

Rochester Higher Education Development Committee
Meeting Minutes for September 30, 2005

Time: 7 a.m. – 10 a.m.

Location: Edina Realty Rochester, 1301 Salem Road SW, Rochester, MN

Members Present:

Al Berning

Dwight Gourneau

Bob Hoffman

Dr. Wendy Shannon

Marilyn Stewart

Dr. David Metzen

Drew Flaada

Michael Vekich

Members not Present:

Al DeBoer

Jayne Rankin

Dr. Claire Bender

Others Present:

Dr. Cheryl Maplethorpe

Dr. Christine Barajas

Don Supalla

Dick Westerlund

Alison Good

Jay Lee

Jim Clausen

Rev. Bruce Buller

Gail Sauter

Dr. David Carl

Representative Tina Liebling

Tom Murray

Representative Andy Welti

Senator Shiela Kiscaden

Susan Heegaard

The meeting was called to order at 7:15 by Chair Marilyn Stewart.

The September 22 minutes were approved with corrections.

Chair Stewart reminded the Committee that UCR partners – RCTC, Winona State University, and University of Minnesota submitted an enrollment transfer and graduates report and asked that any questions concerning that report be forwarded to her.

The Committee approved the extension of Judy Grew's contract to cover the October 14th meeting.

The committee reworded the vision statement. The resulting vision is:

A world class signature research and education institution focusing on programs that complement and capitalize on the region's existing leadership roles in health sciences, bio-sciences, engineering and technology.

The following two sentences were removed from a previous draft of the vision statement, but should be incorporated into a strategy or business plan statement:

Educational programs would be built on an economic model, providing application to economic activities via innovative, translational research and clinical experiences. This institution would have a distinct identity and one governing entity.

Facilitator Grew reviewed the process of sorting out the items where there was (1) consensus, (2) items to be discussed, (3) and items that needed more data.

Facilitator Grew posted a list of the 8 parts of the report outlined in the law:

- (1) the mission and focus of the programs or institutions;
- (2) the nature of undergraduate and graduate programs to be offered;
- (3) site and facility needs;
- (4) funding sources and opportunities;
- (5) operational needs;
- (6) alliances or other types of cooperative arrangements with public and private institutions;
- (7) governance structures; and
- (8) mechanisms to ensure that the expanded programs are aligned with the unique needs and opportunities of the Rochester area and that programs take advantage of opportunities presented by regional business and industry.

Facilitator Grew clarified that the list of alliances developed for Topic number 6 above at the September 22 meeting was not an exclusive list and that the Committee needed to clarify the role of the private colleges.

Chair Stewart said that Member Berning will call the University of Texas – Dallas to see why they took so long to add the freshman and sophomore classes. Member Shannon distributed a picture of how “signature programs” are built with Industry partnerships, external accelerators, undergraduate programs, and graduate programs.

Member Flaada stated that operational needs of the programs also tied into the governance structure.

Member Vekich said that if the University of Minnesota was to be the entity, then the governance structure was already in place.

Member Hoffman said it could be the University of Minnesota or MnSCU or a third option.

Member Vekich said that the Governor would affect the funding available.

From the audience Senator Kiscaden said she was there when the language creating the Committee was written and the intent was to have one entity in charge otherwise no one was responsible for the enterprise.

Member Vekich said that meant the entity was responsible for the funding, too.

From the Audience Director Heegaard said the governance entity is responsible for funding.

Member Hoffman said “So IBM and Mayo will not be the governance entity.”

Member Flaada – “Correct.”

Member Vekich said that also sounded like the governance entity would not be a private college or university.

There was general consensus that this was correct, that a private college would not be the governance entity.

Facilitator Grew asked if the entity might contract with a private college to deliver education. The Committee agreed that the entity could contract with a private college for education delivery.

Facilitator Grew summarized that there were two left that could be the governance entity – the University of Minnesota and MnSCU.

Member Berning said that Mayo had not technically declined to be the governance entity.

Facilitator Grew asked if the Committee wanted to discuss the pros and cons of governance by the UM or MnSCU.

Member Berning said the Committee needed to decide on the programs to be offered and that would determine who should govern.

Member Hoffman said that the programs discussed so far lined up with the UM not MnSCU. MnSCU is not a research driven entity. MnSCU doesn't have post-doctoral programs. Referring to the picture distributed by Member Shannon, the only question is in the undergraduate programs. Everything else has to be University of Minnesota driven.

Member Vekich asked if the Committee should provide some direction to the Programs work group.

Member Hoffman said the University of Texas – Dallas should be contacted to find out why they were so slow to provide the first two years of undergraduate education.

Member Flaada said that regardless of who offered the undergraduate programs, they had to tie to the graduate programs and be selective in their admission criteria in order to feed into the selective graduate programs.

Member Hoffman said that the pathways leading to graduate programs must be framed by the graduate majors offered. As an example, he said the Rochester graduate programs would not offer something like British Literature so the undergraduate programs would not include a major in British Literature.

