supplied by the college, university, and/or system office to an individual or individuals for development of a project or program.

~~Subpart T.~~ System~~.~~

See Minnesota State definition. ~~Colleges and Universities System definition. in Part 3. Definitions, Subpart N of this policy.~~

Types of Works

Institutional work

A work made for hire in the course and scope of employment by an employee or by any person with the use of college or university resources, unless the resources were available to the public without charge or the creator had paid the requisite fee to utilize the resources.

Personal work

A work created by an employee outside their scope of employment and without the use of college or university resources other than resources that are available to the public or resources for which the creator has paid the requisite fee to utilize.

Scholarly work

A creation that reflects research, creativity, and/or academic effort. Scholarly works include course syllabi, instructional materials (such as textbooks and course materials), distance learning works, journal articles, research bulletins, lectures, monographs, plays, poems, literary works, works of art (whether pictorial, graphic, sculptural, or other artistic creation), computer software/programs, electronic works, sound recordings, musical compositions, and similar creations.

Student work

A work created by a person in their capacity as a student.

Works made for hire
Works produced by employees within the scope of their employment or specially commissioned works.

~~**Subpart U. Works Made for Hire.**~~
~~Works made for hire means all work done by an employee within the scope of his or her employment or specially commissioned work.~~

Part 4. Ownership of Intellectual Property Rights~~.~~

Subpart A. Basic ~~O~~ownership ~~R~~rights ~~of the Various Types~~ of ~~C~~creative ~~W~~works~~.~~
The ownership rights to a creation ~~shall~~ must be determined generally by the provisions in Subpart A ~~below~~, but ownership may be modified by an agreement, sponsorship agreement, or other condition described in Part 4, Subpart B or C. ~~Subpart C below~~.

1. **Institutional ~~W~~works.** Intellectual property rights in institutional works belong to the college or university. ~~Institutional works are works made for hire in the course and scope of employment by employees or by any person with the use of college or university resources, unless the resources were available to the public without charge or the creator had paid the requisite fee to utilize the resources.~~ A course outline is an institutional work. A college, university or the system office may enter into a written agreement with a non-faculty employee granting the employee ownership of a work that the parties agree is of a scholarly nature as described in Subpart A.2. For the purposes of this policy, scholarly works are not considered institutional works.
2. **Scholarly ~~W~~works.** Intellectual property rights in scholarly works belong to the faculty member or student who created the work, unless an agreement, sponsorship agreement, or other condition described in Subpart B or C ~~below~~ provides otherwise. ~~Scholarly works are creations that reflect research, creativity, and/or academic effort. Scholarly works include course syllabi, instructional materials (such as textbooks and course materials), distance learning works, journal articles, research bulletins, lectures, monographs, plays, poems, literary works, works of art (whether pictorial, graphic, sculptural, or other artistic creation), computer software/programs, electronic works, sound recordings, musical compositions, and similar creations.~~
3. **Personal ~~W~~works.** Intellectual property rights in personal works belong to the creator of the work. ~~A personal work is a work created by an employee or student outside his or her scope of employment and without the use of college or university resources other than resources that are available to the public or resources for which the creator has paid the requisite fee to utilize.~~
4. **Student ~~W~~works.** ~~a)~~ Intellectual property rights in a student work~~s~~ belong to the student who created the work. ~~b)~~ A ~~creative~~ work created by a student to meet course requirements using college or university resources for which the student has paid tuition and fees to access courses/programs or using resources available to the public, is the property of the student. ~~c)~~ A work created by a student employee during the course and scope of employment is an institutional work and the intellectual property rights ~~to such creation~~ belong to the college or university unless an agreement, sponsorship agreement, internship agreement, or other condition described in Subpart B or C ~~below~~ provides otherwise.

Subpart B. Modification of ~~B~~basic ~~O~~ownership ~~R~~rights~~.~~
The general provisions for ownership of intellectual property rights set forth in Subpart A may be modified by ~~the~~ entering into a signed written agreement as provided in this subpart, following collaborative discussion among the affected parties, or through the substantial use of resources.

1. **Sponsorship ~~A~~agreement**. The ownership of intellectual property rights in a work created under a sponsorship agreement ~~shall be~~ is determined by the terms of the sponsorship agreement. If the sponsorship agreement is silent on ~~the issue of~~ ownership of intellectual property rights, ownership will be determined under applicable law.
2. **Collaborative ~~A~~agreement.** A college, university or the system may participate in projects with persons, corporations, and businesses to meet identified student, citizen, community and industry needs. Ownership rights pursuant to any collaboration ~~shall~~ must be addressed pursuant to this policy.
3. **Specially Commissioned Work ~~A~~agreements~~.~~** Intellectual property rights to a work specially ordered or commissioned by ~~the~~ a college or university from a faculty member or other employee, and identified ~~by the college or university,~~ as a specially commissioned work at the time the work was commissioned, is a work made for hire and ~~shall~~ belongs to the college or university. The college or university, and the employee shall enter into a written agreement for creation of the specially commissioned work.
4. **Student Internship agreement.** The ownership of intellectual property rights in a work created during a student internship is determined by the terms of the internship agreement. If the agreement is silent on ownership of intellectual property rights, ownership is determined under applicable law.
5. **Open Educational Resource (OER) Agreements.** When colleges, universities, and the system office use OER agreements, authors will retain ownership of the copyright to their works, but agree to share the works through an Open or Creative Commons license.
6. ~~4.~~ **Substantial Use of Resources.** In the event a college, university or the system office provides substantial resources to a faculty member for creation of a work that is not an institutional work created under a sponsorship agreement, individual agreement, or special commission, the college university and/or the system office and the creator shall own the intellectual property rights jointly in proportion to the respective contributions made. Use of resources is considered substantial when the additional support received is beyond the normal support level made available by a college, university and/or the system office to the individual in ~~his or her~~ their position.

Subpart C. Other ownership factors~~.~~

1. **Collective ~~B~~bargaining ~~A~~agreement.** In the event the provisions of this ~~P~~policy and the provisions of any effective collective bargaining agreement conflict, the collective bargaining agreement ~~shall~~ must take precedence.
2. **Jointly ~~C~~created ~~W~~works.** Ownership of jointly created works ~~shall be~~ is determined by separately assessing which of the above categories applies to each creator, respectively. Jointly created works involving the contributions of students and/or student employees must be assessed considering ~~this and other~~ all relevant categories of ownership rights as set forth above.
3. **Sabbatical ~~W~~works.** Intellectual property created during a sabbatical is defined as a scholarly work. Typical sabbatical plans do not require the use of substantial college/university resources as defined in Part 2~~. Subpart S.~~ of this policy. If the work created as part of an approved sabbatical plan requires resources beyond those normal for a sabbatical, the parties may enter into one of the applicable arrangements ~~as~~ set forth in Part 4~~,~~ Subparts B~~. and~~ or C. ~~of this policy.~~
4. ~~System~~**Minnesota State, ~~C~~college or ~~U~~university ~~N~~name.** Intellectual property rights associated with Minnesota State's ~~the system's~~ identity, the identities of its colleges and universities, logos, and other indices of identity belong to the respective entity. Such rights may be licensed pursuant to reasonable terms and conditions approved by the ~~C~~chancellor, presidents or their

designees, respectively. ~~System~~ Minnesota State employees may identify themselves with such title of their position as is usual and customary in the academic community; but any user of the ~~system's~~ Minnesota State's or a college's or university's name, logo, or indicia of identity shall take reasonable steps to avoid any confusing, misleading, or false impression of particular sponsorship or endorsement by the system, its colleges or universities. When necessary, specific disclaimers ~~shall~~ must be included.

5. **Works ~~O~~owned ~~J~~jointly by ~~C~~colleges, ~~U~~universities and the system.** Colleges, universities and system ownership interests in jointly owned intellectual property ~~shall~~ must be determined by the relative contributions made by each contributor - unless otherwise provided in a written agreement. The ownership interests may be expressed in percentages of ownership or an unbundling of the rights associated with the work, whatever the parties agree to. This paragraph applies only to allocation of ownership interests among a college, university or Minnesota State ~~the system~~. The ownership of any other joint owner ~~shall~~ must be determined in accordance with applicable policy, collective bargaining agreement, or personnel plan provisions, or as negotiated among the parties.
6. **Equitable ~~D~~distributions.** In any instance in which Minnesota State ~~the system~~ and/or its colleges or universities execute an agreement with an individual, corporation, business, or other entity for economic gain using intellectual property in which the colleges, universities, or the Minnesota State ~~system~~ has an ownership interest, the colleges, universities or the system ~~shall~~ must receive an equitable distribution. The proceeds of the equitable distribution ~~shall~~ must be shared among the creators of the work as determined by agreement in accordance with this policy.

Part 5. ~~Coordination Function.~~ Management of Intellectual Property

Subpart A. Record-keeping

Each college and university shall maintain a record-keeping system to manage the development and use of its intellectual property.

Subpart B. Contracts involving intellectual property

College, university, and system office contracts involving intellectual property must be reviewed by the Office of General Counsel or Attorney General's Office before signing, unless the contract is one of the Minnesota State approved contract templates.

~~**Subpart A. Appointment of Coordinator.**~~

~~The president or Cchancellor, or his/her designee at each college, university, or system office shall appoint an employee to be the local Intellectual Property Coordinator. The coordinator has responsibility to administer provisions of this policy to include dissemination of the college or university's procedures regarding implementation of Policy 3.26 Intellectual Property and Policy 3.27 Copyrights and any related procedures.~~

~~**Subpart B. Record-keeping.**~~

~~Each college and university shall establish a record-keeping system to monitor the development and use of its intellectual property. Any questions relating to the applicability of this policy should be directed to the Intellectual Property Coordinator.~~

~~**Subpart C. Conflicts of Interest and Ethics.**~~

~~System employees are responsible for adhering to all legal and ethical requirements in accordance with State law, Board Policy and system procedure.~~

Part 6. Preservation of Intellectual Property Rights.

Subpart A. Protection of ~~R~~rights.
A college, university, or the system office shall undertake such efforts, as it deems necessary to preserve its rights in original works when it is a sole or joint owner of the intellectual property rights. A college, university, or the system office may apply for a patent, trademark registration, copyright registration, or other protection available by law on any new work in which the college, university, or the system office maintains intellectual property rights.

Subpart B. Payment of ~~C~~costs.
A college, university, or the system office may pay some or all costs required for obtaining a patent, trademark, copyright, or other classification on original works for which the college, university or the system office owns or jointly owns the intellectual property rights. If a college, university, or the system office has intellectual property rights in a jointly owned work, the college, university, or the system office may enter into an agreement with joint owners relating to the payment of such costs.

Part 7. Commercialization of Intellectual Property.

Subpart A. Right of ~~C~~commercialization.
The college, university, or the system office that owns or has shared intellectual property rights to a work may commercialize the work using its own resources or may enter into agreements with others to commercialize the work as authorized by law. Upon request of a creator who retains intellectual property rights in a work, the college, university, or the system office shall advise the creator of progress in commercializing the work.

Subpart B. Sharing of ~~P~~proceeds.
An employee who creates a work and retains an intellectual property interest in such work in which the college, university, or system office maintains intellectual property rights is entitled to share in royalties, licenses, and any other payments from commercialization of the work in accordance with applicable collective bargaining agreements, individual agreements, and applicable laws. All expenses incurred by the college, ~~or~~ university, or the system office in protecting and promoting the work, including costs incurred in seeking patent or copyright protection and reasonable costs of marketing the work, ~~shall~~ must be deducted and reimbursed to the college, university, or the system office before the creator is entitled to share in the proceeds.

If a college, university, or the system office decides not to pursue patent or copyright protection in a jointly owned work and the creator/inventor decides to pursue such protection, all expenses incurred by the creator/inventor in protecting and promoting the work including costs incurred in seeking patent or copyright protection and reasonable costs of marketing the work, ~~shall~~ must be deducted and reimbursed to the creator/inventor before the college, university, or the system office is entitled to share in the proceeds.

Net proceeds generated from the commercialization of works owned jointly by colleges, universities, or the system office (not creators/inventors) will be distributed in accord with the terms of a written agreement, or absent an agreement, in amounts equal to the relative contributions made by the colleges, universities, or the system office.

Subpart C. Intellectual ~~P~~property ~~A~~account. Each college, university, and the system office shall deposit all net proceeds from commercialization of intellectual property in its own general intellectual property account. The ~~P~~president/~~C~~chancellor (or designee) may use the account to reimburse expenses related

to creating or preserving the intellectual property rights of the college, university, or system office or for any other purpose authorized by law and ~~B~~board policy, including the development of intellectual property.

Subpart D. Trademarks~~.~~

Income earned from the licensing of college, university, or system trademarks and logos is not subject to the requirements of Subpart C for distribution of funds.

Part 8. Assignment of Rights~~.~~

Subpart A. College, ~~U~~university or ~~S~~system ~~O~~office ~~A~~assignment~~.~~

A college, university, or the system office may assign all or a portion of its rights in a work to the creator, corporation, business, or to any other person in accordance with the law and when in the best interests of the college, university, or the system. As a condition of the assignment, the college, university, or the system office, may preserve rights, such as a royalty-free, perpetual, irrevocable, non-exclusive license to use and copy the work in accordance with the preservation and the right to share in any proceeds from commercialization of the work.

Subpart B. Creator ~~A~~assignment~~.~~

Any person may agree to assign some or all of ~~his or her~~ their intellectual property rights to the college, university, or system. The creator may preserve any rights available to the creator as part of the assignment.

Subpart C. Assignment in ~~W~~writing~~.~~

Any assignment of intellectual property rights ~~shall~~ must be in writing and signed by the assignor and assignee.

Part 9. Dispute Resolution Process~~.~~

The system office may develop procedures to resolve disputes relating to this policy.

~~**Part 10. Notification of Policy.**~~

~~The Intellectual Property Coordinator at each college, university, and the system office shall provide a copy of this Intellectual Property Policy and any other forms developed to implement this Policy to persons upon request. The college, university, or system office shall arrange training on a periodic basis for faculty, staff and/or other persons who are covered by this Intellectual Property Policy.~~

Related Documents:

- Board Policy 3.22 Course Syllabi and Course Outlines
- Board Policy 3.27 Copyrights
- System Procedure 3.22.1 Course Syllabi and Course Outlines
- System Procedure 3.26.1 Patent Inquiry Procedures
- Finance Contract Templates

To view any of the following related statutes, go to the Revisor's Web site (http://www.revisor.leg.state.mn.us/). You can conduct a search from this site by typing in the statute number.

- Minnesota Statutes 136F Minnesota State Colleges and Universities
- Minnesota Statutes 16C.05 Contract Management; Validity and Review

Policy History:

Date of Adoption: *6/19/02*
Date of Implementation: *1/01/03*
Date of Last Review: *xx/xx/20*

Date & Subject of Amendments:

XX/XX/20 – Reorganized the types of works in the Part 2 Definition section, added student internship agreements and open educational resource agreements in Part 4, Subpart B, 4 & 5; deleted the intellectual property coordinator language in Parts 5 and 10; added language on system legal counsel's review of contracts involving intellectual property in Part 5, Subpart B; changed *Part 5 into the management of intellectual property, and made general technical edits throughout the policy.*

11/16/11 - Effective 1/1/12, the Board of Trustees amends all board policies to change the term "Office of the Chancellor" to "system office," and to make necessary related grammatical changes.

06/16/10 - Amended Part 3, Subpart G to include Inventors. Added Subpart I, Faculty, Subpart T, System and Subpart U, Works Made for Hire. Delete Subpart N, Professional Staff. Amended Part 4, Subpart A1 to allow a written agreement with a non-faculty member. Amended Subpart A3 to delete Encoded Works. Amended Subpart B to allow modification of Basic Ownership Rights through a written agreement. Deleted Subpart B3, Equity Distributions, and Subpart 6, Certain Encoded Works. Amended Subpart B4 to define substantial resources. Added Subpart 5, Works Owned Jointly by Colleges, Universities, and the System, and Subpart 6, Equitable Distributions. Amended Part 7, Subpart B to include language regarding patents or copyright protections that are not pursued, and distributions of net proceeds generated from the commercialization. Other minor amendments throughout the entire policy.

No additional HISTORY

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Academic and Student Affairs Committee **Date:** January 29, 2020

Title: State of Minnesota Perkins V Plan

Purpose (check one):

- ☐ Proposed New Policy or Amendment to Existing Policy
- ☐ Approvals Required by Policy
- ■ Other Approvals
- ☐ Monitoring / Compliance
- ☐ Information

Brief Description:

The Carl D. Perkins Act was reauthorized by Congress as the *Strengthening Career and Technical Education for the Twenty First Century Act* (Perkins V. The reauthorization presents an opportunity to strengthen Career Technical Education (CTE) programs and pathways for all students in both the K–12 and our postsecondary colleges. Perkins V went into effect July 1, 2019 and on that date Minnesota began to implement the State's approved transition plan to meet the new requirements of the law. Full implementation of an approved 4-year Perkins V plan would begin July 1, 2020.

Minnesota has structured its implementation of federal Perkins funding through a triad partnership model connecting Minnesota State Colleges and Universities, Minnesota Department of Education and local consortia. This model of governance and distribution of funds has provided a strong alignment of secondary and postsecondary partners that will continue with Perkins V. Minnesota State Colleges and Universities, the eligible agency, will continue to oversee the administration and implementation of the state's Perkins grant with our Minnesota Department of Education partners.

Scheduled Presenters:
Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs
Jeralyn Jargo, System Director Career and Technical Education

BOARD OF TRUSTEES
MINNESOTA STATE

ACTION ITEM
STATE OF MINNESOTA PERKINS V PLAN

BACKGROUND

The Carl D. Perkins Act was reauthorized by Congress as the Strengthening Career and Technical *Education for the Twenty First Century Act* (Perkins V). The reauthorization presents an opportunity to strengthen Career Technical Education (CTE) programs and pathways for all students in both the K–12 and our postsecondary colleges. Perkins V went into effect July 1, 2019 and on that date Minnesota began to implement the State's approved transition plan to meet the new requirements of the law. Full implementation of an approved 4-year Perkins V plan would begin July 1, 2020.

Minnesota has structured its implementation of federal Perkins funding through a triad partnership model connecting Minnesota State Colleges and Universities, Minnesota Department of Education and local consortia. This model of governance and distribution of funds has provided a strong alignment of secondary and postsecondary partners that will continue with Perkins V. Minnesota State Colleges and Universities, the eligible agency, will continue to oversee the administration and implementation of the state's Perkins grant with our Minnesota Department of Education partners.

Perkins V provides opportunities to model, incentivize, support, and drive change. Key goals that comply with new federal legislation and state needs include:

- Align local/regional CTE work with the completion of a **comprehensive local needs assessment (CLNA)** at minimum, once every 2 years, requiring funding decisions to be driven by data including aligning programs of study with high-skill, high-wage and in-demand current and emerging occupations.
- Support the **recruitment, preparation, retention, training** and professional development of teachers and faculty, administrators, specialized personnel and paraprofessionals to meet both traditional and alternative state certification and licensure requirements.
- Implement an equal **percent distribution of funds** to undergird equity of educational opportunity for both secondary and postsecondary learners at the local consortia level.
- **Target innovation and improvement** by increasing reserve funding as allowed in Perkins V. This includes leveraging the reserve fund for rural and high CTE concentrated consortia to spur innovation, support programs of study, encourage alignment and collaboration and address equity gaps.

- Set separate and distinct **state-determined performance levels** for secondary and postsecondary partners. This necessitates additional focus areas and workflow at both the state and local level with technical assistance and support for local consortia.
- Support an expansion of data requirements and performance expectations for categories of **student groups and special populations as defined by ESSA**.
- Allow funding to support **CTE exploration with middle** school students.

RECOMMENDED COMMITTEE MOTION

Upon the recommendation of the Chancellor, the Academic and Student Affairs Committee recommends that the Board of Trustees approve the State of Minnesota Perkins V Plan. The Plan will be submitted to the U.S. Department of Education, Office of Career, Technical, and Adult Education, in fulfillment of the requirements of the Strengthening Career and Technical Education for the 21st Century Act Public Law 115–224.

RECOMMENDED MOTION

The Board of Trustees approve the State of Minnesota Perkins V Plan. The Plan will be submitted to the U.S. Department of Education, Office of Career, Technical, and Adult Education, in fulfillment of the requirements of the Strengthening Career and Technical Education for the 21st Century Act Public Law 115–224.

Minnesota 4-Year State Plan

Strengthening Career and Technical Education for the 21st Century (Perkins V)

MINNESOTA STATE
Career and Technical Education

DEPARTMENT OF EDUCATION

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Introduction

Minnesota's Career and Technical Education

VISION

Advancing career and technical education empowers every learner to realize a rewarding career.

MISSION

Quality career and technical education ensures every learner has equitable access to career-connected learning through a network of knowledgeable partners.

Strengthening Career and Technical Education for the 21st Century (Perkins V)

The Carl D. Perkins Act was reauthorized by Congress as *the Strengthening Career and Technical Education for the Twenty First Century Act* (Perkins V). Perkins V went into effect July 1, 2019. Minnesota used fiscal year 2020 beginning on July 1, 2019 to transition to the new requirements of the law. The reauthorization presented an opportunity for Minnesota to reaffirm the commitment to career and technical education with the formation of a new vision and mission as documented above.

Minnesota has structured its implementation of federal Perkins funding through three-way model: Minnesota State Colleges and Universities, Minnesota Department of Education and local consortia. This model of governance and distribution of funds has provided a tradition of alignment of secondary and postsecondary partners that will continue with the *Strengthening Career and Technical Education for the 21st Century Act* (Perkins V). Minnesota State Colleges and Universities, the eligible agency, will continue to oversee the administration and implementation of the state's Perkins grant with our Minnesota Department of Education partners. Through the Perkins V state plan, the State has an opportunity to exercise a variety of leadership levers to advance the state's vision for Career and Technical Education (CTE).

Perkins V provides opportunities to model, incentivize support, and drive change. Key goals that comply with new federal legislation and state needs include:

- Align local/regional CTE work with the completion of a **comprehensive local needs assessment (CLNA)** at minimum, once every 2 years, requiring funding decisions to be

driven by data including aligning programs of study with high-skill, high-wage and in-demand current and emerging occupations.

- Support the **recruitment, preparation, retention, training** and professional development of teachers and faculty, administrators, specialized personnel and paraprofessionals to meet both traditional and alternative state certification and licensure requirements.
- Implement an equal **percent distribution of funds** to undergird equity of educational opportunity for both secondary and postsecondary learners at the local consortia level
- **Target innovation and improvement** by increasing reserve funding as allowed in Perkins V. This includes leveraging the reserve fund for rural and high CTE concentrated consortia to spur innovation, support programs of study, encourage alignment and collaboration and address equity gaps.
- Set separate and distinct **state-determined performance levels** for secondary and postsecondary partners. This necessitates additional focus areas and workflow at both the state and local level with technical assistance and support for local consortia.
- Support an expansion of data requirements and performance expectations for categories of **student groups and special populations as defined by ESSA.**
- Allow funding to support **CTE exploration with middle** school students.

Programs of study is a federal Perkins term that means "a coordinated, non-duplicative sequence of academic and technical content at the secondary and postsecondary level…" Section 3 of Perkins V. This requirement for programs of study is unique to Perkins law yet builds on the pathways work reference in the Workforce Innovation and Opportunity Act (WIOA).

In general, there are finite fiscal resources to provide high-quality career and technical educational opportunities for Minnesota students. The *Strengthening Career and Technical Education for the 21st Century Act*, as dedicated federal funding, does provide leverage for supporting the critical role of the state in providing educational opportunities for our CTE students. However, the workload requirement of the CLNA, new performance indicators, the expansion of special population categories, the rising cost of equipment and supplies needed for CTE programming, and the scarcity of qualified instructors all necessitate that Perkins V will need to continue to seek partnership opportunities to ensure student career and college success. Partnerships with other state agencies, community based organizations, and other state initiatives such as Centers of Excellence or Career and College Readiness will continue to be part of the successful implementation of our CTE work. To quote Helen Keller, "Alone we can do so little; together we can do so much."

COVER PAGE

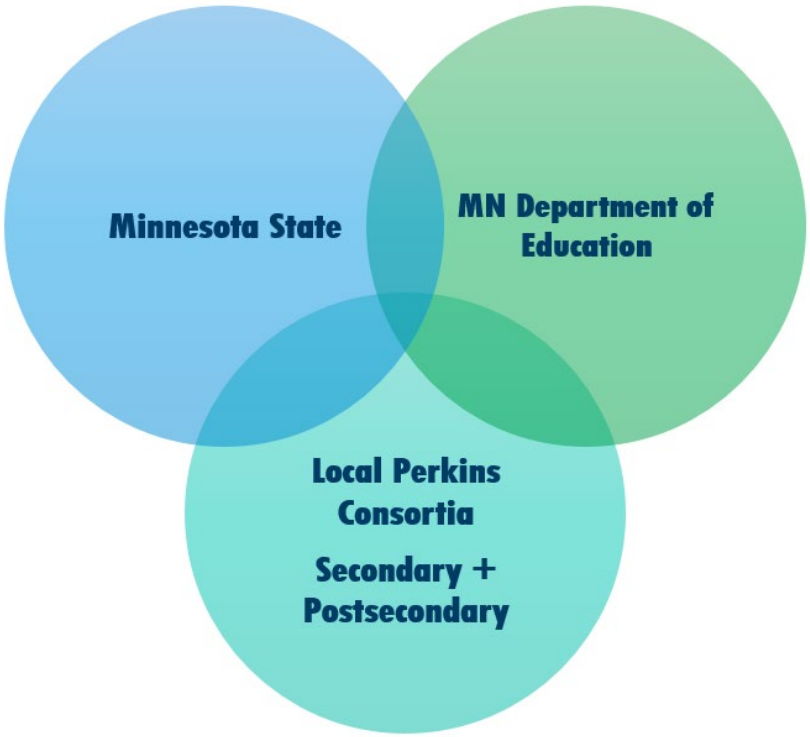
Required cover page will be submitted with the final application to the Department of Education.

NARRATIVE DESCRIPTION

A. Plan Development and Consultations

1. Describe how the State plan was developed in consultation with the stakeholders and in accordance with the procedures in section 122(c)(2) of Perkins V. See Text Box 1 for the statutory requirements for State plan consultation under section 122(c)(1) of Perkins V.

What follows is the State's response to fulfilling the requirement for implementing Perkins V. The state of Minnesota is submitting this document in accordance with the US Department of Education's guide for the submission of state plans. The plan and all attachments made be found at https://www.minnstate.edu/system/cte/Strengthening-CTE/index.html.



As the eligible agency for the administration of Career and Technical Education in the state, Minnesota State Colleges and Universities, or Minnesota State, works closely in partnership with the Minnesota Department of Education's Career and College Success Division and local consortia to administer Perkins V throughout the state. Local consortia consist of participating school districts and state colleges located within 26 distinct geographic areas encompassing the

entire state. The three co-dependent partners collaborate to ensure the successful development of the state plan. As a result of this partnership of three, career and technical education initiatives have historically been proactive in aligning activities between secondary and postsecondary CTE programs, promoting student success and seamless transitions from secondary to postsecondary educational opportunities. As an example of this alignment, Minnesota has a program of study rubric that promotes concurrent enrollment, articulation agreements, and demonstrated authentic work experiences between school districts and community colleges/technical colleges and community employers. Additionally, extensive professional development has been provided under Perkins IV and will be continued to support secondary and postsecondary partnerships, in particular for the development and continuous improvement of programs and Programs of Study, the recruitment and retention of educational professionals, and equity of access and services for every student.

One of the biggest challenges for Minnesota in the development of the 4-year Perkins V plan is providing the right timing and balance between the needs and requirements of the state and the needs of local consortia. To achieve that balance, Minnesota's Perkins V plan development and consultation is the result of a combination of state and local efforts. The primary components of the plan development consisted of an extensive collaboration among the state staff, secondary and postsecondary, business and industry, and community partners. Structurally, the work began with a facilitated broad-based planning group to set the vision, mission, principles, and identify five strategic work groups: Advancing CTE, Career-connected Learning, Integrated Network, Equity and Inclusion, and Knowledgeable Experts. All of the plan development and the strategic workgroups involved state executive leadership work, consultation with our consortia leaders, public meetings, and incorporation of local input.

The Advancing CTE strategic work group was charged with developing frameworks for the comprehensive local needs assessment (CLNA) and was also responsible for accountability, outreach, and for promoting the CTE story through awareness and communication. The Career Connected Learning group reviewed and revised the state's career pathways projects with a priority on development of shared standards and definitions of program quality and the integration of work-based learning. The career preparation aspects of career connected learning also fell into the work of the group. The integrated network group was intended to provide more intentionality in our relationships with the multiple federal, state, and local networks necessary for successful CTE work. Equity and Inclusion, an integral part of the work of all the strategic work groups, focused on service partnerships, providing resources, and data management. The Knowledgeable Experts group oversees the critical professional development and technical assistance role of the Act. Teacher licensure preparation programs and minimum qualifications, the mentor/mentee project, consortia leadership, and responding to local requests are the tasks of this group.

Much research, stakeholder input and development went into the creation of Minnesota's Comprehensive Local Needs Assessment (CLNA) Guide and Framework.

(https://www.minnstate.edu/system/cte/Strengthening-CTE/index.html) We view this needs assessment as one of the most significant lever for change introduced with Perkins V. Literally, the CLNA changes the dynamics and habits of Perkins IV with the requirement to base budget development on its outcomes. Aligning business priorities has always been an essential component of the Perkins work with an increasing need to make that connection through the comprehensive local needs assessment.

Through day-long workshops, webinars, face-to-face meetings and virtual mentoring, professional development has been occurring since October of 2018 to prepare local consortia leaders and work-groups for the relevancy of, and work required, to complete the CLNA. The CLNA Guide provides Minnesota Perkins Consortia Leaders with context on how to conduct the CLNA and translates language of the law into concrete, actionable steps for conducting a rigorous needs assessment that meets the Strengthening Career and Technical Education for the 21st Century Act requirements. When the CLNA is complete, a consortium will have findings that provides an accurate picture of local CTE programs and learners. It creates an incredible opportunity to:

- better help students achieve career success,
- align Perkins budgets with priorities and ensure that programs are aligned with and validated by local/regional workforce needs and economic priorities,
- ensure that consortium programs are serving all learners equitably and to focus resources toward programs that lead to high-skill, high-wage, or in-demand occupations while addressing disparities or gaps in performance,
- build on other process improvement efforts such as ESSA, WIOA, World's Best Workforce and others, and
- provide a structured way to engage key stakeholders regularly around the quality and impact of consortium CTE programs and systems.

Ultimately, the local needs assessment process is about helping applicants make a formal shift from merely collecting and reporting information to using information strategically to drive decisions about consortium CTE programs that help create success for students, employers, and the community. The relationships are graphically displayed below with each component dependent upon the others.

To mentor consortia in the implementation of the CLNA, Minnesota adopted a six-step process. Those six steps are to prepare, explore, assess, prioritize, communicate and evaluate. It is the intention of the Perkins state executive team to provide structure and processes so that local consortia can complete their work efficiently and effectively. The gathering of the stakeholder groups and the prioritization of local or regional work will come from these local efforts. From the CLNA data gathering and analysis, consortia will formulate actions to address gaps or enhance successes. Resources needed to implement those actions are the basis for the development of the local budget request.

After submission of the first round of the 2-year CLNA, the planning team will solicit input for needed changes in process, professional development and implementation of the CLNA in anticipation of the 2022 assessment.

2. **Consistent with section 122(e)(1) of Perkins V, each eligible agency must develop the portion of the State plan relating to the amount and uses of any funds proposed to be reserved for adult career and technical education, postsecondary career and technical education, and secondary career and technical education after consultation with the State agencies identified in section 122(e)(1)(A)-(C) of the Act. If a State agency, other than the eligible agency, finds a portion of the final State plan objectionable, the eligible agency must provide a copy of such objections and a description of its response in the final plan submitted to the Secretary. (Section 122(e)(2) of Perkins V)**

Minnesota has structured its implementation of federal Perkins funding through a three-pronged model: Minnesota State Colleges and Universities, Minnesota Department of

Education, and the local consortia. This model of governance and distribution of funds has provided a tradition of alignment of secondary and postsecondary partners that will continue with the *Strengthening Career and Technical Education for the 21st Century Act* (Perkins V). Minnesota State Colleges and Universities, the eligible agency, will continue to oversee the administration and implementation of the state's Perkins grant with our Minnesota Department of Education partners. Through the Perkins V 4-year state plan, state staff have an opportunity to exercise a variety of leadership levers to advance Minnesota's vision for Career Technical Education (CTE). Those levers include the changes in the fiscal split secondary to postsecondary; increasing the incentive for innovation through the increase in reserve funding and the utilization of data-driven decisions through the CLNA process.

The major responsibility for postsecondary career and technical education resides with the Minnesota State Colleges and Universities (Minnesota State) Workforce Division of Academic and Student Affairs (ASA). The work is done in partnership with other ASA units, specifically, research, educational innovations, and student affairs. These ASA units support CTE work for such initiatives as early college opportunities, program approvals and transfer, data research and reporting, accessibility services, faculty credentialing, and financial aid--all essential for the success of our learners. The CTE unit also works closely with the Equity and Inclusion division of Minnesota State, especially in the execution of the federal OCR requirements and overall professional development committed to support, protect, and encourage inclusive opportunities through the system.

In a parallel manner, the Minnesota Department of Education, Career and College Success Division houses the work of Career and Technical Education for secondary education. The CTE unit advances educational initiatives in collaboration with other Divisions including Indian Education, School Support, Academic Standards and Instructional Effectiveness, Research and Assessment, Equity and Achievement, Early Learning and State Library Services. Initiatives have included: Farm to Table Culinary Curriculum; CTE Safety Protocol development; collaboration with PELSB to implement the Tiered Licensing System; CTE Levy technical support for school districts; CTE curriculum framework development for all CTE program areas; Integration of quality program assessment measures in school district Program Approval processes; and data research reporting and analysis support for local school districts. The CTE Unit also participates as part of the Minnesota Department of Education Academic Success Team which is a team comprised of curriculum and instruction, school support, assessment, and other agency divisions.

Minnesota received approximately $18 million in FY 2019-20. Minnesota State is the fiscal agent for the grant and, as such, utilizes 5% of the allocation for Administration.

Using Perkins V funding levers to help drive meaningful change, Minnesota's Perkins V plan demonstrates that the consortia model empowers equal partnerships to make joint decisions to collaboratively plan and implement CTE programs and services. The Perkins V state plan will reflect changes in the funding distribution model as follows:

1) Distribution of the 85% of the state allocation provided to the local consortia applicants:

   Basic Revenue (decreased from 90% in Perkins IV): 85% (of the 85%) will be distributed utilizing the current formula process

   Reserve Revenue (increased from 10% in Perkins IV): 15% (of the 85%) will be distributed between rural and high numbers of CTE concentrators

   Secondary/postsecondary split: 50:50 in all calculations, basic and reserve

2) State Leadership: the secondary/postsecondary split of state leadership funds will be distributed as 42% secondary and 58 % postsecondary.

   State Institutions and Nontraditional will continue to be part of the leadership funds allocated to postsecondary. Minnesota State also will continue to fund major statewide work such as the annual conferences, communication and software supporting the local applications with leadership funds.

While planning teams and Perkins state leadership researched and considered utilizing the RFP process to distribute the 15% reserve funding to provide potentially larger investments feedback gathered was not supportive of that change at this time. We will continue to work to review the feasibility of this potential change. The perception is that larger consortia would be at an advantage over smaller, rural consortia in an RFP process has polarized the discussion. Therefore, the state will continue the formula distribution model at this time. Any changes in the current distribution of funds formula will be submitted as part of a future revision to the Perkins V State Plan.

Comments, concerns, and objections will be attached.

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3. Describe opportunities for the public to comment in person and in writing on the State plan. (Section 122(d)(14) of Perkins V)

Opportunities for public comment in person and in writing were provided through face-to-face meetings and webpages with questions, state documents, and provisions to allow individuals to provide written comments. Multiple public meetings were held at various times and locations to provide a wide range of opportunities for individuals to attend. A neutral contractor was hired to facilitate the public hearings to avoid any perception of control of the discussion by state leadership. Comments were collected and routed to the state leadership team for actions. Direct comments were provided to state leadership through email correspondence. These were sent to the facilitator for inclusion in the feedback report.

Notifications of public hearings and the webpage address for input, including the performance indicators, were provided electronically to the following:

Adult Basic Education
Association of School District Homeless Liaisons
Business and Industry Groups:
- Minnesota Precision Manufacturing Association
- Minnesota Hospital Organization
- Minnesota Construction
- Hospitality Minnesota
- Minnesota High Tech Association
- Minnesota Bankers Association

General Public through Facebook, twitter (www.minnstate.edu/CTEHearing)
Minnesota Business Professionals of America (BPA) board
Minnesota Centers of Excellence: distribution to industry partners through the centers
Minnesota Chambers of Commerce
Minnesota Distributive Education Club (DECA)
Minnesota Governor's Office
Minnesota State Academic and Student Affairs personnel including:
- Administrators
- Faculty Development
- Academic Advisors
- Accessibility Coordinators
- PSEO and concurrent enrollment directors
- Veterans
- Students

Minnesota State Board of Trustees
Minnesota Superintendents
Perkins consortium Leaders and coordinators
Professional Associations: Minnesota Association of Career Technical Educators (MnACTE),
Minnesota Association of Career Technical Administrators (MACTA)
Secondary Teacher List by MDE specialists
SkillsUSA MN Board
Special Education Directors
Student Organization Advisors
Variety of community organizations and foundations
WIOA Partners:
- Department of Labor
- Department of Employment and Economic Development
- Department of Human Services
- Department of Corrections
- Adult Basic Education

In addition, the front banner of the Minnesota State Colleges and Universities webpage highlighted the public hearing and provided a space for general and specific comments. The text provided is the following:

> Minnesota State and Minnesota Department of Education invite you and the members of the community to attend and participate in public hearings to discuss the changes to the *Strengthening Career and Technical Education for the 21st Century Act* (Perkins V). The focus of Perkins V is the alignment of systems and program improvement (Section 122:(a)(3) State Plan requirement of The Act).
>
> We're seeking your input on:
>
> - proposed state determined performance levels,
> - the alignment of programs of study to industry needs,
> - financial distribution of funds
> - increasing student access to high-quality education, and
> - supporting the full continuum of offerings from career exploration through preparations to meet the changing needs of learners and employers.

Public Comment and Hearing Update

Thank you for participating in these public hearing sessions. We are still accepting general comments and feedback on performance levels through Nov. 30, 2019.

Submit general comments

Submit comments on performance levels

During the public meetings, Minnesota State Staff provided an overview of the Perkins V plan and a neutral facilitator solicited feedback through a series of questions. Responses to the questions and an overview of discussion points have been collected in report form.

In addition to the series of public comment meetings, state staff met with Minnesota Tribal Nations Education Committee (TNEC) whose mission is to "strengthen, protect, and advance the overall education experiences and opportunities for all tribal (American Indian) students, families, and communities of Minnesota." The notes of

that discussion are included in the comment report attached. At the recommendation of that group, Tribal Nation contacts were cross-walked to current Perkins consortia so that Perkins leaders, in their CLNA work, would be inclusive of the Tribal Nation leadership.

Stakeholder engagement for accountability factors occurred in a parallel but separate process, coming together in the public hearings and the posting of the full 4-year plan.

Secondary

Secondary and postsecondary accountability involves a collaboration between two separate agencies; each with its own data systems and internal processes. Therefore, transition-planning for secondary accountability required a separate decision-making process. The process for identifying and defining secondary performance indicators occurred across two phases.

Phase one included an extensive information gathering process as well as documenting feedback from internal state staff. The purpose was to thoughtfully compile information and identify meaningful and specific questions to pose to stakeholders during phase two. State CTE specialists attended five two-hour long in-person meetings in which they reviewed data files, policy documents, and ESSA requirements in addition to considering existing data collection system and other available data sources. Staff considered all information and materials they reviewed through the lenses of our state's recently updated mission and vision for Career and Technical Education as well as the following questions. Does this data and information: 1) Advance our goals for CTE? 2) Support *all* of our CTE students and approved programs? 3) Support the needs of our Business and Industry partners as well as local communities? 4) Align with the Perkins V legislation? 5) Align with other existing legislation?

