

NORTHEAST HIGHER EDUCATION DISTRICT (NHED)
Strategic Action Planning Team and
General Program Advisory Committee
Valentini's Supper Club, Chisholm, Minnesota
March 25, 2014 – 10:00 a.m.

NHED Strategic Planning Team Present: President Sue Collins (NHED), Tim Aunan, Carmen Bradach, Stephen Briggs, Joe Chlebeczek, Laverne Hakly, Joyce Helens, Karen Kedrowski, Miriam Kero, Cortez Killing, Justin Klander, Annette Koski, Jeff Mayer, Tracey Roy, Jalyane Smith, Jon Smith, Kristi Sutton

NHED General Program Advisory Committee Present: Bryan Baird, Chair, Jon Anderson, Connie Harle, Randy Richardson, John Skube, David Ulrich, Rochelle VanDenHeuvel, Inez Wildwood

College constituents Present: Carol Helland, Ken Simberg, Roy Smith

Also Present: Bernardine Bryant, Facilitator

- I. **WELCOME AND INTRODUCTIONS:** President Collins welcomed the participants and introduced Dr. Bernardine Bryant, Facilitator. Dr. Bryant provided a brief background and all participants introduced themselves.
- II. **2015-2020 PLAN – IDEAS AND VISIONS:** Facilitator Bryant opened the meeting up to the participants for their ideas and visions for the Northeast Higher Education District and their interest in being involved in the strategic planning process. Comments were as follows:

NHED Strategic Planning Team Comments:

- Money will always follow a good idea.
- We have the option to be world class.
- Become a destination place.
- Be like a weather balloon bringing in data from outside the area.
- Smart Bomb – stop making watches.
- Change is inevitable but growth is optional.
- Grow our own, plus some.
- Dreaming is important. Status quo won't work. Being and doing have to be put together to move innovation forward.
- We are not normal – dare to be bold
- Embrace change and question if there is a better way.
- Excited to hear from the General Program Advisory Committee and other community members on their visions for the colleges and students.
- Passionate for the community college system and the education provided.
- Increase the number of graduating college students.
- Address skills gap
- Providing talented students to both the private and public sectors.
- Learn & work in region
- Looking forward to serving on the NHED Strategic Action Planning Team and being involved in innovation.

NHED General Program Advisory Committee Comments:

Inez Wildwood (Comprehensive Management Associates): Very impressed with the work NHED has done and in her role as chair of the Governor's Workforce Development Council, she has praised the District both at the capitol in Minnesota and DC.

Randy Richardson (Essar Steel): We have a vested interest in the community college system to attract and retain qualified people to the community. Interested in how community colleges can partner with high school systems to bring students up to speed to work with industry.

Connie Harle (Fairview Range Regional Health Services): We are the recipients of strong knowledgeable students coming out of the colleges in health care. We need to grow our own and that is what we do in our organization. Pleased with the colleges work in partnering with Minnesota State University, Mankato to provide advanced nursing degrees in the region.

Bryan Baird (Cliffs, NR): Passionate about taking NHED to the next level. Talented employees will be what it takes to get through cyclical challenging times.

Rochelle VanDenHeuvel (ISD 318): Interested in building business and industry relationships with colleges to better prepare students.

David Ulrich (Twin Metals): Their vision is to bring the 50-year absence of underground mining back to Minnesota. The 21st Century mine will not be like the old mines, with new technology and skill sets needed as they staff their mine.

Jon Anderson (JoyGlobal): ALI is doing a marvelous job in the high schools and the colleges are teaching them the next steps. My involvement in this group is to keep the momentum moving forward on the quality of students and skill sets needed to succeed in business and industry.

John Skube (U.S. Steel): We hire a lot of graduates from Minnesota. I also serve on the advisory board for Mesabi Range College's Millwright Program. My vision is for that program to be molded into a world-class program that will be the source of maintenance technicians not only from the region, but all over the nation. Integration with high schools and colleges is key and was pleased to see the efforts already in place. However, community colleges have to get more involved in gaining the interest of high school students and attracting them to their programs.

Additional Comments by College Constituents:

- Expressed appreciation for the value GPAC has brought to our colleges.
- Value education, both technical and transfer students.
- Determined to make new ideas work even with challenges.
- Higher education is under considerable scrutiny for change.
- An update was provided on the Applied Learning Institute (ALI) that brings technical education into the high schools and the newly formed Education Innovation Partners.
- Strategic Planning Team advisors – Karen Kedrowski (finance), Carmen Bradach (Human Resources), and Tracey Roy (Institutional Research) will be providing data, research and/or any support needed by the Planning Team.
- All expressed excitement about participating in the development and implementation of the plan and being a part of moving the District forward.