Member Berning said that the current lab science organizations in Rochester have more job openings than qualified candidates.

Member Gourneau said there will be some programs where the feeder program could be a local program but the educational entity will want to attract highly selective students from across the nation. "We could take a look at the highly selective private colleges and arrange 3 + 2 programs so those students can actually get two degrees when they are done - one from the private college and one for the Rochester educational entity."

Member Vekich asked if that meant that the educational entity could start with students from Minnesota State University – Mankato or Winona State University and put them on a track to get them into the selective graduate programs.

Member Gourneau gave the example of a student enrolling at Carleton College for three years and then transferring to Rochester and getting a degree from Carleton College and from Rochester.

Member Vekich said that those students are highly recruited and may not want to start out at a state university. They may want to start at the University of Minnesota.

Member Berning reminded the Committee that Rochester may be receiving transfers from all over the nation from many different majors. Member Berning was originally an Agricultural Engineer at St. Cloud State University and then switched to technical engineering because he wanted to run a plant instead of design a tractor. He was able to switch majors but stay at St. Cloud State University.

Member Gourneau said that the upper level undergraduate programs should tie to the graduate programs.

Member Hoffman reminded the Committee that University of Texas – Dallas added the lower level undergraduate division very late in their development. He speculated that Rochester could just concentrate on the upper level undergraduate division and not the lower level undergraduate division.

Facilitator Grew asked if the Committee needed more information about the articulation agreements. What models are currently in place? How far away does the college have to be? Carleton is only one hour away from Rochester. What kind of funding model must be in place?

Member Vekich said the Committee needed to figure out the pace. Do they do all now or phase things in? Which model do they choose? How much money does the Committee have to spend before the first student comes through the door of the new educational entity? Are we going to have to underwrite this process before we break even? The Governor needs to know the answers to those questions. What are the capital costs?

Member Hoffman said that the group had drawn a tight bead on where they wanted to go and they had no choice but to phase it in.

Member Vekich said the group has drawn a great plan but doesn't know if the University of Minnesota will want to do this. IBM and Mayo must also cooperate.

Member Flaada told the Committee that when the small work group met with Chancellor Yudof, he said that the state had to "step up to the plate with funding."

"One thing that I don't want to lose sight of on the programming side is that I think there are specifically stated needs at a baccalaureate level on the health point and I think Dr. Smith will say that again when he presents to us that there are unfulfilled needs so that what they (Mayo) are doing today is that they are over hiring and then under-employing people for specific jobs that they have. So there are specific baccalaureate programs that are in need within the health care space and I think there is work going on to try to formulate what those will be. They will take someone who is going to do specific lab work, they will hire people with higher level degrees than they need and then employ them at a lower level and pay them the lower level salary."

Member Vekich said that the Committee needs to target the baccalaureate degrees that are needed.

Member Flaada reminded the Committee that RCTC identified pathways to additional degrees but the student may not take that exact path. The student must have good counseling and continuity. As an example, there is a Tri-County agreement in the Moorhead area since 1979 and students can take courses from three different colleges to get their degree. The counselors at one institution can tell students if a certain course was going to be accepted towards a degree granted by one of the other two institutions. That certain and reliable information is missing today.

Member Gourneau added that the private colleges in the metro area cooperate in a similar way. There is an Association of College of the Twin Cities (ACTC). The colleges are Macalester, Augsburg, St. Thomas, St. Catherine's, and Hamline. They even sponsor a bus that goes between the colleges for the convenience of the students.

Member Flaada said the key is how students are handled.

Member Hoffman said these models are popping up all over. The "portal" allows them to register anywhere and transfer anywhere.

Member Flaada said that student counseling, registration, and financial aid are all coordinated so that students don't have to struggle.

Member Berning said the educational entity needed a program that encompasses all four years. It could have feeder programs but a signature program needed to start at the freshman level. The Committee needed to delineate which programs must be four year programs.

Chair Stewart told the Committee that Chancellor Yudof said that students at Dallas didn't always transfer into the signature programs and so Dallas established feeder programs.

Member Hoffman reminded the Committee that Dallas waited 21 years to establish the lower division freshman and sophomore years.

Member Berning commented that Chancellor Yudof said they waited too long to establish the lower division.

8:40 a.m. BREAK

8:50 Chair Stewart reconvened the meeting. She said she was talking to some people at break about other reports that have been done and those reports will be available to the consultant. She will get copies of those reports.

Member Hoffman said that Mayo and IBM need to have questions in advance. The Committee needs to know what they are willing to do for this project. We are kidding ourselves if we think they are going to build this elaborate campus for us.

Member Berning said the Committee needs to look at the original economic model for the state. Why did the state make its original economic investment in IBM and Mayo? There must have been a very well defined set of expectations on how they were going to pay for it. How does this tie into that? There was a study done May 2004.

Member Hoffman said the assumptions for that report may have changed. We need to look at that.