Products from the phase one internal secondary CTE state staff meetings included a refined list of key decision-points, discussion questions to pose to the advisory group, and a list of materials and resources that would assist in building stakeholder capacity.

Phase two involved sharing the previously identified information with secondary stakeholders in order to collect and compile their recommendations. Representatives from each of the following categories were invited to participate in the "Perkins V Secondary Accountability: Technical Advising Committee": secondary consortia leaders, postsecondary partners, local CTE policy and advocacy groups, school counselors, work-based learning coordinators, high school teachers, principals, and superintendents from rural, suburban, and large metro districts, business and industry leaders from each sector of the CTE Career wheel, Workforce Center staff, and Tribal leaders.

During May 2019, approximately thirty advisory group members engaged in three four-hour in-person meetings. All resources and materials were made available within a secure site so stakeholders could access the information at any point. During the facilitated in-person meetings, advisory group members discussed data sources, reviewed simulated historical data, and considered policy and legislative documents in small groups. Additional analysis were conducted by request. Following each meeting, stakeholders were then encouraged to talk with their constituents and gather additional feedback that would ultimately inform their recommendations to the state. Advisory group members were asked to consider all information through the lenses of the questions listed above as well as the following questions –are all performance indicators definitions/measures: valid, reliable, meaningful, and possess a high degree of integrity and transparency? Equitable across all student groups?

Stakeholder recommendations for specific performance indicator definitions were collected using an online survey tool, recommendations for the CTE Concentrator definition and program quality measures were collected using paper and pencil so that stakeholders' full thoughts and ideas could be documented. There were clear recommendations to the state regarding performance indicator definitions, updated CTE Concentrator definition, and the program quality indicator that was preferred.

Subsequent to the roll out of the full scope of the Perkins accountability system and performance level methodology, through listening to consortia leadership and conduction further analysis, recommendations made by the original work group came under review. Group members, district leaders, local partners and state leadership staff probed the implications of each potential program quality indicator. Further discussion and questions, data, and state level priorities were analyzed. These discussions resulted in MDE leadership carefully reviewing initial recommendations and making changes to the indicators. Original members of the stakeholder advisory group as well as all secondary consortia leaders were invited to provide feedback on whether the state should move forward with the previously recommended optional "Other" indicator or if other solutions should be considered at the state level. Additional comments and feedback were gathered regarding the optional program quality performance indicator via a survey tool. Results of that feedback survey prompted MDE leadership to make changes based on the deeper research. The new indicators were posted and the comment period extended to meet the 60-day requirements.

Postsecondary

In developing postsecondary operational definitions and identifying data sources for participants, concentrators, and each indicator, the state created an accountability workgroup consisting of state research staff for secondary and postsecondary, the State Director of Career Technical Education, and the Interim Associate System Director of Career Technical Education. The workgroup met as needed, generally at least once a month, to provide updates regarding ongoing work, brainstorm solutions to issues that arose, and clarify any questions around

process and timelines. Members of the workgroup then consulted with regional partners and determined our operational definitions and data sources were substantively similar. Consortia coordinators were given the opportunity to review and comment on legislative definitions and proposed operational definitions at the MACTA meeting in April (2019). Throughout May and June, as work on revising operational definitions, identifying data sources, and developing datasets progressed, key consortia coordinators and institutional research staff were engaged in phone calls and online meetings to provide feedback. In July, at a meeting of all consortia coordinators, the final draft of definitions and data sources used to develop the accountability datasets was presented and discussed. Finally, consortia coordinators and institutional research staff were presented with the final details regarding the accountability indicators in September.

State Determined Performance Levels (Secondary and Postsecondary)

In developing state determined performance levels, in addition to the regular workgroup meetings, we consulted with regional partners in June and August and determined our methodology for establishing performance levels is relatively similar. We also consulted with DEED throughout June specifically to better understand the statistical adjustment model used for the WIOA Performance Accountability System and discuss how it might apply to Perkins accountability indictors. An online meeting was held in September with consortia coordinators and institutional research staff where questions and feedback were discussed. In October, the state determined performance levels were presented at regional public hearings and published on the Minnesota State website, with a form that allows the public to submit comments. The state determined performance levels, with revision from the public comment, were presented at a meeting with all consortia coordinators in November.

B. Program Administration and Implementation

1. State's Vision for Education and Workforce Development

a. Provide a summary of State-supported workforce development activities in the state, including the degree to which the State's career and technical education programs and programs of study are aligned with and address the education and skill needs of the employers in the State identified by the State workforce development board. (Section 122(d)(1) of Perkins V)

The State of Minnesota continues to support workforce development activities through the collaborative work led by the Governor's Workforce Development Board (GWDB), the Minnesota Workforce Council Association (MWCA) and the Minnesota Department of Employment and Economic Development (DEED) through the unified public workforce system

under the name CareerForce. In addition, specific grants through the Minnesota Department of Labor and Industry (DLI) and the Office of Higher Education support career pathways, teacher recruitment, and students directly. Both Minnesota State and the Minnesota Department of Education are also partners in this work. Below are examples of the most recent major activities.

1) CareerForce: In a collaborative effort led by the GWDB, MWCA, and DEED, a unified public workforce system is being created under the name CareerForce to unify Minnesota's workforce development services at the almost 50 CareerForce locations (formerly WorkForce Centers) around the state and the online labor exchange, career services and resources. CareerForceMN.com features innovative career planning tools, workforce development resources, and customized labor market information for career seekers, businesses, and workforce staff and partners. The site supports the CareerForce mission to facilitate thriving career solutions for individuals, employers, communities and Minnesota, promoting equitable access to prosperity for all. With a CareerForce MN account, users can set career goals; like, save, and share content; and initiate CareerForce Connections.

2) Governor's Workforce Development Board: GWDB heard the call to action in response to the current workforce shortage and submitted the following recommendations:
    - Prioritize funding in the 20-21 budget that reduces economic disparities and economic inequalities based on race, disability, disconnected youth or gender.
    - Continue funding from the Minnesota State Legislature to support individuals with the most significant disabilities who are eligible for services through Vocational Rehabilitation Services at DEED.
    - Align state education and skills training investments with the vision, goals and strategies of the GWDB's and Minnesota's Strategic Plan and the local and regional workforce development systems' plans for the federal Workforce Innovation and Opportunity Act (WIOA) to ensure Minnesota remains a national leader in employment, skills training, education and economic growth.
    - Promote adult career pathways and career advancement strategies. Apprenticeships are a proven and affordable earn-while-you-learn skills training model leading to stable jobs, career advancement, and family sustaining wages and benefits. Apprenticeships help bridge racial, ethnic, gender and disability equity gaps within a growing span of industry sectors and in-demand occupations. Apprenticeship programs provide employers with skilled, credentialed and experienced workers.
    - Reskill and upskill incumbent workers to meet industry demands for new skills, higher overall skills levels, and advanced skills to prepare the workforce for technological advancements.

3) Workforce Development Scholarships: In the 2018-2019 academic year, nearly 400 Workforce Development Scholarships of $2,500 were awarded to students entering Minnesota State colleges as part of a pilot program funded by a $1 million appropriation from the Minnesota Legislature during the 2017 session. The scholarships were made available to new students entering associate degree, diploma, or certificate programs in high-demand sectors of Minnesota's economy at any of the 30 Minnesota State community and technical colleges. The qualifying programs included advanced manufacturing, agriculture, health care, and information technology. The scholarships covered approximately half the cost of tuition and fees for the required credits.

   To serve future students, legislation that came out of the 2019 legislative session substantially expands the $1 million pilot program by making $2 million available for FY2020 and a total of $6 million for FY2021. With the additional funding, the number of available scholarships will increase to an estimated 668 in FY2020. The legislation also expanded the program to include two additional programs of study: early childhood education and transportation. In addition, the seven Minnesota State universities will be eligible to award scholarships for FY2021 to students who received scholarships from a Minnesota State college and transfer into a corresponding bachelor's program.

   Referring to the workforce scholarships, Devinder Malhotra, chancellor of Minnesota State Colleges and Universities stated, "As I have traveled around the state, a theme that I consistently hear from employers is that Minnesota is facing a critical shortage of workers with the skills needed for high-demand occupations. Workforce Development Scholarships have proven to be an effective tool for attracting students into these fields and helping them find a path toward a satisfying and well-paying career. We are grateful to the Legislature and the Governor for this opportunity, and we look forward to awarding these scholarships to help meet Minnesota's workforce needs."

4) Continued support of the DEED Training Grant Programs: The Minnesota Jobs Skills Partnership (MJSP) provides short-term training for long-term employment and offsets training-related expenses. Grants include the Partnership Program, which provides up to $400,000 to educational institutions that partner with businesses to develop job training or retraining for existing employees, and the Job Training Incentive Program which provides up to $200,000 to new or expanding businesses (https://mn.gov/deed/business/financing-business/training-grant/).

5) Dual Training Grant: In support of the implementation of the Minnesota Dual-Training Pipeline administered by the MN Department of Labor and Industry (DLI), the 2015 Minnesota Legislature established the Dual Training Grant administered by the MN Office of Higher Education (OHE). The Dual Training Grant (Minnesota Statutes 136A.246) is a funding source that generates collaborative and strategic educational

solutions between employers and related-instruction providers across Minnesota. It pairs on-the-job training with related instruction to generate a comprehensive platform for learning. Employers, or organizations of employers, may apply for grants to reimburse expenses related to instruction toward attaining an industry-recognized degree, certificate, or credential for their employees.

6) Concurrent Enrollment Grant Program: The Office of Higher Education administers the Concurrent Enrollment Grant Program for development of new concurrent enrollment courses and expansion of existing concurrent programs. Concurrent enrollment courses are college courses taught in high school by qualified high school teachers during the regular school day and offered through a partnership between a high school and a college or university.
   The grant program was established by the 2015 Minnesota Legislature. The 2019 higher education omnibus bill provided $225,000 each year of the 2020-2021 biennium to support development of new concurrent enrollment courses in career and technical education. It also provided $115,000 each year for the expansion of existing concurrent enrollment programs by postsecondary institutions currently offering a concurrent enrollment course.

7) Get Ready Program: Get Ready helps students from low-income backgrounds, indigenous communities, and communities of color realize their aspirations through education and career advancement. Get Ready operates in middle and high schools across multiple districts in Minnesota.
   Get Ready is funded primarily by the U.S. Department of Education through a federal GEAR UP grant (Gaining Early Awareness and Readiness for Undergraduate Programs). The Program is administered by the Minnesota Office of Higher Education.
   The federal GEAR UP program has two objectives: 1) student graduation from high school, and 2) student transition into college (includes all types of postsecondary institutions) upon high school graduation. For more information about Get Ready, please visit: www.GetReady.state.mn.us

b. Describe the State's strategic vision and set of goals for preparing an educated and skilled workforce (including special populations) and for meeting the skilled workforce needs of employers, including in existing and emerging in-demand industry sectors and occupations as identified by the State, and how the State's career and technical education programs will help to meet these goals. (Section 122(d)(2) of Perkins V)

Preparing people for career and life success and meeting the skilled workforce needs of the state requires a close connection among the entities that recruit, support, educate, train, and develop youth and adults. It means ensuring that all individuals possess the knowledge and

skills to enter the workforce and have options for strengthening these capabilities over the course of their careers. This preparation and support requires a network of educators, employers, and service providers to make up a local, regional, and statewide network.

Formulated as part of the transition year's work, Minnesota developed specific statements to guide the Perkins V work. The vision, mission and principles that were developed are in alignment with the State's WIOA strategic vision, goals, and strategies. This underscores the partnership between the state agencies who are partners in this workforce development space.

Below are the vision, mission, principles and strategic directions for the Minnesota Perkins plan.

Our Vision: Advancing career and technical education empowers every learner to realize a rewarding career.

Our Mission: Quality career and technical education ensures every learner has equitable access to career-connected learning through a network of knowledgeable partners.

Our Principles: We are committed to ensuring:

- An equity lens for all decision-making
- Inclusion of all stakeholders
- Being bold, innovative, and focused on continuous improvement
- Responsiveness to the evolving labor market

The five strategic directions developed by Minnesota State, Minnesota Department of Education and the full planning team were validated by stakeholder groups and will direct the work of the Perkins V plan. The Strategic Directions are the following:

Advancing Career and Technical Education

- Comprehensive Needs Assessment
- Accountability
- Outreach
- Awareness and Communication

Career-Connected Learning

- Career Pathways
    - Programs of Study
- Career Preparation

- Work-based Learning

Integrated Network

- Business and Industry
- State and federal programs; state agencies
- Educational Partners
- Consortia/Minnesota State/Minnesota Department of Education

Equity and Inclusion

- Service Partnerships
- providing resources
- Data/data management

Knowledgeable Experts

- Professional development/technical assistance
- Licensure Preparation Programs
- Mentor/mentee relationships
- Consortia leadership

Preparing students for post-high school graduation opportunities has long been the priority of school districts across the nation; however, the past few decades have generally aimed at "college for all," with the assumption that "college" means a four-year degree. Our reality is now driven by global economic needs and the challenge to meet domestic and global workforce demands for jobs that require a combination of academic knowledge and technical skills. Of the careers requiring some type of education, a significant number of them are now requiring a two-year technical degree and/or credential or certification. Additionally, occupations need a workforce of life-long learners to keep abreast with technology and career area knowledge changes. Current trends are breaking down the silos in which education and workforce sectors often operate, thus leading the Minnesota Department of Education (MDE) to strengthen support to schools and districts in creating the World's Best Workforce (WBWF).

MDE has identified the skills and accountability measures of the WBWF, Every Student Succeeds Act (ESSA), and Career and Technical Education (CTE) and crafted a new vision for career and college readiness with due emphasis on career readiness domains and competencies. This vision has guided the development of the Minnesota Career and College Readiness Resource Guide for schools, students and stakeholders to use to support student learning in this area.

Embracing a well-rounded view of education is needed to drive educational and workforce goals and policies. Taking many perspectives into consideration, along with stakeholder feedback, MDE developed a holistic vision of career and college readiness:

> *A sufficiently prepared student is one who has the knowledge, skills, mindset, and experiences in the academic, workplace, and personal/social domains to keep learning and, beyond secondary school, to successfully navigate toward and adapt to an economically viable career.*

For the purposes of preparing an educated and skilled workforce, including special populations, and for meeting the skilled workforce needs of employers, including both existing and emerging in-demand industry sectors and occupations as identified by the State, the CCR Resource is one resource to guide schools and districts through holistic school or district program planning decisions. It can be used either as a systematic guide, or as individual pieces which best fit with the current phase of planning or improvement efforts. Four domains and competencies represent Minnesota's vision of career and college readiness: Employability Skills, Mindsets and Social Awareness, Career Development and Transitional Knowledge.

MDE is committed to establishing coherence between Perkins, the state CTE Vision, the state CCR Vision, WBWF, and ESSA. For example, one can view the "big picture" of all students being prepared for education, training, and careers and where the secondary Perkins performance indicators fit within the identified CCR Resource career readiness indicators are measured in the secondary system. All of the measures are grounded in the commitment and subsequent measures of equity access, participation, representation, and outcomes for all students.

In summary, MDE recruits and prepares students in CTE through a progression of education opportunities for students, teachers, and support staff. Minnesota State continues that progression through the goals of Perkins V including providing support of the CLNA in the development of local or regional strategies to develop workforce solutions; support the recruitment, preparation, retention and training of educational professionals; provide incentives for innovation and improvement of POS. These provisions and support are aligned with the recognition that rural consortia and consortia with high numbers of CTE students may need additional support to meet the state-determined performance indicators and provide equity of access for the students.

c. Describe the State's strategy for any joint planning, alignment, coordination and leveraging of funds between the State's career and technical education programs and programs of study with the State's workforce development system, to achieve the strategic vision and goals described in section 122(d)(2) of Perkins V, including core programs defined in section 3 of the Workforce Innovation and Opportunity Act (29) U.S.C. 3102) and the elements related to system alignment under section 102(b)(B) of such Act (29 U.S.C. 3112(b)(B)); and for programs carried out under this title with other Federal programs, which may include programs funded under the Elementary and Secondary Education Act of 1965 and the Higher Education Act of 1965. (Section 122(d)(3) of Perkins V)

As a partner of Minnesota's Combined State WIOA plan, CTE is actively engaged in workforce development planning, coordination and alignment activities with leadership from both Minnesota State and MDE serving on the Governor's Workforce Development Board (GWDB). The board has a responsibility to advise the Governor on Minnesota's workforce system and represents key leaders from business, education, labor, community-based organizations, and government. The GWDB has statutory responsibility under the federal Workforce Innovation and Opportunity Act (WIOA), which provides leadership on opportunities and key workforce strategies for the state. The Board provides a venue for workforce stakeholders building on a shared vision and mission. The GWDB is mandated and funded by the federal Workforce Innovation and Opportunity Act (WIOA) and further defined by Minn. Stat., Sect. 116L.665.

In addition, state staff serves on the career pathways and equity and inclusion work groups. At the regional and local levels, there is cross planning, alignment and coordination with Perkins leadership serving on workforce boards and regional workforce personnel serving on Perkins leadership teams. These relationships are essential to effective and authentic work in the completion of the comprehensive local needs assessments. As a strong local-control state, that local or regional work will be essential in achieving the core programs and elements related to system alignment described in Perkins V and WIOA.

MDE's Office of Adult Education oversees services to learners who have left the education system without graduating from high school. Many Minnesota two-year colleges have been selected as providers for adult education programs, providing services which include supports to help learners transition into CTE programs upon attainment of their GED. It is anticipated that Adult Education completers are likely to continue with their postsecondary education in CTE programs available at postsecondary institutions.

Perkins V reinforces Minnesota State and MDE's shared common efforts when it comes to engaging with the State's Workforce Board (CWDC) and other partners to prepare learners to

successfully transition to employment opportunities postsecondary and/or. The Perkins V initiative, along with other partners including industry associations and business coalitions such as chambers of commerce and Minnesota State's Centers of Excellence, engage business and industry for work-based learning opportunities, participate in and expand sector partnership efforts championed by business and industry, assist with the design of career pathways, and support collaboration with business and industry to increase opportunities for industry recognized credentials. The shared interests and overlapping goals between CTE, ESSA, and ensure responsibility for secondary student success is shared between the two federally funded programs. Additionally, Perkins V and WIOA share the goal of recognized postsecondary credential attainment for learners.

d. Describe how the eligible agency will use State leadership funds made available under section 112(a)(2) of Perkins V for each of the purposes under section 124(s)of the Act.

Minnesota will use leadership funds to support professional development and provide technical assistance aligned with the CLNA of local applications. Continuing best practices from prior CTE work and incorporating the Perkins V general authority, state leadership activities will include the required uses of funds of the Act.

Supporting preparation for non-traditional fields in current and emerging professions, programs for special populations, and other activities that expose students, including special populations, to high-skill, high-wage, and in-demand occupations will continue. Support may be offered in the form of professional development, technical assistance specific to consortia needs, or awarding incentive grants to eligible recipients.

Building on the recent activities with juvenile justice facilities and our past history working with correctional institutions, leadership funds will be used to support individuals in state institutions including juvenile justice facilities and correctional institutions. The award for the distribution of these funds will continue to be implemented through the request for proposal (RFP) process. Recipients will be encouraged to share promising practices at the CTE Works! statewide conference.

Funds will be used for professional development and to recruit, prepare and retain career and technical education teachers, faculty, specialized instructional support personnel, or paraprofessionals. Initiatives will be conducted at the statewide level through focused efforts to build additional venues for teachers to meet the CTE and work-based learning licensure and certification requirements. Perkins V leadership funds will also support other state and federal grant programs specifically designed to bring solutions to the critical challenge of meeting the state's needs for qualified CTE professionals.

Technical assistance will be provided as eligible recipients request and/or state staff predict the need in the implementation of Perkins V plans. Technical assistance may be delivered virtually or through a physical site-visit as requested by consortia. As appropriate, the team of secondary and postsecondary state staff will respond to requests.

In addition, leadership funds will support staff time and resources to:

a. Provide templates, rubrics and technical assistance for the development or refinement of State Recognized POS
b. Support the development of frameworks, career exploration materials, guidance, and advisement activities for CTE
c. Facilitate work-based learning experience guides, models and training
d. Promote the integration of academic standards, relevant technical knowledge and skills, and employability skills
e. Provide programming and support to increase the ability of teachers, faculty and specialized instructional support personnel to stay current with industry standards and earn industry-recognized credentials as appropriate
f. Support state staff to establish or participate in existing statewide industry partnerships among local educational agencies, institutions of higher education, adult education providers, Native Tribes and Tribal organizations, employers, and community organizations.

B. 2. Implementing Career and Technical Education Programs and Programs of Study

B.2.a. Describe the career and technical education programs or programs of study that will be supported, developed, or improved at the State level, including descriptions of the programs of study to be developed at the State level and made available for adoption by eligible recipients. (Section 122(d)(4)(A) of Perkins V)

Minnesota's Perkins V Plan will build on the solid foundation of development and review processes implemented through Perkins IV. Minnesota established a collaborative system focused on the assessment of technical skills in the State's high school and college Career and Technical Education programs. The current system is organized into 26 local consortia. The consortia model brings together secondary teachers and postsecondary faculty and staff, along with business and industry partners, to guide the development, implementation, and continuous improvement of programs of study. At its implementation, this collaborative system put in place technical skills assessments (TSA) as a measure of program quality and a tool for teachers/faculty to improve curricula. The TSA has evolved into a benchmark for the individual student and has directed attention to industry recognized credentials and postsecondary credentials in general. Perkins V is an opportunity for our collaborative system to continue to

evolve, ensuring open communication lines between secondary and postsecondary institutions as well as balancing the labor market needs of the community, region, or State.

The diversity of Minnesota's economy is a success story. Analysis of current economic growth points to strengths across a number of sectors—from national competitiveness in agriculture and manufacturing to impressive growth in healthcare and professional and business services. Minnesota's resilient economy provides momentum for continued support of career and technical education programs including programs of study in all 16 career clusters. The framework for this continued work includes:

- Marketing
- Business, Management and Administration
- Hospitality and Tourism
- Finance
- Agriculture, Food, and Natural Resources
- Arts, Audio/Video Technology, and Communication
- Information Technology
- Transportation, Distribution, and Logistics
- Architecture and construction
- Manufacturing
- Science, Technology, Engineering and Mathematics
- Health Science
- Education and Training
- Human Services
- Government and Public Administration
- Law, Public Safety, Corrections and Security.

Comprehensive local needs assessment will assist the local consortium in the prioritization and validation of the economic cluster and related programs of study that meet local or regional needs. These plans will be based on data-driven decisions made with their local and regional partners.

Minnesota has defined is definition of a Program of Study (POS) as a coordinated, non-duplicative sequence of academic and technical content at the secondary and postsecondary levels that:

- incorporates challenging State academic standards,
- includes both academic and technical knowledge and skills that are aligned with State-approved frameworks including employability skills,
- is aligned with local and regional needs of current and emerging occupations,
- progresses in specificity (beginning with all aspects of an industry or career cluster) and leads to more occupation-specific instruction,

- has multiple entry and exit points that incorporates credentialing, and
- culminates in the attainment of a recognized postsecondary credential.

The development and distribution of the career and college readiness guides, along with professional development resources provided by the state, is worthy of attention. In Minnesota, career and college readiness has been elevated as an educational support and vital component of programs of study. In March 2016, the Office of Career and College Success, in collaboration with the Regional Educational Laboratory (REL) Midwest and the Midwest Comprehensive Center (MWCC), brought together a group of stakeholders to articulate what career and college readiness means for Minnesota students.

Support for the development and implementation of programs of study at the local consortia level is provided through state-approved frameworks, career and college readiness resources, work-based learning guides, and intentional professional development with teacher, faculty, and Perkins leadership. In addition, individual technical assistance is provided through state staff of Minnesota State and Minnesota Department of Education. Building on the considerable work of Perkins IV in which each program of study was reviewed by teachers and faculty for competencies and appropriate technical skill assessment on a rotational basis, work will now have closer alignment with the timing of the secondary programs review scheduled by MDE. The first of this new continuous review process is set to begin January of 2020.

B.2.b. Describe the process and criteria to be used for approving locally developed programs of study or career pathways (see Text Box 3 for the statutory definition of career pathways under section 3(8) of Perkins V), including how such programs address State workforce development and education needs and the criteria to assess the extent to which the local application under section 132 will—

i. promote continuous improvement in academic achievement and technical skill attainment;
ii. expand access to career and technical education for special populations; and
iii. support the inclusion of employability skills in programs of study and career pathways. (Section 122(d)(4)(B) of Perkins V)

Minnesota's school districts and the two-year colleges of Minnesota State were self-formed into Perkins consortia under Perkins IV to promote collaborative planning and implementation of Career and Technical education programs within their regions. Benefits of the consortia model include bringing all stakeholders together in a given region to ensure all voices are heard as decision are made to determine which programs of study would best address the workforce needs of the communities.

In identifying initial membership in the State's Perkins consortia, Career and Technical Education leaders were asked to consider the following for their region of the state:

- Career and Technical Education program improvement
- Anticipated Programs of Study
- Dual and concurrent enrollment opportunities
- Collaborative history and culture
- High school to college matriculation patterns
- Geographic proximity
- Continuation of effective collaborative activities that promote high school to college transition
- A decision-making model that would equitably and effectively address Career and Technical Education programming.

For the past several years under Perkins IV the consortia structure has worked well in Minnesota, but as circumstances change over time due to economic, population-related, or other reasons, consortia structure needs to be re-examined to ensure consortia are achieving the goals they were formed to meet. As such, State leaders are requesting that Perkins consortia in Minnesota take a critical look at whether their current configurations best meet the career and technical education needs of students in these regions. This process will be on-going throughout the next four years as Perkins consortia research and plan governance changes to meet State guidelines for size, scope, and quality of programs going forward into Perkins V. As the state implements the Strengthening Career and Technical Education in the 21st Century (Perkins V) Act, the consortia model will continue to be the system of delivery for quality Career and Technical Education including addressing State workforce development needs and education goals and assessing quality programs of study.

In the planning year, Minnesota formed five strategic direction work groups to guide our transition to Perkin V: Advancing CTE, Career-Connected Learning, Integrated Network, Equity and Inclusion, and Knowledgeable Experts. The purpose of the Career-Connected Learning Work Group is to provide recommendations and decisions that re-set/guide the state in career pathway development from career exploration to employment. Career Connected Learning provides context to core academics through integrated, applied and experiential learning with an exposure to Career and Technical Education and a balanced secondary and postsecondary experience. One of the goals of the group included the development of a checklist and two rubrics that define the minimum criteria for State-recognized programs of study, the second to identify strengths or potential opportunities in their State-recognized Programs of Study, and the third to provide measures for continuous improvement for all programs of study. The minimum criteria rubric advances and refines the previous Rigorous Program of Study checklist that Minnesota implemented in 2012, the MDE program approval guidelines, and the quality standards from the research of national organizations including Advance CTE.

The elements of the rubric to meet the minimum standard for a State-recognized CTE program of study include the following:

1. **Course standards accurately align to the academic, technical, and employability skills learners must master for entry and success in a given career pathway:** Content standards, frameworks and competencies that define what students are expected to know and be able to do to enter and advance in college and/or careers comprise the foundation of a POS.

2. **Program of Study incorporates active involvement from an integrated network of partners:** Ongoing relationships among education, business, and diverse community stakeholders bolster POS design, implementation, evaluation and maintenance.

3. **Secondary program(s) meets MDE program approval requirements and incorporates courses that lead to postsecondary credits/credentials:** Secondary programs have appropriately-licensed teachers, advisory committees, develop and ensure access to equitable student leadership opportunities, and provide career exploration activities leading to postsecondary credits/credentials.

4. **Postsecondary academic program meets Minnesota State board policy and Higher Learning Commission requirements:** A cohesive arrangement of college-level credit courses and experiences, designed to accomplish predetermined objectives, lead to the awarding of a degree, diploma, or certificate.

5. **Materials, Equipment and Resources:** Facilities, equipment, technology and materials used in the program of study reflect current workplace, industry and/or occupational standards and practices for installation, use, maintenance, and safety.

6. **Incorporates authentic work experiences at the secondary and/or postsecondary level that are valued by industry:** POS engages students in authentic work-based learning experiences that demonstrate progressive occupational learning aligned to industry workforce needs.

7. **Program of Study development, improvement and advocacy are supported by findings from a comprehensive local needs assessment:** Systems and strategies for gathering, analyzing, and disseminating needs assessment data are effective for guiding the improvement of POS, and available in plain language to enhance use by stakeholders for POS advocacy.

A consortium will have a minimum requirement of six programs of study by the submission of their second 2-year local application. The process includes program approvals at the secondary level (Minnesota Department of Education program approval and 5-year program review) and the postsecondary level (initial program by Minnesota State system office and then local program review according to their accreditation standards). The consortia's POS will be submitted and reviewed on an annual basis as part of the application for funds. The continuous improvement efforts of the local consortia will be documented through the use of the POS Continuous Improvement rubric(https://www.minnstate.edu/system/cte/Strengthening-CTE/index.html).

Postsecondary
The Minnesota State program approval policy:

Board of Trustee Policy 3.36 Academic Programs Part 5.
Academic Program Approval. Approval of the chancellor is required for new academic programs, changes to existing academic programs, suspension of academic programs, and closure of academic programs at system colleges and universities.

An approved academic program shall include curricular requirements for earning an academic award, such as credits in general education, a major and/or minor, and all prerequisite courses. The chancellor shall maintain the academic program inventory and annually report to the Board of Trustees on the status of the inventory. The annual report to the Board will include data and analysis of programs measured against program goals established by the Chancellor. The goals will be based on aligning program offerings to workforce needs statewide, regionally and locally in collaboration with the Department of Employment and Economic Development and the Governor's Workforce Development Council (GWDC), and including data from the State Demographer. Only academic programs approved by the chancellor as recorded in the academic program inventory may be offered by system colleges and universities.

(Retrieved from https://www.minnstate.edu/board/policy/336.html)

Secondary

Minnesota Department of Education Program Approval

Districts, Cooperatives, and Charter Schools submit a Program Approval Form to the Minnesota Department of Education (MDE) if they are:

- Applying for a new program.
- Making updates to an existing program.
- A Carl D. Perkins consortia region that is up for five-year renewal.

The programs and courses listed within a district's Program Approval Database are the programs and courses that will be reported to MDE in the P-file (Perkins data submission). Retrieved from (https://education.mn.gov/MDE/dse/cte/progApp/)

All programs receive review conducted by the Minnesota Department of Education on a five-year cycle.

B.2.b (ii) expand access to career and technical education for special populations;

While economic indicators for Minnesota are headed in a very positive direction, a number of other indicators highlight the educational and employment disparities that continue to persist. As the disaggregated unemployment data is analyzed, it documents that unemployment and poverty rates for communities of color continue to increase. This research shows that people with disabilities experience over twice the rate of unemployment as those without a disability. The State's WIOA plan states, "Youth are becoming increasingly disconnected from education and the labor market. Minnesota's future economic prosperity requires a workforce development system that provides greater employment opportunities for those experiencing barriers to employment and meets the skill needs of employers."

The Perkins V strategies to meet the challenges of our special populations will come from the analysis at the local or regional level derived from the CLNA. Local consortia are required to document and evaluate how their intentional activities will expand access to Career and Technical Education (CTE) for special populations as identified in the comprehensive local needs assessment. The State will continue to provide professional development to consortia including understanding the expansion of special populations as defined by the Strengthening Career and Technical Education for the 21 Century Act, consortia data review and analysis, applicable national research projects, and recommendations for interventions.

A component of providing *access for all* to programs is the Office of Civil Rights compliance requirements. Minnesota has demonstrated a long-standing commitment to equity and ensuring that members of special populations are provided equal access to programs. Each year Minnesota State conducts a minimum of four Office of Civil Rights (OCR) compliance reviews. The major purposes of the OCR Compliance Review are to ensure that community colleges are providing equal access to CTE through vigorous enforcement of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Vocational Rehabilitation Act of 1973, and Title II of The Americans with Disabilities Act (ADA). In addition to conducting a minimum of four local OCR On-Site Compliance Reviews each year, Minnesota State provides ongoing technical assistance to community college staff members on equal access.

The Minnesota Department of Education is required to submit to the United States Department of Education, Office for Civil Rights (OCR), a Biennial Civil Rights Compliance Report. It is MDE's responsibility to conduct comprehensive on-site reviews of school districts to address issues of discrimination on the basis of race, color, national origin, sex and disability in vocational education programs. The strategies that have been undertaken under Perkins IV will continue under Perkins V. Specialists with the Compliance and Assistance Division within the Minnesota Department of Education will review Minnesota school districts on a cyclic time frame.

B.2.b. iii. support the inclusion of employability skills in programs of study and career pathways.

Employability skills are increasingly a component of curriculum and instruction in all career and technical programs, and are addressed and validated through the inclusion of work-based learning (WBL) experiences within programs of study and career pathways and all aspects of MDE's Career and College Readiness work.

Work-based learning provides students the opportunity to become engaged with occupations, employers and career pathways. There is a significant importance for both secondary and postsecondary students to participate in work-based learning opportunities. The experience gives students a first-hand look into prospective or chosen careers as well as experience in developing employability skills. Students have the opportunities to participate in career exploration to full emersion either in or outside of the traditional school setting. This is rich experience for students and helps guide them to well-suited career choices. The state supports the local consortium's implementation of work-based learning in the programs of study. One of the minimum requirements for State-recognized Program of Study recognition by the state is the inclusion of a work-based learning opportunity for students. The state supports work-based learning at the consortium level by providing funding to the consortium to both develop and improve these opportunities for students and to provide professional development and technical assistance.

Opportunities to build career awareness, explore careers, and develop employability, critical thinking and problem solving skills are provided through work-based learning experiences. Local consortia have a range of WBL strategies to include in programs of study, including instructor-led experiences such as simulation, portfolio development, and capstones or employer-aligned WBL such as internships, project work, or field experience. WBL is an instructional strategy within the experiential learning continuum wheel (p. 6, A Reference Guide to Minnesota Work-Based Learning Programs, http://education.state.mn.us/MDE/dse/cte/tl/wbl/) which involves an appropriately licensed teacher (through the Minnesota Professional Educator Licensing and Standards Board (PELSB), formerly the Board of Teaching) who closely supervises the worksite activities, convenes an

advisory committee, and is responsible for the required Training Plan, Training Agreement, safety training, seminar class, evaluation of competencies and recordkeeping.

The work-based learning experience is to be connected to career pathway CTE classes and the career technical student organizations (when available) of the career pathway, including, but not exclusively, the work-based learning career seminar. Training Plans for a particular work experience detail the scope and sequence of occupational competencies and employability skills for entering an occupation or postsecondary education. If a student completes multiple work experiences, the training plan should include a progression of acquisition of higher-level competencies. Each student participating in an employer-aligned work-based learning opportunity must have a training plan prepared by the work-based learning coordinator and the employer, with competencies identified by the team. These identified competencies must match proposed deliverables/outcomes specified in a vendor contract for an identified employment opportunity. Training plans are required to be kept on file at the local school district and be available for review upon request.

This array of opportunities provides Minnesota students with the strategies to become career ready. Students with disabilities have opportunities to participate in work-based learning, however, there may be times when students with disabilities will require specially-designed instruction to meet their educational needs. If an Individualized Education Program (IEP) team determines that need, accessing Minnesota's CTE for Students with a Disability may be an appropriate service. The WBL experience provides students with opportunities to build career awareness, explore careers, employability skills, and develop critical thinking and problem-solving skills.

Minnesota has codified employability skills within its definition of career and college readiness. Career and college readiness is defined by Minnesota Statutes, section 120B.30, as:

> "For purposes of statewide accountability, 'career and college ready' means a high school graduate has the knowledge, skills, and competencies to successfully pursue a career pathway, including postsecondary credit leading to a degree, diploma, certificate, or industry-recognized credential and employment. Students who are career and college ready are able to successfully complete credit-bearing coursework at a two- or four-year college or university or other credit bearing postsecondary program without need for remediation."

B.2.c. Describe how the eligible agency will--

B.2.c.i. Availability of Career Pathways Information

At the state level, career pathway inventories are available through MN Programs of Study (http://www.mnprogramsofstudy.org/mnpos//). Currently, information on college credit options, career exploration resources and the full listing of programs of study by high school,

career, pathway, or college are available. The pathways can also be sorted by consortium name. However, as the system makes changes to its own software platforms and the new State-recognized Programs of Study checklist is implemented, the State is researching new options to transition our delivery of this information in more user friendly, compliant and diverse language platforms. Local consortia have print and website information available to students, parents, teachers and faculty.

B.2.c.ii. Career Pathway Multiple Entry and Exit Points

The State is committed to providing support to local consortia and partners and to build career pathways that demonstrate the opportunity for multiple entry and exit points. The availability of multiple entry and exit points provides the opportunity for students to enter a career pathway at various stages in their educational experience. The State does not have the authority to mandate to colleges or high schools the structure of the programs and the creation of degree options. However, the State does collectively encourage programs to structure credential attainment in a stackable format. This allows students to enter and stop-out at various life points without losing previously obtained experience and provides opportunities for students to gain both experience in the industry and educational experiences. This includes the ability of singular institutions to offer only portions of a program because of limited physical or human resources. The state encourages collaboration and partnerships between educational institutions to provide credential attainment in a variety of ways and encourages institutions to honor transfers, articulations, dual enrollment agreements, and award credits for prior learning experiences or competency-based education.

There are some circumstances that are beyond the control of the Career and Technical Education units and are governed by other regulatory agencies such as Regional Accreditation (HLC), State Statute, or Board of Trustee Policy. Programs of study provide students with opportunities to stack their credentials and earn credits for prior educational or work experiences. Programs are developed for people to gain professional development and/or leadership responsibilities in a chosen career pathway. This may be a degree completion or preparation for completion of an industry recognized credential or re-certification. Institutions are developing programs that have smaller parsed courses that allows for students to enroll in courses (or parts) that are needed to complete credentials without having to “re-enroll” and participating in programs that are not needed because of experience or educational completions.

The state will review all the State-recognized Programs of Study and career pathways and provide supports for technical assistance to programs to re-design so that various entry and exit points exist. The creation of the Continuous Improvement Rubric for “program quality” is aligned with MN State, MDE, and the program approval process for schools to self-evaluate the quality of their programs and programs of study in their school districts (not a state evaluation tool). One of the metrics in this tool is to review the multiple entry and exit points. There are many efforts

throughout Minnesota State to enhance the entry and exit points in career pathways for various populations such as Veterans and ex-offenders.

Minnesota has required consortia formation between secondary and postsecondary for several years. This obligates partners to collaborate on the development of a joint local Perkins application. This application details how each consortium will use funds to develop, coordinate, and implement CTE programs and programs of study. This requirement by the state has been a successful tool in having eligible recipients work together to leverage resources. Efforts to coordinate and improve State-recognized Programs of Study will include consortia collaboration with secondary, postsecondary, adult basic education (ABE), and workforce agencies.

The state supports application and plan development by monitoring and providing feedback on each local plan. In addition, the annual CTEWorks! Conference starts with a preconference designed to support local consortia coordinators. It gives coordinators a time to network and share learning. This work was highlighted partly because of the alignment of the career pathways definition in WIOA and Perkins V. Future conferences could include sessions on fiscal collaboration with other revenue streams.

The alignment of definitions has provided an opportunity to merge work around multiple entry and exit points. For instance, State-recognized Programs of Study are designed to move students through secondary and postsecondary courses in a particular industry. Although this is a good model, it limits access for adult learners, dislocated workers, and others. The only entry point they have is postsecondary and unfortunately, too many of them end up in developmental education instead postsecondary coursework. To address this issue, system leadership in ABE and CTE have been regularly meeting this past year to consider a new strategy with Adult Basic Education to create professional development that guides CTE and ABE instructors in creating scaffolded pathway coursework that clearly delineates entry and exit points.

