



2020-2021

ANNUAL REPORT

to the Member States



FROM THE PRESIDENT & CHAIR



SUSAN G. HEEGAARD



DAVID L. EISLER

Greetings,

The resiliency and resourcefulness of our members were on vivid display over the past year as COVID-19 disrupted nearly every aspect of higher education. Colleges and universities, state policy makers and others pivoted quickly to develop and deliver new online programs, adapt student services and revise policies while facing unprecedented enrollment challenges, financial uncertainty, and ever-changing public health guidelines.

During this time, the Midwestern Higher Education Compact also evolved to help members address common challenges. Our virtual convenings helped postsecondary leaders

effectively navigate the exponential growth in online learning. Commissioners heard strategies for rebounding in the post-COVID era and about opportunities presented in federal recovery legislation.

With the sudden and dramatic shift to online learning, we produced research and policy analysis on topics such as *The Digital Divide Among College Students*, which provided members with approaches to bridging the gap for students who did not have sufficient Internet access.

MHEC worked to transition its Master Property Program from a rent-a-captive to a MHEC-owned captive and prepared to launch a program with greater flexibility for members. As Compact members expressed growing concerns for their students' mental health, we moved to create a tele-therapy master contract to help address the demand for these services through a virtual provider.

MHEC's Strategic Planning Committee created the framework for a vibrant future that leverages the Compact's strategic capacity to advance innovation, develop collaborative regional solutions and drive cost savings for member states and institutions.

Cost savings activities continue to produce significant savings for our members. In FY 2021, member states collectively saved more than \$62.86 million through programs and contracts offered by MHEC. An additional \$60.96 million was saved by families and students through the Midwest Student Exchange Program.

This Annual Report shares details of our work and the Compact's strong financial position. We remain committed to you, our member states, and look forward to continued collaboration to strengthen higher education throughout the Midwest.

Sincerely,

A handwritten signature in blue ink that reads "Susan G. Heegaard".

Susan G. Heegaard
MHEC President

A handwritten signature in blue ink that reads "David L. Eisler".

David L. Eisler
MHEC Chair, 2020-2021
President, Ferris State University

ABOUT THE COMPACT

THE MIDWESTERN HIGHER EDUCATION COMPACT

The Midwestern Higher Education Compact (MHEC) strengthens postsecondary education in its 12 member states, improving the economic vitality and competitiveness of the Midwest region.

- » MHEC advances innovation, efficiency and effectiveness by piloting solutions to pressing issues and conducting research to produce actionable ideas.
- » MHEC develops collaborative solutions to regional problems and leverages opportunities to make the Midwest region stronger.
- » MHEC develops programs and contracts that drive significant cost savings and help solve key business problems in higher education.

MHEC maintains a focus on students and their success as it works with and for a variety of stakeholders across member states, including higher education system leaders, state policymakers, legislators, and in-stitutional leaders.

The Compact is uniquely governed by 60 commissioners, five from each state. Two commissioners are appointed by each state's legislature and three are appointed by each state's governor or designated appointing authority. Representation also includes commissioner alternates.