Chair Stewart lists some of the studies that were done. Trip Umbar's study was the most recent.

Facilitator Grew moved the Committee on to a discussion of the education site.

Member Hoffman asked what the objective of the site discussion.

Facilitator Grew said it was to discuss possible sites that would be available if the Educational entity was to offer classes on a site other than the UCR site.

Member Vekich asked if the Committee had identified state owned property.

Chair Stewart say they knew what property was owned by the state.

Member Hoffman asked if the Committee had determined what would be put on the site.

Chair Stewart said past discussions said there should be a specific identifiable site. That might include classrooms within other organizations such as classrooms in IBM. Rochester businesses are interested in supporting this.

Member Hoffman asked if the Committee had reasons why it should not be located at UCR or IBM or Mayo.

Member Berning said the educational entity needed identifiable programs and an identifiable space. Many people will be in the programs. We need to think about using UCR or vacant room owned by IBM downtown, or other areas.

Member Vekich asked if this would be transitional space or permanent space.

Chair Stewart asked if down town classrooms were better or perhaps an urban campus. Of course, that would take funding.

Member Vekich said that with capital costs, the Committee should be looking at land that the state already owns.

Member Berning said the Committee needed to define the programs needed and then map that information with the various opportunities around the community.

Member Vekich said the the academics should drive the facility.

Facilitator Grew asked if things needed to be located near each other.

Member Flaada said the physical proximity of Mayo is important. Mayo has doctors on buses going between hospitals. That wastes valuable time when they should be having face to face contact with patients.

Member Gourneau said the importance of the physical placement of the class depends on the class.

Member Flaada reminded the Committee that earlier discussions said that the future of new majors and programs and businesses was in the “space between” the current programs so it might not be a good idea to isolate the programs.

Member Vekich asked if the Committee had defined the technology needed. Was anything left off the list?

Member Shannon, Chair of the program work group, said her group would report on October 14th.

Member Vekich said the Committee should define the technology they are talking about.

Member Berning said it would be nano technology and informational technology.

Member Shannon said her work group was using a broad definition of technology.

Member Berning commented on the draft vision statement and said that health science needed to be moved to the first position in the vision.

From the audience Senator Kiscaden said that in the past agra-business had been included. It was a kind of “bio-tech” and was one of the largest businesses in Minnesota.

Member Berning said the Committee was looking at agra-business.

Chair Stewart moved the discussion back to site when she said the educational entity needed signature programs and a signature place.

Member Vekich said the site needed to be a place that was not land locked.

Chair Stewart said the programs will tell the Committee what kind of facilities are needed.

Member Vekich reported that Chancellor Yudof said that a good wet lab cost \$800 a square foot.

The next item on the agenda was to create questions to ask UM, IBM, and Mayo.

Chair Stewart asked the Committee to list questions for President Bruininks, and Walt Ling, and Dr. Smith. She said that she wanted to know if the UM would ever lease space. She also wanted to know how the UM would collaborate with Mayo or IBM in Rochester.

Member Vekich said the speakers should be given the structure that the Committee is thinking of and see if they could collaborate within that structure.

Chair Stewart wanted to ask what they thought about joint appointments and tenure. She also wanted to know about clinical placements.

Member Shannon wanted to know more about the UM and the Federal Reserve collaboration with shared faculty.

Member Vekich thought the Committee should talk to the other companies in Rochester, too.

Member Gourneau wanted to talk about incubation businesses and how the UM would work with them.

Member Hoffman wanted to know if this new educational entity would be competing with Mayo.

From the audience Dr. David Carl said the UM would not be competing with Mayo.

Member Hoffman asked if these new programs would transfer easily to the programs that are already offered by the University of Minnesota Rochester.

Dr. Carl said that would have to be worked out. Right now the senior year is being taught by Mayo faculty. The degree is conferred by the UM.

Member Berning said that regarding incubation, Pemstar's needs would be met by this plan. Once the programs are defined, we need to follow up with other programs that the community needs and check on future programs.

Member Hoffman said that questions were good but the Committee needed to hear commitment that is "fail safe."

Chair Stewart wanted to know if Mayo programs currently provided in collaboration with other institutions would be transferred to the Rochester institution. There is a program with North Dakota.

Member Hoffman said the program with North Dakota was an excellent program.

Chair Stewart asked what it cost to get a "rock star" professor and to set up a lab for them.

Member Hoffman added "and their entourage."

9:45 a.m. Public Comments:

NO PUBLIC COMMENTS.

9:45 - meeting adjourned.

FUTURE MEETINGS will be 7 a.m. to 10 a.m. (unless noted) on Friday, Oct. 14; **9 a.m. to noon Friday, Oct 28**; Thursday, Nov. 10; Monday, Nov. 21; Thursday, Dec. 8; **9 a.m. to noon Friday, Dec. 16**; Friday, Jan 6, 2006 **at Edina Realty Rochester, 1301 Salem Road SW, Rochester, MN.**