B.2.c.iii. Labor Market Data

Consortia statewide are required to conduct local and regional needs assessments on a biennial basis. The state will utilize the data collected from local and regional needs assessment to influence conversation at regional levels. This will provide some of the data required to make informed decisions about State-recognized Programs of Study. The State also has several resources to align State-recognized Programs of Study to local and regional labor market data. State staff will develop a process for conducting an analysis of consortia programs of study. This analysis will help consortia determine which programs of study are offered throughout their region. Perkins state leadership will conduct professional development for consortia leaders and provide technical assistance to utilize a variety of labor market data resources to triangulate data, both quantitative and qualitative, to analyze what programs are vital to the region. The State anticipates that manufacturing and healthcare will have a strong presence as in-demand industries in all needs assessments and this will be reflected in labor market data.

The state may not have the capacity to develop career pathways in these industries at every institution, but can support partnerships and collaboration between these institutions to develop programs. Once the information is available, consortia leadership will determine how to support programs that are deemed high-wage, high-skill, or in-demand and how to align programs to meet the needs of the local needs assessment. There are many resources and collaborations occurring throughout the state to address occupations that are deemed high-wage, high-skill, or in-demand.

Funding sources may be directed to consortia to examine and implement the use of current technology, equipment, or training aids that align directly to local, regional, state, and national standards within the economy. Consortia applications will document how they have determined what these needs are and how they came to these conclusions with the support of advisory committees. Programs that do not meet the local needs assessment or the definitions of size, scope and quality may need to seek other sources of funds for equipment or materials to maintain programs.

B.2.c.iv. Equal Access to Approved CTE Programs

The State will continue to ensure equal access to approved career and technical education for all students with evidence-based practices that have proven to be successful in the state. Several consortia have demonstrated the ability to provide education and activities to populations that have barriers to access. Access to Career Technical Education for Students with a disability (ACTE-SPED) aid is available for contracted services and special equipment to enable students to access CTE courses. Information will continue to be disseminated to consortia so that they can continue to access this aid. The state will collaborate with consortium leaders to identify best practices for educational program delivery to diverse populations across large geographic boundaries. This will include guidance for small institutions with limited economic means for delivering needed career and technical education programs because of factors that are beyond the State's ability to control.

The availability of resources can be scarce in extremely rural regions. In addition, the diversity of career and technical programs offered in the consortia is vastly different. One of the elements of the local needs assessment reviews the issues of access to special populations. This will provide regional data for the consortia to determine strategies on closing the gap associated with access and opportunities for students in special populations.

During the transition year, the State conducted research to identify tools such as NAPE's Equity gap analysis tool that will assist in the identification of gaps or present barriers for special populations' access to career and technical education. Gap analysis will allow the state to determine a strategic approach to reducing or eliminating barriers to career and technical educational programming. The state will continue to provide incentive funding for consortia to

improve access and opportunity to special populations and to those that have been able to improve and maintain proven career and technical programming and related activities.

The State will encourage local consortia to establish stronger working relationships with community-based organizations and adult basic education to expand career and technical opportunities to underserved populations as defined in the law. The state will continue to support consortia efforts to expand career and technical education offerings beyond the traditional school building. This includes distance delivery of education through various modalities and utilization of industry-supported facilities to eliminate one of the physical barriers. It is evident that many of the barriers to access are caused by the lack of career and technical education teacher licensure or credentialing opportunities. Multiple initiatives are in place to address the CTE teacher shortage.

The state will continue to support the availability of brokered career pathways to provide more experiences that are educational for students. The State will also continue to fund support services for students with a variety of needs and provide opportunities for students of all abilities to participate in career and technical education wherever practical and applicable. Professional development needs for educators will be considered to aid in the development of curricula and programs to meet the needs of learners of all ability levels.

B.2.c.v. Local Workforce Development Boards

Local workforce development boards participate in all CTE work in Minnesota and the extent of the involvement is very locally controlled. At minimum, workforce development board members participate in the CLNA. Minnesota Department of Employment and Economic Development (DEED) regional labor market analysts and career pathway counselors are active participants in this work. The Career Pathways Tool (https://mn.gov/deed/data/data-tools/career-pathways-tool/), developed and hosted by DEED, is utilized to connect educational programming with labor market data to help align educational outcomes with the employment opportunities. This interactive tool provides access to statewide or regional exploration of career field and cluster employment projections, the education demand in these occupations, and wage data. The professional development focused on the use of this tool is part of the Perkins V webinar series hosted by Minnesota State. Local and regional relationships exist between the regional career pathway specialists to assist in providing information for educational programming and career advisement for our learners.

In the majority of the consortia, these personnel also participate in career and technical education advisory boards. Workforce center personnel are also part of the local Perkins governance teams in many consortia. The flip-side is also true; many of our consortia leaders serve on their regional or local workforce development boards.
Minnesota State and Minnesota Department of Education have separate processes for developing and approving career and technical education programs and each State agency has the authority to approve or deny the application based on a variety of criteria. This process

does not discriminate between career and technical education or general education programs. The state currently requires consortia to possess six State-recognized Programs of Study. The state does not dictate or mandate that certain consortia offer certain programs. The consortia determine which pathways are best suited to meet the needs of the students and are available regionally. Secondary and postsecondary approval requires the engagement of a local advisory committee in the ongoing delivery of CTE programs. The State has developed and is updating resources for the programs to utilize the creation of local advisory committees. There are also requirements that programs have occupational data demands to support the creation of postsecondary career pathways. Once programs are completed and approved, they are required undergo a program review process. State-recognized Programs of Study are reviewed annually to ensure all the required components exist. The State also strongly encourages the participation in State career pathway collaborative meetings where secondary teachers, postsecondary faculty, and industry experts develop, edit, and approve competencies and assessments to validate the skills needed for entering graduates.
The State will continue to review processes to improve the performance in the areas of career pathway development, program of study development, and local workforce board and education collaboration and partnership. In addition to these mentioned strategies, consortia throughout the State will be conducting local needs assessments and evaluating the findings. This process will influence the decisions to add, improve, modify, or delete career pathways and/or state approved programs of study. It will also influence postsecondary program modification through involvement of established workforce boards.

As part of the development of a continuous improvement rubric, one metric includes evaluating the level of engagement by local workforce boards. The metric will evaluate industry and workforce board involvement in the establishment and modifications of career pathways to meet local needs assessments and the needs of the local workforce development boards.

B.2.c.vi. All Aspects of Industry

The State places a strong emphasis on the incorporation of work-based learning, mentoring, internships, and simulated work environments into career pathways as part of State-recognized Programs of Study. Many consortia have developed strong collaborations or partnerships with business and industry to provide experiential learning opportunities for students. Consortia are currently developing opportunities for students to engage with business and industry on a variety of levels from exploration to employment in various stages of their education. Secondary and post-secondary partners have developed partnerships to take courses in shared spaces with access to all instructors including industry experts. This also includes providing opportunities for teachers and faculty to participate in externships to learn more about relevant industry skills to be teaching students.

One of the metrics the State has examined is the incorporation of work-based learning for students as a program quality indicator. This may include simulated work environments such as health care simulation laboratories or other simulated businesses. The State will begin to

investigate the impact of requiring that all identified State-recognized Programs of Study (which includes both the secondary and postsecondary levels) provide the opportunity for some form of work-based learning for students including youth apprenticeships, internships, co-operative experiences, clinical and practicum experiences, entrepreneurships, work simulations, or other forms of work-based learning. In addition, every State-recognized Program of Study already includes career exploration, preparation, and guidance provided by both educators and industry professionals. Several consortia are using Perkins funding to provide opportunities for rigorous, long-term, and sustained career exploration with hands-on experiences that are relevant and current in the industry. Providing technical support and professional development for these types of work-based learning opportunities will continue with the implementation of Perkins V. In addition, the state will explore partnerships with the Minnesota Department of Labor and Industry to provide secondary schools with collaborative guidance about school-based businesses to ensure that experiences meet requirements of WIOA, Olmstead, and other labor laws.

The state will provide technical assistance, evidence-based practice, and resources on proven strategies for local school districts and colleges to implement more and create new work-based learning experiences for students. This metric will become one of the scoring sections in determining program quality.

B.2.c.vii. Improvements in Gaps of Performance

The state will continue to link CTE coursework to hands-on relevant work-based learning experiences, including efforts to develop a scaffolded framework of employability skills development as part of the work experience seminar. The state will provide open educational resources development with the Minnesota Partnership for Collaborative Curriculum (MPCC), with input from a team of CTE teachers from various career fields, which can be used as a course or as modules within other courses. The enhanced connection to work-based learning and development of employability skills has the potential to increase student retention, engagement, graduation rates and academic performance.

During the Perkins V full implementation, consortia will continue to be encouraged to strengthen intentional connections to regional workforce development centers within consortia and local school districts to identify workforce skill training needs for all students/workers including special population students. Programs of study will be reviewed for their responsiveness to local needs assessments and delivered with fidelity to address workforce and workplace needs.

B.2.d. Dual enrollment

Minnesota has been increasing postsecondary opportunities for students through multiple approaches and offers dual enrollment opportunities for students under the Postsecondary Education Options (PSEO) Act, which includes postsecondary courses taught at the college and/or at the high school through Concurrent Enrollment. By participating in these dual

enrollment options, high school students complete both high school graduation requirements and college requirements that allow for greater flexibility when they enter the postsecondary setting full-time. Students may benefit from cost-savings and shorter time-to-credential. State law and consortium regional articulation agreements support planning and funding early college opportunities and ease the transition from secondary to postsecondary.

Eligibility for secondary students to access PSEO on a college campus has expanded over the years to include participation in postsecondary CTE programs for 10th, 11th and 12th grade students. Transcripts at the secondary and postsecondary level document course completion. Tuition, fees, and books for PSEO students who earn dual credit are paid by the Minnesota Department of Education to the colleges and universities in which PSEO students are enrolled. The state also provides support to pay the cost of transportation for low income students attending college courses on a postsecondary campus. In addition to financial provisions to support access to college course-taking opportunities for students, policy holds both institutional partners accountable for offering support services to students both prior to and during enrollment in the PSEO program.

The Minnesota Department of Education developed a Postsecondary Enrollment Options Reference Guide, updated August 2019, which provides definitions of postsecondary options, eligibility of students, and participation requirements including students with Individualized Education Programs (IEP). The guide also includes information for students, parents, districts and postsecondary institutions. The Minnesota Automated Reporting Student System (MARSS) collects enrollment and demographic student data using a unique student identification system. The system allows MDE to track student enrollment and postsecondary enrollment option participation.

Minnesota's Concurrent Enrollment partnerships offer thousands of Minnesota students access to rigorous college courses at their local high school. Research shows that high school students who participate in accelerated learning options, such as concurrent enrollment, benefit greatly from:

- exposure to high expectations,
- participation in challenging courses, and
- the momentum gained by earning college credits while still in high school.

Minnesota's Concurrent Enrollment program has one of the most extensive policy structures in the country to support high school instructors teaching college courses. Secondary and postsecondary institutions are required to sign a concurrent enrollment agreement that provides for the following assurances: determination of qualifications and responsibilities of high school instructors; postsecondary supports for instructors, resources needed to support teaching and learning; regular communication and professional development between postsecondary faculty and high school instructors; and approval of high school instructors to teach college courses by the college or university partner.

Partnerships developed between university faculty and high school teachers provide learning and training opportunities that may not otherwise exist. Additionally, concurrent enrollment students stay at the high school instead of leaving to attend classes at a university. This allows the student to continue their learning within their high school community and eliminates the transportation barrier that might be experienced if the student needs to travel to the local college. Finally, through participation in concurrent enrollment, high schools establish themselves as education leaders by setting high standards, providing outstanding offerings, and preparing students for the 21st century.

All thirty-one of the two-year colleges in the Minnesota State system participate in dual enrollment and offer these opportunities to high school students. In 2018, over 41,000 high school students gained college credit via dual enrollment, and participation in dual enrollment has grown by 44% over the past five years. This statistic is inclusive of career and technical educational coursework.

Professional development is an essential part of successful dual enrollment activities. The Minnesota State system office provides a variety of professional development opportunities for both internal staff and external partners specific to dual enrollment opportunities and requirements. Monthly webinars are held for concurrent enrollment directors for our 33 concurrent enrollment programs to share best practices, provide policy guidance, and share information relevant to effective program implementation.

Due to state legislation requiring all concurrent enrollment programs to receive NACEP accreditation, Minnesota State provides annual workshops in collaboration with NACEP. NACEP is the national accreditor of concurrent enrollment programs and provides rigorous program standards to support high-quality programming. These workshops provide opportunities to learn more about the standards, how to implement them, and how to prepare a strong portfolio for accreditation. Minnesota State also held its first concurrent enrollment summit in the fall of 2018 bringing secondary and postsecondary partners together from across the state to learn about effective and equitable programming practices and build a community of practice statewide.

For programming where high school students take college courses on the college campus (PSEO), quarterly webinars are held to share practices and hold an annual convening of program coordinators to engage in professional development around the specific program needs of this model. Technical assistance is provided as specialized support for PSEO programming with students enrolled in the state approved alternative high schools as well.

For all the success of dual enrollment in all of its iterations, two major challenges persist:

1. The barriers created by the misalignment of secondary teacher licensure requirements and postsecondary minimum qualifications in the same or similar content areas

2. The recruitment and support of nonwhite students into dual enrollment opportunities.

B.2.e. Stakeholder Involvement

Describe how the eligible agency will involve parents, academic and career and technical education teachers, administrators, faculty, career guidance and academic counselors, local business (including small businesses), labor organizations, and representatives of Indian Tribes and Tribal organizations, as appropriate, in the planning, development, implementation, and evaluation of its career and technical education programs. (Section 122(d)(12) of Perkins V)

The stakeholders described in Section 122(d)(12) of Perkins V were involved in this work through a variety of methodologies. State staff capitalized on every opportunity to present changes in the Perkins Act . Examples included state staff presentations as part of the agenda for Minnesota's Centers of Excellence, webinars, and conference of the Minnesota State Equity and Academic and Student Affairs divisions, Minnesota State's Board of Trustees, and Governor's Workforce Development Board, surveys to parents and students, attendance at the Tribal Nations Education Council, counselor conferences, program advisory meetings, and direct presentations to the regional or local Perkins planning committees. In addition, formal public hearings provided another opportunity for stakeholder engagement. This engagement continues, very actively, as local consortia are in the process of executing their CLNA work. At the local level, consortia will involve all stakeholder groups in the planning, development, implementation and evaluation of the CTE programs and services.

B.2.f. Local Application

Include a copy of the local application template that the eligible agency will require eligible recipients to submit pursuant to section 134(b) of Perkins V. See Text Box 4 for the statutory requirements for local applications under section 134(b) of Perkins V.

B.2.g. Comprehensive Local Needs Assessment: Guide and Framework

Include a copy of the comprehensive local needs assessment template and/or guidelines that the eligible agency will require of eligible recipients to meet the requirements of section 134(c) of Perkins V. See Text Box 5 for the requirements for the comprehensive local needs assessment under section 134(c) of Perkins V.

B.2.h. Definition of size, scope and quality

For the implementation of this Perkins V plan, Minnesota has reviewed its criteria for defining consortia using the lens of size, scope and quality in addition to the minimum requirement of

one public secondary district and one public 2-year Minnesota State institution. The consortium's configuration moving forward will need to meet the criteria below by the 2022 submission of a CLNA:

- Minimum of one school district plus one postsecondary Minnesota State College
- Minimum of 6 State-recognized Programs of Study
    - Of these 6 POS, a minimum of 4 career fields must be represented
    - All components of 3 of the 4 POS by career filed must be provided within the consortium
- Greater than 1000 CTE participants at the secondary level
- Greater than 1800 FYE at the postsecondary level
- The definitions and headcount used for participants and FYE are based on 2018 academic numbers. This was the most recent data as Perkins V went into effect July of 2019.

At the local use of funds level, Minnesota defines size, scope and quality as documented below. However, the State is reviewing and potentially revising these components as we collect information from the comprehensive local needs assessments and our formal consultations.

Size

- Parameters/resources that affect whether the program can adequately address student-learning outcomes. This includes:
    - Number of students within a program
    - Number of instructors/staff involved with the program
    - Number of courses within a program
    - Available resources for the program (space, equipment, supplies)

Scope

- Programs of study are part of or working toward inclusion within a clearly defined career pathway with multiple entry and exit points (The goal of 6 State-recognized programs of study offered within a consortium will be a component of the full Perkins V plan)
- Programs of study are aligned with local workforce needs and skills
- Postsecondary programs connect with secondary career and technical education via articulation agreements and/or dual credit, etc.
- Programs develop not only specific work-based skills, but also broadly applicable employability skills

Quality

- A program must meet two out of the following three criteria: the program develops (1) high-skilled individuals, (2) individuals who are competitive for high-wage jobs, and (3) individuals who are trained for in-demand occupations

    - High-skilled: programs that result in industry-recognized certificates, credentials, or degrees
    - High-wage: High-wage is anything that is above the median wage for all occupations ($41,749 based on 2018 data from Minnesota Department of Employment and Economic Development)
    - In-demand: occupations that are identified in the Occupations in Demand index (https://careerwise.minnstate.edu/jobs/hotCareers?re=R01000) and/or through local needs assessment
- A program or activity must work toward closing student equity gaps in access and completion (e.g., reducing barriers to students, implementing guided pathways, providing recruitment)
- A program must work toward effectively using data to inform and improve student learning
- Approved programs meet the requirements of MDE or Minnesota State policies and rules
- Implementation of a continuous program improvement process approved in the local application
- Activities must support or be collaborations with POS

Waivers to uses of funds that do not meet the size, scope, and quality criteria at the consortia or local level will be handled on an individual basis at the time of the local application review or as consortia make requests to change their original submissions.

B.3.a. Meeting the Needs of Special Populations

a. Describe the eligible agency's program strategies for special populations, including a description of how individuals who are members of special populations—

i. will be provided with equal access to activities assisted under this Act;
ii. will not be discriminated against on the basis of status as a member of a special population;
iii. will be provided with programs designed to enable individuals who are members of special populations to meet or exceed State determined levels of performance described in section 113, and prepare special populations for further learning and for high-skill, high-wage, or in-demand industry sectors or occupations;
iv. will be provided with appropriate accommodations; and
integrated settings that support competitive, integrated employment.
(Section 122(d)(9) of Perkins V)

V. will be provided instruction and work-based learning opportunities in integrated settings that support competitive integrated employment. (Section 122(d)(9) of Perkins V)

All Minnesota students deserve high-quality learning opportunities that lead to workforce readiness and access to further learning. The pursuit of educational equity recognizes the historical conditions and barriers that have prevented opportunity and success in learning for students based on their race, gender, language, disability, income, and other social conditions. All stakeholders must work intentionally and collaboratively to correct these realities. Our Perkins Principles state that we are committed to ensuring an equity lens for all decision-making. Minnesota's World's Best Workforce, the Every Student Succeeds Act (ESSA) and Minnesota's Commitments to Equity require meaningful inclusion of all students in the system and hold every public school accountable for the outcomes of each student group.

Equity is different from equality. Although equality demands that everyone is treated the same, equity recognizes the unique identity of a student that is too often impacted by racism, bigotry, or bias. Equity corrects these realities through conversations, actions, and distribution or redistribution of resources based on individual and group needs to eliminate structures and barriers to ensure equitable outcomes. By eliminating systemic barriers and biases, well-implemented Career and College Readiness (CCR) programs improve outcomes for underserved students and benefit everyone. Commitments to equity provide the framework for school- and district-level actions that will result in greater access, participation, representation, and attainment of CCR skills for all students.

Applying specifically to Perkins funded activities, all local consortia applications are reviewed by the Minnesota State System Office and Minnesota Department of Education staff to ensure that discrimination against members of special populations in learning, student recruitment and support services, and physical accessibility is not apparent in written goals, objectives, strategies or policies. It is an expectation that each local consortium will identify how the needs of special populations of students will be met to ensure that each learner can be successful and experience the same rigorous career and technical education programs leading to high skill, high wage or in-demand occupations.

The work of Perkins V will continue to have an emphasis on developing strategies that focus not just on prioritizing student recruitment but put in place approaches and support that ensure learner success within CTE programs such as:

- Sharing practices for supporting students in special populations, especially disabilities, English language learners, homeless and non-traditional CTE programs. Outreach through campuses and community-industry partnerships, for example, will be utilized to educate local consortia and support communities of practice to address equity in CTE programs.

- Provide technical assistance to address barriers for access and participation in CTE programs by utilizing partnerships from local and national sources to examine equity challenges, priorities, and research.
- Provide professional development to educators and faculty on effective tools and strategies for supporting learners and ensure equity and access to effective support services, without regard to race, color, national origin, gender or (dis)ability. Utilize OCR compliance and campus diversity officers, among other local and national resources, to provide effective strategies and assessment of programming and services to learners.
- Provide incentives to support the expansion of the opportunities for learners in diverse geographic communities and to explore and experience CTE in flexible environments such as, but not limited to, online learning and community-based CTE programming. Identify and utilize opportunities for innovation and partnership grants to support local initiatives and scale promising practices.
- Extend outreach to include more community and industry input on meaningful and quality CTE opportunities and experiential learning. Provide opportunities for funding through an RFP grant process to support these efforts and scale practices.

ii. will not be discriminated against on the basis of status as a member of a special population

Under Perkins V, Minnesota will continue the adherence to the Office of Civil Rights guidelines and requirements. OCR Guidelines require each state agency receiving federal financial assistance that offers or administers vocational education programs to develop and implement a program to monitor compliance to Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, and Section 504 of the Rehabilitation Act of 1973. Compliance to the law will include review of an institution's documents and publications containing Title VI, Title IX, and Section 504 policy statement(s) of nondiscrimination; language or media used in public notifications other than English if necessary; and statement(s) or write-up(s) used to notify the public of nondiscrimination in career and technical opportunities including date(s) issued.

Minnesota State has adopted the general philosophy that this compliance program be perceived and projected as an opportunity to put students first and to improve the learning environment through activities that allow the system to examine the status of existing conditions, identify problems that exist, plan and implement correction and/or improvement and provide the changes as opportunity for improvement across the full Minnesota State system.

In addressing our secondary student population, the Minnesota Department of Education Civil Rights Compliance Review program is designed to ensure that all groups and populations have an equal opportunity to access their education:

- Review data and records, interview staff and students, administer a survey, and examine facilities for accessibility.
- Prepare a Letter of Findings, detailing areas that are out of compliance, and assist with the development of a Voluntary Compliance Plan that outlines what will be done to bring the organization into compliance.
- Assist with completing the items on a voluntary compliance plan, including providing technical assistance and sample policies and procedures.

Secondary

The Minnesota Department of Education is required to submit to the United States Department of Education, Office for Civil Rights (OCR), a Biennial Civil Rights Compliance Report. It is MDE's responsibility to conduct comprehensive on-site reviews of school districts to address issues of discrimination on the basis of race, color, national origin, sex and disability in vocational education programs. The strategies that have been undertaken under Perkins IV will continue under Perkins V. Specialists with the Compliance and Assistance Division within the Minnesota Department of Education will review Minnesota school districts on a cyclic time frame.

Postsecondary

Minnesota State has demonstrated a long-standing commitment to equity and ensuring that members of special populations are provided equal access to programs. Each year Minnesota State conducts a minimum of four Office of Civil Rights (OCR) compliance reviews. The major purposes of the OCR Compliance Review are to ensure that community colleges are providing equal access to CTE through vigorous enforcement of civil rights in compliance with the requirements of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Vocational Rehabilitation Act of 1973, and Title II of The Americans with Disabilities Act (ADA). In addition to conducting a minimum of four local OCR On-Site Compliance Reviews each year, Minnesota State provides ongoing technical assistance to community college staff members on equal access.

Both the Minnesota Department of Education and Minnesota State provide professional development to staff and Perkins consortia leadership as well as teachers and faculty. The Office of Equity and Inclusion and the Office of General Counsel also provide professional development such as the September 19, 2019 workshop Disability Accommodations: Students and Employees (https://www.minnstate.edu/system/ogc/docs/webinars/)

The Minnesota State Board of Trustee Policy 1B1 addresses Equal Opportunity and Nondiscrimination in Employment and Education. Individual campuses are also required to

apply the Minnesota State Board of Trustee Policy or implement a local policy providing not less than the system criteria.

Minnesota State Board of Trustee Policy 1B1
Part 1. Policy Statement.

Subpart A. Equal opportunity for students and employees. Minnesota State Colleges and Universities has an enduring commitment to enhancing Minnesota's quality of life by developing and fostering understanding and appreciation of a free and diverse society and providing equal opportunity for all its students and employees. To help effectuate these goals, Minnesota State Colleges and Universities is committed to a policy of equal opportunity and nondiscrimination in employment and education.

Meeting the Needs of Special Populations
MDE's Equity Statement follows: Educational equity is the condition of justice, fairness and inclusion in our systems of education so that all students have access to the opportunities to learn and develop to their fullest potential. The pursuit of educational equity recognizes the historical conditions and barriers that have prevented opportunity and success in learning for students based on their races, incomes, and other social conditions. Eliminating those structural and institutional barriers to educational opportunities requires systemic change that allows for distribution of resources, information and other support depending on the student's situation to ensure an equitable outcome.

Minnesota State has this goal: "By 2030, Minnesota State will eliminate education equity gaps at every Minnesota State college and university."

Under the umbrella of these statements and goals, multiple initiatives are in place to address disparities or gaps in performance. For example, within the Minnesota Department of Education there is in an effort to better align CTE work and ESSA initiatives. We anticipate supporting and collaborating with state specialists and educators in our special education division, homeless student liaison staff, as well as our English learner division, all of whom have a strong start toward reducing and eliminating gaps in performance.

iii Programs to help special pop's meet or exceed state levels of performance for high skill, high wage, in-demand sectors or occupations [Sec. 113]

One of the strategies in place to help special populations meet or exceed state levels of performance involves proving awareness of and recruitment into programs of high skills, high wage, or in-demand sectors or occupations. Minnesota has developed, supported, and encouraged the use of electronic career guidance tools for raising awareness of career options.

Examples of guidance tools for learners to explore and build individual career plans include Minnesota Career Information System (MCIS), TalentNeuron Recruit and CareerWise. Examples of data tools to provide research and additional useful information about career options available, including non-traditional careers and career options for ex-offenders, are listed below:

1. Career profile integration example:
   (New: job counts, top employers, top skills, top certifications, and links to job postings)
   http://careerwise.minnstate.edu/careers/careerDetail?id=6&oc=132011&title=Accountants%20and%20Auditors
2. Industry profile integration example:
   (New: top employers, links to job postings)
   http://careerwise.minnstate.edu/careers/industryDetail?in=221&title=Utilities
3. Integrated job search tool:
   (New: job postings and multiple options to filter data)
   http://careerwise.minnstate.edu/jobs/jobSearchResults
4. Career Information Site tailored to better meet the needs of students in Special Education.
   https://portal.mncis.intocareers.org/media/2044/2019-mcis-subscription-fees-for-sped.pdf
5. Tools and insights into career clusters through the lens of employer demand
   http://www.realtimetalent.org/research/cte-pathways/

In summary, efforts to address equity in CTE will focus on four pillars that are guided by federal requirements:

- Professional development programs (**capacity and competency**)
- Address equal access to activities under this Act (**existing programs**)
- Programs that help special populations meet or exceed state performance (**interventions and innovation**)
- Non-discrimination (**compliance**)

To provide actions in support of these four pillars, the Minnesota Perkins team is committed to providing the following:

- Professional Development for faculty, teachers, counselors and staff to address disparities including underrepresentation in nontraditional career programs. Further professional development on the impact of poverty and implicit bias on classroom teaching practices, student engagement

and advising. Education Innovation Faculty development can also serve as a source for delivering equity training.

- Technical Assistance to local consortia to support equity assessment of programs of study, supports for special populations and campus or school environment. The Minnesota State Office of Equity and Diversity can serve as one of many resources for technical assistance along with other identified organizations such as NAPE, MDRC and NTACT.
- Community and Employer Engagement to broaden outreach to community-education-employer partnerships (and communications) about the opportunities and value of CTE for career development and work preparation.
- System approaches to support shared best practices among diverse geographic regions of the state on strategies and delivery methods proven effective in expanding the educational experiences and nontraditional career options for special populations. Use of incentivized support to replicate or scale proven practices. Community organizations, workforce centers and state agencies will be invited via RFP process and state register notification to apply for funding to support corrections and disabilities services.
- Compliance and Non-discrimination: New partners, both internal and external, such as OCR compliance officers will be engaged to identify and develop system strategies and technical assistance needed for addressing disparities or equity-related performance gaps.
- Provide incentive and capacity-building funding to support innovation for initiatives that increase the success of special populations. Metrics and measurements related to support requires the disaggregation of Perkins data regarding performance on core indicators and the support for the redistribution of funds to support equity.

iv. Provide appropriate accommodations; and integrated settings that support competitive, integrated employment. (Section 122(d)(9) of Perkins V)

Equal opportunity to enter CTE programs, services, and activities requires equal access for learners with special needs as compared to the general student population. Such provisions are reviewed for compliance throughout all required accountability indicators. Specific strategies to address learner accommodations include auxiliary or related aids and services, modified instructional equipment, and modified or adapted course offerings. Accommodations are provided for persons with disabilities in regular or special needs occupational programs. Accommodation services are publicized and use is actively encouraged by teachers, faculty and staff. Students with IEPs are assessed for career interests and abilities. The IEP reflects [career] education and training leading to the outcome of competitive, integrated employment (ACTE-SPEDS, MN Department of Education).

v. will be provided instruction and work-based learning opportunities in integrated settings that support competitive integrated employment. (Section 122(d)(9) of Perkins V)

Work-based learning (WBL) provides appropriate accommodations for students of various ability levels. All students, regardless of abilities, must have impactful experiences. WBL experiences provide:

- Guidance to schools and employers on perceptions of quality WBL and value to all student populations
- WBL experiences and activities that offer high quality content and curriculum, including a range of levels from exploration (experiential learning) to work experience, career preparation and instruction that is "stackable" and explores all aspects of a targeted industry or occupation.
- WBL that has quality content and learning experiences as an integral part of CTE, supporting meaningful career development.

- At the secondary level, appropriate accommodations and support for a competitive, integrated work environment for students with disabilities are undergirded by Minnesota's Olmstead Plan. Named after a United States Supreme Court decision, the Olmstead Plan is a statewide comprehensive plan to provide people with disabilities opportunities to live, learn, work, and enjoy life in integrated settings. The plan calls out multiple education-related goals, including those listed below, that in order to be achieved require the support of Career and Technical Education at the secondary level:
    - By June 30, 2020, the number of students with developmental cognitive disabilities, ages 19-21 that enter into competitive integrated employment will be 763
    - By June 30, 2020 the percent of students with disabilities who have enrolled in an integrated postsecondary education setting within one year of leaving high school will increase to 36% (from baseline of 31%).

To that end, secondary career and technical education programs will provide appropriate accommodations and support for a competitive, integrated work environment through a variety of strategies targeted specifically at work-based learning programs. These strategies will increase the quality of programs, enhance educator expertise, and capitalize on partnerships with other state agencies.

High Quality Work-based Learning Programs
Every five years, school districts will engage in a formal program approval process for work-based learning programs specifically designed for students with disabilities. The program approval process, as outlined by administrative rule, identifies the minimum requirements

needed to ensure all students engage in a well-designed work experience aligned to their interests and skills. Once a school district's program is approved, the district may access additional state funding to modify curriculum and purchase special equipment for students with disabilities enrolled in the work-based learning program.

Educator Expertise
The Minnesota Department of Education (MDE) will provide direct technical assistance to teachers who work with students with disabilities to ensure work-based learning programs are well-designed to align with students' interests and skills. Additionally, MDE will coordinate an annual professional development conference for work-based learning coordinators with programming related to competitive, integrated work environments.

Partnerships
Minnesota Department of Education staff will continue to work closely with colleagues in Vocational Rehabilitation Services, Special Education Transition Services, and the Department of Labor to ensure each agency, when possible, uses similar language and processes when working with school districts to provide high quality work-based learning experiences for students with disabilities and to eliminate barriers that prevent school districts from offering these programs.

4. Preparing Teachers and Faculty

a. Describe how the eligible agency will support the recruitment and preparation of teachers, including special education teachers, faculty, school principals, administrators, specialized instructional support personnel, and paraprofessionals to provide career and technical education instruction, leadership, and support, including professional development that provides the knowledge and skills needed to work with and improve instruction for special populations. (Section 122(d)(6) of Perkins V)

Preparing Teachers and Faculty

The need for recruitment and preparation of CTE teachers is critical in Minnesota. State leadership funds will support overarching programs and professional development as outlined below. Local consortia will have additional goals and strategies based on their CLNA. State staff will assist with the professional development and provide technical assistance as needed and appropriate. This work is also supported by state legislation in policy and funding as truly, multiple resources are needed to approach this challenge.

Shortage of Licensed CTE Teachers

The 2019 Biennial Minnesota Teacher Supply and Demand report prepared for the Minnesota Professional Educator Licensing Standards Board (PELSB) by Wilder Research (retrieved from: https://mn.gov/pelsb/assets/2019%20Supply%20and%20Demand%20Report_tcm1113-370206.pdf) found that Minnesota school districts are facing a shortage of licensed teachers across grade levels and in most disciplines. Licensure areas with a high percentage of teachers on special permission (out of their licensure area or without a standard teaching license) include Career and Technical Education fields, world languages, special education, and STEM. The report also noted that the percentage of teachers of color remains stagnant with the percentage of students of color continues to grow in Minnesota.

Of specific concern to CTE, the Teacher Supply and Demand report states that four CTE licensure areas currently do not have board-approved licensure programs. Another four CTE licensure areas currently have only one board-approved licensure program; however, that program is not approved to provide an initial teaching license. Only three licensure areas have more than one option for candidates to obtain a license and there is only one option for obtaining work-based learning as a stand-alone certification.

Minnesota CTE will support the recruitment and preparation of educators by employing data from consortia Comprehensive Local Needs Assessments and national and state research to assess options for addressing current and future needs. In addition, it will support the growth and development of experiential learning for prospective CTE teachers. Emerging solutions include for-credit and non-credit teacher education programs using traditional and alternative approaches. Continuous consultation with education and training providers as well as agencies and stakeholders directing all aspects of CTE teacher licensure will be critical to the success of this work. The Knowledgeable Experts Strategic CTE Work Group is tasked with facilitating and supporting initiatives to accomplish Recruitment & Retention of Teachers & Faculty.

The Knowledgeable Experts strategic group develops, implements, and analyzes professional development priorities designed to advance Career and Technical Education in Minnesota as part of the state's four-year plan for the Strengthening Career and Technical Education for the 21st Century Act. "Knowledgeable Experts" refers to the community of career and technical education stakeholders who would benefit from professional development and resources related to all aspects of career pathways and Perkins administration. The work of this group includes keeping the multiple initiatives aligned, making connections with other state and national initiatives, and providing focus so that the work becomes actionable.

Recruitment and retention of CTE educators is one of three priority areas for the Knowledgeable Experts group and is the focus of a specific Work Group. The Recruitment & Retention of Teachers & Faculty in CTE Work Group provides professional development to support the recruitment and retention of CTE teachers and faculty in secondary and postsecondary institutions. Due to the great need for educators of color in Minnesota, special

emphasis is placed on recruiting and retaining these individuals. This 15-20-member group first met in the fall of 2019 and is scheduled to meet every other month for the rest of fiscal year 2020. Goals for the group will be confirmed in early 2020.

Expected priorities to be addressed 2020-2024 by the Work Group include:

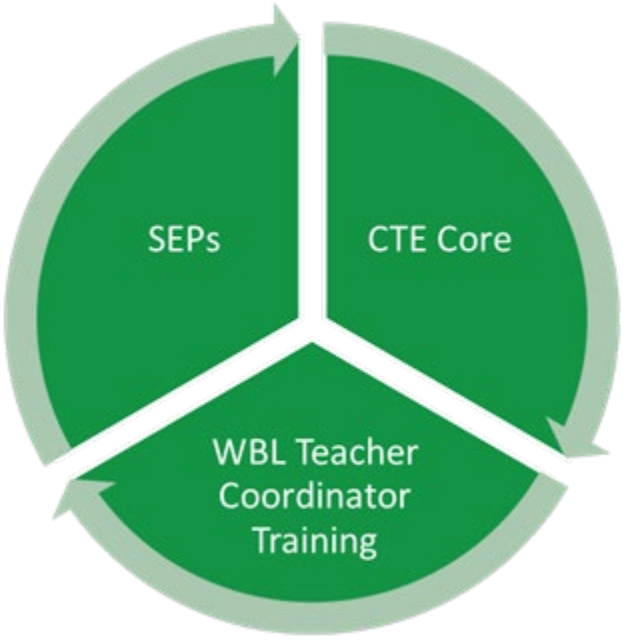
- professional development resources for newly-hired college technical program faculty,
- initiatives supporting perspective CTE teachers of color as they pursue licensure,
- cultural competency learning for secondary and postsecondary educators,
- assessing pathways for non-licensed educators (paraprofessionals) to pursue CTE licensure, and
- providing resources and connections for CTeacher Prep 2030.

Measurements will be determined as the Work Group recommends the specific projects and action items related to these priorities.

CTEacher Prep 2030

Minnesota State Colleges and Universities (Minnesota State) and the Minnesota Department of Education (MDE) are actively pursuing solutions to meet the state's needs with the development of the CTEacher Prep 2030 program. The vision of this initiative is to address the Career and Technical teacher shortage by creating a multi-pronged approach for candidates to complete credentialing requirements and enter, or continue to be part of, the educational system's workforce.

Three components of teacher preparation need to be met with innovative and collaborative strategies: Standard Effective Practices (SEP), Career and Technical Education Core (CTE Core), and Work Based Learning Teacher Coordinator Training (WBL). By 2024, Minnesota CTE will be supporting the development and administration of multiple online and in-person programs offering these courses.



In addition to developing flexible programs and access to the necessary components for CTE teacher candidates to meet Minnesota Professional Educator Licensing and Standards Board (PELSB) approval, recruitment and retention initiatives are part of the state's work. CTEacher Prep 2030 proposes to accomplish the following:

1. Support "grow your own" and alternative initiatives that encourage non-CTE licensed educators to pursue and obtain CTE licensure.
2. Support experiential learning programs such as the Teacher Cadet program currently in place.
3. Identify career and technical academic routes for prospective CTE teachers to earn teacher education degrees across Minnesota State campuses.
4. Establish partnerships for delivery of Standards of Effective Practice (SEP) in Teacher Education in multiple formats.
5. Build a universal work-based learning academic component for all CTE teachers.
6. Create or identify institutional support for recruitment, hiring, and training of CTE teachers.
7. Develop new and support existing systems of assessing CTE skills of potential CTE teachers through portfolio, internship, or demonstrated skill set attainment.
8. Create a statewide system of support through instructional coaching and/or with veteran CTE Instructors on Special Assignment.
9. Support Minnesota Association of Career Technical Educators (MnACTE) in initiatives to serve as coaches or mentors to non-licensed CTE teachers preparing portfolios for PELSB approval.

10. Continue support of the teacher education sequence (TES) required for postsecondary CTE faculty. Research the opportunity to have this sequence serve secondary teachers.

The intent of CTEacher Prep 2030 is to create a collaborative approach to confront the career and technical needs of Minnesota by linking institutional resources. This collaborative approach supports alternative approaches to credentialing, conventional paths to academic degrees at our universities, and must provide flexibility for innovation for stakeholders and across institutions. The specific examples of initiatives below all fall under the umbrella structure of CTeacher Prep 2030 and will be under the overall auspices of the Knowledgeable Expert Strategic workgroup.
More details of some of the major components of this work are provided below.

Increasing Diversity in Minnesota's Educator Workforce
Through multiple state grants, the Minnesota Department of Education (MDE) is working on an endeavor to increase and diversify the educator workforce with the support of the governor's office. MDE's Career and College Success Division is focusing on Career and Technical Education teachers, especially those in their first four years of teaching. The four elements of MDE's plan are illustrated below: Explore, Become, Grow, and Thrive.

