



# Advancing education through cooperation



## Cost Savings

MHEC's cost savings initiatives have saved entities in Midwestern states over \$452 million since 1991. Through these programs MHEC partners with states to help them provide quality higher education with finite resources. Many of MHEC's cost savings programs can also be used by K-12 districts and schools, state and local governments, and not-for-profit entities—further extending the value MHEC provides to its 12 member states. Current cost savings opportunities are available in the areas of technology, property insurance, and health care benefits.



## Student Access

MHEC also provides savings to students and families through MHEC's Midwest Student Exchange Program, which improves access and choice through reduced tuition at nearly 100 participating campuses. Students have saved more than \$229 million in tuition by using this program. MHEC provides an electronic transcript initiative to reduce the cost and streamline the process of applying to postsecondary institutions and transferring among colleges.



## Policy Research

MHEC provides legislators, governors, trustees, and college and university leaders with resources to inform decision making, advance research, and improve practice. MHEC also convenes diverse stakeholders to address key issues and develop collaborative strategies to effect change in higher education. The compact aims to improve educational opportunity in an era of limited resources, ensuring an educated workforce necessary for the economic strength and well-being of states and communities.

## MHEC Quick Facts

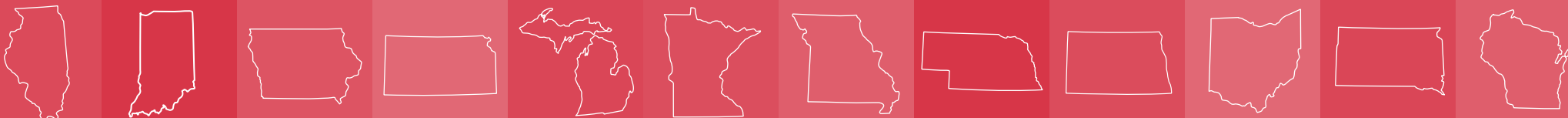
- » Statutorily-created, the compact was established in 1991.
- » Created for the purpose of advancing higher education through cooperation and resource sharing.
- » Compact serves Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
- » Five individuals from each state are appointed to serve as MHEC commissioners on the 60-member governing body comprised of legislators, higher education leaders, and governors' representatives.
- » MHEC activities are funded through annual member state commitments, program fees, and foundation grants.
- » MHEC annual state compact commitment remains \$115,000 through FY 2017.
- » MHEC member states receive 62-fold return on MHEC investment for FY 2014, total savings compared to annual state commitment paid.

## Midwestern Higher Education Compact

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# Annual Program Savings for Entities and Citizens in MHEC Member States

MHEC Member States	What Member States Pay 2013-2014 (State Commitment)	Total Annual Savings	Computing Hardware Program <sup>1</sup>	Computing Software Program <sup>2</sup>	Technology Services Program <sup>5</sup>	Property Insurance Program <sup>3</sup>	Midwest Student Exchange Program <sup>4</sup>
Illinois	95,000	29,918,149	7,049,636	591,230	37,245	2,951,755	19,288,283
Indiana	95,000	3,099,310	1,891,539	287,627	10,470	82,641	827,033
Iowa	95,000	507,999	490,476	17,524			
Kansas	95,000	6,477,877	975,810	87,621		1,182,460	4,231,985
Michigan	95,000	7,348,948	3,349,677	193,949		404,023	3,401,299
Minnesota	95,000	5,679,822	1,689,592	194,042	9,690	1,669,917	2,116,581
Missouri	95,000	7,343,604	2,019,566	49,200		2,776,844	2,497,994
Nebraska	95,000	4,445,886	223,542	14,828	11,760	857,416	3,338,340
North Dakota	95,000	753,452	230,944	126,856			395,652
Ohio	95,000	1,547,612	1,390,829	115,722	41,060		
South Dakota	95,000	334,705	107,479	58,993		168,233 <sup>6</sup>	
Wisconsin	95,000	3,780,837	1,439,393	35,823	4,183		2,301,438
<b>Program Totals</b>	<b>\$1,140,000</b>	<b>\$71,238,201</b>	<b>\$20,858,485</b>	<b>\$1,773,415</b>	<b>\$114,407</b>	<b>\$10,093,289</b>	<b>\$38,398,605</b>

**Footnotes:**

1. Hardware program savings include those from Dell, HP, Juniper, Enterasys, Systemax, and Xerox.
2. Software program savings are from the Novell/MHEC Collaborative Program, Oracle, Arrow/VMWare, and Corel.
3. Based on premium and loss information as of June 30, 2014.
4. Student tuition savings for the academic year 2013-2014.
5. Technology Service program savings include those from Info-Tech Research Group and CampusEAI.
6. In 2009, 2012, and 2013, SD Office of Risk Management requested a quote for property insurance at its six SD Regent institutions. Even though the SD Offices of Risk Management kept its current carrier, they indicated the MHEC quotes saved the institutions \$85,000, \$239,302, and \$168,233, respectively.

