



2022-2023

ANNUAL REPORT

to the Member States



Greetings,

We are pleased to present you with the Midwestern Higher Education Compact's annual report for FY 2023. This report summarizes our collective efforts and achievements and reflects our commitment to advancing the mission and vision of MHEC.

In this past fiscal year, MHEC has continued to be a driving force in fostering collaboration and innovation across our 12 member states, reinforcing the core values of accessibility, affordability, and quality in higher education. Through MHEC's strategic initiatives and partnerships, we have made substantial progress toward our shared goals.

MHEC has remained at the forefront of addressing the evolving needs of higher education. As reflected in our initiatives outlined in the report, we have prioritized research, our technology contract opportunities, programmatic and collaborative endeavors that empower institutions to adapt and thrive in a rapidly changing environment. Through these efforts, we are fostering a culture of innovation that benefits our member states - both students and institutions alike. Collaboration and sharing best practices continue to be fundamental to our success. MHEC remains in a strong financial position.

One of the key highlights of FY 2023 has been our dedication and continued support to ensure high-quality teaching and learning materials that are free for educators and students to use, customize, and share via open educational resources (OER). Our collective work in OER across our region and nationally led us to our research to bring clarity on understanding the benefits and costs of OER, providing stakeholders with frameworks for consistency and transparency. This work has led us to more opportunities to explore course marking in the coming year that will let students know the cost of their textbooks and learning materials so they can anticipate the full cost of postsecondary attendance for a semester. We know that the desire to obtain postsecondary education and credentials is high and together we are looking for solutions to address the needs of students and meet the demand for credentials in the workforce. We are actively working to bridge gaps and create a more inclusive educational landscape.

Furthermore, we have continued to facilitate dialogue and partnerships among member states, leveraging collective expertise and resources to address common challenges. As we navigate the challenges and opportunities ahead, we remain committed to you, as the accomplishments highlighted in this report can be attributed to the dedication and hard work of our member states, partners, and stakeholders.

We extend our deepest gratitude to all who have contributed to the success of MHEC. Together, we will continue to shape the future of higher education in the Midwest.

Sincerely,



Susan G. Heegaard
MHEC President



Barbara W. Ballard, Ph.D.
MHEC Vice Chair, 2022-2023
Minority Caucus Chair, Kansas House
of Representatives



SUSAN G. HEEGAARD



BARBARA BALLARD

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 institutional leaders.

The Compact is 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.

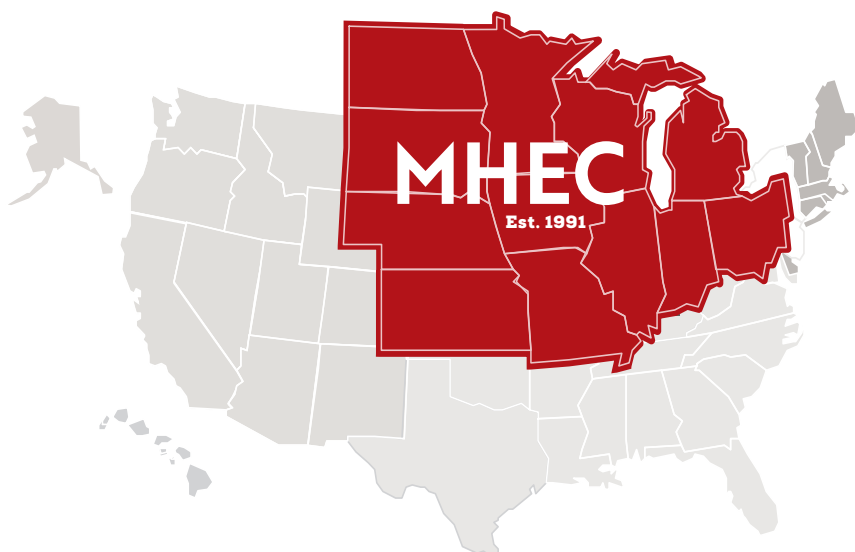
HISTORY OF THE COMPACT

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:

