Introduction

The compact between the Senior Vice President for System Administration and the University of Minnesota Rochester for 2005-06 includes the following:

A. UNIT MISSION:

The University of Minnesota Rochester (UMR) meets the higher education needs of constituents in Southeastern Minnesota by providing and promoting academic programs, research, and outreach services through relationships with other universities and colleges. UMR provides leadership for baccalaureate and graduate programs that reflect the University of Minnesota’s tradition of excellence, through a unique collaboration with UM campuses and the Minnesota State Colleges and Universities System. As its mission, the University of Minnesota Rochester will:

- Establish itself as the regional higher education institution of choice for students pursuing career preparation in selected health science and technology professions;
- Provide a strong higher education foundation in health sciences professions, technology, business, education, and social services; and
- Respond to the educational, economic, research, and cultural needs of Southeastern Minnesota.

See also About UMR [http://www.r.umn.edu/01_about.htm](http://www.r.umn.edu/01_about.htm) and Academic Programs [http://www.r.umn.edu/05_programs.htm](http://www.r.umn.edu/05_programs.htm).

B. PERFORMANCE SCORECARD:

1. Enrollment Management Measures

   a. Student headcount will be increased by an average of 5% and credit hour production increased by a minimum of 10% each year over the next five years. (See tables below charting past success.)

<table>
<thead>
<tr>
<th>Credit Courses</th>
<th>Fall 2000</th>
<th>Fall 2001</th>
<th>Fall 2002</th>
<th>Fall 2003</th>
<th>Fall 2004</th>
<th>% Change Fall 2003 to Fall 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headcount</td>
<td>323</td>
<td>346</td>
<td>317</td>
<td>384</td>
<td>392</td>
<td>2%</td>
</tr>
<tr>
<td>Credits Generated</td>
<td>1,289</td>
<td>1,276</td>
<td>1,543</td>
<td>1,763</td>
<td>2,321</td>
<td>32%</td>
</tr>
</tbody>
</table>
b. An average of two new academic programs per year will be implemented over the next five years in response to regional economic development needs. Planning will be based upon data from market analyses conducted for each new program.

c. Enrollment results for new programs initiated in past three years.

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</thead>
<tbody>
<tr>
<td>Headcount</td>
<td>285</td>
<td>326</td>
<td>296</td>
<td>350</td>
<td>358*</td>
<td>2%*</td>
</tr>
<tr>
<td>Credits Generated</td>
<td>1,218</td>
<td>1,239</td>
<td>1,566</td>
<td>1,949</td>
<td>2,371*</td>
<td>22%*</td>
</tr>
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* 10th day enrollment

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</thead>
<tbody>
<tr>
<td>Total Credits Generated</td>
<td>2,507</td>
<td>2,515</td>
<td>3,109</td>
<td>3,712</td>
<td>4,692*</td>
<td>26%*</td>
</tr>
</tbody>
</table>

* 10th day enrollment

2. Other Performance Measures

a. In the beginning of Fall 2004, three endowed scholarships had been created for UMR students; by the end of Fall 2005, the goal is to establish an additional four endowed scholarships each with a minimum $25,000 endowment.

b. The Recruitment Plus inquiry management software to track student inquiries among the three public higher education institutions in Rochester has been installed; by Fall 2005 data and programming for the MBA and BSN programs will be fully operational.

c. During 2003 and 2004, student satisfaction survey baseline measures were developed and data collected. The survey will be administered annually to identify and analyze
trends; action plans will be developed and implemented based upon these data.

d. As a result of a two-year planning effort, UMR has been allocated space for a consolidated student services center. Renovation will be completed by Fall 2005.

e. In order for students to have broader access to online advising resources, computers donated by IBM are being installed in the renovated Student Services area.

C. UPDATE-STRATEGIC GOALS FROM 2004-05

Strategic goal 1: Student headcount will be increased by an average of 5% and credit hour production increased by a minimum of 10% each year over the next five years.

Impact of Goal: Business communities in Rochester have indicated an ever-increasing need for highly skilled and educated employees. To answer this demand, businesses require a high quality research-based university to offer a wide scope of degree, certificate, and licensure programming that builds on regional economic resources. The goal of increasing both student headcount and credit hour production is a response to this need, based on currently available resources and a commitment to serve. As businesses in Rochester grow, the economy of Minnesota will also benefit from increased revenues, technology transfer, and greater employee production.