- III. **CURRENT LANDSCAPE:** Tracey Roy, NHED Institutional Research, distributed a handout with data reflecting the current landscape and overview of the Northeast Higher Education District.

Regional Economy: Ms. Roy reported that the Northeast Higher Education District serves over 4,000 FYE (Full-Year Equivalent = 1 student taking 30 credits). The report reflected a decrease in enrollment across the District over the last five years. She also commented that MnSCU institutions statewide are experiencing declining enrollments. Ms. Roy noted the direct relationship unemployment has on enrollment, as well as the number of high school students; i.e., 45% of Virginia High School seniors enroll at Mesabi Range College. Student demographics have stayed about the same and Ms. Roy emphasized the need to focus on increasing enrollment.

David Ulrich inquired on the data reflecting the 10 year projection as perhaps being inaccurate. He recently attended a meeting where the data projected was different than what was presented in today's handout on page 6 (Projected Job Openings by Industry 2010-2020). On page 4 of the handout (report that included education level needed), Mr. Ulrich felt that the numbers seemed low. Tracey Roy will provide clarification of the data based on source used.

Population Demographics: Ms. Roy reviewed the 2015-2030 regional population projections. The report reflected a slight increase in the region and an increase for the state, with the majority of the increase from the metro area. A slight increase was also projected in the 15 to 19 year old age bracket for St. Louis, Koochiching and Itasca counties. Ms. Roy noted, however, that the projected increase in population does not guarantee increased enrollment.

Discussion followed on enrollment. President Collins provided an update on the enrollment management specialist visit to the NHED colleges. The specialist is currently compiling and evaluating all the data and the colleges are awaiting the final report with recommendations. President Collins reviewed the challenges of five colleges competing for the same pool of students, with the exception of Vermilion Community College; and the need to evaluate how the colleges can strategically recruit together beyond this region. Further recommendations/comments on enrollment were as follows:

- Recruit beyond area.
- Become a destination college.
- Find ways to attract nontraditional students (enrollment has declined).
- Trends are reflecting that students are looking for quicker ways to train for jobs and are turning to technology.
- Communicate funding opportunities for premed students committed to practicing in rural areas.
- Expand online course offerings. Online aspect would attract certain students from other communities. Also an opportunity to attract nontraditional students. Online classes fill up faster than classes taken on campus.
- Online classes not for all students – develop a hybrid model (blended learning environment).
- Provide online training and resources to faculty.
- Explore and expand opportunities to share programming through telepresence.
- Provide comparison data on degrees versus diplomas – however, be careful in degrees being compared – need to be defined.
- Incorporate a paradigm shift to meet student schedules (work demands, child care, etc.). Have a continual entry option into programs.
- Be flexible and engage students on their schedules.
- Work with high schools to develop stronger marketing and communication to recruit high school students. High school career academies.

Carmen Bradach, NHED Chief Human Resource Officer, provided a snapshot of the workforce for the Northeast Higher Education District. Ms. Bradach noted the impact on the workforce in the next five to seven years with the number of eligible retirements, budget constraints, and lower enrollment. Ms. Bradach recommended including the workforce piece as a part of the Strategic Action Plan; to include retention, diversity, collaboration, and professional development. Discussion followed on the importance of working on an intentional plan for succession and President Collins noted that this will be addressed at the next planning session.

Finance/Enrollment: Karen Kedrowski, NHED Vice President of Finance & Administration, provided an overview of the financial landscape. Vice President Kedrowski reported on the sources of revenue for the colleges, noting two primary sources – tuition and state appropriation. Appropriation has been declining and pressure to freeze/limit tuition rate increases for 2014 and 2015 by the legislature has been placed on all Minnesota colleges and universities. With the declining state appropriation (\$6 million reduction), combined with the enrollment decline, a total loss to NHED of \$9 million from 2009 to 2014 was reported. Further comparison reports reflected the aggregate financial health and performance as measured by the Composite Financial Index (CFI) as weakening. If the CFI falls below the MnSCU threshold of 1.5, financial workout plans are required. If the CFI falls below the Higher Learning Commission threshold of 1.0, workout plans are required to be reported to the Higher Learning Commission.

Vice President Kedrowski reviewed some challenges related to the NHED financial landscape; to include the enrollment decline, inflationary cost increases, declining state support, pressure to freeze/limit tuition rate increases, deficit spending, lack of further collaboration in shared services, and the high cost of independence. These challenges will be considered as the NHED Strategic Planning Team discusses the financial landscape in the planning process.