Specific goals and activities for the "Increase and Diversify the Educator Workforce" initiative will be determined in alignment with CLNA results and the overall needs of the state.

New CTE Teacher Initiative

Perkins V will continue to support the New CTE Teacher Initiative, which focuses on the "become" and "grow" elements of MDE's Increase and Diversify the Educator Workforce initiative. Designed to help teachers gain the knowledge and resources they need to be successful in the secondary CTE classroom, this initiative has already served more than 100 CTE educators. While open to any CTE teacher, the program is ideal for new or first-time CTE teachers because it provides opportunities to support and improve teacher confidence and collaboration. Resources and support for the year-long program include ongoing professional development in webinars, in-person meetings, book recommendations, monthly newsletters, breakout sessions at CTE conferences, and a two-day summer conference. The New CTE Teacher Initiative goal is for a 15% increase in CTE-licensed teachers in the next four years.

Teacher Cadet Training

As part of the recruitment strategies for CTE teachers, the Teacher Cadet program focuses on recruiting high school students from ethnically diverse populations, students on free and reduced lunch, students first in their families to attend college, and male students interested in working with young children. The Teacher Cadet program addresses the teacher shortage problem in Minnesota and the United States by providing experiential learning for prospective students who might later pursue their CTE teacher license. The program also utilizes partnerships among MDE and Minnesota colleges to close the opportunity gap for the Cadets by providing mentoring, financial-aid resources or loan forgiveness programs if concurrent enrollment options are available, and help in transitioning successfully from the Cadet program to postsecondary options. The program directs students to college wrap-around support services available to help students successfully transition to postsecondary offerings.

State Leadership funds will be used to support the full spectrum of educational personnel including special education teachers, faculty, school principals, and administrators at secondary and postsecondary levels, specialized instructional support personnel, and paraprofessionals. The delivery methodologies be consistent with the state's professional development framework including webinars, the statewide conference, and alignment (or insertion) into existing opportunities such as the NTEC meetings, superintendents conferences, and monthly student and academic affairs officers ZOOM meeting for Minnesota State colleges and universities.

Specifically regarding education for students with disabilities, at the secondary level, appropriate accommodations and support for a competitive, integrated work environment for students with disabilities are undergirded by Minnesota's Olmstead Plan. Named after a United States Supreme Court decision the, Olmstead Plan is a statewide comprehensive plan to provide people with disabilities opportunities to live, learn, work, and enjoy life in integrated settings. The plan calls out multiple education related goals, including those listed below, that in order to be achieved, require the support of Career and Technical Education at the secondary level:

- By June 30, 2020, the number of students with developmental cognitive disabilities, ages 19-21 that enter into competitive integrated employment will be 763
- By June 30, 2020 the percent of students with disabilities who have enrolled in an integrated postsecondary education setting within one year of leaving high school will increase to 36% (from baseline of 31%).

To that end, secondary career and technical education programs will provide appropriate accommodations and support for a competitive, integrated work environment through a variety of strategies targeted specifically at work-based learning programs. These strategies will increase the quality of programs, enhance educator expertise, and capitalize on partnerships with other state agencies.

Minnesota has many efforts in place or in concept stage to meet the projected needs for career and technical education teachers. The Knowledgeable Expert strategic work group in the process of taking an inventory of both national and state initiatives so that we can, with focus, bring solutions to our work. This work needs to include recruitment and retention of teachers. A 2018 survey of 796 CTE teachers conducted by the Student Research Foundation found that 37% of them plan to leave the teaching profession within the next five years. Our work group will have much to do!

C. **Fiscal Responsibility**

1. Describe the criteria and process for how the eligible agency will approve eligible recipients for funds under this Act, including how—a. each eligible recipient will promote academic achievement; b. each eligible recipient will promote skill attainment, including skill attainment that leads to a recognized postsecondary credential; and c. each eligible recipient will ensure the local needs assessment under section 134 takes into consideration local economic and education needs, including, where appropriate, in-demand industry sectors and occupations. (Section 122(d)(5) of Perkins V)

Academic achievement

Continuing Minnesota's consortium model, eligible recipients must offer Career and Technical Education (CTE) programs that include rigorous, coherent CTE content aligned with challenging academic standards. All approved State-recognized program of study much include opportunities for both academic and technical skill attainment which ideally are integrated. The newly implemented State-recognized Program of Study rubric includes the requirement that "course standards accurately align to the academic, technical, and employability skills learners must master for entry and success in a given career pathway." This articulates that the foundation of a program of study is the academic skills student must have to enter and advance in career and/or college.

Academic skills as the foundation of a program of study is further emphasized in the Minnesota Department of Education's recent work on Career and College Readiness (CCR). In March, 2016, MDE, in collaboration with the Regional Educational Laboratory (REL) Midwest and the Midwest Comprehensive Center (MSCC), brought together a group of stakeholders to articulate what career and college readiness means for Minnesota students. Minnesota's vision of CCR is that a well-rounded view of education is needed to drive educational and workforce goals and policies. Taking many perspectives into consideration through stakeholder feedback, the Minnesota CCR Work Group developed a holistic vision of career and college readiness:

> "A sufficiently prepared student is one who has the knowledge, skills, mindset, and experiences in the academic, workplace, and personal/social domains to keep learning and, beyond secondary school, to successfully navigate toward and adapt to an economically viable career."

Clearly, academic skills are at the very foundation of career and college readiness. CCR resources developed by MDE and distributed to secondary districts provide a comprehensive set of guidance, strategies, and tools for engaging districts and schools in equity-oriented CCR program planning and a continuous improvement process.

Skill Attainment

Historically, reporting of technical skills assessment has been part of an intentional review process in Minnesota for more than a decade. The technical skill assessment project began with a pilot group of five programs of study completing a comprehensive review of foundational and academic knowledge, skills, and technical competencies needed to gain employment in selected careers. Through this collaborative process, secondary teachers, postsecondary faculty, and business/industry experts validated the appropriate competencies and technical skill assessments that would support these competencies. Minnesota continued completion of this process of

bringing the secondary and postsecondary teaching staff together with their business and industry partners twice to analyze each of the 72 career pathways. The review process continued to update and validate competencies and the identification of assessments with over 600 secondary teachers and 500 postsecondary faculty along with business and industry representatives participating. The TSA reports were an essential component of the Perkins IV work.

In the implementation of Perkins V, skill attainment remains a priority of the work. However, due to stakeholder engagement and feedback along with the review by state leaders of the challenges to completing and reports TSA as had been done in the past, Minnesota has chosen not to have TSA as a program quality element that will be reported as a program quality indicator. The documentation of skill attainment will continue to be an element required for designation as a State-recognized Program of Study, the documentation of skill attainment will continue as an element of program review at secondary and postsecondary institutions.

All State-recognized POS have a pathway leading to a recognized postsecondary credential. The definition of recognized postsecondary credential utilized is the WIOA definition. Under WIOA the term ‘‘recognized postsecondary credential’’ means a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the state involved or Federal Government, or an associate or baccalaureate degree. In addition, Minnesota will validate the definitions of program quality and determine baseline data for CTE concentrators in academic year 2019-2020. The complete accountability system, secondary and postsecondary, will monitor academic performance and completion rates including CTE subpopulations. Professional development and technical assistance will be provided to assist consortia in developing and implementing continuous improvement plans.

The State-recognized Programs of Study require that the secondary component of the POS includes an MDE-approved CTE program and the postsecondary component of the POS includes a Minnesota State-approved program.
To have an approved program requires that local district to meet the MDE program requirements which includes both the academic and technical knowledge and skill components. In a similar fashion, a postsecondary approved diploma or associate degree award consists of both general education and technical courses. The program approval process for both has elements of interaction with business and industry through the requirement of program advisory committees.

Local Needs Assessment **(Section 122(d)(5) of Perkins V)**
As part of a local application, submitted on May 1, 2020, local consortia must include a comprehensive local needs assessment (CLNA) as per Perkins V requirements to be an eligible recipient of funds. All elements documented in Act will be required: student performance, sufficient size, scope, and quality; progress toward programs and programs of study, recruitment, retention and training of CTE professionals, and equity of access. The state’s definition of size, scope, and quality, and alignment to labor market include parameters for identification of high-skilled, high-wage, and in-demand. Both Minnesota’s Comprehensive Local Needs Assessment Guide and the Framework provide guidance to ensuring that local economic and education needs are taken into consideration. State leadership will review the applications and have a dialogue with applicants to ensure section 122 is observed. On an on-going basis, the monitoring process

conducted with the individual consortium will review the evidence that the CLNA collected data and implemented actions that took local economic and education needs into consideration.

Our Advancing CTE Strategic Direction group has been reviewing research, consulting with other states and gleaning promising practices from the states experience with WIOA and ESSA needs assessments to formulate a CLNA form and guide to increase the consortia's success in gathering, analyzing, and implementing actions from the CLNA. Professional development regarding the form, guide and process have occurred July 31, 2019 and November 4, 2019 through multiple webinars and utilizing face-to-face technical assistance.

The joint secondary and postsecondary applications submitted by consortia must provide performance targets and strategies for continuous improvement of academic achievement and technical skill attainment linked to comprehensive local needs assessment.

2. Describe how funds received by the eligible agency through the allotment made under section 111 of the Act will be distributed
a. among career and technical education at the secondary level, or career and technical education at the postsecondary and adult level, or both, including how such distribution will most effectively provide students with the skills needed to succeed in the work place; and
State Administration: 5%
Administration allocation is spent on activities related to developing the State Plan, reviewing applications, monitoring consortia, compliance oversight, and supporting fiscal and data systems required to implement Perkins V.

State Leadership Activities: 10%
Leadership funds are split between Minnesota Department of Education (42%) and Minnesota State (58%). A minimum of 0.1% of leadership funds will be used for recruitment of special populations. From the postsecondary 58%, $50,000 will be used for state institutions and $50,000 for preparation for nontraditional career fields.

Distribution to Local Education Agencies (Consortia): 85%

In Minnesota, funds received by the eligible agency under section 111 will be allocated to local consortia according to the following allotments and calculations. These distribution methods are expected to provide the resources needed for student success in the workplace throughout the state including the increase in reserve funds to incentivize innovation and quality of POS. The reserve fund calculation will be split, by formula, to target both rural areas and applications serving high numbers of CTE students.

Basic: Eighty-five percent of the funds received by the state will be distributed to local applicants through basic and reserve funding allocations under Section 131. The basic grant funds awarded are calculated by formula with the split of distribution to secondary programs as 50% of the 85% and to postsecondary as 50% of the 85%. This change from 42:58 to an equal percentage split of funding is based on an agreement between the Minnesota Department of

Education and the Minnesota State Colleges and Universities and represents a change that will be reflected in the July 1, 2020 allocation to consortia. The 50:50 split represents a philosophical commitment by leadership that advances equal opportunity and economic empowerment for both partners in the consortium. Neither secondary nor postsecondary is a "lesser than" at the governance table.

Fifteen percent distributed to secondary programs (50%) and postsecondary (50%) as reserve funding. These funds take into consideration "rural" and high numbers by adding the square mileage of the consortia as part of the calculations. Allocation amounts to the whole consortium are based on 50% sum of the area for member district in the consortium area if/as consortium have greater than 50 square miles of area served.

b. among any consortia that may be formed among secondary schools and eligible institutions, and how funds will be distributed among the members of the consortia, including the rationale for such distribution and how it will most effectively provide students with the skills needed to succeed in the workplace. (Section 122(d)(8) of Perkins V)

While consortia will submit a single application and receive an overall award, the calculations for the consortium will be based on:
Local Consortium Formula Allocation amounts:
Secondary formula:

- Most recent U.S. Census data for the population by school district of individuals aged 5-17
- Most recent U.S. Census data for the population by school district of individuals aged 5-17 in households of poverty
- Description (70% District population 5-17 in poverty/state population 5-17 in poverty times the total secondary formula amount) plus 30% district population 5-17/state population 5-17 times the total secondary formula amount for the state from the OCTAE allocation-50% is calculated for each district. The secondary consortium formula=the sum of the amounts calculated for each district member of the consortium.

Postsecondary formula:

- Most recent data for CTE Postsecondary Pell Recipients
- Description (Pell recipients in the college in Perkins eligible programs/ Pell recipients in the state in Perkins eligible programs times the total postsecondary formula amount for the state from the OCTAE allocation-50% is calculated for each college. The postsecondary consortium formula=the sum of the amounts calculated for each college member of the consortium.

Local Consortium Reserve Allocation amounts:
Reserve: As per the Minnesota State CTE Plan, allocation amounts to the whole consortium are based on 50% sum of the area for member districts in the consortium/area for all districts in the state; 37.5% on the sum of secondary participants for member districts in the consortium/total secondary CTE participants in the state and 12.5% on the sum of postsecondary participants for

member districts in the consortium/total CTE postsecondary participants in the state based on the following data:

- School district area to account for certain district consolidations
- Most recent data for CTE Secondary Participants
- Most recent data on Perkins CTE Participants

For all calculations, the year representing "most recent" will be consist across all formula.

3. For the upcoming year, ***provide the specific dollar allocations made available by the eligible agency for career and technical education programs and programs of study under section 131(a)-(e) of the Act and describe how these allocations are distributed to local educational agencies, areas career and technical education schools and educational service agencies within the State. (Section 131(g) of Perkins V).***

Based on the state's receipt of Perkins V dollars July 1, 2019, the allocation for postsecondary CTE programs and services in the next allocation is $7,953,475.50. The postsecondary allocation is calculated based on Section 132 and Section 112 of the Act.

Based on the state's receipt of Perkins V dollars July 1, 2019, the allocation for secondary CTE programs and services in the next allocation is $7,953,475.50. The secondary allocation is calculated based on Section 132 and Section 112 of the Act.

Allocations are distributed to eligible consortia consisting of both secondary and postsecondary partners and dependent upon an approved application. The applications are reviewed by state staff and must include the CLNA, POS, required narrative of activities, and the proposed budget. Each consortium determines a fiscal agent to manage distribution for the secondary partners and a second fiscal agent to manage distribution for the postsecondary partners. The members of the consortium jointly determine the process for prioritizing activities that are reasonable, necessary, and allocable based on the CLNA. Members of a consortium reach agreement upon the mutually beneficial programs and services that Perkins funds will support, describe the purposes and programs in their joint application, and include evidence of assessment and continued improvement.

4. Provide the specific dollar allocations made available by the eligible agency for career and technical education programs and programs of study under section 132(a) of the Act and describe how these allocations are distributed to eligible institutions and consortia of eligible institutions within the State.

Based on the state's receipt of Perkins V dollars July 1, 2019, the allocation for postsecondary CTE programs and services in the next allocation is $7,953,475.50. The postsecondary allocation is calculated based on Section 132 and Section 112 of the Act.

Based on the state's receipt of Perkins V dollars July 1, 2019, the allocation for secondary CTE programs and services in the next allocation is $7,953,475.50. The secondary allocation is calculated based on Section 132 and Section 112 of the Act.

Specific distribution formulas are found in C.2.b. The final distribution to the individual consortia will also be dependent upon the local applications received and approved. Each consortium determines a fiscal agent to manage distribution for the secondary partners and a second fiscal agent to manage distribution for the postsecondary partners. The members of the consortium jointly determine the process for prioritizing activities that are reasonable, necessary, and allocable based on the CLNA. Members of a consortium reach agreement upon the mutually beneficial programs and services that Perkins funds will support, describe the purposes and programs in their joint application, and include evidence of assessment and continued improvement.

5. ***Describe how the eligible agency will adjust the data used to make the allocations to reflect any changes in school district boundaries that may have occurred since the population and/or enrollment data was collected, and include local education agencies without geographical boundaries, such as charter schools and secondary schools funded by the Bureau of Indian Education. (Section 131(a)(3) of Perkins V).***

When a school district changes boundaries, splits or merges, Minnesota revises formula populations as soon as the new population information is available. The process for a district or college changing to a new consortium is outlined in the Operational Handbook (https://www.minnstate.edu/system/cte/Strengthening-CTE/index.html). Minnesota State partners with MDE to obtain any population data changes if school district boundaries change. Charter schools with approved CTE programs or secondary schools funded by the Bureau of Indian Education are incorporated into consortia.

6. ***If the eligible agency will submit an application for a waiver to the secondary allocation formula described in section 131(a)— a. include a proposal for such an alternative formula; and b. describe how the waiver demonstrates that a proposed alternative formula more effectively targets funds on the basis of poverty (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) to local educational agencies with the State. (Section 131(b) of Perkins V). Also indicate if this is a waiver request for which you received approval under the prior Carl D. Perkins Career and Technical Education Act of 2006 (Perkins IV).***

Minnesota will not be submitting a waiver to the secondary allocation formula.

7.If the eligible agency will submit an application for a waiver to the postsecondary allocation formula described in section 132(a)— a. include a proposal for such an alternative formula; and b. describe how the formula does not result in a distribution of funds to the eligible institutions or consortia with the State that have the highest numbers of economically disadvantaged individuals and that an alternative formula will result in such a distribution. (Section 132(b) of Perkins V). Also indicate if this is a waiver request for which you received approval under the prior Carl D. Perkins Career and Technical Education Act of 2006 (Perkins IV).

Minnesota will not be submitting a waiver to the postsecondary allocation formula.

8. ***Provide the State's fiscal effort per student, or aggregate expenditures for the State, that will establish the baseline for the Secretary's annual determination on whether the State has maintained its fiscal effort, and indicate whether the baseline is a continuing level or new level. If the baseline is new, please provide the fiscal effort per student, or aggregate expenditures for the State, for the preceding fiscal year. (Section 211(b)(1)(D) of Perkins V).***

Using aggregate numbers of state support for CTE, which is calculated by excluding tuition revenue and allocating indirect expenses, the maintenance of effort for 2018 is equal to $124,944,120.00

D. Accountability for Results

1. Identify and include at least one (1) of the following indicators of career and technical education program quality—

a. the percentage of CTE concentrators (see Text Box 6 for the statutory definition of a CTE concentrator under section 3(12) of Perkins V) graduating from high school having attained a recognized postsecondary credential;

b. the percentage of CTE concentrators graduating high school having attained postsecondary credits in relevant career and technical education programs and programs of study earned through a dual or concurrent enrollment program or another credit transfer agreement; and/or

c. the percentage of CTE concentrators graduating from high school having participated in work-based learning. (Section 113(b)(2)(A)(iv)(I) of Perkins V)

Include any other measure(s) of student success in career and technical education that are statewide, valid, and reliable, and comparable across the State. (Section 113(b)(2)(A)(iv)(II) of Perkins V) Please note that inclusion of "other" program quality measure(s) is optional for States.

Provide the eligible agency's measurement definition with a numerator and denominator for each of the quality indicator(s) the eligible agency selects to use.

During May 2019, the Perkins V Secondary Accountability: Technical Advising Committee convened for three in-person meetings to discuss key questions and decision points around the updated legislation. This stakeholder group represented a select group of diverse secondary stakeholders from a variety of perspectives. Options for performance indicators and data sources were shared with the advisory group, who then discussed the issues and provided recommendations to MDE.

The advisory group also provided recommendations for future work such as improving Secondary, Postsecondary, and Business and Industry partnerships so that additional Industry Recognized Credentials could be identified and implemented. This would enhance the connection between Perkins V and WIOA and provide more 'Career Ready' opportunities for students.

Once the full scope of the accountability system and methodology for determining levels of performance were finalized the previous recommendations made by the stakeholder group were then further analyzed by state leadership. Based on data review, state level priorities and the additional feedback survey information collected from member of the original secondary stakeholder group as well as secondary consortium leaders, and in consultation with state leadership, it was determined that the optional Other program quality indicator (5S4) identified as the Technical Skill Attainment and/or Industry Recognized Credential should not be included in the secondary accountability system.

The final decision was to include (5S3) Program Quality: Work-Based Learning, definition as follows:

Numerator: Number of CTE Concentrators who successfully completed one or more work-based learning courses prior to graduation.

Denominator: Number of CTE Concentrators who graduated high school.

2. Provide on the form in Section V.B, for each year covered by the State plan beginning in FY 2020, State determined performance levels for each of the secondary and postsecondary core indicators, with the levels of performance being the same for all CTE concentrators in the State. (Section 113(b)(3)(A)(i)(I) of Perkins V)

State Determined Performance Levels (SDPL) Form
State Name: Minnesota
Secondary

Column 1 Indicators	Column 2 Baseline Level	Column 3 FY2020	Column 4 FY2021	Column 5 FY2022	Column 6 FY2023
1S1: Graduation Rates (4-year)	*91.50%*	91.80%	92.11%	92.71%	93.93%
2S1: Academic Proficiency: Reading/Language Arts	*56.06%*	56.35%	56.65%	57.23%	58.41%
2S2: Academic Proficiency: Mathematics	*45.25%*	45.40%	45.55%	45.84%	46.44%
3S1: Post-Program Placement	*48.37%*	48.43%	48.49%	48.61%	48.84%
4S1: Nontraditional Program Concentration	*37.57%*	37.77%	37.96%	38.35%	39.14%
5S3: Program Quality: Work-Based Learning	*17.27%*	17.31%	17.36%	17.46%	17.65%

Postsecondary

Column 1 Indicators	Column 2 Baseline Level	Column 3 FY2020	Column 4 FY2021	Column 5 FY2022	Column 6 FY2023
1P1: Postsecondary Retention and Placement	*90.86%*	91.12%	91.37%	91.89%	92.92%
2P1: Earned Recognized Postsecondary Credential	*50.25%*	50.60%	50.96%	51.68%	53.12%
3P1: Nontraditional Program Enrollment	*13.89%*	14.00%	14.10%	14.31%	14.73%

3. Describe the procedure the eligible agency adopted for determining State determined levels of performance described in section 113 of Perkins V, which at a minimum shall include—

a. a description of the process for public comment under section 113(b)(3)(B) of Perkins V as part of the development of the State determined levels of performance (see Text Box 7 for the statutory requirements for consultation on State determined performance levels under section 113(b)(3)(B) of Perkins V);
b. an explanation for the State determined levels of performance that meet each of the statutory requirements in Text Box 8; and
c. a description of how the State determined levels of performance set by the eligible agency align with the levels, goals and objectives other Federal and State laws, (Section 122(d)(10) of Perkins V).

As part of the procedures for determining State determined levels of performance, describe the process that will be used to establish a baseline for those levels.
Multiple statistical approaches were reviewed for establishing state and local performance levels, including the statistical adjustment model used for the WIOA Performance Accountability System, trend extrapolation, and statistically significant increases using simulated historical data. After consultation with representatives from consortia, stakeholders, and regional partners, it was determined that the most appropriate approach for Minnesota was to set the proposed state performance level for each accountability indicator using a factor of the standard deviation of simulated historical data. This procedure allows for the determination of what level would constitute "meaningful progress" for each indicator, establishing statistically significant improvement relative to the baseline by the fourth year of the plan.

At both the secondary and postsecondary levels, simulated historical accountability datasets were created using specifications and definitions per the new Strengthening Career and Technical Education for the 21st Century Act. These data were used to set the baseline year (the most recent year for which accountability results were available). Then, a conservative rate of growth (i.e., slower growth during the first two years, followed by more aggressive growth the final two years) was applied to determine the annual performance levels. A conservative growth rate was adopted for the first two years in recognition that programs and strategies implemented under Perkins V would require some lead-time before the full impact on rates would be observed, but at the same time the methodology incorporates continuous improvement each year.

The same overall methodology was used to determine state performance levels for both secondary and postsecondary indicators, with the following exceptions:

- The number of historical years of data that are available varied by indicator, with some indicators having as few as two years of historical data available, but most indicators having five or six years of historical data; and
- The factor of the standard deviation used differed for some of the indicators.

Although using the standard deviation of simulated historical data was the best approach identified, we also recognize some caveats associated with the methodology. Those caveats, along with other external factors that could impact indicators and result in potential amendments to performance levels, are noted below:

- Simulated historical data for some indicators were limited to only two or three years due to substantial changes in the data over time or unavailability of historical data going back more than a couple of years. The factor of the standard deviation was adjusted to account for the limitation. However, once additional years of data are observed, there may be evidence that the standard deviation of the simulated historical data was substantially different (higher or lower) than what would have been derived with additional data points.
- We may find the methodology needs modification even for indicators where six years of simulated historical data were available. Statistically, even six observations is a small number and may yield an over- or under- estimate of average random variation. After the first two years, we may need to adjust the factor of standard deviations such that it more accurately reflects the observed random variance. Given we anticipate lower programmatic impact in the first two years of the plan due to the time it takes to realize change, we would use those data to reassess the random variance and request adjustments accordingly.
- This methodology presumes conservative growth in the first two years with more aggressive growth in the final two years of the plan. As such, we assumed a doubling of improvement each year of the plan. These presumptions were based on a logical understanding of the process implementing new initiatives, but the actual numeric weights for the annual change were an educated guess. As we move forward with data collection, differences in observed speed of improvement may necessitate performance level adjustments.
- This methodology presumes the make-up of students in the denominator (CTE concentrators) and economic conditions will remain relatively constant over the next four years. Any substantial changes to either of these things may necessitate an adjustment of performance levels.
- Changes in core elements driving an indicator, such as changes in Technical Skills Assessments (i.e., changes to the assessment itself or more or fewer assessments included in the measure), changes to MCAs, or changes in the employment market would likely impact performance levels.
- Other changes to data collection, data quality, or data availability could also substantiate requests to adjust performance levels.

Minnesota does meet the statutory requirements specified for the state determined performance levels. The performance levels are specified as percentages for each secondary and postsecondary core indicator and the levels require meaningful progress toward improving the performance of all CTE concentrators over the grant timeframe. The state performance levels were subject to the public comment process and responses to the comments are included in section D4.

Regarding the extent to which the state determined levels of performance advance the eligible agency's goals, as set forth in the State plan (3a) and how the SDLPs align with levels, goals and objectives of other federal and state laws, 1P1 is a similar, but broader measure of placement of program completers in WIOA (the Perkins V indicator includes both employment placement

AND continuing postsecondary education and other things we are currently unable to capture – military, peace corps, advanced training, etc.) Indicator 2P1 is a measure of completion (as we have defined it), so that aligns with WIOA completion measure and is related to state credential *attainment goals, etc.*

4. Provide a written response to the comments regarding State determined performance levels received during the public comment period pursuant to section 113(b)(3)(B) of Perkins V. (Section 113(b)(3)(B)(iii) of Perkins V). As part of the written response, include a description of any the changes made to the State determined performance levels as a result of stakeholder feedback.

Minnesota will provide written responses as required when the public comment period ends.

Secondary

Minnesota Department of Education anticipates developing a suite of dynamic reports that will allow consortium leaders and district staff to quickly identify any gaps in performance that may exist between federally reported student groups. These reports will be updated annually in order to monitor trends in performance as well as progress toward closing any existing gaps. Webinars, group presentations, and individual assistance will be provided in order to ensure that secondary consortium leaders understand the measures used within the reports as well as how to interpret the information. The goal of providing this assistance is to ensure that consortium leaders are able to facilitate conversations with CTE teachers and district administrators so that meaningful gaps can be identified and are actionable.

5. Describe how the eligible agency will address disparities or gaps in performance as described in section 113(b)(3)(C)(ii)(II) of Perkins V in each of the plan years, and if no meaningful progress has been achieved prior to the third program year, a description of the additional actions the eligible agency will take to eliminate these disparities or gaps. (Section 122(d)(11) of Perkins V)

As part of the written response, and pursuant to the Report of the Senate Committee on Health, Education, Labor, and Pensions (HELP), the eligible agency could indicate that it will analyze data on the core indicators of performance to identify gaps in performance, explain how they will use evidence-based research to develop a plan to provide support and technical assistance to eligible recipients to address and close such gaps, and how they will implement this plan. The eligible agency is not required to submit a new State plan prior to the third program year in order to address this requirement.

Postsecondary

Minnesota State plans to develop a set of reports that will present gaps in performance between federally identified subgroups and special populations and all CTE concentrators, where data are available. Data will allow consortia leaders to monitor performance over time and determine if progress is being made or where new issues may be arising. Assistance will be provided to help analyze the data to know when gaps are meaningful and to understand when additional information is required to interpret what is happening in their consortia.

Initiatives

Both Minnesota State and the Minnesota Department of Education are committed to addressing disparities or gaps in performance of our students. MDE's Equity Statement follows: Educational equity is the condition of justice, fairness and inclusion in our systems of education so that all students have access to the opportunities to learn and develop to their fullest potential. The pursuit of educational equity recognizes the historical conditions and barriers that have prevented opportunity and success in learning for students based on their races, incomes, and other social conditions. Eliminating those structural and institutional barriers to educational opportunities requires systemic change that allows for distribution of resources, information and other support depending on the student's situation to ensure an equitable outcome.

Minnesota State has this goal: "By 2030, Minnesota State will eliminate education equity gaps at every Minnesota State college and university."

Under the umbrella of these statements and goals, multiple initiatives are in place to address disparities or gaps in performance. For example, within the Minnesota Department of Education there is in an effort to better align CTE work and ESSA initiatives. We anticipate supporting and collaborating with state specialists and educators in our special education division, homeless student liaison staff, as well as our English learner division, all of which have a strong start toward reducing and eliminating gaps in performance.

There is also state legislation annually requiring each district to identify any existing gaps in performance as well as to document strategies for closing those gaps. Secondary consortia leaders are able to access a summary of their districts' publically available World's Best Workforce and Achievement and Integration plans in order to determine whether CTE students would benefit from additional support of existing district goals and strategies or whether more is needed in order to support CTE teachers and students more specifically. Finally, it is also anticipated that secondary staff would utilize and share forward any resources produced by Advance CTE, REL, or Midwest Comprehensive Center in support of continuous improvement for all CTE students.

With these overarching goals, and the principle of equity within our state's Perkins Plan, our work will align with and enhance the initial strategies for implementation including the following areas of focus:

- Disaggregation of student data metrics to inform equity work and develop mechanisms to share data and review.
- Convening statewide Equity Summits.
- Providing consultative and communicative structures.
- Incentivize innovations to enhance access, improve student engagement and support, mitigate policy barriers, and expand workforce diversity and strategic talent management.

The increase of the reserve allocation distributed to local consortia to 15% is one opportunity for financial support for this equity work. In addition, the state will continue to heavily invest leadership funds to support professional development and technical assistance at the state and local levels. Individual consortia interventions will rise from the CLNA.

III. ASSURANCES, CERTIFICATIONS, AND OTHER FORMS

Statutory Assurances, EDGAR Certifications, and Other Forms will be submitted in full with the final submission to the Department of Education. All Other Forms may be retrieved at https://www.minnstate.edu/system/cte/Strengthening-CTE/index.html

A. Statutory Assurances

B. EDGAR Certifications

C. Other Forms

Jeralyn Jargo
State Director Career and Technical Education

MINNESOTA STATE

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MinnState.edu/System/CTE

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MINNESOTA STATE
Career and Technical Education

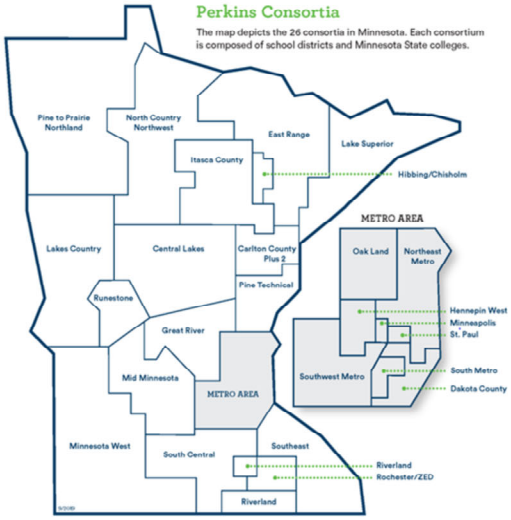
DEPARTMENT OF EDUCATION

January 29, 2020

Academic and Student Affairs Committee

Strengthening Career and Technical Education for the 21st Century (Perkins V)

Perkins Context: Consortia

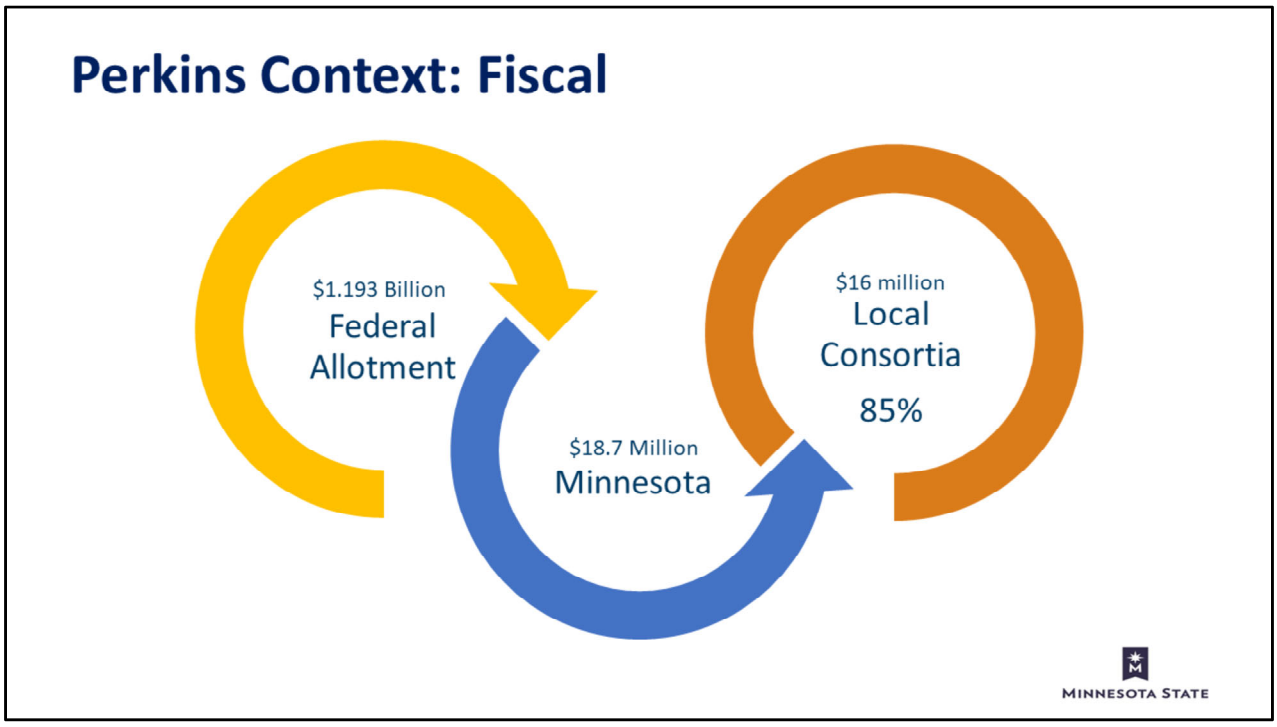


MINNESOTA STATE

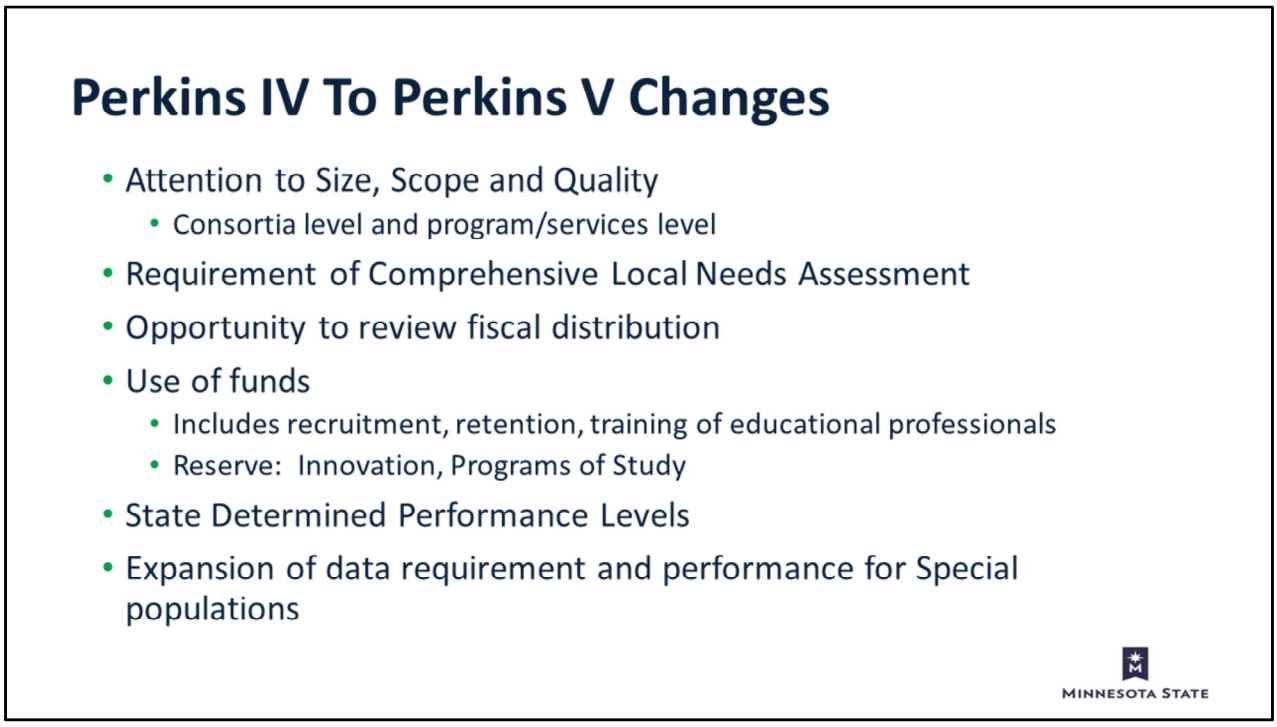
The Perkins V also includes new requirements for “programs of study” that link academic and technical content across secondary and post-secondary education, and strengthened local accountability provisions that will ensure continuous program improvement.

Minnesota has operated under a consortia model since the implementation of Perkins IV, 2006 which put ahead in terms of our Perkins V implementation.
Consortia determined their own “partners” which had to include at least one school district and one of our 2-year colleges. With the increased attention to size, scope, and quality, the consortia have been asked to review their governance structures.

Average allocation : $615,000
Ranges from Under $200,000 to 1.7 million



By formula (census and age of our population are major determinants) the federal government award Minnesota its Perkins allocation.
By formula, Minnesota State awards local consortia their allocation.
Concentrators, Pell eligible, square mileage (rural) or high numbers as part of Reserve



What stayed constant from Perkins IV to Perkins V?

Purpose and Intent

FOCUS ON IMPROVEMENT AND INNOVATION; SUPPORT OF INSTITUTIONS AND PROGRAMS

New Purpose- Related to increasing employment opportunities for unemployed or underemployed.

Current structure and funding streams

Title 1- Basic State Grant

Funding formulas

Federal to state and state to local recipients

Who gets funding

No change

What changed?

The research done through the comprehensive needs assessment ties to the actions and to the budget.
POS alignment to the high-skill, high-wage, and in-demand occupations and emerging occupations of the local/regional community.
Increased attention to equity of access
Attention to the critical need for teachers

State-level Performance Indicators

Secondary Core Indicators	Postsecondary Core Indicators
1S1: Graduation Rates (4-year)	1P1: Postsecondary Retention and Placement
2S1: Academic Proficiency: Reading/Language Arts	2P1: Earned Recognized Postsecondary Credential
2S2: Academic Proficiency: Mathematics	3P1: Nontraditional Program Enrollment
3S1: Post-Program Placement	
4S1: Nontraditional Program Concentration	
5S3: Program Quality: Work-Based Learning	

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WIOA Partner Program

Note: Minnesota's Perkins V plan is a partner program in the state's WIOA combined plan.

A Combined Plan outlines a four-year strategy for WIOA's six core programs plus one or more of the Combined State Plan partner programs. Core programs include: Adult, Dislocated Worker, Youth, Wagner-Peyser Act, Adult Education and Family Literacy, and Vocational Rehabilitation. Minnesota partner programs include Perkins V, Minnesota Family Investment Program (MFIP), Supplemental Nutrition Assistance Program (SNAP), Trade Adjustment Act (TAA), Senior Community Service Employment Program (SCSEP), and Reintegration of Ex-Offenders Program (Second Chance Act).