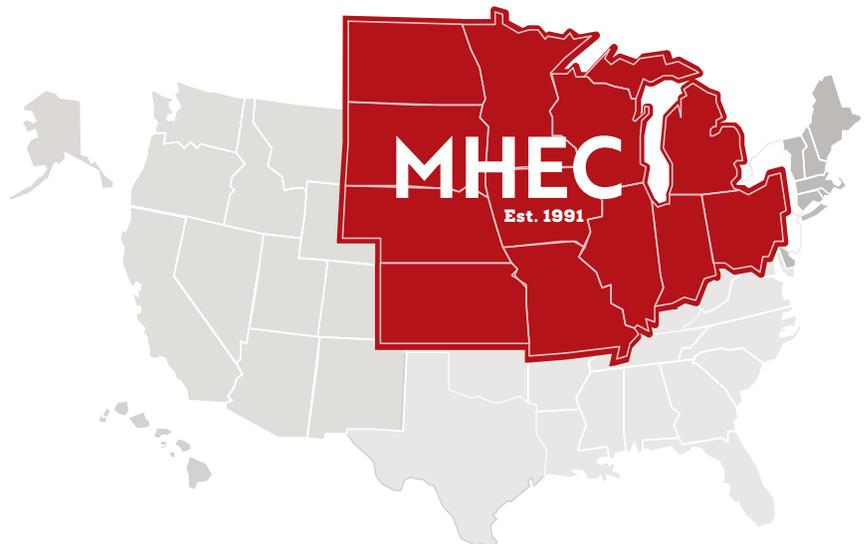
HISTORY OF THE COMPACT

The Midwestern Higher Education Compact was established in the early 1990s through the enactment of legislation recommended by the Midwestern Legislative Conference of The Council of State Governments and is funded by member state commitments, program income, and foundation grants. All 12 eligible Midwestern states defined by the Compact have passed legislation to become members.

The convenings, programs, contracts, and policy and research originating through the Compact are available to all public and private nonprofit institutions of higher education in the Midwest. When the opportunity emerges, MHEC also extends some contracts to K-12 districts and schools, cities, states, and local governments.

MEMBER STATES

Illinois
Indiana
Iowa
Kansas
Michigan
Minnesota
Missouri
Nebraska
North Dakota
Ohio
South Dakota
Wisconsin



STRATEGIC PRIORITIES

The Midwestern Higher Education Compact seeks to improve the economic vitality and competitiveness of the Midwest region through collective problem-solving and partnerships that strengthen postsecondary education and workforce readiness. To achieve this vision, the Compact focuses its work in three strategic priority areas:

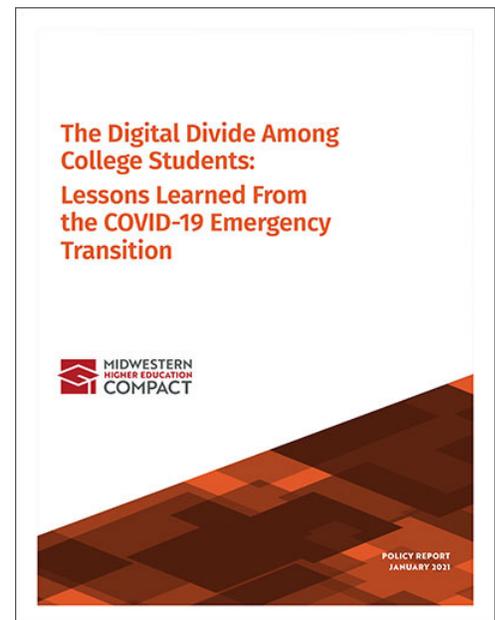
- » Advancing innovation, efficiency, and effectiveness
- » Developing collaborative solutions to regional problems and opportunities
- » Driving cost savings and business solutions

ADVANCING INNOVATION, EFFICIENCY AND EFFECTIVENESS

MHEC continues to serve as an incubator, providing a platform to discuss opportunities and pilot potential solutions. In addition, this past year, we researched several challenging topics to produce actionable ideas for our member states.

HIGHLIGHTS OF 2020–2021

- » MHEC’s report, *[The Digital Divide Among College Students: Lessons Learned From the COVID-19 Emergency Transition](#)*, examined the digital divide – the gap between those who can and cannot access the Internet – among college students during the COVID-19 shift to remote learning. The report’s analysis provided MHEC members with approaches to bridge the digital divide for students.
- » Webinars provided relevant and timely information about topics such as what the American Rescue Plan means for higher education and how higher education finances will change in the post-pandemic era.
- » MHEC’s research on mental health is driving design of a compact-wide teletherapy initiative to give campuses another tool for delivering virtual mental health services to their students.
- » MHEC also released reports to create more consistent experiences for military-connected students entering or reentering postsecondary education and on the growing concerns about college student debt among certain demographic groups.