Performance Metrics: Tracey Roy briefly reviewed the Strategic Framework Performance Measures that the presidents of the Minnesota State Colleges and Universities are held accountable. Due to time, more detailed discussion will be held at a later date.

IV. **STRATEGIC ACTIONS FROM GPAC:** The General Program Advisory Committee further provided the following feedback:

- Community colleges provide and affordable and quality education – need to market that to students.
- Customer service – students need to feel like a valued customer.
- Recognize that a lot of delivery needs are technical training. Society is pushing degrees and this does not always meet student needs or the needs of business and industry (projected 80% of future jobs will require technical training). Encourage students to go in the area they will be most successful.
- Are five independent campuses justified and sustainable – too much redundancy?
- More employers are looking for credentials versus degrees.
 - U.S. Steel: Operating positions require high school degrees with one year experience – all training is provided on-the-job. Technical positions (i.e., millwrights, electricians) require training; if the employee isn't trained with required skills, they won't be hired.
 - Essar: Likes certificates. When going through resumes, they look for candidates with credentials (heavy equipment operators, welders, millwrights). They also have internal mechanisms for on-the-job training.
 - Cliffs: Any hourly job requires a two-year certificate/diploma. Systems are getting more and more technical requiring a higher-level skill set.

- Jobs now need a higher skill set than 10 to 15 years ago, but don't lose sight of teaching basic skill sets.
- Online applications for employers should clearly define qualifications/credentials required.
- Invest in professional development for educators by increasing tuition reimbursement and scholarship offers.
- Projected hiring in taconite mines in the next five years is 200-300.
- Essar Steel projects 800 to 1000 workers onsite every day (welders, electricians, pipefitters, construction laborers). These workers will need MSHA & OSHA certifications.
- Employment – employers steal employees that were trained up first and then hire out of technical programs.
- Concerns that the pool of skilled people isn't there.
- Millwright program is a recipe for success and should be more aggressively marketed. Employers from Canada and South Dakota recently came to the college to recruit students. Cliffs started testing millwrights back in 2007, each year the passing rate increases and they continue to strive for improvement.
- Reviewed the option of online training for Millwright program. The need for hands-on training for this program to provide the required skill sets to be successful was emphasized.
- Iron Range Engineering (IRE) is a successful program. Essar Steel has been hiring right out of the program and is pleased with the quality of the education.
- Welding is another good program.

Discussion followed on program advisory councils and how crucial business and industry's role is on these councils for successful program outcomes. President Collins would like to see the same relationship across all programs District wide that the Millwright Program has with their program advisory committee's business and industry partners. Concerns were raised with the two electrical programs not meeting the needs of business and industry. Randy Richardson volunteered to provide representation from Essar Steel on this advisory council to provide a broader industry perspective than just residential electrical.

Connie Harle provided an update on health care. There are a lot of upcoming retirements in all areas of health care in the region. Challenges with places to provide clinicals for nurses in training were noted. Hospitals had provided clinical training sites; however, there are not as many patients in the hospital settings anymore. Fairview is working with NHED to get permanent simulation labs to provide this training. Health care is ever changing and emerging and is projected to be one of the largest employers in the region.

V. **ADVICE TO NHED:** The following advice was provided:

- Evaluate new/existing programs:
 - Use successful models (Millwright/IRE) as a template to develop/improve programs
 - Incorporate all program partners to be successful
 - Assess opportunities in the health care field (project-based learning model)
 - Benchmark new programs internally first (basic parameters) and then expand
- Recognize other industries in northeastern Minnesota (i.e., wood products, pipeline, gas, construction) in addition to mining.
- A percent of construction contractors enjoy traveling to various locations (i.e., city to city; state to state) and we need to understand that as a part of the economy (90% of the contractors in the JoyGlobal construction were from Duluth).
- Engage unions in providing internships. Try to get union involvement on GPAC.

President Collins thanked all the participants and advised the Strategic Planning Team members that it is our task to take what we learned from GPAC when creating the 2015-2020 NHED Strategic Action Plan. President Collins further noted that once drafted, the plan will be forwarded to GPAC for review.

- VI. **ADJOURNMENT:** The meeting adjourned at 2:00 p.m. The next meeting of the NHED Strategic Planning Team will be held on April 09, 2014 from 11:30 a.m. to 3:30 p.m. at Valentini's Supper Club, Chisholm.

Respectfully submitted,

Annette Koski, Executive Assistant to the President
Northeast Higher Education District