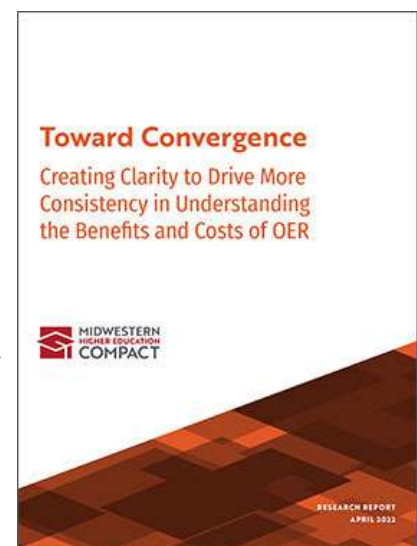
- » Advancing innovation, efficiency, and effectiveness
- » Developing collaborative solutions to regional problems and opportunities
- » Driving cost savings and business solutions

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 2022–2023

- » Monthly, timely data points in MHEC's Interactive Dashboard were featured including topics on college affordability, graduation rates, state-student cost share, and funding per student. Where applicable, data points based on race and ethnicity and family income were included.
- » MHEC provided research support for member states on a range of topics such as promise programs, trends in campus closures, and operational efficiencies.
- » Informed by institutional, state, and national leaders, the report *Creating Clarity to Drive More Consistency in Understanding the Benefits and Costs of OER* examined six principles to help define efforts to identify savings and return on investment from open educational resources investments. Following on this work, MHEC and its partners in the National Consortium of Open Educational Resources (NCOER) explored more about course marking of OER in U.S.-based postsecondary institutions via a landscape analysis survey.
- » Several regional reports were published to inform state and institutional policymaking, including the *2023 State Performance Update*; *Out-of-State Tuition Premiums at Public Four-Year Institutions: Trends and Impact*; *State Funding Approaches for Public Colleges and Universities in the Midwest*; and *The Effect of State Appropriations on College Graduation Rates of Diverse Students*.
- » Webinars provided relevant and timely information for campus leaders delving into topics impacting their institutions, such as mental health resources, credential transparency, dual enrollment, professional licensure, and technology change management.
- » Current information on trends and best practices impacting higher education information technology, were shared, guiding Information Technology (IT) leaders as they implement strategic changes that support institutional missions and equip graduates for modern workplaces. Topics such as IT talent retention and the fortification of IT were explored in depth.



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 2022–2023

- » Members of the M-SARA (Midwestern-State Authorization Reciprocity Agreement) Regional Steering Committee (RSC) were actively involved in the SARA Policy Modification Process. The new process began in January 2023, and was guided by principles of transparency; collaboration; consistency; and clear and open communication among regional compacts, states, institutions, NC-SARA, and other stakeholders. The M-SARA RSC submitted 18 out of the 63 total proposed policy modifications. Two public SARA policy forums will be held, and the review and vote by the NC-SARA Board will be in October 2023.
- » MHEC's Graduate Credit Quest website continues to offer teachers in member states a searchable database now over 1,400 graduate course offerings help them find the courses they need to take to qualify to teach concurrent enrollment courses in high schools. Teacher usage and course listings on the site have increased by over 540%.
- » Three advisory groups are being formed to help determine areas of research and data critical to improving dual and concurrent enrollment work in the Midwest, optimization and utility of the Graduate Credit Quest website, and instructor qualification based on the Higher Learning Commission's new expectations for instructor qualifications so that information can be shared with stakeholders across the region.

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 2022–2023

- » Member states saved a total of \$67,877,999 through MHEC programs and contracts. Families and students saved \$43,891,701 through MHEC's Midwest Student Exchange Program.
- » A new student health solution contract offers access to health insurance plans, injury and sickness plans, and supplemental plans like dental and vision.
- » New technology contracts were awarded with an aim to use data analytics and artificial intelligence for improving student success and operational efficiency, focused on enhancing student insights, streamlining administration, and enabling data-driven decisions.
- » Entities in member states took advantage of MHEC technology contracts achieving cost and time savings. Purchases exceeded \$587 million, with investments in vital tech resources of hardware, software, and support services.