# Cumulative Savings for Entities and Citizens in MHEC Member States through June 2014

MHEC Member States	Cost Savings Programs				Other Initiatives <sup>6</sup>	Student Access Midwest Student Exchange Program (Reduced Tuition) <sup>5</sup>	Cumulative State Savings	What Member States Pay Cumulative (State Commitment)
	Computing Hardware Program <sup>1</sup>	Computing Software Program <sup>2</sup>	Technology Services Program <sup>4</sup>	Property Insurance Program <sup>3, 7, 8</sup>				
<b>Illinois</b> Member Since 8/20/1991	63,609,433	4,094,618	61,805	39,708,394	15,672,186	31,410,396	154,556,832	1,674,659
<b>Indiana</b> Member Since 3/14/1996	21,704,038	1,976,909	10,470	440,095	5,358,571	3,081,014	32,571,097	1,501,500
<b>Iowa</b> Member Since 6/6/2005	4,689,166	311,094		201,532	231,371		5,433,164	840,000
<b>Kansas</b> Member Since 4/25/1990	6,212,924	1,461,639		2,310,757	3,025,262	56,060,277	69,070,859	1,672,300
<b>Michigan</b> Member Since 7/24/1990	38,870,866	3,052,290	1,152	15,352,764	43,222,866	30,545,418	131,045,357	1,675,500
<b>Minnesota</b> Member Since 4/26/1990	11,296,579	2,237,459	19,195	15,044,485	10,876,074	12,987,682	52,461,474	1,675,500
<b>Missouri</b> Member Since 5/9/1990	14,082,983	1,415,780		22,645,130	5,484,930	28,132,948	71,761,772	1,675,500
<b>Nebraska</b> Member Since 6/5/1991	3,850,334	954,497	19,985	8,633,341	2,127,919	45,244,648	60,830,724	1,675,500
<b>North Dakota</b> Member Since 4/22/1999	1,077,071	397,760			1,000,822	2,555,991	5,031,644	1,327,500
<b>Ohio</b> Member Since 1/9/1991	23,852,029	2,661,775	41,060	45,000	32,198,285		58,798,148	1,675,500
<b>South Dakota</b> Member Since 3/13/2008	296,698	234,711		492,535			1,023,945	570,000
<b>Wisconsin</b> Member Since 4/18/1994	12,375,467	368,308	4,183		6,747,463	19,322,269	38,817,689	1,535,000
<b>TOTAL</b>	<b>\$201,917,590</b>	<b>\$19,166,839</b>	<b>\$157,850</b>	<b>\$104,874,033</b>	<b>\$125,945,750</b>	<b>\$229,340,643</b>	<b>\$681,402,704</b>	<b>\$17,498,459</b>

## Footnotes:

1. Hardware program savings include those from Dell, HP, Lenovo, Juniper, Enterasys, Systemax, Mitel, Sun, and Xerox.
2. Software program savings are from the Novell/MHEC Collaborative Program, Oracle, Corel, Arrow/VMWare, and Open Systems.
3. Based on premium & loss information as of June 30, 2014.
4. Technology Services program savings include those from Info-Tech Research Group and CampusEAI.
5. Student tuition savings through the academic year 2013-2014.
6. Other initiatives are sunsetted programs: office products, telecommunications, equipment maintenance, academic scheduling, interactive video, and APN.
7. Iowa State University asked MHEC to bid their property insurance for FY 2009. The MHEC bid, with a much lower deductible, was \$186,205 less per year than ISU was paying. ISU selected their current carrier at a price of \$858,824 or \$201,532 less than paid in FY 2008.
8. In 2009, 2012, and 2013, SD Office of Risk Management requested a quote for property insurance at its six SD Regent institutions. Even though the SD Offices of Risk Management kept its current carrier, they indicated the MHEC quotes saved the institutions \$85,000, \$239,302, and \$168,233, respectively.