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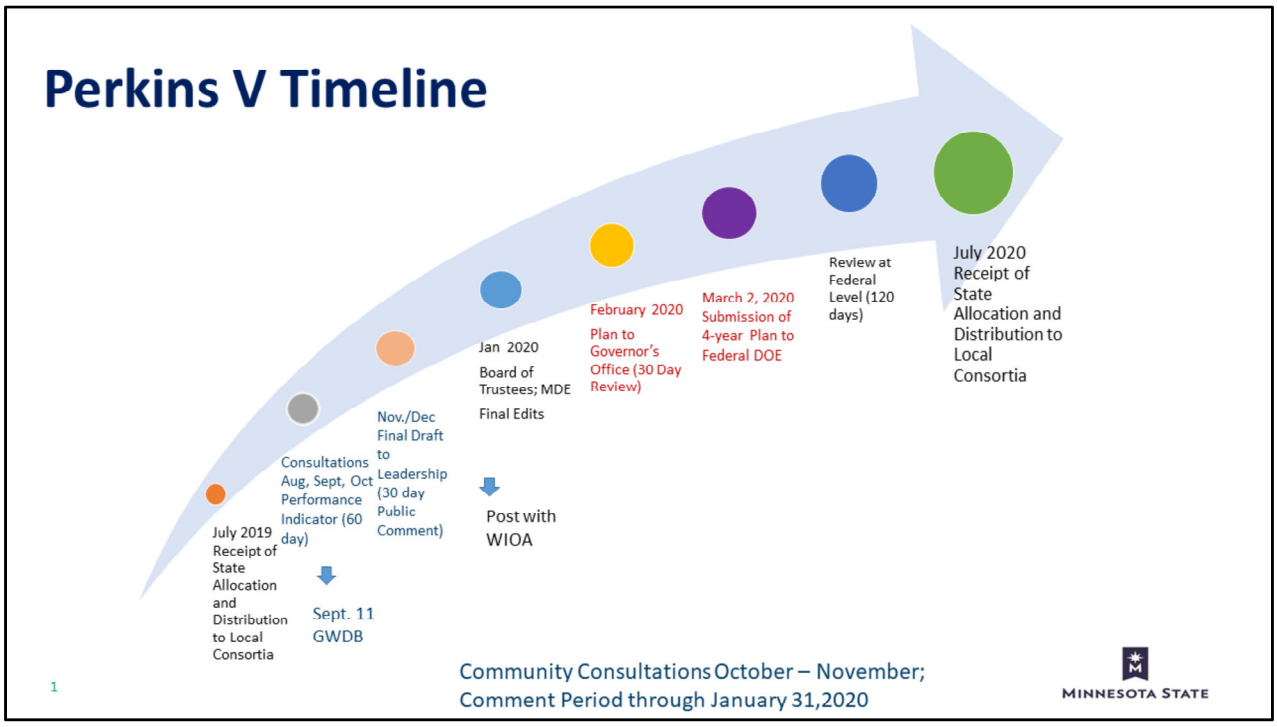


In review- here's a Visual of timeline for submission of the 4-year plan.
BOT = Minnesota State Board of Trustees
MDE = Minnesota Department of Education

Note: One of the federal changes with Perkins V is that expanded consultation and the review by the Governor are now required.

How did we get here?

The federal government has actually been funding career and technical education for more than 100 years.
Carl D. Perkins Vocational and Technical Education Act was first authorized by the federal government in 1984 and reauthorized in 1998, 2006 and 2018. Named for Carl D. Perkins, the act aims to increase the quality of technical education within the United States in order to help the economy.[1]
On July 31, 2018, President Donald Trump signed into law the re-authorization of the Act of 2006. The new law, the **Strengthening Career and Technical Education for the 21st Century (Perkins V) Act**, was passed almost unanimously by Congress.
Minnesota began operating under our Transition Plan for the Perkins V Act. July 1, 2019 .

The latest re-authorization includes three major areas of revision:

- Using the term "career and technical education" instead of "vocational education"
- Maintaining the Tech Prep program as a separate federal funding stream within the legislation
- Maintaining state administrative funding at 5 percent of a state's allocation

The Perkins Act provides $1.2 billion in federal support for career and technical education programs in all 50 States, including support for integrated career pathways programs.[2] The law was extended through 2024.

RECOMMENDED COMMITTEE MOTION

Upon the recommendation of the Chancellor, the Academic and Student Affairs Committee recommends that the Board of Trustees approve the State of Minnesota Perkins V Plan. The Plan will be submitted to the U.S. Department of Education, Office of Career, Technical, and Adult Education, in fulfillment of the requirements of the Strengthening Career and Technical Education for the 21st Century Act Public Law 115–224.

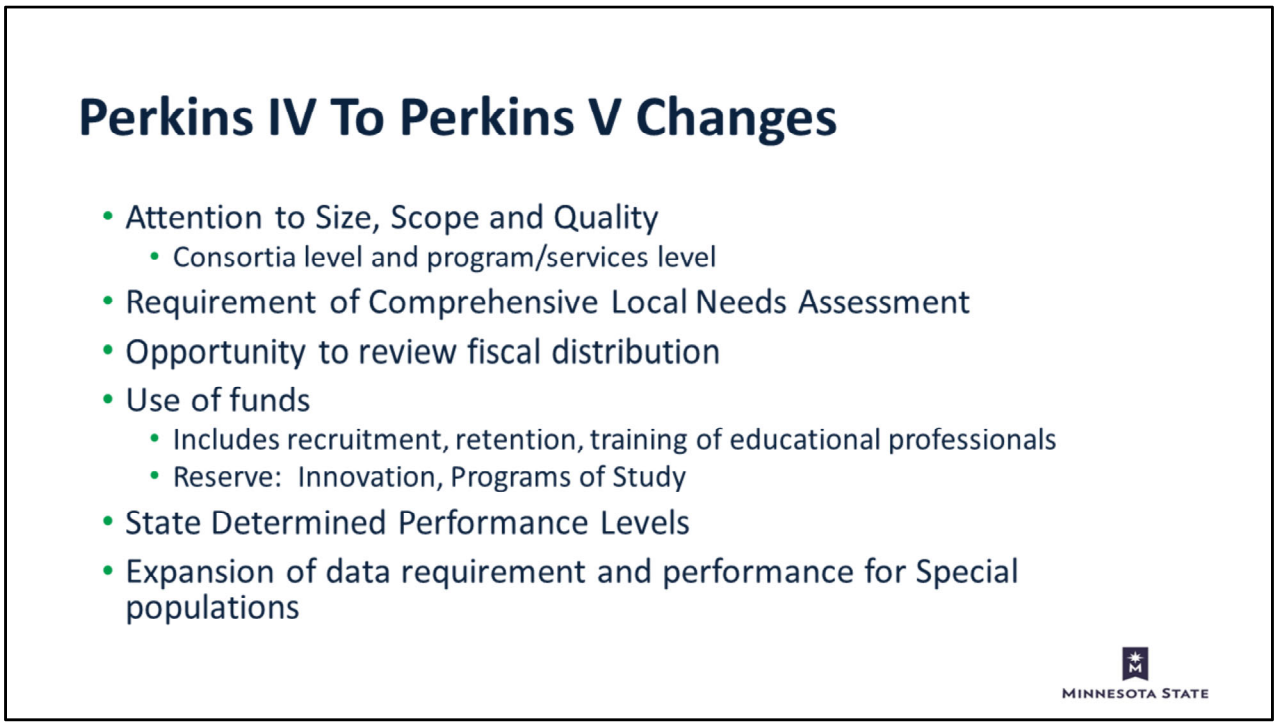
RECOMMENDED MOTION

The Board of Trustees approve the State of Minnesota Perkins V Plan. The Plan will be submitted to the U.S. Department of Education, Office of Career, Technical, and Adult Education, in fulfillment of the requirements of the Strengthening Career and Technical Education for the 21st Century Act Public Law 115–224.

MINNESOTA STATE

BACKGROUND

MINNESOTA STATE



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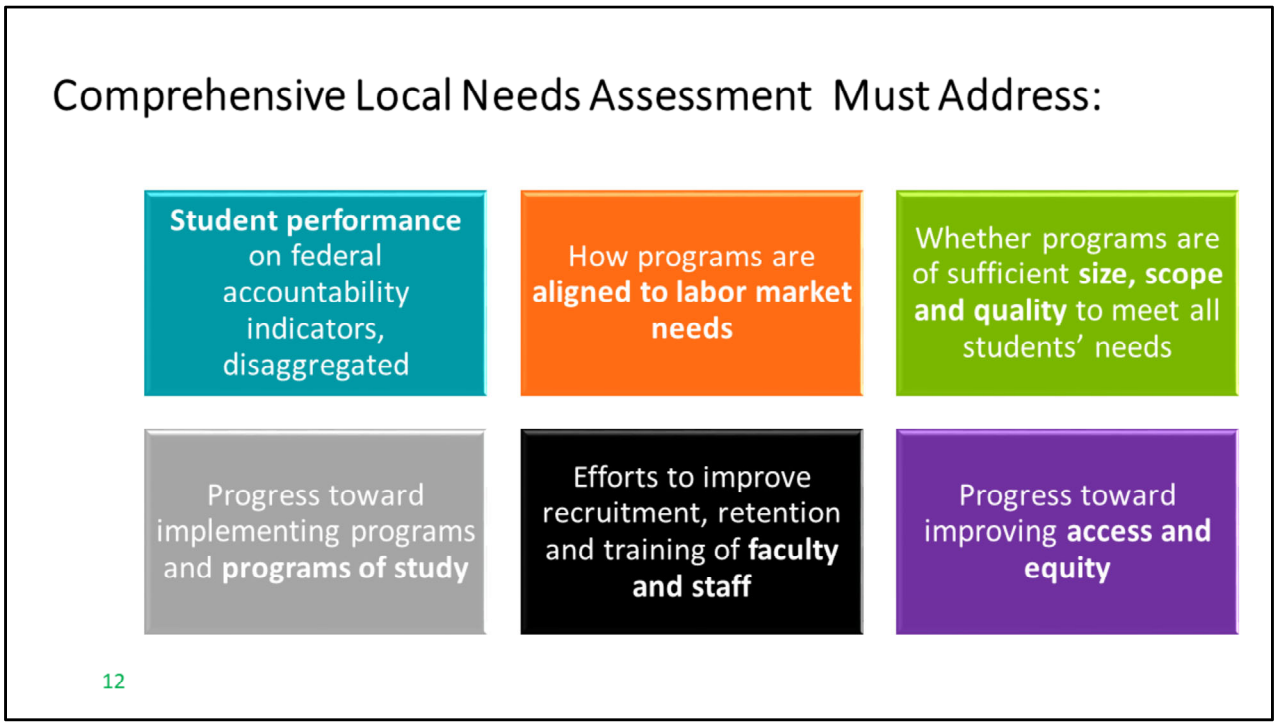
POS alignment to the high-skill, high-wage, and in-demand occupations and emerging occupations of the local/regional community.
Increased attention to equity of access
Attention to the critical need for teachers

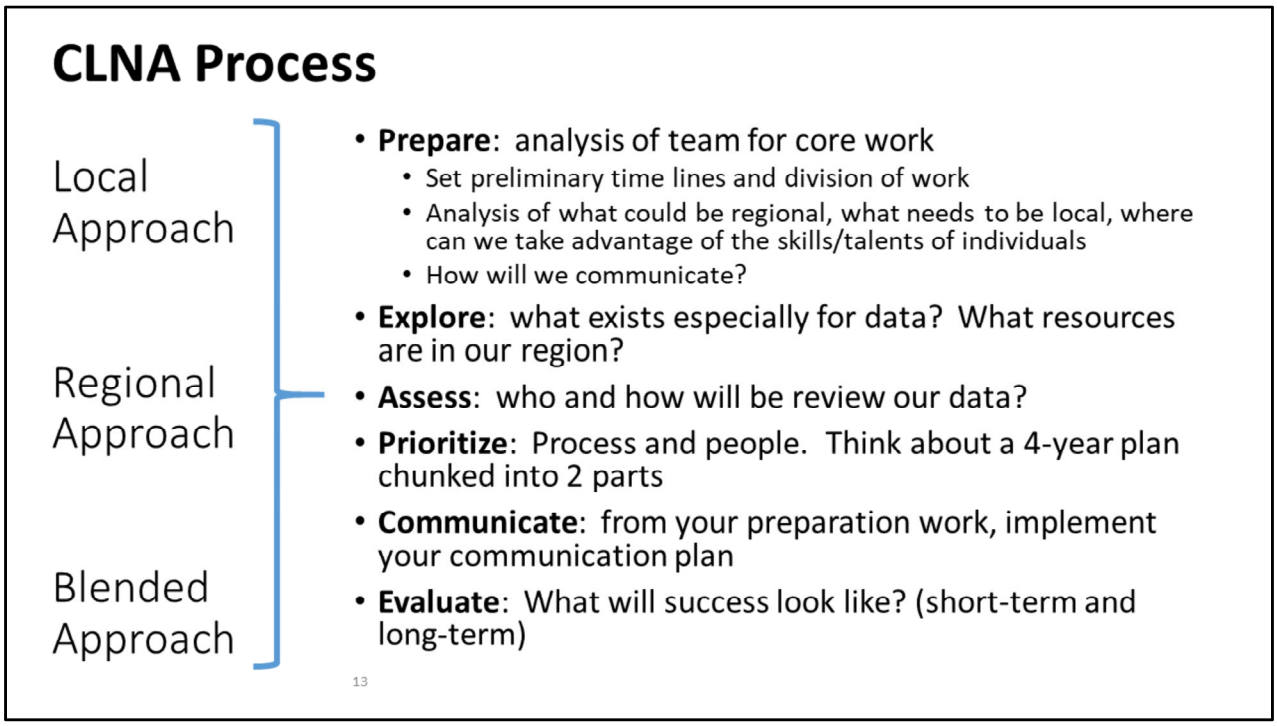
Size, Scope and Quality

- Balance access and return on investment
  - Providing access for learners
    - 6 Programs of Study available (State-recognized POS)
  - Size, scope, quality parameters
  - Fiscal resources to provide professional development and technical assistance
- Aligned to Comprehensive Local Needs Assessment

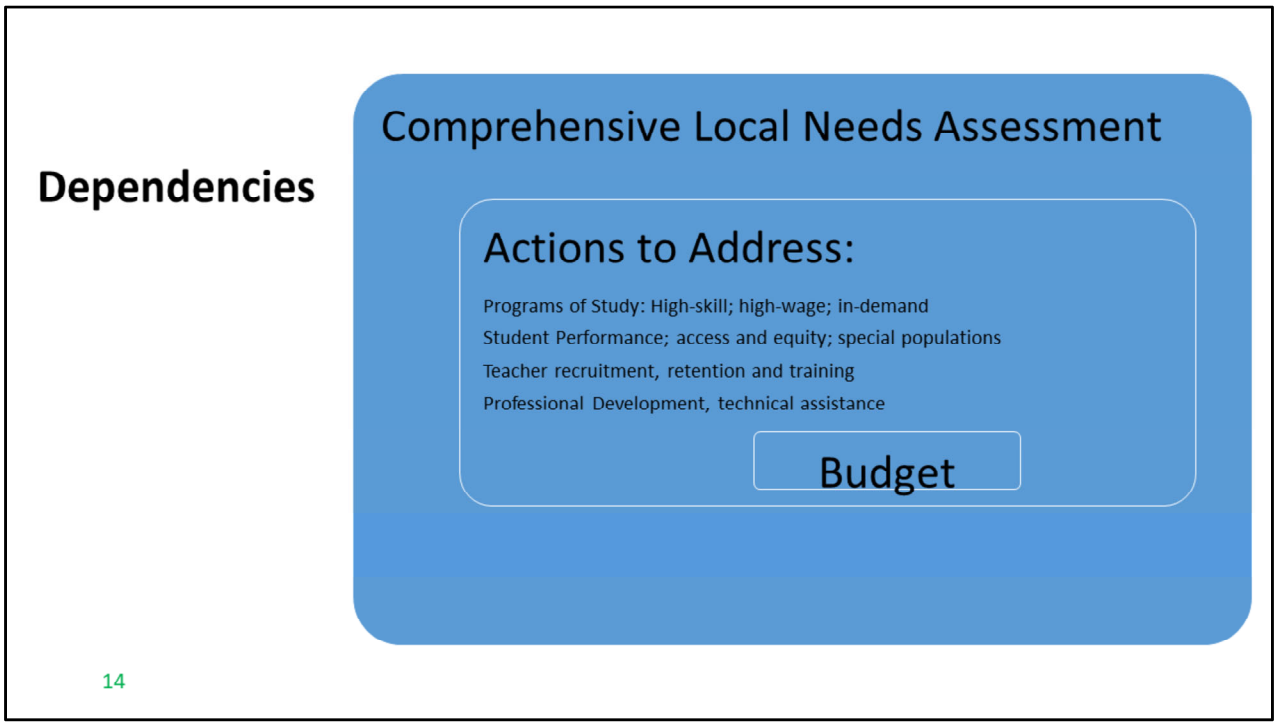
MINNESOTA STATE



Student performance
Alignment to LM needs
Sufficient size, scope and quality
Program toward POS
Recruitment, retention and training of faculty /staff
Improving equity of access



The State has provided a guide, framework and professional development regarding the CLNA process.
This must be complete at least once very two years and be submitted with the local application for grant funds.



The driver is your CLNA.
That informs your actions.
Your budget is built to support your actions.

Components of CLNA: **Student performance** on federal accountability indicators, disaggregated
How programs are **aligned to labor market needs**
Whether programs are of sufficient **size, scope and quality** to meet all students' needs
Progress toward implementing programs and **programs of study**
Efforts to improve recruitment, retention and training of **faculty and staff**
Progress toward improving **access and equity**

The requirement of the CLNA is a significant change as we move to Perkins V.
The other changes include:
requirement for consultation
Expansion of the definition of special populations
Higher priorities for work-based learning,
Attention to size, scope, and quality
And changes to the performance accountability measures

Student performance on federal accountability indicators, disaggregated
How programs are **aligned to labor market needs**
Whether programs are of sufficient **size, scope and quality** to meet all students' needs
Progress toward implementing programs and **programs of study**
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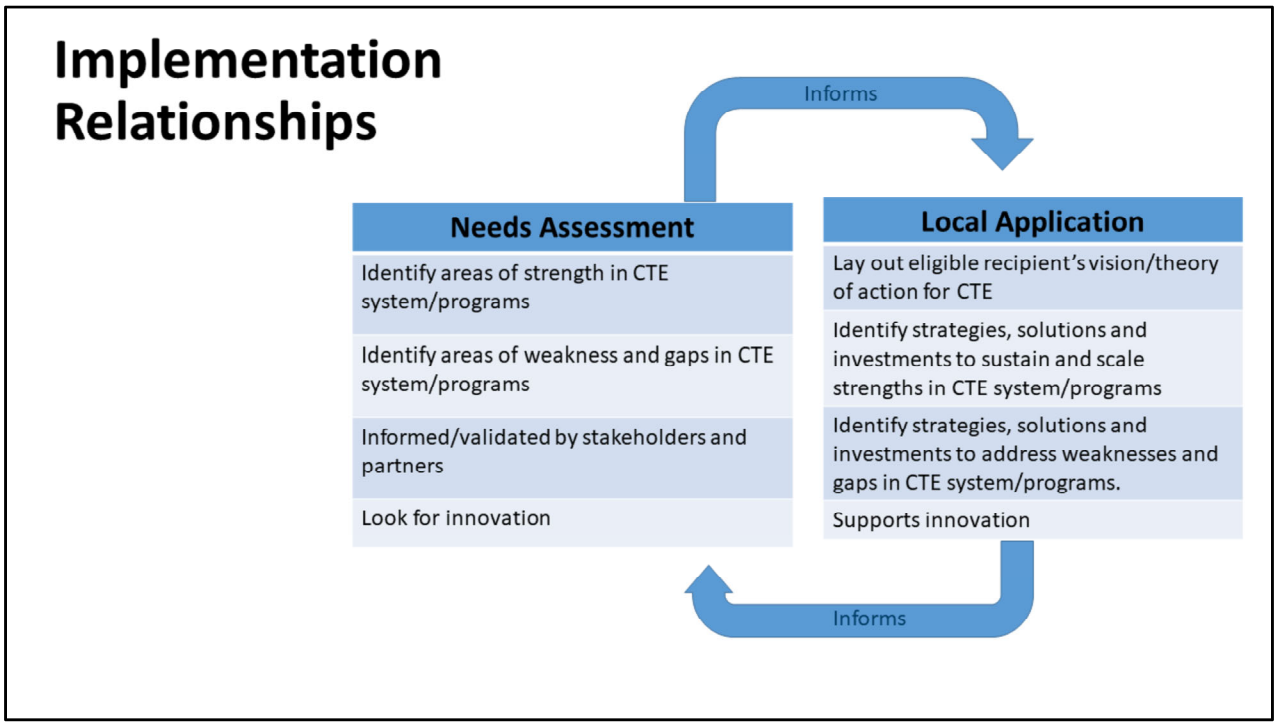
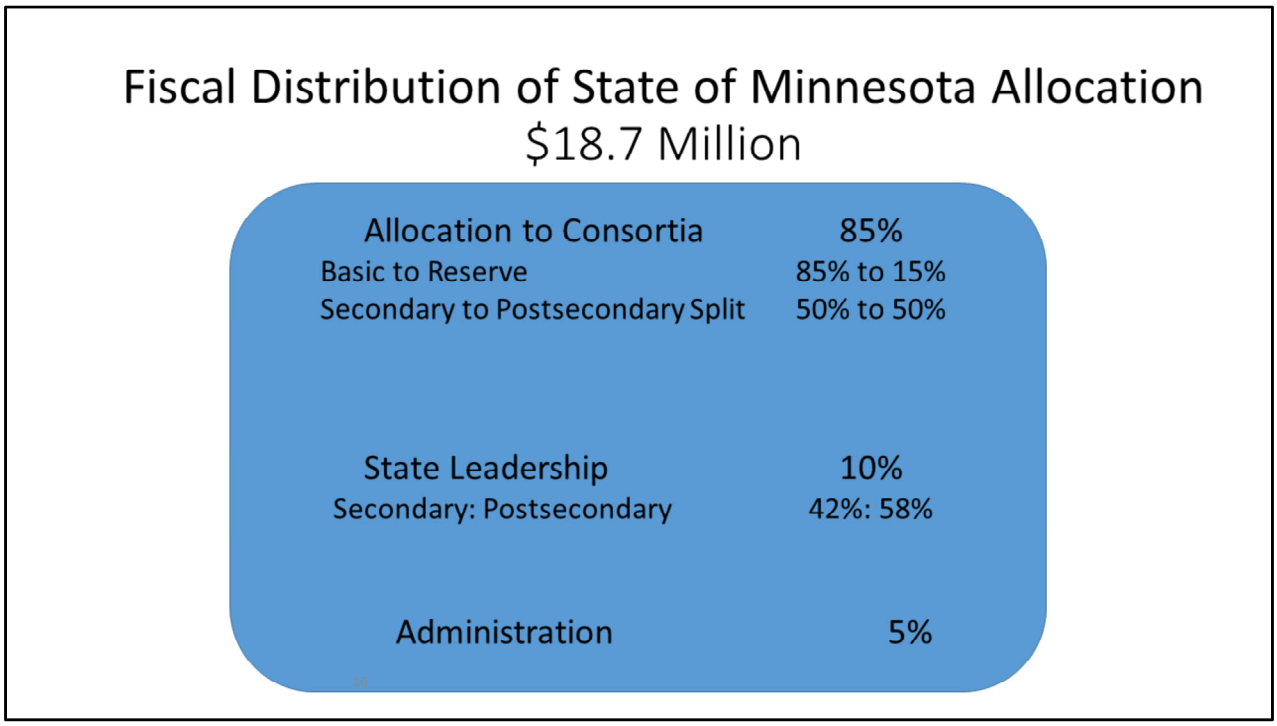


Timelines- consortia work through CLNA for inclusion in the application submitted May 1, 2020.
The CLNA will need to be repeated, at a minimum, every two years.
The application submitted will apply to July 1, 2020 through June 30, 2022.
However, an annual budget and any updates will need to be submitted May 1, 2021.



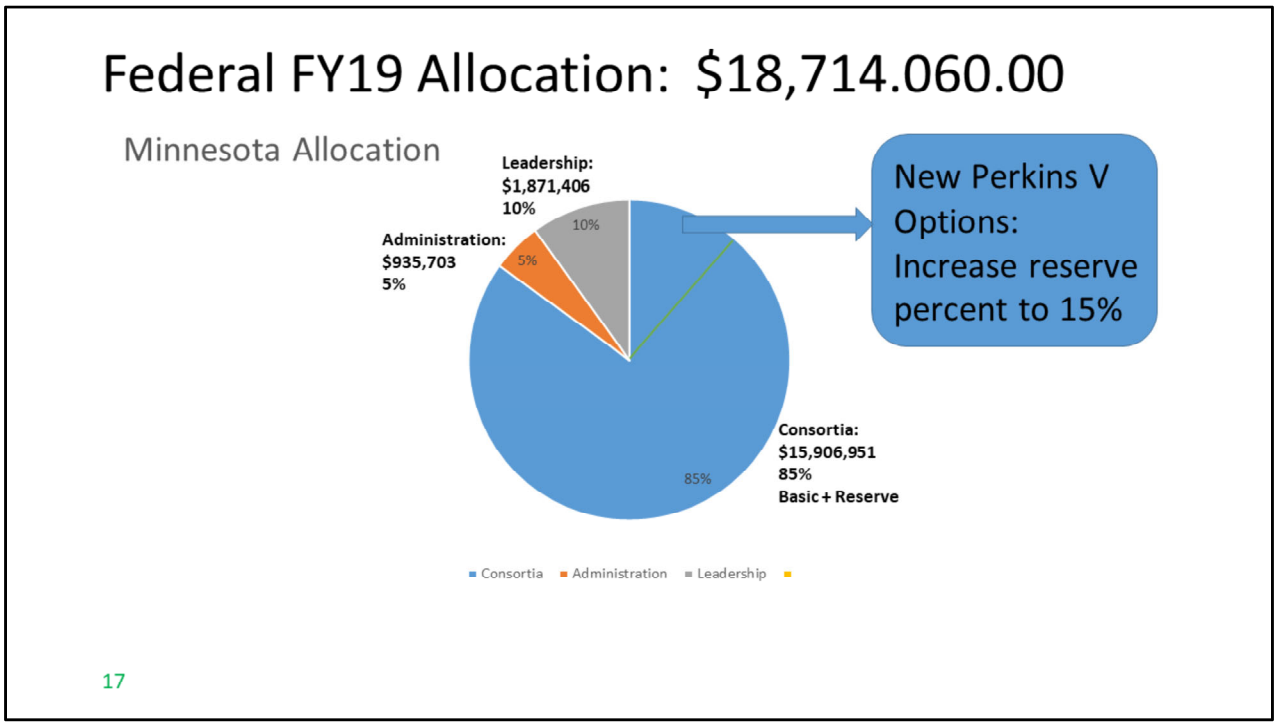
Set by federal Act: not less than 85% for consortia; not more than 10% for state leadership; not more than 5% for administration.

ALLOTMENT AVAILABILITY OF FEDERAL FUNDS*

A cooperative agreement between the Commissioner of Education and Minnesota State Colleges and Universities will annually provide for the distribution of federal funds between secondary and postsecondary career and technical programs. Distribution to local education agencies must be determined by state and federal law.

~ Minnesota Rule 3505.1700

*Dependency on Approved State Plan



Potential in changes to reserve in the 4-year plan beginning July 1, 2020.

The total funding into the state Federal FY2019 was $18.7 million.

The distribution is largely driven by the federal requirements:
85% goes to LEAS. Local Education Agencies
Current

- Basic = 90% of 85% of total
- Reserve = 10 % of the 85% of total
- Distribution of both by formula
  - 50% Rural: 50% High numbers

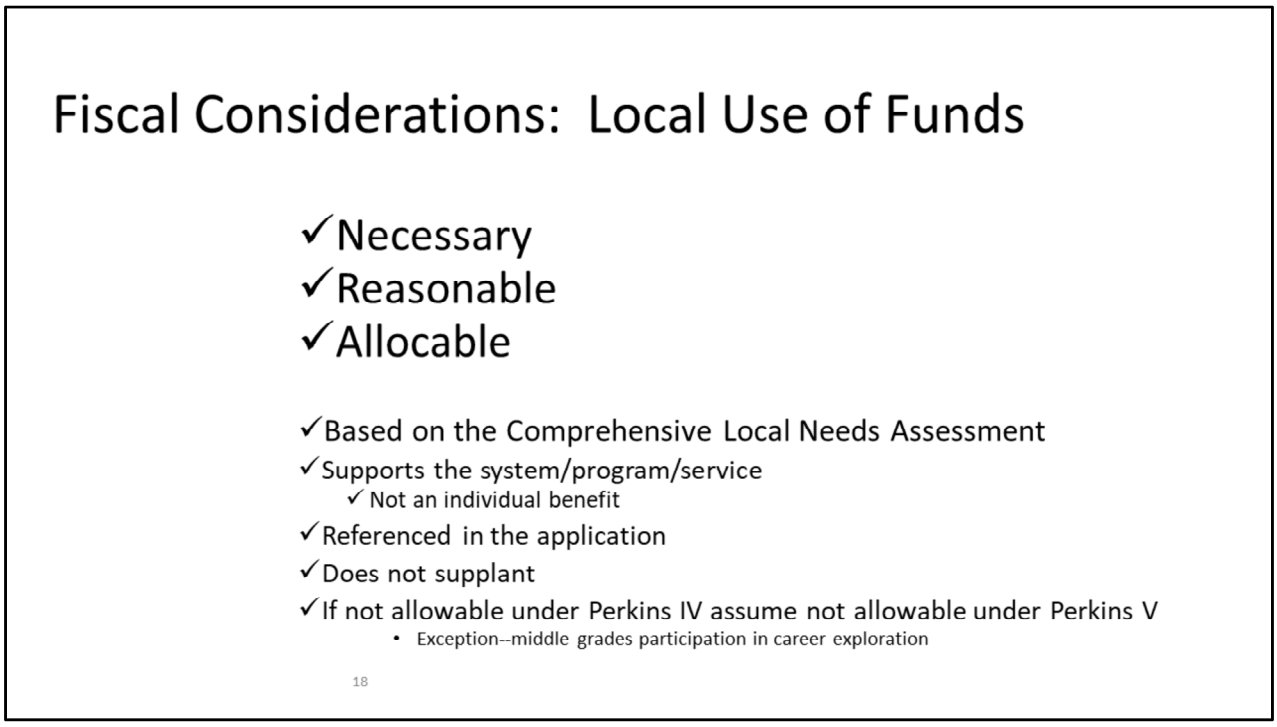
B) Basic = 95% of 85% of total

- Reserve = 5 % of the 85% of total
- Distribution by formula for basic
- Distribution of reserve by RFP

C)Basic = 85% of 85% of total

- Reserve = 15 % of the 85% of total
- Distribution of both by formula
  - 50% Rural: 50% High numbers

Monitored: AmpliFund
Perkins V Opportunities



These are federal funds and as such have parameters around local use of funds.

Uses of Funds: Reserve

Section 135
1) in--
A. Rural areas;
B. Areas with high percentages of CTE concentrators or CTE participants
C. Areas with high numbers of CTE concentrators or CTE participants
D. Areas with disparities or gaps in performance

2) In order to—
A. **foster innovation** through the identification and promotion of promising and proven career and technical education programs, practices, and strategies, which **may** include programs, practices, and strategies that prepare individuals for nontraditional fields; or
B. Promote the development, implementation, and adoptions of POS or career pathways aligned with State-identified high-skill, high-wage, or in-demand occupations or industries

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Focus and % of funds for Reserve has changes with Perkins V.
The intent is to focus, even more, on innovation and the Programs of Study aligned with high-skill, high-wage, and in-demand or emerging occupations or industries.

State-level Core Performance Indicators

Secondary Core Indicators

Core Indicator	*Baseline Year*	*Baseline Rate*	Grant Year 1	Grant Year 2	Grant Year 3	Grant Year 4
1S1: Graduation Rates (4-year)	*2018*	*91.50%*	91.80%	92.11%	92.71%	93.93%
2S1: Academic Proficiency: Reading/Language Arts	*2018*	*56.06%*	56.35%	56.65%	57.23%	58.41%
2S2: Academic Proficiency: Mathematics	*2018*	*45.25%*	45.40%	45.55%	45.84%	46.44%
3S1: Post-Program Placement	*2017*	*48.37%*	48.43%	48.49%	48.61%	48.84%
4S1: Nontraditional Program Concentration	*2018*	*37.57%*	37.77%	37.96%	38.35%	39.14%
5S3: Program Quality: Work-Based Learning	*2018*	*17.27%*	17.31%	17.36%	17.46%	17.65%

Note: updates made to the secondary accountability on Dec. 2, 2019 include removing Extended (7yr) Graduation Rate (1S2) and the Program Quality: Postsecondary-Credit (5S2) performance indicators. Work-Based Learning (5S3) was added to represent the Program Quality indicator. And finally, on Dec. 20, 2019 following feedback from the secondary stakeholder group and consortium leaders, (5S4) Program Quality: TSA/IRC indicator was removed.

State-level Core Performance Indicators

Postsecondary Core Indicators

Core Indicator	*Baseline Cohort*	*Baseline Rate*	Grant Year 1	Grant Year 2	Grant Year 3	Grant Year 4
1P1: Postsecondary Retention and Placement	*2016-2018*	*90.86%*	91.12%	91.37%	91.89%	92.92%
2P1: Earned Recognized Postsecondary Credential	*2017-2019*	*50.25%*	50.60%	50.96%	51.68%	53.12%
3P1: Nontraditional Program Enrollment	*2017-2019*	*13.89%*	14.00%	14.10%	14.31%	14.73%

Note: Grant Year 1 performance data will be reported December 2021, Grant Year 2 performance data will be reported December 2022, etc. Postsecondary data were updated on Nov. 15, 2019 to reflect changes in the data for most recent cohort, which was frozen as of Sept. 1, 2019. The impact on proposed performance levels was 0.25% or less.

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Special Populations

PURPOSE (Sec. 1) Specifies one of the purposes of the Act is to develop more fully the academic knowledge and technical employability skills by increasing the employment opportunities for populations including:

- individuals with disabilities
- individuals from economically disadvantaged families, including low-income youth and adults
- individuals preparing for non-traditional fields
- single parents, including single pregnant women
- English learners
- out-of-workforce individuals
- homeless individuals
- youth who are in, or have aged out of, the foster care system
- youth with a parent who is a member of the armed forces and is on active duty

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Full Plan and Attachments

COMMENT ON THE PROPOSED MINNESOTA 4-YEAR STATE PLAN

The public comment period on the Minnesota 4-Year State Plan closes January 31, 2020.

- **Minnesota 4-Year State Plan** (.pdf)
- **Perkins V Operational Handbook** (.pdf)
- **Comprehensive Local Needs Assessment (CLNA) Guide** (.pdf)
- **CLNA Framework** (.doc)
- **State-Recognized Programs of Study User Guide** (.pdf)

There are two ways to provide comments on the Minnesota 4-Year State Plan:

1. You can ask a question or leave comments at **myCTEidea@minnstate.edu**.
2. **Submit your comments online**

Retrieve at https://www.minnstate.edu/system/cte/index.html

MINNESOTA STATE

WIOA Partner Program

Note: Minnesota's Perkins V plan is a partner program in the state's WIOA combined plan.

A Combined Plan outlines a four-year strategy for WIOA's six core programs plus one or more of the Combined State Plan partner programs. Core programs include: Adult, Dislocated Worker, Youth, Wagner-Peyser Act, Adult Education and Family Literacy, and Vocational Rehabilitation. Minnesota partner programs include Perkins V, Minnesota Family Investment Program (MFIP), Supplemental Nutrition Assistance Program (SNAP), Trade Adjustment Act (TAA), Senior Community Service Employment Program (SCSEP), and Reintegration of Ex-Offenders Program (Second Chance Act).

MINNESOTA STATE

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

Title: Restructuring of the Northeast Higher Education District

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	■ Approvals Required by Policy	☐ Other Approvals
☐ Monitoring / Compliance	☐ Information	

Brief Description:

The Northeast Higher Education District (NHED) was established in 1999 and currently consists of five independently accredited community colleges (Hibbing, Itasca, Mesabi Range [campuses in Virginia and Eveleth], Rainy River, and Vermilion). The five colleges share a president and several non-instructional services. While the colleges work closely together in many areas, they still operate largely as independent colleges in areas such as academic programming, enrollment management, budget, accreditation, and athletics.

Significant and sustained enrollment decline (33% loss of tuition paying student FYE from fiscal years 2011 to 2019) limits the district's ability to make strategic investments, results in fewer employees to serve students, and leaves the district's colleges vulnerable. Operating as five separate colleges creates barriers to students who seek access to courses, programs, and services at multiple NHED colleges, produces inefficiencies for employees who work in shared services, and results in duplicative expenses that have become more difficult to absorb with declining revenue.

As a result of district planning over the past two years, the district president is requesting approval to proceed with comprehensive planning to merge the five district colleges into a single accredited institution in preparation for subsequent Board of Trustees action to formally merge the colleges.

Scheduled Presenters:
Ron Anderson, Senior Vice Chancellor for Academic and Student Affairs
Michael Raich, Interim President, Northeast Higher Education District

BOARD OF TRUSTEES
MINNESOTA STATE

ACTION ITEM
RESTRUCTURING OF THE NORTHEAST HIGHER EDUCATION DISTRICT

BACKGROUND

The Northeast Higher Education District (NHED) was established in 1999 and currently consists of five independently accredited community colleges (Hibbing, Itasca, Mesabi Range [campuses in Virginia and Eveleth], Rainy River, and Vermilion). The five colleges share a president and several non-instructional services. While the colleges work closely together in many areas, they still operate largely as independent colleges in areas such as academic programming, enrollment management, budget, accreditation, and athletics.

Significant and sustained enrollment decline (33% loss of tuition paying student FYE from fiscal years 2011 to 2019) limits the district's ability to make strategic investments, results in fewer employees to serve students, and leaves the district's colleges vulnerable. Operating as five separate colleges creates barriers to students who seek access to courses, programs, and services at multiple NHED colleges, produces inefficiencies for employees who work in shared services, and results in duplicative expenses that have become more difficult to absorb with declining revenue.

Planning Process and Rational for Restructuring

Employees and students from the five colleges engaged in district strategic planning during the 2016 and 2017 academic years. As part of the process, college employees, students, and advisory board members were surveyed to evaluate the current structure of NHED and its member colleges. The outcomes of this planning process centered on deeper collaboration among colleges. The four leading responses to the survey were:

- Identify and facilitate collaborative development of innovative shared programs and identify and reduce barriers for students enrolled in shared courses and programs;
- Establish shared HLC accreditation support, service, and documents, including a district-wide HLC committee;
- Research and expand career and technical programming; and
- Facilitate communication and coordination between programs by scheduling district discipline and academic affairs meetings.

The survey responses and the strategic planning committee discussions along with sustained district enrollment decline and financial challenges led to the decision to develop a Regional Academic Plan (RAP). A 25-member RAP committee of NHED faculty, staff, and administrators was formed and—along with a facilitator—met regularly through the 2018-2019 academic year.

The RAP resulted in three overarching outcomes:

- A set of short-term academic goals.
- A set of long-term academic goals.
- Consideration of two options for restructuring the district colleges:
    - Five colleges (six campuses) become one college (six campuses) with a single HLC accreditation
    - Five colleges (six campuses) become two colleges: one five-campus college (Hibbing, Itasca, Mesabi Range [Virginia & Eveleth], and Rainy River) and one single-campus college (Vermilion)

After the conclusion of the RAP process, the NHED President's Cabinet met multiple times to prioritize and refine RAP goals and to create a process/timeline to decide on one of the two college restructuring options. Elements of the restructuring decision-making process/timeline included:

- Presentations at all duty days;
- College information sessions offered as needed at each provost's discretion;
- President's meetings with each college's provost, student senate leaders, and faculty leaders;
- President's meetings with area legislators and other area leaders;
- NHED meetings with state bargaining leaders (MSCF, AFSCME, MAPE, and MMA);
- Faculty shared governance meetings held at each college.