MHEC ANNUAL SAVINGS FY23



MHEC Annual Estimated Savings for Entities and Citizens

MHEC Member States	2022-2023 Annual State Commitment	Technology ¹	Midwestern-State Authorization Reciprocity Agreement ²	State Contract and Programs Total Savings	Citizen Savings through the Midwest Student Exchange Program ³	Total Annual Savings
Illinois Member Since 8/20/1991	115,000	8,670,307	6,066,925	14,737,232	22,070,259	36,807,491
Indiana Member Since 3/14/1996	115,000	4,133,026	2,295,800	6,428,826	896,209	7,325,035
Iowa Member Since 6/6/2005	115,000	379,273	3,515,600	3,894,873	NP ⁴	3,894,873
Kansas Member Since 4/25/1990	115,000	2,247,862	1,634,200	3,882,062	2,028,332	5,910,394
Michigan Member Since 7/24/1990	115,000	4,551,317	4,548,800	9,100,117	1,735,664	10,835,781
Minnesota Member Since 4/26/1990	115,000	2,217,651	3,973,925	6,191,576	3,341,377	9,532,953
Missouri Member Since 5/9/1990	115,000	3,000,109	3,146,900	6,147,009	4,240,438	10,387,447
Nebraska Member Since 6/5/1991	115,000	509,503	1,070,305	1,579,808	4,189,518	5,769,326
North Dakota Member Since 4/22/1999	115,000	294,592	498,200	792,792	348,611	1,141,403
Ohio Member Since 1/9/1991	115,000	3,090,142	7,549,200	10,639,342	3,263,278	13,902,620
South Dakota Member Since 3/13/2008	115,000	354,880	-	354,880	NP ⁴	354,880
Wisconsin Member Since 4/18/1994	115,000	2,144,082	1,985,400	4,129,482	1,778,015	5,907,497
Program Totals	\$1,380,000	\$31,592,744	\$36,285,255	\$67,877,999	\$43,891,701	\$111,769,700

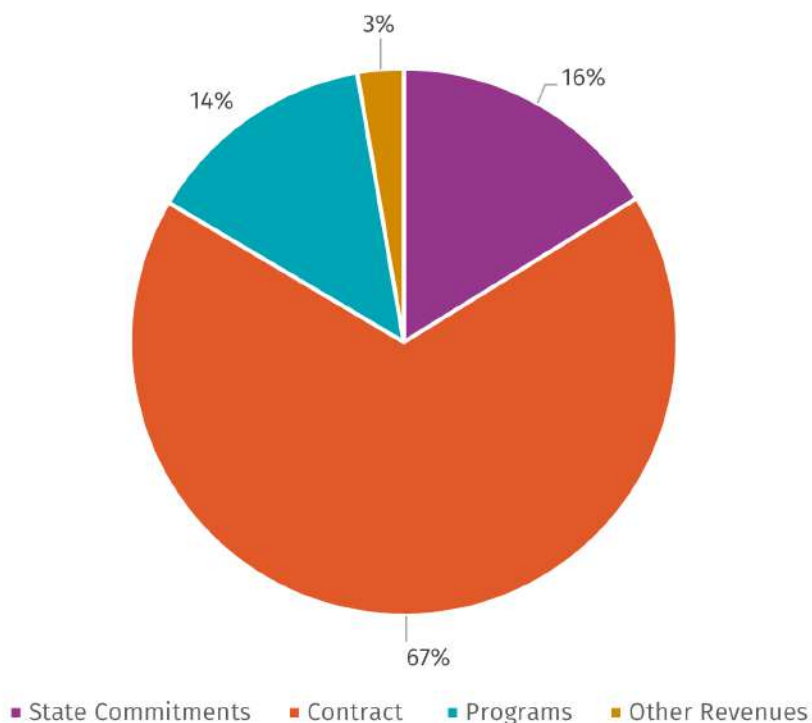
FY23 FOOTNOTES:

1. Arrow/Commvault, Campus Guard, Dell, Ease Learning, HP, Infosec, Info-Tech, Lenovo, Microfocus, Oracle, Parchment, SAS, Walker and Associates, and Xerox.
2. As of FY23, M-SARA savings are based on NCHEMS' methodology as explained on NC-SARA Cost Savings website. See <https://nc-sara.org/sara-cost-savings>.
3. Student tuition savings for the academic year 2022-2023.
4. Non-participating state for 2022-2023.