STRATEGIC PRIORITIES

DEVELOPING COLLABORATIVE SOLUTIONS TO REGIONAL PROBLEMS AND OPPORTUNITIES

MHEC takes on projects and issues that are too cumbersome or expensive for one state to do alone, working jointly to improve higher education and make the Midwest region stronger and more competitive. As a conduit, we convened and connected leaders over the past year to share successful models and actionable approaches that institutions and states can adopt and tailor.

HIGHLIGHTS OF 2020–2021

- » MHEC and Credential Engine received a \$1.2 million grant from Ascendium to help all MHEC states develop a consistent way to review, compare and share the full range of credentials leading to careers with employers, educators and students.
- » MHEC brought together leaders across state lines to adopt open educational resources, which provide millions of students access to high quality learning materials that are free to use, customize and share.
- » MHEC launched a [Graduate Credit Quest](#) website to help teachers in member states find the courses they need to take to qualify to teach concurrent enrollment courses in high schools. Through this site, teachers can search for and learn about various graduate course options and Midwestern graduate schools can reach a wider audience of potential graduate students.
- » Through online learning opportunities and discussions, MHEC addressed pressing topics such as distance education enrollment and improving the efficiency and effectiveness of reciprocity. In addition, MHEC provided its first mini-grants to support states in improving processes related to the State Authorization Reciprocity Agreement.



DRIVING COST SAVINGS & BUSINESS SOLUTIONS

Over the past year MHEC programs and contracts resulted in tremendous cost savings for institutions, states, and students. MHEC continued to help solve key business problems and to protect investment in higher education by collaborating and reducing risk.

HIGHLIGHTS OF 2020–2021

- » Member states saved a total of \$62,863,976 through MHEC programs and contracts. Families and students saved \$60,969,804 through MHEC's Midwest Student Exchange Program.
- » To address security, a key business issue in postsecondary education, MHEC has established a portfolio of contracts for campus cybersecurity and through them can help institutions assess their vulnerabilities. The new contracts are: Security Threat Intelligence Products and Services, Security Information and Event Management, Managed Security Services, Security Consulting Services, and Security Awareness Training.
- » MHEC's Master Property Program continued to pay dividends when an institution's losses were favorable. To date, the program has paid more than \$21 million in dividends to participants.



MHEC Annual Estimated Savings for Entities and Citizens

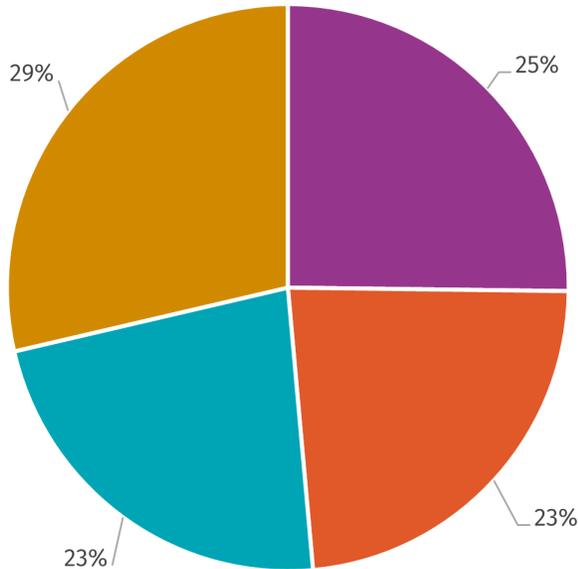
MHEC Member States	2020-2021 Annual State Commitment	Technology ¹	Master Property Program ²	Midwestern-State Authorization Reciprocity Agreement ³	State Contract and Programs Total Savings	Citizen Savings through the Midwest Student Exchange Program ⁴	Total Annual Savings
Illinois Member Since 8/20/1991	115,000	8,725,836	NP ⁵	3,928,476	12,654,312	34,143,482	46,797,794
Indiana Member Since 3/14/1996	115,000	4,384,954	NP ⁵	1,520,097	5,905,051	840,247	6,745,298
Iowa Member Since 6/6/2005	115,000	778,207	-	2,349,061	3,127,268	NP ⁵	3,127,268
Kansas Member Since 4/25/1990	115,000	1,711,231	2,161,931	1,110,084	4,983,246	3,518,075	8,501,321
Michigan Member Since 7/24/1990	115,000	4,605,621	545,384	3,061,458	8,212,463	2,673,553	10,886,016
Minnesota Member Since 4/26/1990	115,000	2,551,262	NP ⁵	2,830,955	5,382,217	2,679,921	8,062,138
Missouri Member Since 5/9/1990	115,000	3,568,714	1,518,288	2,292,136	7,379,138	6,119,175	13,498,313
Nebraska Member Since 6/5/1991	115,000	1,262,748	93,936	719,896	2,076,580	5,846,034	7,922,614
North Dakota Member Since 4/22/1999	115,000	754,234	NP ⁵	352,995	1,107,229	287,387	1,394,616
Ohio Member Since 1/9/1991	115,000	3,194,342	NP ⁵	4,850,487	8,044,829	2,765,577	10,810,406
South Dakota Member Since 3/13/2008	115,000	182,713	NP ⁵	NP ⁵	182,713	NP ⁵	182,713
Wisconsin Member Since 4/18/1994	115,000	2,471,788	NP ⁵	1,337,142	3,808,930	2,096,353	5,905,283
Program Totals	\$1,380,000	\$34,191,650	\$4,319,539	\$24,352,787	\$62,863,976	\$60,969,804	\$123,833,780

