Town Meeting  
March 25, 2010

Topics

- Flood
- Transition and Other Updates
- Campus Sustainability

Flood

We are in the process of winding down what now appears to be our annual flood fight. Thanks to incident commander, Mike Parks, and his very capable Emergency Operations Center team, including Jeff Goebel, Al Breuer, Mark Rice, Dan Heckaman, and Pat Staples, as well as countless staff members from across campus, we protected the campus and supported the city and county with the utmost of efficiency. The volunteer center at Nemzek dispatched 2,000 volunteers, and Holmquist housed 100 first responders.

The Faculty Association (FA) and the deans worked together to issue a joint FA and Administration letter to faculty regarding continuity of instruction. Fortunately, we did not need to implement the provisions of the letter, but we were nonetheless well prepared. I commend FA, deans, and faculty on a job well done.

Transition and Other Updates

- There have been no surprises on the budget front. Although we were disappointed with the Governor’s veto on the bonding for the library and planetarium, we will still receive $2.6M in HEAPR funding for some needed renovations and repairs. Estimates for further state allocation reductions remain within range of our predictions. We are still very hopeful about getting support for the library and planetarium in the next bonding cycle.

- The transition team continues to review organizational charts and make recommendations for change. Results thus far include the combination of academic and student affairs into a Provost model with initiation of a Provost search and the development of a University College. The University College will include the Corrick Center, the Honors Program, programs for undecided students, the academic elements of the Living Learning Communities and First Year Experience courses, the Writing Intensive initiative, and the Dragon Core. The only faculty housed in the college will be those in the Corrick Center. In other ways, this college will be like Graduate Studies, coordinating programs with faculty who have departmental homes in other colleges. The internal search for this dean is just getting underway. The transition team is currently discussing enrollment management as well as the finance, facilities, and administration portfolio.

- The Human Resources office is in the process of meeting with Union leadership and others on campus to determine the training needs for the campus. They are looking at training and support for supervisors, as well as, for staff. In addition discussions have taken place with the Office of the Chancellor to develop a partnership with them to bring specific training programs tailored for our needs to the campus.

- As you recall, Lean is a quality methodology that examines value streams from the user’s perspective and focuses on eliminating non-value activities. It is a long-term initiative and is meant to be a "marathon, not a sprint." Printing Services is currently involved in the first campus Lean
Results of that project will be shared with the campus community later in the semester. The Project Request Form is available on the Lean website web.mnstate.edu/lean. When a project request form is submitted it can take 6-8 weeks of front work to insure project readiness before the 2-4 day process of mapping the current state of the process and then creating the future state of the process.

- We are now exploring possible relocations of offices in Owens Hall as well as some interrelated space swaps. For starters, the HR office will move into the renovated space vacated by payroll and affirmative action. Please note that renovation is paid for by one time funds that cannot be used to support ongoing faculty or staff positions.

Campus Sustainability

(Thanks to Ben Clapp for his assistance with this section.)

Put simply, sustainability is long term viability or endurance. Given the challenges of the post-recession new normal, it is important to plan long term strategies to assure that the campus endures and prospers in the face of decreasing state support and increasing competition for students and resources. Although we recognize that these categories are not mutually exclusive, we will focus our discussion of campus sustainability around (a) fiscal sustainability, (b) organizational sustainability and beyond, and (c) environmental sustainability.

Fiscal Sustainability

Fiscal sustainability analysis is often applied to governments in relation to fiscal solvency, but is also applicable to campuses. Burnside (2009), in his handbook, *Fiscal Sustainability in Theory and Practice*, noted that “one role of fiscal sustainability analysis is to provide some indication as to whether or not a particular policy mix is sustainable” (p. 11). Following are some of our recent initiatives designed to increase fiscal sustainability.

- We have tightened our budgeting policies and processes to be more conservative in estimation of revenue and expenses, thus lessening the probability of structural deficits.

- We have initiated policies and processes to better connect resource allocation to revenue generation, thus increasing long term fiscal sustainability. For example, departmental cost recovery ratios will be computed annually. Departments with relatively low cost recovery ratios will be examined annually by the Academic Affairs Budget Advisory Committee and required to demonstrate improvement or face cuts. In addition, as long term funding becomes available, cost recovery ratios will be one of the factors considered in the prioritization of requests for resource allocation. Put simply, where possible and consistent with our mission, we will work to allocate our resources in ways that preserve and increase our revenues.

- We have increased both resources and accountability in the revenue producing areas of admissions, marketing, and the Alumni Foundation. It is still early, but we appear to be gaining on those fronts and should see resultant increased revenue.

- Finally, and in keeping with how we used federal stimulus funding, we use one-time funds (e.g., portions of carry over dollars) to either increase revenue or reduce ongoing expenses. Examples of one time investments to increase revenue are summer session advertising and remodeling of areas that serve students to increase customer friendliness and attractiveness to potential students. Examples of investments to decrease expenses are LEAN process reengineering that increases productivity, remodeling that collocates similar services thus decreasing support needs, and energy refits that decrease long term energy costs.
Organizational Sustainability and Beyond
According to Collins (2005) in *Good to Great in the Social Sectors*,

> Enduring great institutions practice the principle of Preserve the Core and Stimulate Progress, separating core values and fundamental purpose (which should never change) from mere operating practices, cultural norms and business strategies (which endlessly adapt to a changing world). (p. 26)

Key to Collins’s (2005) research on great organizations is what he refers to as the *hedgehog concept*, which he depicts as three intersecting circles that address:

1. what you are deeply passionate about,
2. what you can be the best in the world at, and
3. what best drives your economic engine. (p. 17)

Our new mission and vision statements really helped us to address both the first and second aspects of the hedgehog concept. The mission captures our passion and our essence.

> *Minnesota State University Moorhead is a caring community promising all students the opportunity to discover their passions, the rigor to develop intellectually and the versatility to shape a changing world.*

Marketing, enrollment management, and fundraising build on our mission to drive our economic engine.

Together, the four initiatives of our new strategic plan guide us in our hedgehog concept. They are:

1. **Offer competitive, high quality, rigorous academic programs and services that provide students the versatility to shape a changing world and support the state and regional economies.**

2. **Increase enrollment and student success, including underrepresented students. The number of enrolled students should reach 8,000 within the next five years with continued improvements in student success indicators.**

3. **Strengthen our relationships with key stakeholders, including alumni, other donors, neighborhood groups, and the business community.**

4. **Continue to develop infrastructures that are sustainable through difficult economic times as well as consistent with the caring community that is MSUM.**

We are making progress on all four initiatives. This progress will be detailed next month in my quarterly web update and will be summarized in our annual strategic plan report in late summer. Some highlights include

- accreditation of the School of Business by AACSB,
- review and evolution of organizational structures by the transition team,
- initiation of education LEAN to review and increase the efficiency of our processes,
- progress in applications and external recognition through marketing and improved staffing and processes in admissions,
• preparation of new campus and residential life master plans, and

• progress towards fiscal sustainability

**Environmental Sustainability**

We will deal with this topic more in the future. However, briefly, campus sustainability is about decreasing our energy usage and expenses while also decreasing our carbon footprint. Recent and ongoing energy refits are already decreasing costs. At the same time, Dennis Jacobs is assisting us with some energy coordination that will further decrease costs and carbon footprint.