Throughout the planning process, the NHED President communicated regularly with the Minnesota State Chancellor and the Chancellor's cabinet. In late fall, a final NHED restructuring proposal was developed by the NHED President's Leadership Cabinet and presented by Interim President Mike Raich to the Minnesota State Chancellor for consideration. That proposal reads as follows:

> *The Northeast Higher Education District (NHED) President's Leadership Cabinet recommends that the five independently accredited colleges (six campuses) of NHED merge into one accredited college (six campuses).*

Intended Outcomes of Restructuring

The intent of becoming a single accredited institution is to best position the six campuses of the northeast for long-term sustainability by:

- Creating seamless learning experiences for students across the region;
- Increasing student enrollment and success outcomes through a comprehensive/cohesive enrollment management plan and approach;
- Expanding existing academic programming regionally and collaboratively developing new programming;
- Advancing regional business/industry, university, and K- 12 partnerships;
- Improving instructional efficiency and eliminating duplication of non-instructional processes;

- Leveraging the capacity and flexibility of a larger college and maintain individual campus identities; and
- Providing continued access to education across the region by strengthening the vitality of the six NHED campuses.

Important Considerations and Principles for Consolidation

As the district further pursues the planning for consolidation, it has identified a number of core principles and considerations, underscoring the need to:

- Maintain strong campus identities;
- Ensure that face-to-face instruction and services to students remains primary wherever possible;
- Keep effective practices intact; and
- Recognize that restructuring will be an evolutionary process and will take time to implement effectively.

RECOMMENDED COMMITTEE ACTION

Upon the recommendation of the Chancellor, the Academic and Student Affairs Committee recommends that the Board of Trustees support the intent of merging the Northeast Higher Education District's five independently accredited colleges (six campuses) into one accredited college (six campuses) and charges Interim President Raich with developing a comprehensive plan and timeline for such a merger and for securing institutional accreditation.

RECOMMENDED MOTION

The Board of Trustees supports the intent of merging the Northeast Higher Education District's five independently accredited colleges (six campuses) into one accredited college (six campuses) and charges Interim President Raich with developing a comprehensive plan and timeline for such a merger and for securing institutional accreditation.

MINNESOTA STATE

Human Resources Committee
Wednesday, January 29, 2020
Time: 10:00 AM
McCormick Room

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot. In addition to the board or committee members attending in person, some members may participate by telephone. Other board members may be present constituting a quorum of the board.

1. **Minutes of November 20, 2019 (pp. 1-5)**
2. **Minutes of Joint Meeting with Audit Committee of November 20, 2019 (pp. 6-8)**
3. **2019-2021 Minnesota State College Faculty Bargaining Contract (pp. 9-10)**

Committee Members:
Michael Vekich, Chair
George Soule, Vice Chair
Ahmitara Alwal
Dawn Erlandson
Roger Moe
Rudy Rodriguez
Cheryl Tefer

President Liaisons:
Ginny Arthur
Annette Parker

MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
HUMAN RESOURCES COMMITTEE MEETING MINUTES
Bemidji, MN

November 20, 2019

Committee Members Present: Committee Vice Chair George Soule, Trustees Dawn Erlandson, Roger Moe, Cheryl Tefer and on the phone: Trustee Rodriguez. Also present; committee member and president liaison Ginny Arthur.

Committee Members Absent: Committee Chair Michael Vekich, Trustee AbdulRahmane Abdul-Aziz.

Other Trustees Present: Board Chair Jay Cowles, Trustees Ashlyn Anderson, Jerry Janezich, Louise Sundin, Bob Hoffman, Alex Cirillo, Samson Williams and on the phone, Trustee April Nishimura.

The Minnesota State Colleges and Universities Human Resources Committee held its meeting on November 20, 2019, at Bemidji State University. Vice Chair Soule called the meeting to order at 10:42 am and stated that the agreements before the committee are now ratified and no longer pending.

1. **Minutes of Human Resources Committee of October 15, 2019**
   The minutes of the October 15, 2019, Human Resources Committee were approved as published by Trustees Moe and Rodriguez.

2. **Approval of 2019-2021 Inter Faculty Organization Bargaining Contract (IFO)**
   Eric Davis, Vice Chancellor for Human Resources, addressed the board stating he and Chris Dale, Sr. System Director for Labor Relations, will review a summary of three agreements and ask the board to approve the terms of each updated labor agreement. A summary sheet of each agreement was provided to committee members. Chris Dale reviewed the IFO summary highlighting the significant economic and language changes.

   The Human Resources Committee recommended that the Board of Trustees adopt the following motion:

   The Board of Trustees approves the terms of the 2019-2021 labor agreement between Minnesota State Colleges and Universities and the Inter Faculty Organization and authorizes Chancellor Devinder Malhotra to sign the agreement on behalf of the Board of Trustees.

   Trustees Erlandson and Moe approved the motion. No one opposed. The motion carried.

3. **Approval of 2019-2021 Minnesota State University Association of Administrative and Service Faculty Bargaining Contract (MSUAASF)**

   Chris Dale reviewed the MSUAASF summary highlighting the key economic and language changes.

   The Human Resources Committee recommended that the Board of Trustees adopt the following motion:

   The Board of Trustees approves the terms of the 2019-2021 labor agreement between Minnesota State Colleges and Universities and Minnesota State University Association of Administrative and Service Faculty and authorizes Chancellor Devinder Malhotra to sign the agreement on behalf of the Board of Trustees.

   Trustees Moe and Tefer approved the motion. No one opposed. The motion carried.

   Vice Chancellor Davis thanked those who led the bargaining teams for their work and congratulated them for reaching an agreement.

4. **Approval of 2019-2021 Minnesota State Colleges and Universities Personnel Plan for Administrators**

   Vice Chair Soule explained that Vice Chancellor Davis, after consultation with Chancellor Malhotra, submitted a revised compensation plan for Minnesota State Administrators covering fiscal years 2020 and 2021. Because this is a compensation plan, it does not require ratification by the employees covered by the plan.

   Chris Dale reviewed the key economic and language changes of the administrators plan. Vice Chair Soule asked for comments from the committee. Discussion followed.

   Trustee Soule asked about the 2.5% scale increase and who has the authority to disburse. Chris Dale responded the campus president has that authority to decide how to allocate the merit pool. At the system office the authority resides with the chancellor and with HR making recommendations.

   Trustee Janezich asked about the chancellor's salary increase and Eric Davis confirmed that the chancellor's salary range would also be adjusted by 2.5% each year in this plan, once the plan is approved by the Legislature. Trustee Janezich asked the board to think about moving the salary range for the chancellor as it hasn't been adjusted for over four years and it isn't easy to recruit and hire a chancellor. It is also a long process to bring this request

through the Legislature. Vice Chair Soule suggested this topic be addressed at a future human resources committee allowing time for appropriate study and deliberation. Chair Soule asked what the rationale is for adjusting the ranges. Eric Davis replied that we recognized that we negotiated in good faith, a collective bargaining agreement with our faculty units that offer modest salary increases and wanted the administrator's plan to reflect increases consistent with those agreements.

Trustee April Nishimura encouraged linking compensation more directly with student outcomes, success and stabilized enrollments among other performance outcomes.

Trustee Dawn Erlandson commented that it will be beneficial for the board, legislators and for the public to understand how we compare to similar positions in the country. Chair Soule asked Davis if we have this competitive compensation data.

Eric Davis replied that we benchmark our compensation relative to the market with data available from the College and University Professional Association (CUPA), State Higher Education Executive Officers Association (SHEEO) data and the Chronicle of Higher Education among other sources. Those benchmarks reflect a competitive marketplace with our chancellor's current salary at or slightly trailing the median for comparable state systems. The administrators plan increase is expected to keep Minnesota State's position in the marketplace relative to other similar systems. Eric Davis encouraged the board take up the discussion of the chancellor's salary again in advance of the next plan.

Upon today's approval, this agreement we will be submitted to the Subcommittee of Employee Relations, which will act or decline to act on it and then it will go the Legislature who must act on it, by the end of the 2020 session.

Chair Soule asked the Human Resources Committee for a motion to approve, table or amend the administrators plan. The Human Resources Committee recommended that the Board of Trustees adopt the following motion:

The Board of Trustees approves the terms of the 2019-2021 Minnesota State Colleges and Universities Personnel Plan for Administrators and authorizes Chancellor Devinder Malhotra to sign the agreement on behalf of the Board of Trustees.

Trustees Erlandson moved and Rodriquez approved the motion. No further discussion. No one opposed. The motion carried.

5. **Appointment of President of Fond du lac Tribal & Community College**

Chancellor Malhotra addressed the Board of Trustees, beginning with an update on the presidential searches that are underway. The first search is for Inver Hills Community

College & Dakota County Technical College. The search committee is chaired by President Kent Hanson. The second search is for North Hennepin Community College and that search committee is chaired by President Sharon Pierce. The chancellor thanked each chair and stated the listening sessions are complete and the search firm, Association of Community College Trustees (ACCT), is engaged in the recruitment process. In the coming weeks, the chancellor will charge the search advisory committees and he anticipates bringing recommendations to the board at the March 2020 meeting.

This fall, the chancellor engaged in discussions with both internal and external stake holders of both Saint Paul College and Minnesota State College Southeast. After consultation with Chair Cowles, the chair of the Human Resources Committee, the students, faculty, and staff of these institutions, the chancellor has extended the interim appointments for Interim Presidents Lundblad and Peaslee, stating the stability of leadership for their colleges is critical and the interim leaders need more time to appropriately position their institutions for the upcoming leadership transitions. The search for permanent presidents will begin in the fall of 2020 with the appointment of selected candidates effective July 1, 2021.

Chancellor Malhotra addressed the position of the president at Fond du Lac Tribal and Community College. Stephanie Hammitt has been serving as interim president since the retirement of President Larry Anderson in 2018. Last year, after consultation with the Tribal Board of Education and internal stake-holders at the college, the search for a permanent president was postponed and Interim President Hammitt's contract was extended for one year.

This fall, while in preparations and consultation with the Tribal Board of Education and the Tribal Business Council, a strong sentiment was detected to appoint Stephanie Hammitt as president. The feedback received was that Stephanie Hammitt has performed admirably as interim president. She is navigating the college through reaccreditation by the Higher Learning Commission as well as the initial accreditation of the college's associate of science degree nursing program. Furthermore, Interim President Hammitt has continued to build on the legacy of Larry Anderson, in particular building on the solid foundation of WINHEC accreditation around native programming in the college's programmatic structure, and curricular designs and delivery modalities. Because Fond du Lac is a tribal college, it has land grant status, which enables it to garner federal resources for its work via grants. Through her due diligence and strategic focus, Interim President Hammitt has increased the size and scope of these grants.

The Tribal Board of Education, Tribal Business Council, and the internal stakeholders were focused on continuity and stability of the leadership of the college, particularly given its enrollment challenges. They felt that appointing Stephanie Hammitt as president would provide the needed continuity and stability and enable her to tackle the enrollment management issues critical to the college's long-term financial sustainability and programmatic viability.

Subsequent to the initial conversation with the Tribal Board of Education, the chancellor

received a formal letter from them and the Tribal Business Council, requesting the continuation of Stephanie Hammitt as president.

Given the dual identity of the college and the strong role the Tribal Board of Education plays in its governance, the chancellor reached out to the internal stakeholders of the college, sharing with them the recommendation received from the Tribal Board of Education, as well as his own thoughts around Stephanie Hammitt's performance as interim president. The feedback from the internal groups was overwhelmingly positive in regard to Stephanie Hammitt's continuation as president.

After evaluating the recommendation of the Tribal Board of Education, as well as the feedback received from the internal college community, and the guidance and counsel from the select trustees and the chair of the Human Resources Committee, the conclusion was reached that the students and the communities served by Fond du Lac Tribal and Community College will be best served by the continuation of Stephanie Hammitt as president.

Chancellor Malhotra provided a comprehensive review of Stephanie Hammitt's career highlights, credentials, and her innate understanding of the unique structure of the college as a joint endeavor of the Fond du Lac Band of Lake Superior Chippewa and Minnesota State. She understands the responsibility of living into the full promise of this dual identity.

The chancellor expressed his deep gratitude to Dr. Sonny Peacock, Chairman Vern Zacher, and the Tribal Board of Education for their continuing engagement and support for the college, and their advice and counsel. He offered appreciation to Chairman Kevin Dupuis and the Tribal Business Council for endorsing the continuation of Stephanie Hammitt as president.

RECOMMENDED COMMITTEE ACTION
The Human Resources Committee recommends that the Board of Trustees adopt the following motion.

The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Stephanie Hammitt as President of Fond du Lac Technical College effective July 1, 2020 for a term of up to two years, subject to the completion of an employment agreement. The board authorizes the chancellor, in consultation with the chair of the board and the chair of the Human Resources Committee to negotiate and execute an employment agreement in accordance with the terms and conditions of the Minnesota State Colleges and Universities Personnel Plan for Administrators.

The meeting adjourned at 11:34 a.m.
Respectfully submitted by Tamara Mansun

MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
JOINT AUDIT / HUMAN RESOURCES COMMITTEES MEETING MINUTES
Bemidji State University – Crying Wolf Room
November 20, 2019

Joint Committee Members Absent: Trustee Michael Vekich.

Other Trustees Present: Trustees Ashlyn Anderson, Jay Cowles, Alex Cirillo, and Samson Williams.

The Minnesota State Colleges and Universities Audit Committee held its meeting on November 20, 2019, in the Crying Wolf Room, at Bemidji State University. Trustee Soule called the meeting to order at 11:37 a.m.

1. Human Resources Transactional Service Model (HR-TSM) Update
   Mr. Eric Wion, Executive Director of the Office of Internal Auditing reminded members that HR-TSM was a project to move campus human resources transaction processing and payroll processing from campuses to a shared service model. Internal Auditing has been engaged in an advisory capacity and released the initial report in May 2018. The third phase of this project has been to move campus payroll processing to the service model. Mr. Wion introduced Ms. Christine Smith from Baker Tilly.

   Ms. Smith began by giving a brief update on employee transactions that have been moved to the service centers. She stated that there had been progress on process standardization, but she noted that the work that was left to do were the things that would be the hardest to fix. Because of that, Mr. Eric Davis, Vice Chancellor for Human Resources, and his team have put together a continuous improvement group with representatives from across the system who are now working together to focus on those issues.

   Ms. Smith stated that phase three work is ahead of schedule. Due to position changes and vacancies, several institutions have reached out directly to the service centers requesting to move payroll processing sooner. Currently 69% of institutions have their payroll processed within the service centers.

   Ms. Smith talked about reaching Shared Services stabilization. Two things that were put into place in terms of metrics around measuring accuracy were overpayments and underpayments. These two metrics had never been measured prior to the development of the service centers. Overpayments and underpayments are both trending downward this year. Of total transactions processed, errors account for less than 1%. Workload changes for faculty and human resource processing errors are the two most common reasons for overpayments. The two most common reasons for underpayments are late approvals on campuses and human resource processing errors.

Mr. Davis added that in the previous model, campuses had an opportunity to enter the system and make changes manually for sudden changes in workload or course scheduling, prior to a paycheck being issued. The transition to service centers won't allow for that kind of nimbleness and response, which can be frustrating. He stated that the new continuous improvement group will be looking at the processes to see how they could be refined so that these errors can be prevented in the future.

Mr. Davis congratulated staff and management at the regional service centers, the human resources staff in the system office, and staff at the campuses for facilitating the transition. It has been challenging at times, but he noted that as he looks at the dashboards, he sees where some institutions are routinely executing payroll and assignments without errors, and that gives him assurance that all 37 colleges and universities will be able to get to that point in the not too distant future.

Mr. Davis stated that they have been meeting with campus leaders across the system. In those meetings, campus leaders have expressed concerns about the timeliness and the consistency of transactions. He stated that when reviewing those human resources and payroll transactions records, there is evidence of the need for better communication and better coordination between campuses and the four regional service centers. To address those concerns and minimize the associated risks, they have begun to realign the service model internally, moving from the current four region model to a single center for the enterprise with specialization by function. The human resource service teams will be organized by sector, one principally serving the universities and the other principally serving the colleges. The human resource and payroll technicians will also be aligned by institutions so that they are able to collaborate closely.

Mr. Davis stated that this realignment is not expected to change the total number of human resource and payroll technicians and specialists from what was forecasted and budgeted. Current team members will continue to work from their locations around the state. Through the continued use of shared employment agreements and technology, the existing talent and experiences already on the campuses can be fully deployed within this new environment. He noted that they anticipate completing the transition by mid-December and they plan to complete phase three during the last half of the fiscal year.

Mr. Davis stated that they believed the shift will ensure consistency and adherence to common business practice, increase accuracy and efficiency, and improve communication and customer response. Internally, the human resource service center governance team, the human resource community and the service center teams have all expressed broad support for this new alignment.

Trustee Hoffman asked for a president’s perspective on the service model approach to human resource transaction processing. President Ginny Arthur, Metropolitan State University, stated that she thought the realignment plans were very responsive to the issues that have been raised by the campuses over the past several months. She added that Metropolitan State University has found that transitioning their payroll processing to the service centers has been a

more efficient way for them to operate and has helped to eliminate issues that they had experienced while managing the payroll process themselves. President Arthur added that some of the discomfort for campus human resource staff has been in not being able to intervene when a campus staff come to them or when they recognize that a staff member is going to receive an incorrect payment. In the past they were able to go in and rectify those situations quickly.

Trustee Sundin noted that Minneapolis Community and Technical College was currently an outlier in terms of the use of technology for progression increases. She asked if there was an improvement strategy for them. Mr. Davis stated that they will need to update the system so that the records reflect when the employees are eligible for their next progression increase, if at all.

Trustee Cirillo asked about the impact to managers with the increased number of staff being supervised remotely. Mr. Davis acknowledged that there would be different challenges to managing staff in other locations and he added that in order to support managers, they intended to offer training and development, and coaching for managers, so that they are better prepared to supervisor a remote workforce.

Trustee Soule asked how much money had been overpaid and if the system was able to recover those payments. Mr. Davis stated that in 2019, out of more than 90,000 transactions, there were about 500 instances of overpayment amounting to overpayments of about $730,000. As a percentage of dollars, that was about .07%, so it was a relatively small number in that context. He added that in 2020, to date, that number has dropped to .05%so the trend seems to be trending positively and we are reducing the number of errors and their cost.

Mr. Davis stated that employees were contacted when issues of overpayment occur, and they come to an agreement about how to collect that overpayment. In some situations where employees have left our employment, payment needs to be recovered voluntarily, either through a check or through garnishment, which is a rare occurrence. Mr. Davis stated that he had no reason to be alarmed about not recovering overpayments.

The meeting adjourned at 12:07 p.m.
Respectfully submitted by Darla Constable

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Human Resources Committee **Date: January 29, 2020**

Title: Approval of 2019-2021 Minnesota State College Faculty (MSCF) Bargaining Contract

Purpose (check one):

☐ Proposed New Policy or Amendment to Existing Policy	☐ Approvals Required by Policy	☒ Other Approvals
☐ Monitoring / Compliance	☐ Information	

Brief Description:

Board approval of the negotiated terms in the contract is required prior to presenting it for approval by the Subcommittee on Employee Relations.

Minnesota State Colleges and Universities and the Minnesota State College Faculty (MSCF) reached a tentative agreement on November 14, 2019, on their 2019-2021 labor contract. It was approved by a vote of the MSCF membership and certified by its Board on January 10, 2020.

Scheduled Presenters:
Eric Davis, Vice Chancellor for Human Resources
Chris Dale, Senior System Director for Labor Relations

MINNESOTA STATE
BOARD OF TRUSTEES

BOARD ACTION

APPROVAL OF MINNESOTA STATE COLLEGE FACULTY BARGAINING CONTRACT

BACKGROUND

Minnesota State Colleges and Universities and the Minnesota State College Faculty (MSCF) reached a tentative agreement on November 14, 2019 on their 2019-2021 labor contract. It was approved by a vote of the MSCF membership and certified by its Board on January 10, 2020. It is now being brought forward to the Board of Trustees for approval before moving on for Legislative approval.

RECOMMENDED COMMITTEE ACTION

The Human Resources Committee recommends that the Board of Trustees adopt the following motion.

RECOMMENDED MOTION

The Board of Trustees approves the terms of the 2019-2021 labor agreement between Minnesota State Colleges and Universities and the Minnesota State College Faculty (MSCF) and authorizes Chancellor Devinder Malhotra to sign the agreement on behalf of the Board of Trustees.

Date Presented to the Board of Trustees: *01/29/20*
Date of Implementation: *00/00/00*

Diversity, Equity, and Inclusion Committee
January 29, 2020
11:00 A.M.
Minnesota State
30 East 7th Street
St. Paul, MN 55101

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

1. **Minutes of November 20, 2019 (pp. 1 -17)**
2. Information: Title IX/Civil Rights Compliance Update (pp. 18-19)

Committee Members:
Rudy Rodriguez, Chair
George Soule, Vice Chair
Ashlyn Anderson
April Nishimura
Louise Sundin
Cheryl Tefer
Samson Williams

President Liaisons:
Anne Blackhurst
Annesa Cheek

Bolded items indicate action is required.

Minnesota State Board of Trustees
Diversity, Equity and Inclusion
Committee Meeting Minutes
Bemidji State University
Hobson Memorial Union, Crying Wolf Room
November 20, 2019

DEI Committee members present*: Rudy Rodriguez, Chair (phone); George Soule, Vice Chair; Trustees: Ashlyn Anderson, Louise Sundin, Cheryl Tefer; Presidential liaisons: President Anne Blackhurst and President Annesa Cheek*

Committee members not present: *Trustees: April Nishimura and Samson Williams*

Other board members present: *Chancellor Malhotra, Trustees: Alexander Cirillo, Jr., Jay Cowles, Dawn Erlandson, Robert Hoffman, and Roger Moe*

Guest Presenters: *Dr. Josefina Landrieu, Assistant Diversity Officer and Dr. Priyank Shah, Director of Equity Assessment*

Trustee Soule called the meeting to order at **1:15 PM**.

Approval of the June 18, 2019 Minutes
Chair Rodriguez moved to approve and Trustee Anderson seconded that the minutes from the June 18, 2019 committee meeting be approved as written. Motion carried.

Trustee Soule: We have a couple of reports and I will turn it over to Dr. Pickett for the strategic plan.

Dr. Pickett: Vice-chair Soule, Chair Rodriguez-remotely, Trustees, and Chancellor Malhotra, I bid you good afternoon. We are with you this afternoon to present a two part presentation including information on the Office of Equity and Inclusion's newly minted strategic plan. This comprehensive plan will guide the endeavors of the Office of Equity and Inclusion from 2020 to 2023. In the second part of this presentation, we will share an update on the culmination of our campus climate process including progress and information on recommendations on appropriate assessment metrics. Joining me today as part of our time are our Assistant CDO, Dr. Josefina Landrieu and our newest staff member, Dr. Priyank Shah. I would like to share that Dr. Shah joins us having previously served at Rochester Community and Technical College and The Ohio State University. Dr. Shah is a nationally recognized expert in the area of institutional research, having had the distinction of presenting at local and national conferences. He is a tremendous asset to our work to advance the assessment and review of diversity, equity and inclusion from a system perspective. Lastly present with us in the room today that will join us during the Q&A are our presidential liaisons, Dr. Annesa Cheek of St. Cloud Technical College and Dr. Anne Blackhurst of Minnesota State University –

Moorhead. For your review, you will note that the final draft version of the plan was shared with you in the Board packet regarding the strategic plan.

As I shared at the beginning of my remarks, during our time today, we will provide an update and overview on the OEI strategic planning process. We will present information on Campus Climate Assessment including the culmination of the pilot process, our lessons learned, metric development and of course, we will take your questions.

Before beginning, I'd like to offer some foundational definitions that guide our work and set the table for our efforts not only to support strategic planning, but also our broader work around diversity, equity and inclusion. Certainly, we have heard loud and clear from multiple stakeholder groups from around the system that it is important that we share clear and consistent definitions. Given that feedback, I wish to share with you some definitions to get us started and that help guide our work around strategic planning. Diversity involves and encompasses acceptance and respect. It is the understanding that everyone is unique, and our individual differences need to be recognized. These can be along the dimensions of race, ethnicity, gender identity, gender expression, sexual orientation, socio-economic status, age, physical/mental ability, religious beliefs, political beliefs, or other ideologies.

When we think about this conversation about diversity and our continued work, so to is the necessity to cue up and narrative a definition of equity. Equity involves the proportional distribution of desired outcomes across groups. Not to be confused with equality, equity refers to and involves outcomes. When individuals or groups are situated differently, equal treatment may be insufficient or even detrimental to advancing equitable outcomes. To achieve equity of our pursuit, an individual's race, sex, color, creed, religion, age, national origin, disability, marital status, status with regards to public assistance, sexual orientation, gender identity, or gender expression should not determine their educational, economic, social, and political opportunities. Equity in its fundamental dimension is about outcomes.

Lastly, for the purpose of definition as we think about our work, we define inclusion. Inclusion involves the active, intentional, and ongoing engagement with the diversity—certainly, in people, it also involves the curriculum, the co-curricular, and with regard to communities, (which may be social, intellectual, cultural, and geographical) with which individuals might connect. How we include individuals in process, how include individuals in experience, and how we include individuals in decisions are central. We wanted to provide this information as we think about how we not only define our work but how we move strategy to advance our work forward. Certainly this is front and center as we think about inclusive excellence and our efforts to advance our strategic plan from 2020 to 2023.

The Office of Equity and Inclusion, OEI, remains committed to inclusive excellence but we recognize that barriers to actualizing equity still exist.

We continue our efforts not only to help support the goal of Equity 2030 to advance the operational dynamics to move work forward to help position and make actionable specific measures and processes this procedures to maintain and establish accountability to move work forward. This includes continued measures of campus climate as well as an equity scorecard and embedding our work around Equity by Design in asessment. We work to ensure that faculty, staff, and students understand how equity and inclusion affects them and how our work toward achieving equity outcomes are parallel. We work to create an environment where inclusive experiences are priority. We use this opportunity to set broad strategies to move this work. You will note that our work is influenced by previous strategic plans including the strategic plans from 2011 – 2015 and 2015 – 2017, which preceded my time here at the system. In the fall of 2019, the OEI sought feedback from broad groups of stakeholders, included but not limited to the Leadership Council, campus diversity officers, the state wide student organizations: LeadMN and Students United, as well as gathering primary feedback on system goals related to diversity, equity and inclusion. This work prioritizes Equity 2030, connecting workforce diversity that is a part of our long term goal in what we wish to accomplish in terms of strategy and focus. Before I turn it over to Dr. Landrieu, who will talk more about the strategic priorities identified in the plan that we will present for you today, it is important to note that system strategy are categorically different from campus strategy. We must prioritize the work in such a way that impacts both. The areas that we prioritize include:

» The importance to develop, review, and shape policies with an equity lens, which we continue to do so.
» To guide, influence, and monitor system equity strategies.
» Also to ensure Civil Rights compliance across the colleges and universities.

Along with those others areas of focus which include partnerships with various units including ASA, statewide community advocacy in connection with community-based organizations along with collaborative partnership with Human Resources are essential to this work. For us in terms of next steps, we have to work proactively with all those stakeholders to move forward strategy to connect with our colleges and universities. We do so with identified strategic identified priority areas, at this point, I will pass this presentation to Dr. Landrieu who will identify that information and we will culminate with taking your questions.

Dr. Landrieu: Good afternoon Trustee Soule, Chair Rodriguez, it's good to hear your voice today, Trustees, and Chancellor Malhotra. I would like to spend a brief moment reviewing the eight strategic priority areas for the strategic plan. While at first this may seem overwhelming, we understand that in order to embed equity and inclusion across

the system and works towards Equity 2030, our call to action must be encompassing of all aspects of our operations. Our office has identified eight strategic priority areas which outline specific goals, strategies, outcomes, and measures of progress. The eight priorities rely on strong partnerships and collaboration across system offices and are designed to achieve diverse, equitable, and inclusive working and learning environments within Minnesota State. These priority areas are as follows:

1. Equity in Academic and Co-curricular outcomes: This means our work must ensure that students have access to equitable opportunities and that we support strategies to close equity gaps by 2030.
2. Civil Rights Compliance: The work of our office must also improve the support and resources we provide to colleges and universities related to compliance with Title II, VI, and IX of the Civil Rights Act, the American with Disabilities Act, Section 5054 of the Rehabilitation Act of 1973.
3. Policy and Advocacy: Work has been underway to ensure that all policy protocols and procedures at the system level and on campuses aim to incorporate an equity lens and strengthen public support for higher education.
4. Diversity, Equity, and Inclusion Expertise and Strategy: As a priority, this focuses on the opportunities for professional development across the system colleges and universities to build equity-minded practitioners, in a way that it is consistent of content in terms of approach and content across all of our campuses.
5. Campus Climate: As you will hear shortly after this portion of the presentation, campus climate as in students and employee's sense of belonging, engagement, and retention has been an area of great focus and dedication for our team and campus partners. It is through this priority area that we ensure our campuses create welcoming and inclusive environments for ALL students, employees and faculty.
6. Supplier Diversity: Our work here takes place in partnership with our colleagues in finance, procurement and campus business offices and it is to improve Minnesota State supplier purchasing practices with Minority-owned, Women-owned, or Veteran-owned Business Enterprises (MWBEs).
7. Workforce Diversity/Talent Management and Development: In collaboration with our colleagues in the HR division, we strive to build a more diverse workforce by integrating DEI in recruitment, hiring, and retention practices and prepare students for a global and diverse workforce.
8. Community Engagement and Partnerships: Strengthen authentic and sustainable relationships and partnerships with community-based organizations and other institutions that work to address educational disparities across our state.

As you all are aware, the Equity 2030 initiative is in the pursuit of "ensuring inclusive excellence is embedded in our colleges and universities and across all our practices." It is the Office of Equity and Inclusion's vision that diversity, equity, and inclusion become

woven into the fabric of the operations of Minnesota State and integrated into the work of faculty and staff, as well as in the experiences of all students.

To support this work across the system, we have created and enhanced a Diversity and Strategic Planning toolkit that accompanies our strategic plan. It also embeds campus plans into the larger Equity 2030 framework. Campus plans (if not currently under development) will be finalized by summer 2021. I will now turn it over to my colleague, Dr. Pickett for reflections and questions.

Dr. Pickett: Given that you have had the opportunity to review a copy of the strategic plan as well as receive a highlight of the strategic pillar areas for the OEI, I wanted to pause and take any questions, thoughts or feedback you may have regarding this strategic plan.

Trustee Soule: What kind of feedback or participation did you get at the campus level on the strategic plan? What involvement did the campuses have in making the plan?

Dr. Landrieu: Trustee Soule, as Dr. Pickett mentioned that we started this process in the early spring of 2019. We have had several opportunities to share our initial thoughts and drafts of the plans and process with campus diversity officers, bargaining units, and mostly with our student associations with their staff and membership in terms of college and university students. We began the work with a consulting group to help us walk through that process. As we were beginning to identify the priority areas, we took it out for feedback, in terms of having them participate in giving us input and guidance to what we were defining for, not only the priority areas which were aligned with past goals with the system but how was this going to be operationalized at the campus level. Many of our campus diversity officers and campus partners have been engaging in their own planning process, those plans were submitted back to the system office in 2016. While some are coming due for a revision, they were beginning to plan at a campus level so they were asking for our support. So that was a reason why we went back to enhance to the toolkit so when campuses take our plan, in terms of overall strategy and they can embed their own local level plan into that broader strategy.

Dr. Pickett: Trustee Soule, one thing that I would add is that the system-wide Equity and Inclusion Council will have the opportunity to offer feedback at their first convening meeting tomorrow afternoon. So that too represents another opportunity for stakeholder groups across the system in a form of being under the same roof to offer their thoughts and feedback on the strategic plan.

Trustee Erlandson: Thank you Mr. Chair, I first want to commend both of you on the leadership on this and the incredibly comprehensive approach that you're taking. I think it is critical to achieve the Equity 2030 agenda and I know some of us were on the board

back when we were getting criticized pretty hard for not having a strategic plan in this area so thank you for your persistence, your patience, and your inclusivity of everyone involved. It is really exciting, so thank you.

Chair Rodriguez: I would like to make a few comments to Dr. Pickett and his team. I really appreciate the updated and comprehensive Equity and Inclusion strategic plan. The thing that I appreciate the most is the clear definitions, clear priorities, and in particular, taking a look at page either 32 or 19 in the plan, I think it is important to list the key stakeholders, strategies, measures, and the outcomes. I'm really excited about that but I'm excited about the scorecard with the key metrics eventually. Great work by the team and I really appreciate it.

Trustee Soule: Thank you Chair Rodriguez, Trustee Crillo.

Trustee Crillo: As I look at this, I am looking at page 14, what struck me is the timeline. Do we have enough institutional research capacity to get what we need as in metrics? Or do we need to focus a little more there or have some specifically for this purpose, on page 14?

Dr. Pickett: Thank you for that question Trustee Crillo, my colleagues in Institutional Research would be an additional resource in that area. I think as we move forward with not only the work around what's highlighted in strategy, but also our work around Equity 2030. We identify the need to have additional competency support there, hence, we prioritize the work that will be forthcoming of the Chancellor's Fellows and their opportunity to help position and guide some of the work. Front and center, it is the rationale for us hiring someone with strong institutional research background, our Director of Equity of Assessment who will be with us shortly, is that very reason. So absolutely so we can use additional resources.

Trustee Sundin: This may be jumping the gun because this beyond planning and into thinking of implementation. Have you thought about future protocols or processes to do about seemingly increase of violence, hostility, and community tension that slops over into our various campuses, which has happens at several now and I assume it will only increase. It happens in places that we usually don't have large campuses or security folks, is there going to be some work on that?

Dr. Pickett: Thank you for that question Trustee Sundin, I'll let Dr. Landrieu speak about our work around bias response protocol which fits in well and it's also identify in some of the work of our strategic planning.

Dr. Landrieu: Thank you for that question Trustee Sundin. There has actually been quite the work done in that area and actually do have a protocol in place and has been made

available to campuses that would like to use it. While campuses might have their own local protocols and teams at the local level, we created back in 2017 and disseminated in 2018 alongside some trainings for campuses that wanted that additional support of what that work would look like in terms of operationalizing a team that would take into account those instances. So it is in place and we have it available for our campuses, both training and document.

Trustee Soule: No additional comments and we will transition to Campus Climate.

Dr. Pickett: We will now invite Dr. Shah to the table, who will help us move forward with a presentation to update you on our efforts to conclude our campus climate assessment strategy process and will share broad information on the culmination of our pilot project.

Dr. Landrieu: You will recall that we had previously shared information with you and solicited your support and feedback on a comprehensive campus climate assessment process. At the core of this work is the need for our system to keep a finger on the pulse of our students' and employees' experiences, attitudes, and perception of efforts to address their needs. With an enhanced focus on employee engagement and student success. The purpose of the pilot study was to measure the current perception of efforts made at each campus to sustain an equitable and inclusive environment, as well as indicators of student success, campus engagement, and employee development.
Our scope for the work was to, at the time of the pilot implementation:

- To develop and implement a system-wide assessment process for campus climate.
- To create tools responsive and relevant to Minnesota State institutions.
- To collaborate with campus pilot teams charged to lead efforts to assess their climate and inform the system strategy.

While we have provided updates to you in the past, it is our pleasure to be back to report on the progress as well as sharing recommendations for discussions. We truly appreciate the opportunity for us to connect with this body as a way to inform you and receive feedback.

A brief update on our timeline, we are happy to report that our work has remained on-track in terms of culminating the pilot work, re-assessing our strategy in terms of lessons learned, and moving forward with a cohort of institutions who are ready to implement this work starting in 2020. I want to again thank the institutions who partnered with us through the pilot process. North Hennepin Community College, Minnesota State Community and Technical College, Minneapolis College, and Southwest Minnesota State University. These institutions represented both metro and greater Minnesota locations.

Over 3000 respondents participated in the survey portion of the pilot, of this total, 83% were students, 8% identified themselves as faculty, 1.2% as administrators, and 7.8% as staff. Our response rates for the survey varied between 16% for students and 37% for staff and faculty. To ensure a holistic pilot experience, the process was intentionally developed to reflect the uniqueness and individuality of each of the participating institutions. Some campus characteristics of consideration include geographical location (i.e Urban, Rural, Metro), headcount, enrollment, campus diversity as well as being a single or multi-campus institution.

Our methodology was to develop and implement a campus climate assessment process was a multi-program approach and it included three different mechanisms by which we gathered data. An assessment tool, which was the survey protocol, an observation protocol, and stakeholder focus groups at each participating institution. I will now turn it over to Dr. Shah to provide you a brief overview of the results.

Dr. Shah: Good afternoon Chair Cowles, Chancellor Malhotra and Trustees. Thank you for the opportunity this afternoon to present some of the results with you all. This undertaking as a pilot assessment has given us an opportunity to examine and develop metrics and measures to help us better understand aspects of student success, employee engagement, and campus climate. The analysis that I'm going to share with you all is just a glimpse into the survey instrument that we have implemented across those four participating pilot institutions. Some of the analysis is aggregated and some are broken down. I want to give you a glimpse into what we're beginning to see and how it aligns and tie into our future work.

I'm going to discuss three questions, first one asked of students, faculty, staff and administrators, "*The College/University provides appropriate institutional support for diversity and inclusion efforts."* They were given the option to, *strongly disagree; disagree; neutral; agree; strongly agree; or don't know.* Here you are seeing the percentage of respondents by stakeholder group who agree/strongly agree to institutional support for equity and inclusion efforts. We can see that there's a good comparison between faculty and staff but students having a more favorable sentiment towards this question. However, when we disaggregate this analysis by people of color versus those who identify as white, we see considerable disparity in terms to what their responses where in agreeing or strongly agreeing. I want to draw your eye to the faculty and staff group in particular, that represents about a 30% gap between the perspectives of faculty of color versus faculty who identify as white. When we look at this aggregated across the four institutions but we also see this similar pattern at each individual institution where this perspective by constituent is reflected in these disparities by background.

When we look at this for specifically for students, here we have students of color in comparison to their counterparts who identify as white across the four institutions. We can see some variations between the institutions, including between the respondents but also in sentiment across the four institutions which isn't surprising. These variations are much a function of the geographical location, campus size and other factors, which you want to be mindful as we pursue this work to help our campuses better understand what their strengths are and opportunities for improvement are around engagement and student success.

The second question, *"Campus leadership is committed to identifying educational disparities between majority and underrepresented populations on campus."* It was asked of students, faculty, staff and administrators and able to either strongly disagree or strongly agree. This question is highlighted as it is a potential indicator for a measure of equity and/or student success. We see a similar pattern where perspectives vary on the commitment to identify disparities between faculty, staff and administrators. Where administrators who very much are at the forefront of this work and faculty less so. As before, when we disaggregate, you see a pretty stark difference in perspective and sentiment by racial/ethnic background. Again, I will draw your eye to the faculty and staff group where you will see more than a 20% gap between the agreements and strongly agreed with the willingness to identifying the disparities.

The third question that is an indicator of professional development needs, asked of faculty, staff and administrators, to answer from strongly disagree to strongly agree, *"In the past two years, I have received sufficient training on equity and inclusion (diversity education)*." Again, you'll see a similar pattern where administrators have a higher proportion for agreeing/strong agreeing to this question where faculty and staff are less so and pretty comparable. When we disaggregate, we see another considerable difference, where individuals of color whereas those who are white have different perspectives in terms of having received sufficient training on equity and inclusion.

By having shared these three questions, as we look forward, may serve as potential indicators to be used as measures and metrics. I want to highlight that we see variations by stakeholder groups but that's not surprising. For across all stakeholder groups, we see despaired perspectives and experiences backed by racial and ethnic background which gives us insight and reflects their perspectives, experiences, and history with our institutions. Of course this vary by institution and we want to tailor this work so that it is of instrumental value to the system at large but also for each individual institution as those institutions seek to identify how to advance their efforts to further promote employee engagement and student success, overall climate.