FOOTNOTES:

1. Arrow/Commvault, Corel, Dell, HP, Info-Tech, Lenovo, Microfocus, Oracle, Parchment, SAS, Walker and Associates, and Xerox.
2. Based on premium and loss information as of June 30, 2021.
3. As of FY21, M-SARA savings are based on NCHEMS' methodology as explained on NC-SARA Cost Savings website. See <https://nc-sara.org/sara-cost-savings>.
4. Student tuition savings for the academic year 2020-2021.
5. Non-participating state for 2020-2021.

MHEC FINANCIALS FY21

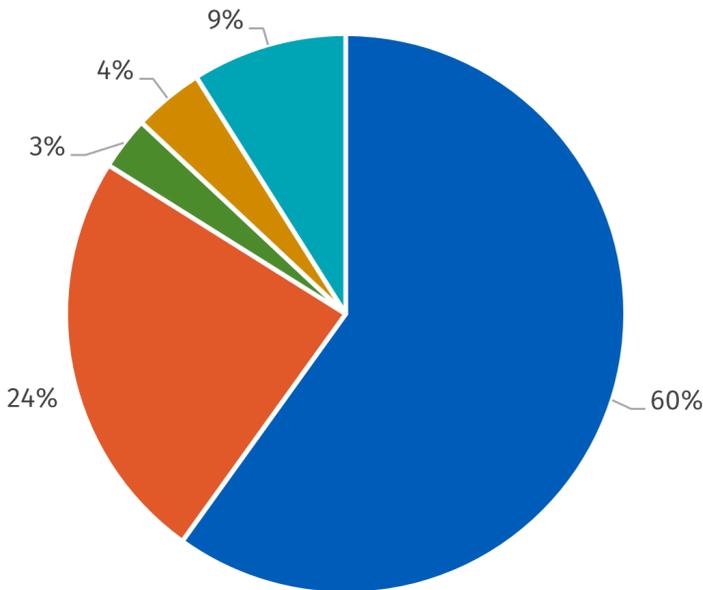
FY21 REVENUE



■ State Commitments ■ Contract ■ Programs ■ Other Revenues

FY21 REVENUE	
State Commitments	\$1,380,000
Contracts	\$1,280,413
Programs	\$1,249,968
Other Income	\$1,567,238
TOTAL	\$5,477,619