As of 11/2/2023

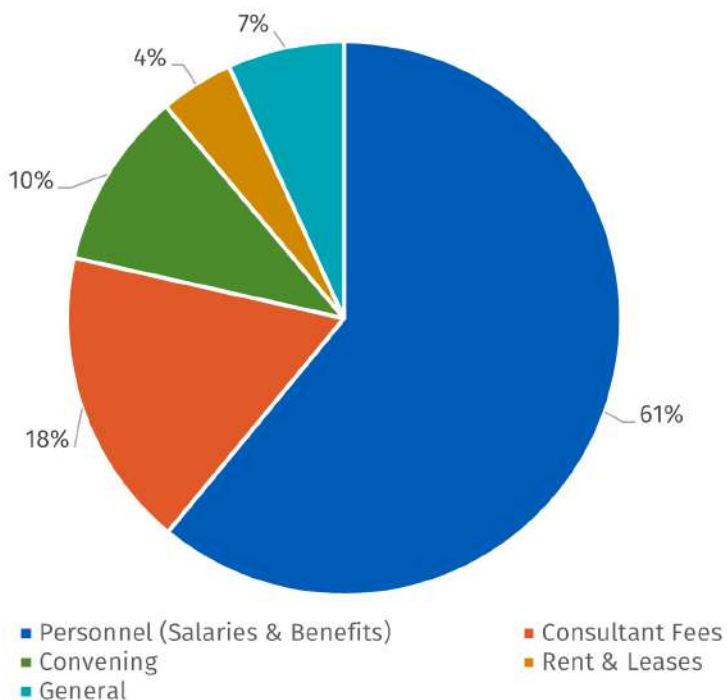
MHEC FINANCIALS FY23

FY23 REVENUE



FY23 REVENUE	
State Commitments	\$1,380,000
Contracts	\$5,737,252
Programs	\$1,171,564
Other Income	\$233,098
TOTAL	\$8,521,914

FY23 EXPENSES



FY23 EXPENSES	
Personnel Expenses (Salaries & Benefits)	\$2,423,679
Contracted Fee Expenses	\$696,743
Convening	\$411,951
Rent & Leases	\$170,967
General Expenses	\$ 271,416
TOTAL	\$3,974,756

2022-23 MHEC COMMISSIONERS

ILLINOIS

Dr. Maureen Banks, Board Member, Illinois Community College Board
3/24/2023 to 3/24/2027

The Hon. Scott Bennett, Senator, Illinois General Assembly
5/24/2022 - 1/11/2023 (deceased 12/9/2022)

The Hon. Michael Halpin, Senator, Illinois General Assembly
3/21/2023 to 1/2/2025

Pranav Kothari, Illinois Board of Higher Education
3/15/2023 to 1/1/2027

The Hon. Katie Stuart, Representative, Illinois General Assembly
1/25/2023 - 1/2/2025

INDIANA

The Hon. Bob Behning, Representative, Indiana General Assembly
7/1/2022 to 6/30/2024

Mr. Kurt Dykstra, President & CEO, Independent Colleges of Indiana
9/16/2022 to 3/3/2023

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

Dr. Ronald S Rochon, President, University of Southern Indiana
7/1/2021 - 6/30/2025

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

IOWA

Ms. Nancy Boettger, Regent, Iowa Board of Regents
6/3/2021 - 4/30/2023

The Hon. Jacob Bossman, Representative, Iowa Legislature
5/3/2023 - 1/12/2025

Mr. Derrick R. Franck, Board Member, Iowa Association of Community College Trustees
7/1/2021 - 7/1/2023

Ms. Olivia M.A. Madison, Iowa Governor's Designee
5/1/2023 - 4/30/2025, APOG

Ms. Greta Rouse, Regent, Iowa Board of Regents
5/11/2023 - 4/30/2027

The Hon. Cindy Winckler, Senator, Iowa Legislature
2/10/2023 - 1/12/2025

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. Timothy Fitzgibbon, Senior Vice President, First National Bank
5/1/2023 - 4/30/2025, APOG

The Hon. Sharon Steckman, Representative, Iowa Legislature
5/11/2023 - 1/12/2025

The Hon. Jeff Taylor, Senator, Iowa Legislature
1/22/2023 - 1/12/2025

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

Dr. Mark Wiederspan, Executive Director, Iowa College Aid
7/1/2021 - 7/1/2023

KANSAS

The Hon. Barbara Ballard, Representative, Kansas Legislature
8/5/2021 - 7/1/2023

The Hon. Molly Baumgardner, Senator, Kansas Legislature
8/5/2021 - 7/1/2023

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

Dr. Cynthia Lane, Board Member, Kansas Board of Regents
9/15/2022 - 6/30/2026

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

Commissioner Alternates

The Hon. Marci Francisco, Senator, Kansas Legislature
8/5/2021 - 7/1/2023

The Hon. Ken Rahjes, Representative, Kansas Legislature
8/5/2021 - 7/1/2023

MICHIGAN

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

The Hon. Ben Frederick, Representative, Michigan Legislature
1/1/2021 - 12/31/2022