Initiatives to Achieve Goal: Over the past five years, new doctoral, masters, and baccalaureate degree programs have been established and are growing rapidly. (See the Performance Scorecard section of this report.) The new programming is consistent with UMR’s mission and the University’s strategic planning/positioning initiatives. In addition to program availability, one challenge in increasing student numbers is enhancing an awareness of the current and future programming available at UMR. Prior to the Governor’s announcement of his intent to establish a university in Rochester, the unaided recognition of UMR by the community was 30%. Since the Governor’s State of the State speech, the level of awareness of UM’s presence in Rochester has grown. Dozens of articles, editorials, and letters to the editors as well as electronic media coverage have helped to fuel this enhanced recognition. While this event has been helpful in raising the level of awareness, UMR has several other approaches that are being employed including: regular advertising in newspapers, President’s radio spots highlighting UMR, community and business information/advising sessions on-site at businesses, and personal presentations by staff to local civic and professional organizations.

Another means of attracting students is the offering of continuing/professional education programs and non-credit community educational opportunities.

Service to students has been enhanced by reassigning duties and responsibilities among the program directors and support staff. The reassignment of personnel more effectively aligns institutional and student needs with individual program director and staff skills sets and interests.

Financial Information: Over the past two years, there has been a deliberate effort to establish programming that would encourage full-time students to study in Rochester. The result has been
that the student headcount has risen moderately (approximately 2-4% per year) while the credit hour production has risen significantly (20 – 30% per year). This ratio generates higher revenues from tuition at a minimal increase in cost. The revenues have been invested into student services and program development.

**Strategic goal 2: Initiate and develop an average of two new degree, certificate, or licensure programs each year over the next five years.**

**Impact of Goal:** New academic programming will be developed in direct response to the educational, research, and economic needs of the region. The viability of businesses in Southeastern Minnesota will be greatly enhanced by the creation of new academic programming especially in the fields of health sciences and technology. Industries such as Mayo Clinic and IBM contribute significantly to the overall economy of the state and require strong undergraduate and graduate programming to support growth.

**Initiatives to Achieve Goal:** As seen in section B1c of this report, steady advancement in reaching this goal has already been achieved. UMR will continue to use a similar strategy for continuing to grow the number of programs. Specifically, program directors will work directly with the constituents we serve – academic/administrative units at Mayo Clinic, IBM, and other health and technology businesses. Program/job need surveys will continue to be used to assess the viability of new programs. Collaborations with colleagues from the UMTC and coordinate UM campuses will remain a high operational priority. Among the programs under development are bachelors degrees in clinical laboratory science, graphic design, and art and technology.

**Financial Information:** New programs will be evaluated individually with regard to demand, set up and continuing costs, and income producing capability. Currently a recurring $50,000 block grant is being used to fund program development and market research. When appropriate, public/private partnerships will be promoted to receive additional resource assistance for program creation, laboratories, faculty, and student scholarships.

**Strategic goal 3: Enhance Resources.**

**Impact of Goal:** Resources in addition to O&M must be pursued. These resources will strengthen student services (a critical element in a competitive environment), promote new program development, grow current programs, and support research initiatives.

**Initiatives to Achieve Goal:** Most of the activity for enhancing resources will involve public/private partnerships. The approach for academic program development was cited in Strategic Goal 2. Continuing and professional education uses a similar approach. As an example, IBM has for the past two years been partnering with UMR to fund, develop, and implement a summer computer camp for middle and high school students with an interest in pursuing a college education in engineering, computer science, or math. In addition to shared funding of the project, IBM employees serve as active professional volunteers to advance the success of the venture. This program will be beginning its third year and may serve as a template for use in other parts of the country.
Several successful partnerships have been achieved in working with Mayo Clinic. A recent health sciences conference and an upcoming community information fair for prevention and detection of cancer are more examples of the public/private collaboration approach for pooling resources. The UMR research initiative for the study of alternative energy systems has followed this same model of close collaboration with Rochester Public Utilities and other investors to support the research.

Recognition should also be given to the fact that with the dramatic increases in credit hour production experienced by UMR there is an increase in tuition and fees revenue that is reinvested in student services and academic programming.