FY21 EXPENSES



■ Personnel Expenses (Salaries & Benefits) ■ Contracted Fee Expenses
 ■ Professional Fee Expenses ■ Rent & Leases

FY21 EXPENSES	
Personnel Expenses (Salaries & Benefits)	\$2,379,732
Contracted Fee Expenses	\$952,606
Professional Fee Expenses	\$121,942
Rent & Leases	\$161,637
General Expenses	\$355,670
TOTAL	\$3,971,587

2020-21 MHEC COMMISSIONERS

ILLINOIS

The Hon. La Shawn K. Ford, State Representative, Illinois General Assembly
3/12/2019 - 1/2/2021

Ms. Mollie Foust, Senior Counselor to the Deputy Governors, Illinois Governor's Office
10/8/2019 - APOG

Dr. Alice Marie Jacobs, Board Member, Board of Higher Education
3/5/2019 - Resigned September 1, 2021

The Hon. Pat McGuire, Senator, Illinois General Assembly
3/25/2019 - 1/13/2021

The Hon. Katie Stuart, State Representative, Illinois General Assembly
5/4/2021 - 1/2/2023

Ms. Suzanne Morris, Board Member, Illinois Community College Board
6/7/2019 - 7/1/2023

INDIANA

The Hon. Jon Ford, Senator, Indiana General Assembly
6/14/2021 - 7/1/2023

Dr. Charles R. Johnson, President, Vincennes University
3/27/2017 - 2/1/2021

The Hon. Jack Jordan, Representative, Indiana General Assembly
7/1/2020 - 7/1/2022

Dr. Ken Sauer, Senior Associate Commissioner and Chief Academic Officer, Indiana Commission for Higher Education
3/27/2017 - APOG

Dr. David W. Wantz, President & CEO, Independent Colleges of Indiana
2/26/2020 - 2/29/2024

The Hon. Andy Zay, Senator, Indiana General Assembly
6/28/2019 - 6/14/2021

Commissioner Alternate

Ms. Teresa Lubbers, Commissioner, Indiana Commission for Higher Education
1/5/2010

IOWA

Ms. Nancy Boettger, Regent, Board of Regents, State of Iowa
6/3/2021 - 6/30/2025

Mr. Derrick R. Franck, Board Member, Iowa Association of Community College Trustees
7/1/2017 - 7/1/2021

The Hon. Tim Goodwin, Senator, Iowa Legislature
1/22/2021 - 1/8/2023

Ms. Olivia M.A. Madison, Iowa Governor's Designee
6/29/2021 - 4/30/2023, APOG

APOG = At Pleasure of the Governor

The Hon. Joe Mitchell, Representative, Iowa Legislature
1/31/2019 - 1/10/2021

The Hon. Sharon Steckman, Representative, Iowa Legislature
4/29/2021 - 1/8/2023

Commissioner Alternates

Mr. Andrew Baumert, Vice President for Marketing and Outreach, Iowa Association of Independent Colleges and Universities
2/13/2020 - 1/1/2024

Mr. Todd Brown, Division Administrator, Financial Aid Program Administration, Iowa College Student Aid Commission
7/25/2017 - 7/1/2021

Mr. Timothy Fitzgibbon, Senior Vice President, First National Bank
6/29/2021 - 4/30/2023, APOG

The Hon. Carrie Koelker, Senator, Iowa Legislature
2/6/2019 - 1/10/2021

The Hon. Herman Quirmbach, Senator, Iowa Legislature
2/19/2021 - 1/8/2023

KANSAS

The Hon. Barbara Ballard, Representative, Kansas Legislature
11/4/2019 - 7/1/2021

The Hon. Molly Baumgardner, Senator, Kansas Legislature
11/4/2019 - 7/1/2021

Dr. Blake Flanders, President and CEO, Kansas Board of Regents
9/20/2018 - 6/1/2022