The Hon. Carol Glanville, Representative, Michigan Legislature
1/1/2023 - 12/31/2024

Ms. Brandy M. Johnson, President, Michigan Community College Association
4/16/2019 to APOG

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

The Hon. Sean McCann, Senator, Michigan Legislature
4/10/2023 - 1/8/2025

Dr. Bill Pink, President, Ferris State University
8/16/2019 - 3/18/2023

Commissioner Alternates

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

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

MINNESOTA

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

The Hon. Omar Fateh, Senator, Minnesota Legislature
2/10/2023 - 1/7/2025

Dr. Michael Goh, Vice President for Equity and Diversity, University of Minnesota
4/30/2021 - 7/1/2023

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

Mr. Dennis Olson, Commissioner, Minnesota Office of Higher Education
2/17/2023 - 1/4/2027, APOG

The Hon. David Tomassoni, Senator, Minnesota Legislature
1/5/2021 - 12/31/2022 (deceased 8/11/2022)

The Hon. Gene Pelowski, Jr., Representative, Minnesota Legislature
1/31/2023 - 1/7/2025

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 - 3/24/2023

The Hon. Karla Eslinger, Senator, Missouri General Assembly
5/11/2023 - 12/31/2024

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

The Hon. Andrew Koenig, Senator, Missouri General Assembly
1/25/2023 - 5/11/2023

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

Mr. David Pearce, Executive Director for Government Relations, University of Central Missouri
10/5/2022 - 1/1/2026

APOG = At Pleasure of the Governor

2022-23 MHEC COMMISSIONERS

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

NEBRASKA

The Hon. John Cavanaugh, Senator, Nebraska Legislature
1/11/2023 - 1/1/2025

Dr. Randolph M. Ferlic, Nebraska Governor's Designee
1/2/2019 - 6/20/2023, APOG

Dr. Deborah Frison, Member, Coordinating Commission for Postsecondary Education
1/2/2023 - 1/1/2027

Mr. Heath Mello, Vice President for External Relations, University of Nebraska System
1/2/2023 - 1/1/2027

The Hon. Lynne Walz, Senator, Nebraska Legislature
1/11/2023 - 1/1/2025

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
8/1/2021 - 7/23/2023

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

Mr. Tim Mihalick, Member, State Board of Higher Education
7/21/2021 - 6/30/2025

The Hon. Brandy Pyle, Representative, North Dakota Legislative Assembly
8/1/2021 - 7/31/2023

OHIO

Mr. Gary Cates, Senior Vice Chancellor, Innovation & Enterprise Development, Ohio Department of Higher Education
1/9/2023 - 1/8/2027

The Hon. Jerry Cirino, Senator, Ohio Legislature
1/17/2023 - 12/31/2024

Mr. Mike Duffey, Senior 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. Tom Young, Representative, Ohio Legislature
2/28/2023 - 1/1/2025

SOUTH DAKOTA

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

The Hon. Steve Kolbeck, Senator, South Dakota Legislature
3/27/2023 - 12/31/2024

Mr. Nathan Lukkes, Executive Director and CEO, South Dakota Board of Regents
7/1/2022 - 6/30/2026

The Hon. Tyler Tordsen, Representative, South Dakota Legislature
3/27/2023 - 12/31/2024

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

Commissioner Alternates

The Hon. Erin Healy, Representative, South Dakota Legislature
3/27/2023 - 12/31/2024

The Hon. Reynold Nesiba, Senator, South Dakota Legislature
3/27/2023 - 12/31/2024

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

WISCONSIN

The Hon. Joan Ballweg, Senator, Wisconsin State Legislature
1/30/2023 - 1/6/2025

Dr. Connie Hutchison, Executive Secretary, State of Wisconsin Higher Educational Aids Board
7/13/2021 - 7/1/2023

Ms. Rebecca Larson, Senior Vice President for Advocacy, Wisconsin Association of Independent Colleges and Universities
9/23/2022 - 7/1/2023

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

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

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

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