Two years ago, a fund raising initiative was established that yields additional funding support. Beginning with a few small “one-time” scholarship funds, the efforts have established three new endowed scholarships with the expectation that four additional scholarships will be created by Fall 2005.

**Financial Information:** Initiatives are currently being accomplished either through current staffing or the contribution of services by volunteers. As the University looks to the future, additional funding will be necessary to support program development and expanded student services. State and public/private funding will need to be strengthened.

**D. NEW STRATEGIC GOALS:**

There is a profound community expectation that the University programs in Rochester will grow rapidly in the next several years to meet education and skills needs of the health science and technology industries. These expectations are reflected in the UMR-Advisory Committee, Gubernatorial, and Greater Rochester University Center Board (GRAUC) initiatives directed toward growth of the UM presence in Rochester.

Over the next three years, the viability of transferring selected UM allied health programs to Rochester and the potential for developing new programs called for by industries will be evaluated. This initiative will be considered in the context of the ongoing strategic planning and positioning efforts at the system level.

The viability of offering baccalaureate level computer science and business programs will be evaluated over the next three years. Currently, while private colleges can establish these programs in Rochester, Winona State University is the only public higher education institution allowed to offer these programs. This review will be considered in the context of the ongoing strategic planning and positioning efforts at the system level.

**E. DIVERSITY ASSESSMENT AND PLANNING:**

Plans to increase the presence of underrepresented groups: Most of the faculty for Rochester are provided by the UMTC and UM coordinate campuses. However, there is an opportunity to pursue a diverse pool of applicants for part-time teaching and full-time staffing positions. This is done through formal advertising in media that are focused at diverse populations and through
informal contacts at local businesses where potential employees from underrepresented groups are sought. This orientation is also demonstrated in the membership of community advisory groups for academic programming development. Students representing diverse groups are also sought. As an example, UM Rochester has established a certificate program in Interpreting designed for diverse community/student populations, and is expanding to include specialty courses in medical and legal interpreting to meet Rochester’s needs. Based on Fall 2004 enrollment at least 11 percent of the student population is comprised of people of color. Available data also indicate that there are more women than men pursuing education in Rochester (232 women and 152 men).

Actions to improve the climate for diversity: Direct community involvement by our staff and faculty are instrumental in advancing diversity. In this effort UMR will continue its membership on the Rochester Diversity Council and cosponsor and participate in the Rochester Martin Luther King Day activities, Boys and Girls Club, Habitat for Humanity and “Beat the Odds” activities. During FY06 UMR will work with International Student and Scholar Services to bring “Training for Global Understanding” workshops to our staff in Rochester.

F. OUTREACH AND PUBLIC ENGAGEMENT:

Examples of public engagement include sponsoring, planning, and implementing political debates, scholarly discussions on issues such as business ethics and drug pricing, and personal development topics like aging, retirement, and healthy living. Public engagement is driven by the role of the University in the community.

The “Best of the Management of Technology” seminars continue to be among the most popular and highly rated offerings. A local advisory board and participation by the UMR and UM Center for Development of Technological Leadership (CDTL) staff provide program oversight and review of participant evaluations. During Fall 2004, UMR sponsored an interdisciplinary internal medicine health care professional conference with Mayo Continuing Medical Education and the American College of Nurse Practitioners Minnesota Affiliate. Additionally, during Summer 2004, UMR facilitated a computer science camp for high school teachers and students. This camp, funded by IBM, will be offered again during Summer 2005 with a new initiative that will extend the student experience throughout the 2005/06 school year.

UMR staff members are deeply involved in the community. As part of community involvement, UMR personnel provide leadership and serve as members with groups as diverse as United Way, American Business Women Association, Christmas Anonymous, Chamber of Commerce Business Solutions Committee, Southeast Minnesota Academic Group, Rochester Area Math Science Partnership, Rochester Higher Education Providers Committee, Rochester Area Economic Development, Inc., Rochester Alumni and Friends of the University of Minnesota, and a variety of other community service groups.