Mr. Aaron A. Otto, KS Governor's Designee
7/5/2019 - APOG

Dr. Helen VanEtten, Board Member, Kansas Board of Regents
9/20/2018 - 6/1/2022

Commissioner Alternates

The Hon. Marci Francisco, Senator, Kansas Legislature
11/4/2019 - 7/1/2021

The Hon. Ken Rahjes Representative, Kansas Legislature
11/4/2019 - 7/1/2021

MICHIGAN

Dr. David L. Eisler, President, Ferris State University
3/26/2021 - 3/18/2025

The Hon. Mark Huizenga, Representative, Michigan Legislature
1/1/2021 - 12/31/2022

Ms. Brandy M. Johnson, Special Advisor, Sixty by 30, Michigan Department of Labor and Economic Opportunity
4/16/2019 to APOG

The Hon. Kim LaSata, Senator, Michigan Legislature
1/25/2021 - 1/25/2023

Dr. Bill Pink, President, Grand Rapids Community College
8/16/2019 - 3/18/2023

The Hon. Scott VanSingel, Representative, Michigan Legislature
2/8/2019 - 12/31/2020

Commissioner Alternates

Dr. Daniel J. Hurley, Chief Executive Officer, Michigan Association of State Universities
7/1/2015

Cassandra Ulbrich, President, State Board of Education
1/9/2019 - APOG

MINNESOTA

The Hon. Paul T. Anderson, Senator, Minnesota Legislature
2/7/2019 - 12/31/2020

The Hon. Connie Bernardy, Representative, Minnesota Legislature
1/2/2021 - 1/1/2023

Dr. Karen Hanson, Executive Vice President and Provost, University of Minnesota
3/25/2017 - 1/4/2021

Dr. Michael Goh, Vice President for Equity and Diversity, University of Minnesota
4/30/2021 - 1/6/2025

Dr. Devinder Malhotra, Chancellor, Minnesota State
3/3/2021 - 1/6/2025

Mr. Dennis Olson, Commissioner, Minnesota Office of Higher Education
4/30/2019 - 1/2/2023; APOG

The Hon. David Tomassoni, Senator, Minnesota Legislature
1/5/2021 - 12/31/2022

Commissioner Alternates

Mr. Paul Cerkvenik, President, Minnesota Private College Council
12/8/2014

MISSOURI

The Hon. John Black, Representative, Missouri General Assembly
3/18/2020 - 7/1/2021

Dr. Kayla Hahn, Policy Director, Missouri Governor Michael Parson
2/6/2019 - APOG

The Hon. Cindy O'Laughlin, Senator, Missouri General Assembly
1/7/2021 - 1/2/2023

The Hon. Gary Romine, Senator, Missouri General Assembly
1/15/2019 - Resigned seat 1/30/2020

Dr. Susan Thomas, President, Truman State University
6/3/2019 to 1/1/2021

2020-21 MHEC COMMISSIONERS

Commissioner Alternate

Dr. Zora Mulligan, Commissioner of Higher Education, Missouri Department of Higher Education & Workforce Development
8/29/2016

NEBRASKA

The Hon. John Cavanaugh, Senator, Nebraska Legislature
1/22/2021 – 1/1/2023

Dr. Randolph M. Ferlic, Nebraska Governor's Designee
1/2/2019 - 1/1/2023, APOG

Dr. Deborah Frison, Member, Coordinating Commission for Postsecondary Education
1/2/2019 - 1/1/2023

Dr. Susan M. Fritz, Executive Vice President and Provost Emerita, University of Nebraska
1/2/2019 - 1/1/2023

The Hon. Rick Kolowski, Senator, Nebraska Legislature
1/25/2019 – 1/2/2021

The Hon. Julie Slama, Senator, Nebraska Legislature
1/25/2019 – 1/2/2021

The Hon. Lynne Walz, Senator, Nebraska Legislature
1/22/2021 – 1/1/2023

Commissioner Alternate

Dr. Michael Baumgartner, Executive Director, Coordinating Commission for Postsecondary Education
9/3/2014

NORTH DAKOTA

The Hon. Kyle Davison, Senator, North Dakota Legislative Assembly
6/19/2019 – 6/30/2021