Where do we continue to go with this? It is extraordinarily important that as we pursue this campus climate work into its next phase to continue to have high levels of

participation across all stakeholder groups and bargaining units. It is really important for us to place a high emphasis on building those inroads on campus to ensure high response rates. Particularly to our faculty and staff to ensure their anonymity and confidentiality in expressing their opinions, sentiments and perspectives. Then more strategically for the purpose of our work as a collective as a system and individual institution is leveraging the data for strategy, advancing and identifying opportunities

Dr. Pickett: Certainly we thank Dr. Shah for his work and his continued comments as well as the colleges and universities that participated in this study. In terms of our work and thinking about of next steps, certainly part of this work is continue data analysis. How do we examine patterns of different experiences of different stakeholders and the components of the climate study to get a better understanding of experience? Simply put, experience matters. How we use this information to capture experience will be essential in advancing our efforts to create environments that are inclusive for all and our efforts to recruit and ultimately, retain staff, faculty and administrators. Utilizing opportunities like this to help us not only inform and understand perception but also give us insight into experience. It gives us an opportunity to inform our work around cultural competency education but it also give us an opportunity to better develop leaders, to better develop students and make educational opportunities of which we offer.

In next steps for the tool for the process itself, the opportunity to refine the survey assessment tools as noted:

- Employees: Engagement, Satisfaction, Professional Development Needs, Climate, & Equity
- Students: Engagement, Satisfaction, Support, Experience, Climate, & Equity
- Further Partner with Human Resources, Academic and Student Affairs, and Information Technology.

We also think about the opportunity for refining our process for campus action planning strategy. It is not enough for us to complete campus climate studies and come up with specific metrics. As we have shared previously, we have a specific action planning tool that can help a campus not sit a report on the shelf rather move comprehensively in action to move their campus climate forward.

In terms of next steps and areas of focus for our attention as we think about this work, certainly an opportunity for us to move forward as we think about developing workshops for results analysis. We want to come up with a culminating process that gives us an opportunity to go to different campuses and share this information comprehensively with varying stakeholders so that there's shared interpretation of their understanding and shared opportunity to move strategy forward. Also an opportunity which Dr. Shah will talk about is an opportunity to refine metrics and think about how

metric development is going to be quintessential in our work around a scorecard and a common understanding for how we examine campus climate. The importance of the understanding of core concept is a key part of our work and an opportunity to keep continuing to think about our approaches to move this work forward. I'll pass it back to Dr. Shah to talk about metrics development and I'll culminate with offering some specific recommendations.

Dr. Shah: With metric development in mind, we are really approaching this work with who our end users, who are the end stakeholders in mind of this work. Ultimately, we are driving towards the success of our institutions and student success. When we use data, the question really becomes, "What are you telling me? How can I use this information to advance the work that needs to be advanced?" So when we are looking at the survey instrument and the wonderful amounts of data that is generated by it, we have to think about what are the metrics and what are the indicators that are most valued to our end users? Thinking about our institutional leadership, leadership at the system level, stakeholder leadership, and faculty/student/bargaining units' colleagues. What information can we provide them to help them better understand what the data is telling them. With that in mind, it is our call to action, to use the pilot data to identify: how do we lean out the survey? Do we need all of these questions? Which are the most important questions? And the corollary of that is developing metrics that is valuable for our Equity 2030 goals, for our equity scorecard goals, and direct strategic value to our strategic planning around equity, diversity and inclusion, both at the system and campus level.

Dr. Pickett: As we culminate this particular segment of the presentation and move forward. There are some specific recommendations we have to advance this work. One is a system-wide strategy around measures that will give us an opportunity to examine campus climate more comprehensively and have a shared understanding for metrics. More importantly, a shared understanding for campus accountability for creating an inclusive and welcoming environment for all to thrive. To do so, we wish to capitalize on the opportunity to utilize campus climate assessment information to help inform and support HLC accreditation for colleges and universities. We know candidly as our campuses undergo accreditation review, diversity, equity, and inclusion is front and center in that work. We see this is an opportunity to inform that and to use relevant scholarship to impact our work across the system. Certainly as diversity, equity, and inclusion is front and center in all of our work, how do we support additional scholarship as we think about other metrics around campus process and procedure as well. So thinking about adopting a peer-review strategy and an opportunity for campus constituents to be involved in this process is something that we strategize and we put forward as a chance to include colleagues so that we not only have an opportunity for an investment but an opportunity to have a shared understanding of this work.

Certainly as we think about this work and as we move forward, we listened loud and clear to stakeholders around the system. We've heard from bargaining units, our statewide student organizations, that this work is important. Every forum that we have participated in, we've received questions about experience and how we can use that information to continue to develop appropriate support for professional development, and curriculum development. We understand that in order for us to create inclusive excellence around the system, we have to create environments that all of our stakeholders, not only feel welcomed, but have an opportunity where they can express and take action. That is what we endeavor to do and that concludes this component of our presentation. I will take reflections on this specific portion and then I will bring up our Presidential Liaisons as we transition into the Q&A part of the presentation that we have for you today.

Trustee Soule: I assumed that we had asked more than 3 questions in the pilot? And does it have data from the other questions? I guess I am impatient but what preliminary kind of feelings do you have on how you're doing from you first putting your toe in the water with these questions?

Dr. Pickett: Thank you for the question Trustee Soule, I'll let Dr. Shah weigh in as he has had more of an opportunity to dig in on that information. Certainly we did ask more than 3 questions as you can recall at a previous board presentation, we offered and included 50 questions as part of that process. We drafted a framework whereby if a campus didn't want to use this specific tool, they had an opportunity to compare their results against the broader framework. We know that in this space is broad scholarship, Rankin & Associates for instance is well established in this work. We wanted to note that others have done with our campuses. I will let Dr. Shah share a couple comments in terms of findings and then a couple of things that I have observed as it relates to focus group sessions.

Dr. Shah: Thank you for the question, we asked approximately 50 questions to faculty, staff, and administrators and about 50-55 to our students with an additional 10-12 demographic or character identifier questions. I would venture to say that we haven't even put the tip into the data. We have just recently completed the process of aggregating the data across the four institutions to make sure it aligns properly. I've undertaken the very preliminary analysis of this work but I can say this, when thinking about climate, equity & inclusion work, identifying the disparity experiences of prominence when we start looking at these measures one at a time. The work is focused around who are the comparison groups, is it groups of color relative to their white counterparts? When we think of gender identity, can we aggregate across enough groups to have a sufficient sample size? I'm trying to not hide behind the sample size as not trying to engage in response to the question. I am very preliminary in this work but I will say this, across many metrics that are of value to us, we see that disparity sentiment

that I had shared with you and those three questions give you a flavor of what we see. The one bright spot I would say though that I am happy to bring to attention, on a question asking about "my work at the institution is directly tied to equity and inclusion and the success of our students." The sentiments were nearly across every stakeholder groups across all four institutions were quite favorable. So there are bright spots which we do also want to highlight like what those strengths our campuses are exhibiting and demonstrating.

Dr. Pickett: Trustee Soule and Trustees, there is the sentiment nationally among some leaders is a fear associated with the findings of campus climate studies. We need to normalize the use of climate studies and understanding that there will be disparity in our findings when it comes to racial/ethnic groups. This is an opportunity for us to better support, serve and get a better understanding of experience. This is not an indictment on any of the leaders in our system, but a chance to learn. As we think about our opportunity and we can cue this up as our questions for the board in reflection, additional opportunities for education. What we want to underscore and for us to understand is to make it normal for us to consider the review of campus climate and the opportunity that in cycle we have to improve and act upon the findings. That is something we have to position front and center.

Dr. Landrieu: Trustee Soule, as we wrap up the pilot process and move onto the next stage to opening this up to a larger group of institutions, going back to those four institutions and touching base with them in terms of the findings, what it means for your campus, and what can you do with it. Our institutions are sort of hungry for that support and ready to move on, that might look a little different depending where they are situated and their structure. It is a critical part of the process, as our stakeholders are very aware that these type of surveys have happen in the past, they give you their feedback and then you walk away and don't do anything about it. Which often times do more damage than good so we're being very intentional in going back to make sure our campuses are acting on their findings.

Trustee Tefer: My comments are a little bit peripheral than what you're talking about. I'm reflecting as I'm looking at your key words: experience, support, climate, inclusivity, belonging, engagement, and after the time we spent here at these campuses, knowing exclusively the amount of students who are getting their education online. I have a question about whether or not if you used any of your metrics and parched out as I consider online teaching a teaching methodology, the experience, the climate, the feeling of belonging to a campus, I am wondering if that choice of delivery method, if it alters any of your measuring metrics.

Dr. Pickett: Trustee Tefer, Dr. Shah and I had the opportunity to present recently at an institutional research conference on how we marry IR work with diversity, equity and

inclusion. I will share that one of our colleagues from an outside system that works exclusively online asked us how that very question, what were our thoughts around creating inclusive environments, my comments is again how we measure a sense of belonging. In that environment when we think about academic exchange, how are you creating spaces where individuals feel like they have open access use and opportunity for use of technology, the opportunity for exchange for support in those learning communities and appropriate support as we think about that. As there is no physical location in many instances as we think about online education, there still exists third space, think about how we create space, opportunity, exchange and a sense of belonging even when there is no physical representation present. So those are the things we need to consider as we think about continued opportunities for exchange intellectually in those spaces. How do we create environments for individuals to bring their authentic self and to be supported in exchange all under the understanding that freedom of expression and also an opportunity for exchange is a part of the conversation as well.

Chancellor Malhotra: To add onto Trustee Tefer and Clyde's comments, this area of online learning and its intersection with equity and inclusion has not received much attention as it ought to. However, there is a strong equity dimension just like any other area of academic endeavors, in terms of equal access, capabilities, and digital literacy which may be very critical for the success of students in this area, and in some ways, the reasons why people go online may also have a differential aspects to them. So I think that is the first area of research needs to be done for us to fully understand and comprehend how indeed we can then translate the inclusive environment that we are trying to accomplish on the campuses and our learning environments online.

Trustee Crillo: I'm worried for the following reasons: we are going to be awash in data that have to do with educational institutions, there are other places that are actually doing this and doing it well. For i.e. the Wilder Foundation has gone from 30% to 51% of people of color, if you look at their climate surveys, they're off the charts. Those types of examples we should consider in comparison to what we are getting, just so that we make sure that we're doing checks and balances, what other institutions look like, and what our institutions could look like.

Dr. Pickett: Trustee Soule, I do want to be mindful that I had invited our Presidential liaisons to be a part of the Q&A. I want to make sure I give them an opportunity to come to the table and be a part of it as well.

Trustee Erlandson: I have question while they come up. I'm curious, do we have any reasons why we think the data was different, why the administrators' and students' responses were more equal than the faculty and staff?

Dr. Pickett: I think it is preliminary, too preliminary to make those observations at this point. I would like to indulge future opportunity to expand upon that when we have the appropriate time to review that data and offer that feedback. One of the things as you think about the methodology that we put in place was an opportunity for focus groups so that can illuminate greater opportunities. Once we get a more full opportunity to expand on that information, I would welcome to share that information with you.

Chair Cowles: I am very excited about the work, I want to congratulate the strategic plan that was distributed in our board packet and had a chance to review it thoroughly than you covered in your briefing, and I appreciate that. It is powerful statement of intention and process and I appreciate that there was an identification of DEI work being of multiple process of work and not just a single set of outcomes, actually developing and ongoing, a multi-layer process. In that regards, I share Chair Soule's impatience, like yes that tasted good but I want more. I would appreciate that there's a DEI timeline that runs for 12 months out but it's not very operational in this description. On this specific issue of climate survey, it seems to me to be a foundational tool, I'd love to have you or suggest the committee to offer a more specific operational timeline if possible within the next few months with rates of adoption, ideas of boosting response rates, which is actually really crucial. If you're going to disaggregate anything, you'd really get broad participation. Not only bringing the results here, but also the progress and developing specific plans for taking the results back to each individual campus and implementing them so they're not simply unresponsive surveys, to give people to work towards something.

Dr. Pickett: Chair Cowles, certainly we thank you for that feedback. Certainly that is a part of our process in terms of providing specific strategies around the action plan for this. One thing I do want to share is that my staff had facilitated a call this week that was attended by different campuses around the system who are enthusiastically interested in participating in this work so others share your enthusiasm, interest and investment, so any opportunity to move this work forward, certainly we would share that information. As we have our presidential liaisons, certainly, I didn't have any specific recommendations for them to offer comments but I wanted to provide an opportunity as they've had an opportunity to review the strategic plan and hear previous presentations related to campus climate to join us as we facilitate discussions.

President Blackhurst: I'd be happy to offer a few thoughts, first, I think I'm feeling very appreciative for the comprehensive approach of the strategic plan. It is a great reminder that there are many, many things that go into achieving equity and having the eight priorities is a really great reminder that it has to be a comprehensive approach. Both at the system level and campus level, we have to be attending to all of those areas if we want to achieve equitable outcomes. I am also struck though by the fact that it is complicated aligning the work both between the system level and campus level but also

across the system and the campuses. All of our campuses have diversity plans and what I have found to be a struggle on my own campus is making sure that that diversity plan is integrated with every other plan we have on campus. Often there would be enrollment goal in our diversity plan that doesn't show up in our strategic enrollment plan or goals for diversifying our curriculum that don't show up in our academic master plan. How do we achieve that level of integration not only at the campus level but system level then align the work between the campuses and system has my mind spinning at the moment but I know it needs to happen and that's the path we're headed on.

President Cheek: The only comments that I would from a campus perspective is that, outside of my work in the Minnesota State system, harkening back to my days in corporate, we were never wanting for strategies and initiatives, that's not what we were looking for. There were always plenty of strategies and initiatives to go around and yet the progress we were looking for in terms of outcomes is where the gaps will continue to persist in any number of areas. So all of this is a bit sobering for me so when I saw the data from the campus climate, I was in no way shocked or surprised. As the only black woman in this room amongst a small number of black presidents in this system, it is a very emotional response that I have to that data. It's been a lived experience for me in the Minnesota State system quite honestly. I'm almost in my second year, I've lived in Tennessee, Ohio, and Texas where I have worked in all of those places, and this has probably been one of the most isolated cultures in Minnesota that I've experienced. I'm imagining, I imagine frequently, it keeps me up at night that if as a President, whatever that means and goes along with being President. If that is how I feel, how must our students feel? I am treated differently when I show up in rooms and people know that I am President versus if you run into me and I have a cap and t-shirt. It's a completely different experience so those disparities and perceptions, I get it, I feel it, and I see it on our campus. I talk to our students and I know that it is real. The point there was, culture eats strategy for breakfast, lunch and dinner, all day, every day. The role of a system, not just Minnesota State system specifically, systems are meant to preserve and protect the system, so when you start disrupting that, there will be resistance and there will be pushbacks. And we ourselves in this room have to be able to have the courage and conviction to resist that resistance and pushback. If it is comfortable to do this work, we are not doing the work, I assure you we are not if it is comfortable to do the work. I was in a meeting recently with my HR Director, reviewing a report that came from Vice Chancellor Davis' office regarding HR Trends, like who are we hiring, what's the turnover like, what does the demographic look like with our faculty and staff, age/ethnicity, and it is the second time my HR director had stopped, kind of touched me on my hand and looked me in the eye and said, "Annesa, we have had more diverse pool of applicants since you've arrived." I asked, why do you think that is? She said, "I think people of color want to work in places where they see people of color." So this idea of digging deeper into that data, talking more specifically to people of color in the Minnesota State

system, Presidents included, faculty and staff about what their real lived experiences and creating that space for them to be open and feel safe. I know people on our campus when I ask, "Why didn't you respond?" They ask, "Who's getting the data? What are they going to do with it?" That is a trust issue, people are scared about how to respond, so creating that space and environment is very important. Systems and support structures of how we recruit and retain, develop and promote people of color in this system has to be central to what we do. We do not have enough faculty of color in our classrooms, students of color thrive, which research has proven that for decades upon decades, we do not have enough. We have a lot of good work to do, I'm excited to be in service in this capacity and I look forward to the work that lies ahead.

Trustee Soule: Thank you for your comments as we are to start board meeting at 2:30pm, we will take a short break as we take 3-4 minutes to wrap up. Any other questions or comments from the Trustees or board members? Presenters?

Chair Cowles: I just want to thank our two presidential liaisons. First of all, President Blackhurst for recognizing that even if your head spins, your passion and commitment is at the forefront or undergirding your response that is critical and a hopeful sign from my standpoint. Then I want to thank President Cheek for being so candid and honest about the emotional experience. We often report things as statistics and metrics, look at that disparity but at the end of the day, it is a lived human experience. So thank you for bringing that into the room today.

Dr. Pickett: Trustee Soule, Chair Cowles, and Chancellor Malhotra, certainly on behalf of the Office of Equity and Inclusion, my colleagues Dr. Landrieu and Dr. Shah, we appreciate the opportunity to present this information and to be with you. To our Presidential liaisons, Dr. Blackhurst and Dr. Cheek, certainly we thank you for being at the table with us but more importantly, being in the work with us so we offer those public appreciations for your ongoing efforts. We look forward to future opportunities to present information around campus climate and understanding that while what is presented may not always be comfortable, it is a reality and it is an opportunity to expand our work and to further galvanize our efforts to advance diversity, equity and inclusion. We look forward to doing so with all of our stakeholder groups across the system and we're excited about using our strategic plan as a roadmap to ultimately accomplish our goals. Thank you.

Trustee Soule: Great presentation, thank you very much and committee is adjourned.

The meeting adjourned at 2:26pm
Ka Her, Recorder

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Diversity, Equity, and Inclusion **Date:** January 29, 2020

Title: Title IX/Civil Rights Compliance Update

Purpose (check one):

- ☐ Proposed New Policy or Amendment to Existing Policy
- ☐ Approvals Required by Policy
- ☐ Other Approvals
- ☒ Monitoring / Compliance
- ☐ Information

Brief Description:

This session will provide an overview and update to the committee regarding the System's proactive work with addressing Title IX sexual assault complaints. The presentation will provide information and review trends related to the number of sexual assault complaints and final dispositions across Minnesota State. Finally, the session will profile the work of institutions required by state statute to provide sexual assault prevention training. The presentation will feature the Title IX work at Winona State University, a campus that has been recognized for excellence in the work to deliver sexual assault prevention training in place for all enrolled students.

Scheduled Presenter(s):
Andriel M. Dees, J.D., Civil Rights and Title IX Compliance Officer
Lori J. Mikl, J.D., Director of Affirmative Action/Equity & Legal Affairs, Title IX Coordinator, Winona State University

MINNESOTA STATE
BOARD OF TRUSTEES

INFORMATION ITEM
TITLE IX/CIVIL RIGHTS COMPLIANCE UPDATE

BACKGROUND

This session will provide an overview and update to the committee regarding the System's proactive work with addressing Title IX sexual assault complaints. The presentation will provide information and review trends related to the number of sexual assault complaints and final dispositions across Minnesota State. Finally, the session will profile the work of institutions required by state statute to provide sexual assault prevention training. The presentation will feature the Title IX work at Winona State University, a campus that has been recognized for excellence in the work to deliver sexual assault prevention training in place for all enrolled students.

MINNESOTA STATE

OUTREACH AND ENGAGEMENT COMMITTEE
Jan. 29, 2020
1:30 PM

McCormick Room
30 7th Street East
Saint Paul, MN

Note: Committee/board meeting times are tentative. Committee/board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot. *Other board members may be present constituting a quorum of the board.*

1. **Minutes of November 19, 2019 (pp 1-5)**
2. Partnership for Teachers of Color Pathway (pp 6-7)
3. Workforce Development Scholarships Update (pp 8-25)

Committee Members:
Dawn Erlandson, Chair
Louise Sundin, Vice Chair
Ahmitara Alwal
Ashlyn Anderson
Rudy Rodriguez

President Liaisons:
Anne Blackhurst
Hara Charlier

Bolded items indicate action is required.

MINNESOTA STATE BOARD OF TRUSTEES
OUTREACH AND ENGAGEMENT COMMITTEE
NOV. 19, 2019

Outreach and engagement Committee Members Present*: Chair Dawn Erlandson, Trustees Louise Sundin, and Ashlyn Anderson.*

Committee members present via phone: *AbdulRahmane Abdul-Azi and Rudy Rodriguez.*

Other Board Members Present: *Trustees Alex Cirillo, Jay Cowles, Robert Hoffman, Jerry Janezich, Roger Moe, George Soule, Cheryl Tefer and Samson Williams.*

Other Board Members Present via phone: *April Nishimura.*

Leadership Council Members Present**:** *Chancellor Devinder Malhotra, Chief Marketing and Communications Officer Noelle Hawton.*

The Minnesota State Colleges and Universities Outreach and Engagement Committee held a meeting on Nov. 19, 2019 in the Crying Wolf Room, Hobson Memorial Union, Bemidji State University, Bemidji, MN. Chair Dawn Erlandson called the meeting to order at 9:45 am.

1. **Minutes of June 18, 2019**
   Trustee Sundin moved and Trustee Anderson seconded that the minutes from the June 18, 2019 meeting be approved as written. Motion carried.

2. Presentation by Minnesota Tribal College Presidents

   Presenters:
   Stephanie Hammitt, Interim President, Fond du Lac Tribal and Community College
   Raymond Burns, President, Leech Lake Tribal College
   Lorna LaGue, President, White Earth Tribal and Community College
   Dan King, President, Red Lake Nation College

   The four presidents of the tribal colleges in Minnesota gave an overview on the higher education opportunities offered at their respective schools.

   Fond du Lac Tribal and Community College
   Interim Fond du Lac Tribal and Community College (FDLTCC) President Stephanie Hammitt said her college's mission is to provide higher education opportunities for its communities in a welcoming, culturally diverse environment. The only tribal and state community college in the country, FDLTCC does not receive funding from the Bureau of Indian Education, but can apply for certain grants based on tribal college status.

One of the grants, funded through the American Indian College Fund, works to preserve the traditional Ojibwe arts, Hammitt said. A series of workshops the past few years have emphasized the cultural knowledge and traditions of the Ojibwe people and are designed to develop a deeper appreciation for indigenous art forms. Seasonally-themed workshops include hide tanning, which leads to moccasin and leather bag making; weaving, which leads to cedar mat and basket weaving; a lacrosse camp; a wild rice camp; and most recently a workshop on the making of cradle boards and moss bags.

The workshops incorporate the seven cultural standards which were developed as part of the college's World Indigenous Nations Higher Education Consortium (WINHEC) accreditation. The coursework honors, values and works to preserve the language, history and world view of the Ojibwe people, Hammitt said.

Trustees viewed a short video on a recent birthing sovereignty workshop, which was produced by the Ojibwemowining Digital Arts and Storytelling Studio of FDLTCC. The video features five Anishinaabe women on the reservation sharing indigenous traditions for raising babies.

White Earth Tribal and Community College

The White Earth Tribal and Community College (WETCC) is an institution of higher education offering coursework dedicated to academic excellence, while also being grounded in Anishinaabe culture, values, and traditions, said President Lorna LaGue.

Located 60 miles west of Bemidji, the WETCC is the smallest tribal college in the state. It works to fill the "gap" among other colleges and universities in the region, providing students with a solid academic experience before sending them off to four-year universities or other opportunities.

Founded in 1997, classes were offered in various buildings in Mahnomen until 2016, when they were consolidated onto one campus. The college, governed by a council of trustees including community members and alumni, has been accredited by the Higher Learning Commission since 2008 and holds strong tribal support which allows for low tuition rates, LaGue said.

While they started with 137 enrolled students at the beginning of fall semester, the number has dropped to 113. Thirteen students are on track for graduation from WETCC this spring. LaGue said transportation and child care issues in their rural region pose the biggest problems in terms of student retention. Some students drive 50 miles one way to get to college.

Offering students "strong cultural programming," the college is starting a new strategic planning process for 2021 and intends to focus on meeting the workforce needs in their local community, LaGue said.

Challenges for her college include finding qualified staff in their rural location and finding a way to expand career options without saturating the job market.

Leech Lake Tribal College

Located 15 miles from Bemidji, the Leech Lake Tribal College's mission is to provide a quality higher education grounded in Anishinaabe values that advances the Anishinaabe worldview and empowers life-long learners who are fully engaged citizens, stewards, and leaders. President Ray Burns said everything they do at the college is defined by the seven "Grandfather Values" of honesty, truth, humility, love, wisdom, courage, and respect.

The academic programs they offer reflect the community's needs: liberal education, indigenous leadership, business management, law enforcement, early childhood education, integrated residential builder, earth systems science, and forest ecology. These programs are essential and important to the vitality of the Leech Lake community, Burns said.

The school will have 20 to 26 graduates in the spring. Students are active outside the classroom by attending the annual student conference with other tribal students from across the nation, traveling to Washington DC to lobby on bills and maintaining close ties with the community by doing activities such as parching wild rice.

As with other rural tribal colleges, transportation issues impact student retention and success. A small expense, such as the need to replace a bad alternator, can cause a student to drop out of school, Burns said. They need to be innovative in order to meet the needs of students, such as offering more curriculum online.

Red Lake Nation College

Red Lake Nation College is in the "people business," according to college President Dan King. With the mission of providing excellent higher education grounded in the language and culture of the Red Lake Nation, King said they work to build students' academic skills and confidence so that they earn their two-year degree and successfully move on to the next level – bachelor's and master's degrees and beyond.

Ultimately, they want students to be able to return to the Red Lake Nation as doctors, lawyers, nurses, managers, teachers, social workers and skilled workers needed to make their reservation thrive, he said.

King offered some basic information about Red Lake Nation College

- The Red Lake Nation College built a 21st-century, $11.4 million campus in 2015, all tribally funded.

- They had 160 students enrolled in the fall of 2019 and anticipate 22 graduates this spring.
- The college began a Higher Learning Commission 10-year accreditation process in 2010 and will have a full accreditation visit in 2020.
- All the school's instructors have master's or PhD degrees.
- They meet all Minnesota Office of Higher Education financial aid and federal reporting requirements.
- They strive for ease of transferability and have articulation agreements with Bemidji State University, the University of Minnesota-Crookston, Fond du Lac Tribal and Community College and White Earth Tribal and Community College.

King said tribal colleges face a "funding injustice" since they get state funding for non-native students, but not for native students. This is financially challenging since tribal colleges are public schools, but get no operational state support even through native students are residents, dual citizens and pay taxes. Tribal colleges are working with the governor's office, as well as the Minnesota Office of Higher Education, on ways to alleviate the funding disparity for tribal college, King said, adding it would be helpful if the Board of Trustees would issue a public statement supporting state operational support allocations for tribal colleges.

The federal government provides funding to tribal colleges. This amounts to approximately $7,800 per student, while schools serving other minority populations, such as historically black colleges, get $20,000 per student, King said. A reduction in federal funding or grants is the major threat tribal colleges face.

Trustee Moe said the American Indian Resource Center, which is located at Bemidji State University, could be of service to tribal colleges. The center could help colleges offset some financial costs, especially in terms of the accreditation process, he said.

Chancellor Malhotra said Minnesota State will work with its tribal partners to explore statewide transfer agreements, as well as to consider strategies that boost student success for Native American students. He said there is a need to attack inequities and disparities in educational outcomes, as well as to create curricular paradigms and opportunities that promote a better understanding and appreciation of the native culture.

The chancellor said he plans to visit each of the 11 Native American Nations in the state to enhance partnerships and discussions on the issues that not only impact native nations, but also the whole state of Minnesota.

The lack of metropolitan higher education opportunities aimed at the large population of Native Americans in the Twin Cities is shameful, said Trustee Janezich, adding there should be a way to collectively meet this challenge.

Chancellor Malhotra said with additional partners at the table, they could explore forming a consortia to focus on programming and where it could be housed, at least temporarily, at one of the metro colleges or Metropolitan State University.

Trustee Sundin said it was a mistake not to include proposals for enhancing higher education for Native Americans in the metro plan, but the current focus on providing adequate housing for this population sector offers new opportunities. Programming can be recreated or "created better" because more people are listening to these concerns now, she said.

On another matter, Trustee Sundin said she and the committee chair have been discussing ways to do Outreach and Engagement Committee work in in a different way which would allow for more active and experiential learning. A short survey will be sent to committee members which will cover the topics of Minnesota State value proposition, how Minnesota State colleges and universities recruit students and how Minnesota State secures resources.

The meeting adjourned at 11:09 am
Margie Takash, Recorder

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Outreach and Engagement Committee **Date:** Jan. 29, 2020

Title: Partnership for Teachers of Color Pathway

Purpose (check one):

- ☐ Proposed New Policy or Amendment to Existing Policy
- ☐ Approvals Required by Policy
- ☐ Other Approvals
- ☐ Monitoring / Compliance
- ☒ Information

Brief Description:

Presentation on the partnership between Minnesota West Community & Technical College, Southwest Minnesota State University, Worthington Public Schools (District 518), and the Southwest Initiative Foundation to create a teacher career pathway that will increase the diverse pool of quality teacher candidates in the region.

Scheduled Presenter(s):
Noelle Hawton, Chief Marketing and Communications Officer
Kumara Jayasuriya, President, Southwest Minnesota State University
Sonya Vierstraete, Professor of Education/Department Chair, Southwest Minnesota State University
Terry Gaalswyk, President, Minnesota West Community & Technical College
Kayla Westra, Dean of Institutional Effectiveness and Liberal Arts, Minnesota West Community & Technical College
Katie Clarke, Director of Teaching and Learning, District 518
Diana Anderson, President/CEO, Southwest Initiative Foundation
Nancy Fasching, Community Impact Director, Southwest Initiative Foundation

MINNESOTA STATE
BOARD OF TRUSTEES

INFORMATION ITEM
Partnership for Teachers of Color Pathway

BACKGROUND

Presentation on the partnership between Minnesota West Community and Technical College, Southwest Minnesota State University, Worthington Public Schools and the Southwest Initiative Foundation to create a teacher career pathway that will increase the diverse pool of quality teacher candidates in the region.

MINNESOTA STATE
BOARD OF TRUSTEES
Agenda Item Summary Sheet

Name: Outreach and Engagement Committee **Date: Jan. 29, 2020**

Title: Workforce Development Scholarships Update

Purpose (check one):

- ☐ Proposed New Policy or Amendment to Existing Policy
- ☐ Approvals Required by Policy
- ☐ Other Approvals
- ☐ Monitoring / Compliance
- ☒ Information

Brief Description:

This presentation will include an overview of the legislative report on the Workforce Development Scholarship Program, as well as information about efforts to match scholarship funds through outreach to trade associations and other employer groups. The Minnesota Precision Manufacturing Association will be presenting a $30,000 check to Minnesota State to support Advanced Manufacturing Scholarships.

Scheduled Presenter(s):
Noelle Hawton, Chief Marketing and Communications Officer
Mary Rothchild, Senior System Director for Workforce Development
Mike McGee
Steve Kalina, President and CEO, Minnesota Precision Manufacturing Association
John Madsen, Minnesota Precision Manufacturing Association Education Foundation President; Vice President, Manufacturing Practice Leader, Black Line Group
Nancy Huddleston, Communications Specialist, Minnesota Precision Manufacturing Association
Gabe Dahlhoff, Student, Alexandria Technical and Community College
Mike Seymour, President, Alexandria Technical and Community College

MINNESOTA STATE
BOARD OF TRUSTEES

INFORMATION ITEM
Workforce Development Scholarships Update

BACKGROUND

An overview of the legislative report on the Workforce Development Scholarship Program and outreach efforts to trade associations and other employer groups will be presented.

January 29, 2020

Workforce Development Scholarships

Workforce Development Scholarships

- Background:
  - Pilot program: $1,000,000 available in 2018 – 2019 academic year
  - Program renewed in 2019: $8,000,000 biennially
  - Academic year 2019 – 2020: $2,000,000 and in 2020 – 2021: $6,000,000
  - $4,000,000 per year thereafter

- Eligible industry areas / program examples:
  - Healthcare
  - Information Technology
  - Advanced manufacturing
  - Agriculture
  - Transportation (added in 2019)
  - Early childhood education (added in 2019)

Workforce Development Scholarships

- Student eligibility
  - Enrolled in high-demand occupation within eligible program group
  - 9 credits per term; 2.0 cumulative GPA; Minnesota resident
  - $1,250 award per term ($7,500 maximum over three years)
  - Preference for students in financial need

- New program elements
  - Added: transportation and early childhood
  - Expanded eligibility – adult students and third year transfer student to state university
  - Eligibility for student awards – lifetime: $5,000 to $7,500 (state university)
  - 10 percent of state funds matched 1:1 with private funds
  - Fall 2020 awards will vary more (range of 45 to 114 per college)

Workforce Development Scholarships

- Key learnings:
  - High demand from students; most scholarships awarded in healthcare (48 percent)
  - The award process varies by college to match their objectives and local employment opportunities
  - Working on improvements in program implementation / outreach
  - Local fundraising by colleges is expected to be successful
  - Large contributions are challenging to raise, although employer groups are enthusiastic supporters
  - Data on retention, degree completion, and employment outcomes will be available in the coming years

MINNESOTA STATE

Mary Rothchild
Senior System Director, Workforce Development

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MINNESOTA STATE IS AN EQUAL OPPORTUNITY EMPLOYER AND EDUCATOR

February 1, 2020

Legislative Report: Workforce Development Scholarship Program

Minnesota State

MINNESOTA STATE

EXECUTIVE SUMMARY

- The Minnesota Legislature created the Workforce Development Scholarship program in 2017; Minnesota State piloted the program with $1 million in funding during the 2018-19 academic year. The program was expanded in 2019-2020 to provide $2 million in scholarships.

- The Workforce Development Scholarship program initially provided scholarships to students enrolled in high-demand educational programs leading to employment in four industries – Advanced Manufacturing, Agriculture, Health Care Services, and Information Technology. It was expanded in the 2019-20 academic year to include high-demand programs preparing students for employment in two additional industries -- Early Childhood Education and Transportation.

- In the 2018 – 2019 academic year, $996,000 in scholarship funds were distributed to 417 students.

- During fall term 2019, a total of 650 students enrolled at all 30 Minnesota State two-year colleges received $812,500 in Workforce Development Scholarships. This represents a 56 percent increase in the number of scholarship recipients over the prior academic year.

- Students receiving Workforce Development Scholarships during the Fall 2019 semester were enrolled in programs leading to high-demand occupations in the following industries:

    - Health Care Services – 314
    - Advanced Manufacturing – 111
    - Information Technology – 88
    - Transportation – 54
    - Early Childhood -- 35
    - Agriculture – 24

- A total of 22 Workforce Development Scholarship recipients completed a diploma, certificate, or degree from 10 Minnesota State colleges during the 2018-19 academic year. The most commonly earned credentials were in Advanced Manufacturing (11) and Health Care Services (7).

- Demand for scholarships is high, some campuses reported in excess of 200 applicants for a limited number of awards during the Fall 2019 semester.

INTRODUCTION

The Minnesota Legislature created the Workforce Development Scholarship program (Chapter 89, Article 2, Section 17 [136F.38]) in 2017 and appropriated $1 million in FY2019 to Minnesota State to encourage students to enroll in high-demand educational programs that prepare graduates for employment in four industries – Advanced Manufacturing, Agriculture, Health Care Services, and Information Technology

The program's funding was increased during the Legislature's 2019 session to provide $2 million in scholarships during the 2019-20 academic year. In addition, high-demand educational programs preparing graduates for two additional industries – Early Childhood Education and Transportation – were added to the list of eligible programs.

The 2019 legislation also provided for $6 million in funding for academic year 2020 – 2021 (FY2022) and $4 million in base funding thereafter. Minnesota State college students enrolled in eligible programs can now receive two years of financial support (up to $5,000) and a third year (worth an additional $2,500) if they complete a two-year degree and transfer to one of Minnesota State's four-year universities.

I. FY2019: PILOT PROGRAM LAUNCHED

Minnesota State launched the Workforce Development Scholarship program as a pilot project in the 2018-19 academic year. During its first year, 417 Minnesota students at all 30 of Minnesota State's two-year colleges received a Workforce Development Scholarship of $2,500 ($1,250 for each of two terms) to support their pursuit of a diploma, certificate, or associate degree in an educational program that prepared them for careers in Advanced Manufacturing, Agriculture, Health Care Services, and Information Technology.

A total of $996,000 in Workforce Development Scholarships was distributed during the 2018-19 academic year. The number of scholarship recipients and the dollar value of those awards by institution is presented in Table 1.

Colleges were encouraged to leverage state-funded scholarships to create partnership opportunities with campus supporters, especially local chambers of commerce and employers. Colleges were able to use donor gifts to augment state funds to increase the number or size of scholarship awards.

Colleges were encouraged to identify new students or recent high school graduates to grow enrollments and recruit individuals for the four industries specified in the originating Workforce Development Scholarship legislation. Colleges were also encouraged to reach out to diverse student groups, including non-traditional students for certain career fields, e.g., females in Advanced Manufacturing or Information Technology or males in Health Care Services.

Table 1: Academic year 2018 – 2019 (FY2019) Workforce Development Scholarship recipients and dollars awarded, by institution

Institution	Scholarship Recipients	Total Dollars Awarded
Alexandria Technical and Community College	16	$35,000
Anoka Technical College	18	$35,750
Anoka-Ramsey Community College	16	$38,750
Central Lakes College	14	$32,500
Century College	17	$45,000
Dakota County Technical College	5	$14,500
Fond du Lac Tribal and Community College	11	$27,500
Hennepin Technical College	21	$47,000
Hibbing Community College	5	$12,500
Inver Hills Community College	2	$2,500
Itasca Community College	5	$8,750
Lake Superior College	14	$35,000
Mesabi Range College	5	$11,250
Minneapolis Community and Technical College	14	$29,500
Minnesota State College Southeast	21	$40,500
Minnesota State Community and Technical College	28	$64,500
Minnesota West Community and Technical College	22	$54,250
Normandale Community College	14	$32,500
North Hennepin Community College	14	$33,750
Northland Community and Technical College	15	$30,000
Northwest Technical College - Bemidji	11	$26,250
Pine Technical and Community College	17	$37,500
Rainy River Community College	2	$5,000
Ridgewater College	17	$41,750
Riverland Community College	23	$98,500
Rochester Community and Technical College	19	$37,000
Saint Paul College	15	$37,500
South Central College	16	$32,500
St. Cloud Technical and Community College	16	$39,000
Vermilion Community College	4	$10,000
TOTAL	**417**	**$996,000**

II. Academic Year 2019 – 2020 (FY2020): PROGRAM EXPANSION

Based on the Workforce Development Scholarship program's results during its pilot phase, the Minnesota Legislature increased funding for the program to $2 million for the 2019-20 academic year, $6 million for the 2020-21 academic year, and $4 million in annual funding thereafter. The Workforce Development Scholarship program was also expanded to support students in two additional fields – Early Childhood Education and Transportation, both industries where Minnesota employers report talent shortages.

The increase in funding and the expansion of eligible educational programs resulted in a 56 percent increase in scholarship recipients in the 2019-20 academic year. And because the Workforce Development Scholarship program has entered its second year, students can now receive a second-year scholarship for the first time, thereby supporting their persistence to completion of their educational program.

Detailed data on Workforce Development Scholarship recipients during the Fall 2019 term is reported in Table 2.

2019-20 Scholarship Eligibility Requirements

- Students must be enrolled or declared into a high-demand educational program leading to employment in one of six industries: (1) Advanced Manufacturing; (2) Agriculture; (3) Health Care Services; (4) Information Technology; (5) Early Childhood; or (6) Transportation
- Identification of specific educational programs within the six industries was left to each college's discretion
- Students must be enrolled in a minimum of 9 credits per term
- Students must maintain a 2.0 cumulative Grade Point Average
- Distribution of scholarship funds shall be split evenly between twoterms ($1,250 per term)
- Financial need is not an eligibility requirement, but campuses may give preference to students with financial need
- Scholarship recipients must be Minnesota residents
- Recent high-school graduates and adult learners are eligible to receive scholarships

During the 2019-2020 academic year, Workforce Development Scholarship recipients attended all 30 Minnesota State colleges and enrolled in high-demand educational programs aligned with the following industries:

- Health Care Services – 314 (48%)
- Advanced Manufacturing – 111 (17%)
- Information Technology – 88 (14%)
- Transportation – 54 (8%)
- Early Childhood Education – 35 (5%)
- Agriculture – 24 (4%)

Table 2: Fall 2019 Workforce Development Scholarship recipients by institution, industry, and award year.