G. SPACE AND FACILITIES ISSUES:

1. Compact Initiative Impacts and Space Management
   a. The need for faculty office space, staff space, and classroom availability may outpace the
university center’s capability to meet the needs of UMR’s increases in enrollment and staffing -- UMR space allocation at UCR is secondary to RCTC’s needs.
b. Future requirements for advanced chemistry and biology laboratories cannot currently be met by existing facilities at UCR.
c. UMR nursing skills laboratory has only two years remaining on lease.
d. Public awareness of UMR at UCR is hampered by not having a single identifiable location for UM operations in Rochester.
e. Lease costs can be expected to increase for both UMR and the UM Regional Extension Office.

During the 2005-06 fiscal year, the Rochester Higher Education Development Committee, a group appointed by the Governor, will be examining and defining the direction that higher education in SE Minnesota should pursue. As part of its charge, the committee will consider academic needs of the community and additional facilities that may be required. In addition to the committee’s work, the UMR staff is working with businesses to determine if there are local resources to meet space and facility needs to support future programming.

2. Major Capital Investment Priorities

The University of Minnesota Rochester Advisory Committee (UMR-AC), appointed by the UM Regents, asserts that the University has limited institutional recognition at UCR and would like to move forward with creating a stronger UM identity in Southeastern Minnesota. Recognizing that state funding for higher education has decreased significantly over the past year, the University of Minnesota Rochester Advisory Committee is undertaking an initiative to identify and procure appropriate land for the University that will be of no or low cost to the institution. A likely approach would be to pursue a public/private partnership. It is also reasonable to anticipate that members of both the UMR-Advisory Committee and GRAUC may be interested in using the Rochester City sales tax to help finance a UM Rochester building.

The UMR Provost will serve as an advisor to the UMR-AC and GRAUC to provide input into the process by seeking information from appropriate departments and administrative leadership at the University. When the UMR-AC completes its work, the committee will offer recommendations to the UM administration and UM Regents.

H. SIGNIFICANT FINANCIAL ISSUES:

1. During Spring 2004, the UCR partner institutions began discussions relating to procedures and policies for leasing space and replacing technology equipment at the center. The proposal before the UCR Cabinet recommends that UMR set aside from $44,000 to $100,000+ per year for the next five years to fully fund technology equipment replacement. The University has provided a recurring allocation of $75,000 to help address this issue. Additional funding will be generated by student technology fees.

2. RCTC/MnSCU stated that UMR/UM should participate in debt service for new construction at UCR. UMR administration has indicated that this is not an acceptable approach for funding MnSCU buildings.
3. Support continues for planning and implementation of UMR student identification to more easily and clearly facilitate tuition attribution.

**I. FACULTY AND STAFF CONSULTATION:**

Preliminary drafts of this compact were distributed to UMR program directors, staff, and faculty for review. Input was provided through direct discussions, meetings, and email communications with directors, faculty, and support staff. The UMR Advisory Committee also provided comments for inclusion.

**J. REPORT SUMMARY AND ALLOCATION SUMMARY:**

Reports Summary – None required

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### Historical Allocation Summary
**FY2003 through 2005 Compact Investments**

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<thead>
<tr>
<th></th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>AHC, Nursing</td>
<td>$ 287,500 N</td>
<td>$ 272,500 N</td>
<td>$ 272,500 N</td>
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<tr>
<td>MBA</td>
<td>20,000 N</td>
<td>20,000 N</td>
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<tr>
<td>Block grant for strategic initiatives</td>
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<td></td>
<td>50,000 R</td>
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<tr>
<td>Total</td>
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<td>292,500 N</td>
<td>272,500 N</td>
</tr>
<tr>
<td>Other Contribution</td>
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<td>272,500 N</td>
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<td>RRC Contribution</td>
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<td>50,000 R</td>
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<tr>
<td>Central Contribution</td>
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<tr>
<td>Totals</td>
<td>$ 307,500 N</td>
<td>$ 292,500 N</td>
<td>$ 272,500 N</td>
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</table>

### Allocation Summary
**FY2006 Compact Investments**

<table>
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<tr>
<th></th>
<th>FY2005 Recurring</th>
<th>FY2005 Nonrecurring</th>
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</thead>
<tbody>
<tr>
<td>Transition issues – Governor’s Initiative</td>
<td>$ 50,000</td>
<td></td>
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<tr>
<td>Technology equipment replacement</td>
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<tr>
<td>TA/RA salary increase support</td>
<td>311</td>
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</tr>
<tr>
<td>Total</td>
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<td>$ 50,000</td>
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