Tim Flakoll, North Dakota Governor's Designee
12/15/2016 - APOG

Dr. Mark Hagerott, Chancellor, North Dakota University System
7/1/2019 - 6/30/2023

The Hon. Dennis Johnson, Representative, North Dakota Legislative Assembly
6/19/2019 - 6/30/2021

Mr. Tim Mihalick, Member, State Board of Higher Education
7/21/2020- 6/30/2021

Commissioner Alternate

Dr. James L. Davis, Former President, Turtle Mountain Community College
2/14/2017

OHIO

The Hon. Rick Carfagna, Representative, Ohio Legislature
1/2/2021 - 1/1/2023

Mr. Gary Cates, Senior Vice Chancellor, Innovation & Enterprise Development, Ohio Department of Higher Education
1/9/2019 - 1/8/2023

The Hon. Jerry Cirino, Senator, Ohio Legislature

2/10/2021 - 12/31/2022
Dr. Stephanie Davidson, Vice Chancellor, Academic Affairs, Ohio Department of Higher Education
1/15/2019 - APOG

Mr. Mike Duffey, Vice Chancellor, Ohio Department of Higher Education
1/29/2021 - APOG

Mr. Jack Hershey, President and CEO, Ohio Association of Community Colleges
3/3/2021 to 1/8/2025

The Hon. Stephanie Kunze, Senator, Ohio Legislature
4/15/2019 - 12/31/2020

Commissioner Alternates

Mr. Bruce Johnson, President, Inter-University Council of Ohio
1/10/2007

SOUTH DAKOTA

Dr. Michael Cartney, President, Lake Area Technical Institute
1/3/2021 – 12/31/2024

The Hon. Erin Healy, Representative, South Dakota Legislature
3/29/2021 - 12/31/2022

The Hon. V.J. Smith, Senator, South Dakota Legislature
3/29/2021 - 12/31/2022

The Hon. Larry J. Tidemann, South Dakota Governor's Designee
1/11/2019 - APOG

Dr. Janelle Toman, Director of Communications, South Dakota Board of Regents
9/10/2018 - 6/30/2022

Commissioner Alternates

The Hon. Reynold Nesiba, Senator, South Dakota Legislature
3/29/2021 - 12/31/2022

The Hon. Marli Wiese, Representative, South Dakota Legislature
3/29/2021 - 12/31/2022

WISCONSIN

The Hon. Joan Ballweg, Representative, Wisconsin State Legislature
10/2/2019 - 1/12/2021

The David Murphy, Representative, Wisconsin State Legislature
3/29/2021 - 6/30/2023

Dr. Connie Hutchison, Executive Secretary, State of Wisconsin Higher Educational Aids Board
6/25/2019 - 7/1/2021

The Hon. Stephen Nass, Senator, Wisconsin State Legislature
3/18/2021 – 1/1/2023

Julie Underwood, Dean of Education, University of Wisconsin-Madison
4/2/2019 - APOG

Dr. Rolf Wegenke, President, Wisconsin Association of Independent Colleges and Universities
3/14/2019 - 7/1/2023

Commissioner Alternates

Dr. Morna K. Foy, President, Wisconsin Technical College System
3/11/2013

Mr. Sean P. Nelson, Vice President of Finance, University of Wisconsin System
2/6/2018

APOG = At Pleasure of the Governor

MHEC brings together midwestern states to develop and support best practices, collaborative efforts, and cost-sharing opportunities. Through these efforts it works to ensure strong, equitable postsecondary educational opportunities and outcomes for all.



**MIDWESTERN
HIGHER EDUCATION
COMPACT**

MIDWESTERN HIGHER EDUCATION COMPACT

105 Fifth Avenue South, Suite 450 Minneapolis, MN 55401

PHONE: (612) 677-2777 FAX: 612-767-3353 E-MAIL: mhec@mhec.org

VISIT MHEC'S WEBSITE AT: WWW.MHEC.ORG