2019-2020 Workforce Development Scholarships Awarded (by Institution and Program Group) (Based on Fall 2019 Awards)

College	Advanced Manufacturing	Agriculture	Healthcare Services	Information Technology	Early Childhood	Transportation	Liberal Arts	Other Technical	TOTAL		First Year Award	Second Year Award	TOTAL
Alexandria Technical & Community College	8	0	9	2	3	4	0	0	26		24	2	26
Anoka Ramsey Community College	0	0	25	1	0	0	0	0	26		17	9	26
Anoka Technical College	13	0	9	0	0	0	0	0	22		19	3	22
Central Lakes College	7	2	10	3	1	3	0	0	26		26	0	26
Century College	3	0	19	1	1	1	0	0	25		25	0	25
Dakota County Technical College	8	0	5	3	0	4	0	5	25		23	2	25
Fond du Lac Tribal & Community College	0	0	9	0	0	0	0	0	9		9	0	9
Hennepin Technical College	7	0	10	8	0	0	0	2	27		20	7	27
Hibbing Community College	0	0	1	2	0	0	0	3	6		6	0	6
Inver Hills Community College	0	0	21	2	1	0	0	0	24		22	2	24
Itasca Community College	0	0	4	0	3	0	0	0	7		7	0	7
Lake Superior College	2	0	11	1	0	4	0	0	18		18	0	18
Mesabi Range College	4	0	2	0	0	0	0	0	6		6	0	6
Minneapolis Community & Technical College	1	0	18	6	0	0	0	3	28		24	4	28
Minnesota State College Southeast	7	2	17	3	1	6	0	0	36		36	0	36
Minnesota State Community & Technical College	5	1	10	2	0	2	0	7	27		8	19	27
Minnesota West Community & Technical College	5	2	13	2	2	4	0	0	28		28	0	28
Normandale Community College	0	0	17	6	0	0	0	0	23		20	3	23
North Hennepin Community College	0	0	3	19	0	0	0	0	22		19	3	22
Northland Community & Technical College	3	2	14	0	0	4	1	2	26		25	1	26
Northwest Technical College	0	0	8	0	5	2	0	0	15		15	0	15
Pine Technical & Community College	6	0	8	6	3	2	0	0	25		24	1	25
Rainy River Community College	0	0	3	0	0	0	0	0	3		3	0	3
Ridgewater College	6	4	8	1	5	2	0	0	26		26	0	26
Riverland Community College	4	1	15	2	0	4	0	1	27		20	7	27
Rochester Community & Technical College	0	1	18	3	1	2	0	0	25		22	3	25
St. Paul College	10	0	7	11	2	2	0	0	32		22	10	32
South Central College	6	3	12	1	5	3	0	0	30		26	4	30
St. Cloud Technical & Community College	6	0	8	3	2	5	0	0	24		24	0	24
Vermilion Community College	0	6	0	0	0	0	0	0	6		6	0	6
	Adv. Mfg	Ag	H/C Svcs	IT	E/C	Trans	Lib Arts	Other	Total		1st Yr	2nd Yr	Total
TOTAL	**111**	**24**	**314**	**88**	**35**	**54**	**1**	**23**	**650**		**570**	**80**	**650**
% of Awards by Program Group & Year	17%	4%	48%	14%	5%	8%	0%	4%			88%	12%	

Notes:
DCTC -- 2 student enrolled in Electrical Construction, 1 student enrolled in Architecture, 1 student enrolled in Civil Engineering, 1 student enrolled in HVAC categorized as "Other Technical"
HTC -- 1 student enrolled in Carpentry, 1 student enrolled in Electrical categorized as "Other Technical"
Hibbing CC -- 3 students enrolled in Heating, A/C & Refrigeration program categorized as "Other Technical" but College reports that grads often work for Adv. Mfg. companies
MCTC -- 3 students enrolled in HVACR program categorized as "Other Technical"
M-State -- 6 students enrolled in Electrical Tech, Electrical Line Worker & Architectural Drafting programs categorized as "Other Technical"; 1 student enrolled in Construction Mgmt categorized as "Other Technical"
Riverland -- 1 student enrolled in Electrical Construction program classified as "Other Technical" but student is transferring to Welding (Adv. Mfg.) in spring 2020

While most scholarship recipients declared a program of study in one of the six target industries, some students were enrolled as "pre"-majors, typically in a health care-related field, e.g., pre-nursing or pre-dental technician. In cases where students' long-term educational goals were clearly aligned with a Health Care Services field they were categorized accordingly even if they were enrolled in general education courses during a term.

A total of 23 scholarship recipients were enrolled in technical fields of study that were deemed closely rated to one of the Workforce Development Scholarship program groups; these students are accounted for in a general category called "Other Technical." Examples of these technical fields include heating/ventilating/air conditioning, construction management, electrical line worker, etc. Colleges determined that these high-demand programs met an employment need in their region or were closely related to one of the six Workforce Development Scholarship industry groups, most commonly Advanced Manufacturing.

In a single case, a student enrolled in a Liberal Arts program could not be clearly identified as intending to pursue education in one of the six Workforce Development Scholarship program groups; in this case, the student was categorized as pursuing a "Liberal Arts" program.

Promotion and Scholarship Awarding Process

The Workforce Development Scholarship program was widely promoted in July, 2019 in advance of fall term commencement. Chancellor Devinder Malhotra visited 20 cities in four days to encourage students and families to consider applying to college programs in industries and occupations eligible for scholarship awards. The tour resulted in significant media coverage, support from employers and student interest in the program. See: Promotion of Workforce Development Scholarships July 2019

Based on the available funding during the 2019-20 academic year, each of Minnesota State's 30 two-year institutions was allocated a prescribed number of Workforce Development Scholarships to award. Scholarships were allocated based on campus enrollment and the availability of educational programs in one or more of the six program groups. Each campus identified a program coordinator, most commonly the leader of the college's foundation or financial-aid office, to administer the process of awarding scholarships.

Campuses were delegated the authority to define an awarding process that best served students at each institution. In most but not all instances, campuses promoted the availability of Workforce Development Scholarships and solicited applications from both incoming and returning students. Not surprisingly, student interest in these scholarships was high, with some campuses receiving several hundred applications for a limited number of awards.

Table 3 describes the number and dollar value of Workforce Development Scholarships distributed by each college within the Minnesota State system during the Fall 2019 semester.

Table 3: Fall 2019 Workforce Development Scholarships, number and dollar value awarded, by institution

	Received Workforce Development Scholarship 1st Year Award (10289)		Received Workforce Development Scholarship 2nd Year Award		Received Any Workforce Development Scholarship Award	
Short Formal Name	Count of Students Receiving Award	Total Dollars Awarded	Count of Students Receiving Award	Total Dollars Awarded	Count of Students Receiving Award	Total Dollars Awarded
Alexandria Technical and Community College	24	$30,000	2	$2,500	26	$32,500
Anoka Technical College	19	$23,750	3	$3,750	22	$27,500
Anoka-Ramsey Community College	17	$21,250	9	$11,250	26	$32,500
Central Lakes College	26	$32,500	0	$0	26	$32,500
Century College	25	$31,250	0	$0	25	$31,250
Dakota County Technical College	23	$28,750	2	$2,500	25	$31,250
Fond du Lac Tribal and Community College	9	$11,250	0	$0	9	$11,250
Hennepin Technical College	20	$25,000	7	$8,750	27	$33,750
Hibbing Community College	6	$7,500	0	$0	6	$7,500
Inver Hills Community College	22	$27,500	2	$2,500	24	$30,000
Itasca Community College	7	$8,750	0	$0	7	$8,750
Lake Superior College	18	$22,500	0	$0	18	$22,500
Mesabi Range College	6	$7,500	0	$0	6	$7,500
Minneapolis Community and Technical College	24	$30,000	4	$5,000	28	$35,000
Minnesota State College Southeast	36	$45,000	0	$0	36	$45,000
Minnesota State Community and Technical College	8	$10,000	19	$23,750	27	$33,750
Minnesota West Community and Technical College	28	$35,000	0	$0	28	$35,000
Normandale Community College	20	$25,000	3	$3,750	23	$28,750
North Hennepin Community College	19	$23,750	3	$3,750	22	$27,500
Northland Community and Technical College	25	$31,250	1	$1,250	26	$32,500
Northwest Technical College - Bemidji	15	$18,750	0	$0	15	$18,750
Pine Technical and Community College	24	$30,000	1	$1,250	25	$31,250
Rainy River Community College	3	$3,750	0	$0	3	$3,750
Ridgewater College	26	$32,500	0	$0	26	$32,500
Riverland Community College	20	$25,000	7	$8,750	27	$33,750
Rochester Community and Technical College	22	$27,500	3	$3,750	25	$31,250
Saint Paul College	22	$27,500	10	$12,500	32	$40,000
South Central College	26	$32,500	4	$5,000	30	$37,500
St. Cloud Technical and Community College	24	$30,000	0	$0	24	$30,000
Vermilion Community College	6	$7,500	0	$0	6	$7,500
Total	**570**	**$712,500**	**80**	**$100,000**	**650**	**$812,500**

Footnote: Total scholarship funds available to colleges in academic year 2019 – 2020 is $1,670,000 or $835,000 per term ($2,000,000 less $200,000 hold back for match to private funds and balance for program administration per 2019 legislation).

Completion & Employment

The Workforce Development Scholarship program was piloted during the 2018-19 academic year and expanded in the 2019-20 academic year. Given the infancy of the program, relatively few scholarship recipients have completed their program of study and secured employment.

An analysis of scholarship recipients during the first 18 months of the program's existence indicates that a total of 22 students earned 23 credentials (one student earned two credentials) from 10 Minnesota State colleges during the 2018-19 academic year. The distribution of earned credentials is described in Table 4.

Table 4: FY2019 earned credentials by industry

Program Group	Diploma	Certificate	Associate Degree
Advanced Manufacturing	0	9	2
Agriculture	0	1	0
Health Care Services	2	4	1
Liberal Arts	0	0	1
Other Technical	3	0	0

Note: No students completed a credential in an Information Technology program during the 2018-19 academic year; the Liberal Arts graduate pursued a transfer curriculum leading to further enrollment in a high-demand educational program aligned with one of the six industry groups.

Minnesota State expects that a larger number of Workforce Development Scholarship recipients will complete their program of study by the end of the 2019-20 academic year. Consequently, more data about students' completion and employment will be available in the 2021 Legislative Report.

Private Support

Based on the very successful impact of funds donated two years ago by the Minnesota Precision Manufacturing Association Education Foundation, directors for this organization overwhelmingly supported a second donation of $30,000 to support students in the Advanced Manufacturing program area. These funds will be available in early 2020 and distributed to 15 colleges in the amount of $2,000 each to supplement scholarships provided by the state.

Adding to the initial funding from the Legislature, colleges are leveraging private contributions from business, industry, and other partners to increase the value of the scholarships. For example, Century College increased each scholarship to $3,000 using funds contributed by the Century College Foundation and various employers, trade associations and chambers of commerce. Four employer partners of St. Cloud Technical & Community College showed their

commitment to meeting workforce shortages by supplementing the scholarships to $3,500 and by making additional contributions to other scholarships.

The 2019 legislation required that 10 percent of the annual scholarship fund be held as a matching fund and distributed upon receipt of privately raised funds 1:1 with state funds. This year, $200,000 (10 percent of $2,000,000) was held in a match fund. Each college is required to raise the equivalent of its 10 percent of its Workforce Development Scholarship funds by June 30, 2020 for academic year 2019 – 2020. Assuming colleges raise their 10 percent share, $200,000 in state funds will be released and distributed to colleges that have met this requirement on July 1, 2020.

III. TESTIMONIALS

A number of Minnesota State college students provided testimonials on the value of the Workforce Development Scholarship program:

"The scholarship notification email I received came at such a great time. I was busy working and trying to save money for the school year, yet a bit worried that I wasn't going to have enough to afford everything comfortably. My parents are helping me, but I know it's ultimately my responsibility to pay for college. This scholarship will allow me some breathing room financially, which is so appreciated."

"This award will not only help me with the cost of school, but I will be able to help myself and my daughter by gaining a little bit of financial stability as I finish school. I can worry less about money and more about making those that have kept believing in me proud. I appreciate this more than words can say, and it has given me that little extra push to make you proud of supporting me as well."

"I want to extend my sincerest gratitude for receiving the Workforce Development Scholarship to help further my education. This scholarship award is helping me tremendously by guaranteeing my ability to work towards my future without worrying so much about how I am going to afford it."

"I want to thank you for selecting me to receive a Workforce Development Scholarship. I am honored to receive this scholarship and it would not be possible without your generous support. I will be earning a welding degree. With this degree I will be able to come back to my family's farm and weld/fix things in the shop. This scholarship will lighten the financial burden of college."

IV. FUTURE ANNUAL REPORTS

As the Workforce Development Scholarship program matures, future Legislative Reports will provide additional information, including:

1. Data on scholarship recipients who complete a program of study or certification;
2. Data on scholarship recipients who secure employment by or within three months of their graduation date;
3. Data on the occupations scholarship recipients are entering;
4. Data on private funds secured to support student scholarships, including the effectiveness of the match fund as an incentive for Minnesota State colleges and universities to obtain private funds to augment the state's investment in the Workforce Development Scholarship program; and
5. Initial data on the number of scholarship recipients who transfer to a four-year university and who receive additional scholarships to complete a baccalaureate degree

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For additional information:

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MINNESOTA STATE
Board of Trustees

30 East 7th Street
St. Paul, MN 55101

651-201-1705

Board of Trustees Meeting

Minnesota State
McCormick Room
Wednesday, January 29, 2020
2:30 PM

In addition to the board members attending in person, some members may participate by telephone.

Convene and Call to Order, Jay Cowles, Chair

Chair's Report, Jay Cowles

Chancellor's Report, Devinder Malhotra

Consent Agenda

1. **Minutes of the Board of Trustees Meeting, November 20, 2019**
2. **2019-2021 Minnesota State College Faculty Bargaining Contract**
3. **State of Minnesota Perkins V Plan**
4. **Restructuring of the Northeast Higher Education District**
5. **Property Acquisition: Alexandria Technical and Community College**
6. **Surplus Property Designation: Alexandria Technical and Community College**
7. **NextGen Vendor Contract Negotiation Approval**
8. **Third Party Owners Representative Contract Approval**
9. **Contracts Exceeding $1 Million:**
    a. **McMahon Student Center Renovation, Itasca Community College**
    b. **Student Affairs Renovation, Phase 2, Minneapolis Community and Technical College**

Board Policy Decisions (Second Readings)

1. **Proposed Amendment to Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration**
2. **Proposed Amendment to Policy 3.27 Copyrights**
3. **Proposed New Policy 3.43 Accreditation**

<u>Board Standing Committee Reports</u>
Committee of the Whole, Jay Cowles, Chair

1. NextGen Project Risk Review #5 Results
2. NextGen Update

Minnesota State is an affirmative action, equal opportunity employer and educator.

Audit Committee, George Soule, Chair

- Project Update: Institution Financial Control Review

Facilities Committee, Jerry Janezich, Chair

- 2022 Capital Program Guidelines (First Reading)

Finance Committee, Roger Moe, Chair

1. College and University Financial Performance Update
2. 2022 Capital Program Guidelines (First Reading)

Academic and Student Affairs Committee, Alex Cirillo, Chair

1. Proposed Amendment to Policy 2.6 Intercollegiate Athletics (First Reading)
2. Proposed Amendment to Policy 3.26 Intellectual Property (First Reading)

Human Resources Committee, Michael Vekich, Chair

- Report of the Committee

Diversity, Equity, and Inclusion Committees, Rudy Rodriguez, Chair

- Title IX Civil Rights Compliance Update

Outreach and Engagement Committee, Dawn Erlandson, Chair

1. Partnership for Teachers of Color Pathway
2. Workforce Development Scholarships Update

Student Associations

1. Lead MN, Oballa Oballa, President
2. Students United, Ola Abimola, State Chair

Minnesota State Colleges and Universities Bargaining Units

1. American Federation of State, County, and Municipal Employees, Tom Torgerud, President, AFSCME Council 5
2. Inter Faculty Organization, Brent Jeffers, President
3. Middle Management Association, Gary Kloos, Executive Director
4. Minnesota Association of Professional Employees, Jerry Jeffries, Regional Director
5. Minnesota State College Faculty, Matt Williams, President
6. Minnesota State University Association of Administrative and Service Faculty, Tracy Rahim, President

Trustee Reports

Adjournment

Bolded items indicate action is required

MINNESOTA STATE
Board of Trustees

30 East 7th Street
St. Paul, MN 55101

651-201-1705

Consent Agenda

Minnesota State
McCormick Room
Wednesday, January 29, 2020
2:30 PM

In addition to the board members attending in person, some members may participate by telephone.

Consent Agenda

1. **Minutes of the Board of Trustees Meeting, November 20, 2019 (pp 1-8)**
2. **2019-2021 Minnesota State College Faculty Bargaining Contract (pp. 9-10 of the Human Resources Committee's meeting materials)**
3. **State of Minnesota Perkins V Plan (pp 42-150 of the Academic and Student Affairs Committee's meeting materials)**
4. **Restructuring of the Northeast Higher Education District (pp 151-154 of the Academic and Student Affairs Committee's meeting materials)**
5. **Property Acquisition: Alexandria Technical and Community College (pp 11-14 of the Finance Committee's meeting materials)**
6. **Surplus Property Designation: Alexandria Technical and Community College (pp. 15-18 of the Finance Committee's meeting materials)**
7. **NextGen Vendor Contract Negotiation Approval (pp. 19-24 of the Finance Committee's meeting materials)**
8. **Third Party Owners Representative Contract Approval (pp. 25-28 of the Finance Committee's meeting materials)**
9. **Contracts Exceeding $1 Million: (pp 9-10 of the Finance Committee's meeting materials)**
   a. **McMahon Student Center Renovation, Itasca Community College**
   b. **Student Affairs Renovation, Phase 2, Minneapolis Community and Technical College**

Bolded items indicate action is required

Minnesota State is an affirmative action, equal opportunity employer and educator.

Minnesota State Colleges and Universities
Board of Trustees
Bemidji State University
November 20, 2019

Present: Chair Jay Cowles, Vice Chair Roger Moe, and Trustees AbdulRahmane Abdul-Aziz, Ashlyn Anderson, Alex Cirillo, Dawn Erlandson, Bob Hoffman, Jerry Janezich, April Nishimura, Rudy Rodriguez, George Soule, Louise Sundin, Cheryl Tefer, Michael Vekich, and Chancellor Devinder Malhotra

Absent: Trustee Samson Williams

Convene and Call to Order
Chair Jay Cowles called the meeting to order at 2:35 pm. Trustees Abdul-Aziz, Nishimura, Rodriguez, and Vekich participated in the meeting by telephone.

Chair's Report, Jay Cowles
Chair Cowles thanked President Hensrud and everyone at Bemidji State University and Northwest Technical College for hosting the board meetings. He commented that the trustees have discovered a vital and vibrant community offering a wide range of programmatic offerings. The trustees also learned of the unique programs at each institution, and enjoyed the opportunity to engage with the many students, faculty, and administrators on those campuses. Bemidji State University and Northwest Technical College also have a strong level of partnerships with various businesses and foundations throughout the region. Chair Cowles invited President Hensrud to make a few comments.

President Hensrud made the following comments.

> Board of Trustees and Chancellor Malhotra it has indeed been an honor for Bemidji State University and Northwest Technical College to host the Board of Trustees for your November meeting here in Bemidji. For the past two days, we hope that we have shared with you some information on our partnerships and provided opportunities for you to engage with our students, faculty, and staff, while showcasing programs and our facilities. Our staff and faculty at both institutions are very proud of the work that they do and they are passionate about serving students and have worked very hard to demonstrate that to you. Thank you for coming to Bemidji.

Chair Cowles thanked President Hensrud again for hosting the board meeting. He asked her to thank everyone at the college and the university who worked to make the meetings a success.

Association of Community College Trustees Annual Congress
Chair Cowles announced that he and Trustees Anderson, Erlandson, Nishimura, Tefer, Williams, and Chancellor Malhotra attended the Association of Community College Trustees Annual Congress in October. They served as a host committee when Trustee Dawn Erlandson became

the chair of the Board of Directors of the Association of Community College Trustees. The board and chancellor are honored that Trustee Erlandson is representing Minnesota State in this national higher education organization. Congratulations were offered to Trustee Erlandson.

Chancellor's Report, Devinder Malhotra

Chancellor Malhotra made the following comments.

Chair Cowles, Vice Chair Moe, members of the board, I would like to echo Chair Cowles sentiments and begin my remarks by thanking President Hensrud and the Bemidji State University and Northwest Technical College students, faculty, and staff for an amazing two days. You have showcased what it truly means to be a place of higher education in that you are not only in your community, you are also for the community. And indeed, over the last two days, it has been evident to me that the Bemidji State University and Northwest Technical College are accelerating their pace of progress so much that in a couple months they will indeed be able to walk on water.

As I shared yesterday during the Outreach and Engagement Committee meeting, I was joined by Trustee Moe, President Hensrud, and Chief of Staff Simonsen when we met with the chairman and elected officials of Leech Lake Band of Ojibway. The connection between the work we do and the communities we serve was amplified during the opening yesterday morning at the American Indian Resource Center and again in our discussions with the tribal college presidents. During our discussion with the tribal college presidents, opportunities were identified to deepen and enhance our partnership with tribal colleges and native communities. I view these identified opportunities as commitments that we need to meet head on if we are to truly live into our mission of being a partner of choice for the state of Minnesota.

FY2020 Chancellor and System Office Workplan

Trustees, at your place is the FY2020 Chancellor and System Office Workplan. This document was developed over the past few months seeking input and feedback from trustees, presidents, and the Cabinet. This version has been updated since the initial September draft reflecting feedback from the Chancellor Performance Review Committee. I have been intentional in naming this document the Chancellor and System Office Workplan. The activities listed in this document are where I am directly involved from a strategic perspective. However, it should be noted, that the document does not reflect the totality of the system office work. There are numerous activities that are operational in nature and are directly related to our work in providing leadership and oversight and direct support of our colleges and universities which is not reflected in this document. As the year progresses, I will share updates with the Chancellor Performance Review Committee.

Equity 2030

I have had the opportunity over the past few months to engage with leaders across the system to share my vision of Equity 2030 and to listen to their ideas and feedback. I want to thank all three faculty unions for inviting me to their venues and providing me with an

opportunity to engage in a dialog about this work. As I have discussed before, Equity 2030, in different venues, the question that I receive most frequently is, to take a line from Trustee Hoffman, "What on Monday at 9:00 am is going to change?" As I've shared before, the equity gaps that we are focusing on have not changed in nearly two decades. I hear the urgency from the board, from our internal and external stakeholders. If we are to do this work right and meet the challenge head-on, we must focus on the foundational work first.

One of the first efforts we have focused on is to augment capacity around this work by identification and selection of the chancellor's fellows. These individuals will be critical to developing the foundation for the frameworks that will be the underpinnings of our work. I want to thank all those who applied or submitted nominations for chancellor's fellows. In total, we received 28 applications from our colleges, universities, and the system office. Eleven were selected for initial interviews and of those, six names were forwarded to me. I met with these individuals last week and I greatly enjoyed our discussions and conversations. When we launched this process, it was my intent to bring three fellows on board, however, during the course of our discussions I have made the decision to name four fellows. Based on my discussions, I saw the opportunity to have two individuals work together on the academic equity strategy that brings with them classroom experience from both college and the university sector. By working together and building on their strengths we can be sure we are building models and tools that will provide support to all our faculty as they engage in this work. Offers have been made to four individuals and I look forward to announcing the fellows in the coming weeks once all the logistics have been worked through. I look forward to working with them and when they come on board in January and will be delighted to present them to you at a future board meeting.

NextGen

Now, moving on to NextGen, I have two brief updates to share with the board. November 5 marks the beginning of the first set of four weeks long vendor demonstrations as part of the NextGen RFP evaluation process. Over 50 evaluators from campuses and the system office have been organized to view and provide feedback on specific modules that are part of the ERP solutions that are under consideration by Minnesota State. The demonstrations are being held in St. Paul at the system office with remote participation being available on an as needed basis. Vice Chancellor Padilla expressed his appreciation to me of the energy and thoroughness of staff engagement that he witnessed from the evaluators over the course of the week. These are indeed exciting times. The system office is definitely a buzz of activity. The demonstrations will continue through to December when the last presentations will be made. I would be remiss if I would also not appreciate the vendors who are participating as they are putting a great deal of effort in showcasing their product and their capability. In consultation with the Attorney General's Office we determined that we needed a law firm with specific experience in software as a service contract. The Attorney General's office has hired the Minneapolis law firm of Dorsey and Whitney to assist us in the NextGen contracting process. They will provide assistance with the vendor evaluation process and in negotiating with the selected vendor or vendors. Dorsey and Whitney is also expected to

counsel us during the performance phase of the contract implementation. As we have discussed, NextGen is the largest technological and change management effort we have engaged in since the system began. I am pleased to have the expertise of Dorsey and Whitney with us through this process.

It will be some time until we all will be gathered again together and I would like to extend my wishes for a productive end of the semester to our students, faculty, and staff and may everyone find time to celebrate with family and friends over the holidays ahead.

Chair Cowles, Vice Chair Moe that concludes my remarks.

Chair Cowles commented that he appreciated the work that goes on between the board meetings. He congratulated and thanked the chancellor for his report.

Consent Agenda

1. *Minutes of Joint Meeting: Board of Trustees and the Leadership Council, July 23, 2019*
2. *Notes from the Board of Trustees Retreat, September 17-18, 2019*
3. *Minutes of the Executive Committee Meeting, October 2, 2019*
4. *Minutes of the Board of Trustees Meeting, October 15, 2019*
5. *Approval of 2019-2021 Inter Faculty Organization Bargaining Contract*
6. *Approval of 2019-2021 Minnesota State University Association of Administrative and Service Faculty Bargaining Contract*
7. *Approval of 2019-2021 Minnesota State Colleges and Universities Personnel Plan for Administrators*
8. *Contracts Exceeding $1 Million:*
    a. *Bookstore Lease, Bemidji State University and Northwest Technical College*
    b. *Food Service Agreement Extensions: Bemidji State University, Minnesota State University, Mankato, Minnesota State University Moorhead, and St. Cloud State University*
    c. *Lease Amendment, 1380 Energy Park, Metropolitan State University*
9. *Supplemental Budget Request - $54.2 million request*
10. *Approval of Mission Statement: Ridgewater College*
11. *Approval of Mission Statement: South Central College*
12. *FY2019 and FY2018 Audited Financial Statements and Student Financial Aid Audit*
13. *Internal Auditing Services: Authorization to Negotiate Baker Tilly Virchow Krause, LLP Contract Extension*
14. *External Auditing Services: Authorization to Negotiate CliftonLarsonAllen, LLP Contract Extension*

Following a motion by Trustee Hoffman and a second by Trustee Cirillo, the Consent Agenda was adopted.

Board Policy Decisions

- **Proposed Amendment to Policy 5.14, Contracts and Procurements (Second Reading)**
  Chair Cowles explained that the Finance Committee had a second reading of the proposed amendments to Policy 5.14 Contracts and Procurements. The committee approved the amendments and has forwarded it for board approval. It brings the procurement process up to date and it create a process and intention to increase minority and women-owned businesses to become vendors. A motion from a committee does not need a second.

  Chair Cowles called the question and it was approved.

Board Standing Committee Reports

Human Resources Committee, George Soule Vice Chair

- **Appointment of President of Fond du Lac Tribal & Community College**
  Committee Vice Chair Soule read the following motion that was recommended for approval by the Human Resources Committee.

  The Board of Trustees, upon the recommendation of Chancellor Malhotra, appoints Stephanie Hammitt as President of Fond du Lac Tribal and Community College effective July 1, 2020, subject to the completion of an employment agreement. The board authorizes 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 Minnesota State Colleges and Universities Personnel Plan for Administrators.

  The motion carried unanimously.

Chair Cowles invited Interim President Hammitt to make some comments. Interim President Hammitt thanked the board, the chancellor, and tribal parties for their support. She commented that the process has been both humbling and gratifying. Humbling because this is not about her; it is about the staff, faculty, and students at Fond du Lac Tribal and Community College. Gratifying because it has been rare in the past that the chancellor and the board have sought out the input of the Fond du Lac Band's Tribal government as well as the Tribal College Board of Directors. This is an example of the commitment to the Memorandum of Understanding, and it has shown the strength and value of the partnership.

Interim President Hammitt added that Fond du Lac is a unique institution and sometimes things are done differently but that difference is the college's strength. The college's mission statement promises a post-secondary education to honor the past for those living in the present and those dreaming of the future. These are important to remember as they honor Jack Brigg's legacy, build off of Larry Anderson's work and now continue to move the college forward. Interim President Hammitt concluded that she is honored and proud to be named the

first female president of Fond du Lac Tribal and Community College. She thanked her husband, family, and the members of the staff and faculty that are present today.

Chair Cowles called on Roxanne DeLille**,** Dean of Indigenous & Academic Affairs, Fond du Lac Tribal and Community College, for a special presentation. Dr. DeLille presented Interim President Hammitt with an eagle feather symbolizing the special characteristics and humility exemplified by Interim President Hammitt.

Outreach and Engagement Committee, Dawn Erlandson, Chair

- Presentation by Minnesota Tribal College Presidents
  Committee Chair Erlandson reported that Interim President Stephanie Hammitt, Fond du Lac Tribal and Community College, President Raymond Burns, Leech Lake Tribal College, President Lorna LaGue, White Earth Tribal and Community College, and President Dan King, Red Lake Nation College provided information on their college's enrollments and programs, funding issues, and collaboration. There was a discussion on serving the 35,000 Native Americans who live in the Twin Cities, and work towards a transfer agreement with the entire Minnesota State system similar to the one that currently exists with Bemidji State University. Chancellor Malhotra is in the process of visiting with all tribal nations in Minnesota to discuss collaboration opportunities.

Finance Committee, Roger Moe, Chair

- Report of the Committee
  Committee Chair Moe reported that the board approved three contracts exceeding $1 million dollars and the supplemental budget request on the Consent Agenda. The board also approved the proposed amendment to Policy 5.14 Contracts and Procurements on the Board Policy Decisions. In addition, the committee heard an update from Interim Vice Chancellor Bill Maki on a number of financial issues including a discussion on the $54.2 million dollar supplemental budget request. Matthew Snyder, a student at Northwest Technical College and Brent Jeffers, President, Inter Faculty Organization, testified on the supplemental budget request at the meeting.

Academic and Student Affairs Committee, Alex Cirillo, Chair

Committee Chair Cirillo reported that the board approved the mission statements of Ridgewater College and South Central College on the Consent Agenda. The committee heard three proposed amendments to the policies listed below. They will be presented as second readings and for approval at the January meeting.

1. Proposed Amendment to Policy 3.27 Copyrights (First Reading)
2. Proposed New Policy 3.43 Accreditation (First Reading)
3. Proposed Amendment to Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration (First Reading)

Committee Chair Cirillo thanked Senior Vice Chancellor Ron Anderson, Senior System Director for Education Innovations Kim Lynch, Innovation Program Coordinator Stephen Kelly, Senior

System Director for Workforce Development Mary Rothchild, and Interim President Michael Berndt, and President Robbyn Wacker for their presentation that taught us that success and innovation is basically around process.

Audit Committee, George Soule, Chair

Committee Chair Soule reported that the committee discussed and approved the FY2019 and FY2018 Audited Financial Statements and the Student Financial Aid Audit and they were approved on the board's Consent Agenda. Also on the Consent Agenda were authorizations for Internal Audit to negotiate contract extensions with Baker Tilly Virchow Krause, LLP and CliftonLarsonAllen, LLP.

Committee Chair Soule reported that the proposed amendment to Policy 1D.1 was presented as a first reading. It was thoroughly vetted according to procedures and it appears to be uncontroversial, so the committee proposes to adopt it by suspending the rules.

- **Proposed Amendment to Policy 1D.1 Office of Internal Auditing (First Reading)**
  Chair Cowles called for a motion and a second to suspend the rules in accordance with Policy 1A.1, Part 6, Subpart D to consider action on an item not marked for action. The motion to suspend the rules was made by Committee Chair Soule, seconded by Trustee Hoffman and carried unanimously.

  Chair Cowles called for a motion to approve the proposed amendment to Policy 1D.1 Office of Internal Auditing. The motion was made by Committee Chair Soule, seconded by Trustee Cirillo and approved unanimously.

Closed Session: Joint Meeting of the Audit and Finance Committees, George Soule and Roger Moe, Co-chairs

Co-chair Soule reported that in a closed session the Audit and Finance Committees received a briefing on Information security including audit results.

1. Information Security Briefing
2. Information Security Audit Results

Closed Session: Human Resources Committee, George Soule, Vice Chair

- Update on Labor Negotiations Strategy
  Committee Vice Chair Soule reported that in a closed meeting the Human Resources Committee received an update on labor negotiations strategy from Vice Chancellor Eric Davis and Senior System Director for Labor Negotiations Chris Dale.

Human Resources Committee, George Soule, Vice Chair

- Report of the Committee
  Committee Vice Chair Soule reported that the committee approved the Inter Faculty Organization's and the Minnesota State University Association of Administrative and

Service Faculty's Bargaining Contract, and the Minnesota State Colleges and Universities Personnel Plan for Administrators. These items were approved earlier on the Consent Agenda. It is anticipated that the Minnesota State College Faculty Bargaining Contract will be presented at the next meeting of the Human Resources Committee in January,

Joint Meeting of the Audit and Human Resources Committees, George Soule, Vice Chair

- Human Resources Transactional Service Model (HR-TSM) Update
  Committee Vice Chair Soule reported that the committee heard a condensed presentation on the Human Resources Transactional Services Model.

Diversity, Equity, and Inclusion Committees, George Soule Vice Chair

Committee Vice Chair Soule reported that the committee received an overview of the Strategic Plan from the Office of Equity and Inclusion and heard an update on the Campus Climate Project. The committee engaged in a good discussion on both topics.

1. Review: Office of Equity and Inclusion Strategic Plan
2. Campus Climate Project Update

Student Association

Students United
Campus Coordinator Jonathan McNicholes, Bemidji State University, addressed the Board of Trustees.

Minnesota State Colleges and Universities Bargaining Units

1. Inter Faculty Organization
   President Brent Jeffers addressed the Board of Trustees.

2. Minnesota State University Association of Administrative and Service Faculty
   Vice President Zak Johnson addressed the Board of Trustees.

3. Minnesota State College Faculty
   President Matt Williams addressed the Board of Trustees.

Trustee Reports

Trustee Erlandson thanked the trustees and the chancellor who were present when she became the chair of the ACCT Board of Directors. Her focus as chair of the ACCT Board of Directors is student success.

Adjournment

Chair Cowles thanked President Hensrud for hosting the meeting in Bemidji, noting that everything went very well and the meetings were a success.

Chair Cowles wished everyone a wonderful holiday season. The meeting adjourned at 3:55 pm.

MINNESOTA STATE
Board of Trustees

30 East 7th Street
St. Paul, MN 55101

651-201-1705

Board Policy Decisions

Minnesota State
McCormick Room
Wednesday, January 29, 2020
2:30 PM

In addition to the board members attending in person, some members may participate by telephone.

Board Policy Decisions (Second Readings)

1. **Proposed Amendment to Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration (pp 7-16 of the Academic and Student Affairs' Committee's meeting materials)**
2. **Proposed Amendment to Policy 3.27 Copyrights (pp 17-21 of the Academic and Student Affairs' Committee's meeting materials)**
3. **Proposed New Policy 3.43 Accreditation (pp 22-26 of the Academic and Student Affairs' Committee's meeting materials)**

Bolded items indicate action is required

Minnesota State is an affirmative action, equal opportunity employer and educator.

Minnesota State Acronyms

AACC	American Association of Community Colleges
AASCU	American Association of State Colleges and Universities
ACCT	Association of Community College Trustees
ACE	American Council on Education
AFSCME	American Federation of State/County/Municipal Employees
AGB	Association of Governing Boards of Universities and Colleges
API	Application Programming Interface
AQIP	Academic Quality Improvement Program
ASA	Academic and Student Affairs
BPAC	Business Practices Alignment Committee
CAG	Cross-functional Advisory Group
CAS	Course Applicability System
CASE	Council for the Advancement and Support of Education
CCSSE	Community College Survey of Student Engagement
CFI	Composite Financial Index
CIP	Classification of Instructional Programs
COE	Centers of Excellence

- Advance IT Minnesota
- 360° Manufacturing and Applied Engineering Center of Excellence
- HealthForce Minnesota
- Minnesota Center for Engineering and Manufacturing Excellence (MNCEME)
- Center for Agriculture - Southern Minnesota
- Minnesota Agriculture Center for Excellence – North – AgCentric
- Minnesota Energy Center
- Minnesota Transportation Center

CRM	Constituent Relationship Management
CSC	Campus Service Cooperative
CST	Collaborative Sourcing Team
CTF	Charting the Future
CTL	Center for Teaching and Learning
CUPA	College and University Personnel Association
DARS	Degree Audit Reporting System
DEED	Department of Employment and Economic Development
DOA	Department of Administration
DOER	Department of Employee Relations (merged with MN Management and Budget)
EEOC	Equal Employment Opportunity Commission
EIC	Enterprise Investment Committee
ERP	Enterprise Resource Planning
FERPA	Family and Educational Rights and Privacy Act
FIN	Finance
FTE	Full Time Equivalent
FUG	Financial User Group
FY	Fiscal Year (July 1 – June 30)
FYE	Full Year Equivalent
HEAC	Higher Education Advisory Council
HEAPR	Higher Education Asset Preservation
HLC	Higher Learning Commission
HR	Human Resources
HR-TSM	Human Resources Transactional Service Model

IAM	Identity and Access Management
IDM	Identity Management (Old term)
IFO	Inter Faculty Organization
iPASS	Integrated Planning and Advising for Student Success
IPEDS	Integrated Postsecondary Education Data System
ISEEK	CareerWise Education
ISRS	Integrated Statewide Records System
IT	Information Technology
ITS	Information Technology Services
LTFS	Long-term Financial Sustainability
MAPE	Minnesota Association of Professional Employees
MDOE	Minnesota Department of Education
MDVA	Minnesota Department of Veterans Affairs
MHEC	Midwestern Higher Education Compact
MMA	Middle Management Association
MMB	Minnesota Management and Budget
MnCCECT	Minnesota Council for Continuing Education and Customized Training
MMEP	Minnesota Minority Education Partnership
MNA	Minnesota Nurses Association
MOU	Memorandum of Understanding
MSCF	Minnesota State College Faculty
MSCSA	Minnesota State College Student Association
MSUAASF	Minnesota State University Association of Administrative and Service Faculty
MSUSA	Students United (previously known as MSUSA or Minnesota State University Student Association)

NASH	National Association of System Heads
NCAA	National Collegiate Athletic Association
NCHEMS	National Center for Higher Education Management Systems
NSSE	National Survey of Student Engagement
OCR	Office for Civil Rights
OET	Office of Enterprise Technology
OHE	Minnesota Office of Higher Education
OLA	Office of the Legislative Auditor
PEAQ	Program to Evaluate and Advance Quality
PM	Project Manager
PSEO	Post-Secondary Enrollment Options
RFP	Request for Proposal
SAG	Services Advisory Group
SCUPPS	State College and University Personnel/Payroll System
SEMA4	Statewide Employee Management System
SER	Subcommittee on Employee Relations
SHEEO	State Higher Education Executive Officers
SME	Subject Matter Experts
USDOE	United States Department of Education
USDOL	United States Department of Labor