



Southeast
Service
Cooperative

Annual Report

2016-2017

210 Wood Lake Drive SE
Rochester, MN 55904

Phone: 507-288-1282

Fax: 507-281-7663

Email: info@ssc.coop

www.ssc.coop

A Year of Metrics

by Amy Grover, Director of Planning

During the 2016-2017 year, SSC continued our performance excellence journey, learning from our opportunities for improvement, focusing on process improvement, and building a stronger organization. Our objectives were to: 1) inventory and document key work processes to systematically evaluate and improve, 2) identify key metrics for organizational and program/service data collection, 3) translate data for problem solving, decision-making, service design, and process improvements, and 4) develop and deploy a systematic process to strengthen the impact of professional learning and knowledge management.

To do so, we began a partnership with Edwin Boon and Mike Gratz of the Rendement Group. Their guidance helped us focus on the customer experience, service improvements, operational efficiencies, and business transformation. We developed an understanding of the *Metric of Urgency*[™] - a leading process indicator that identifies if we are gaining toward our goals, meeting our vision of success, and delivering breakthrough change.

You may have noticed some of these changes implemented in our cornerstone Professional Development program. Our PD Program Manager, Kari Kubicek, and other team members refined and developed new processes to help us more effectively listen to the people we serve, translate their needs into products, align opportunities with resources, communicate with those in need of PD, deliver a delightful customer experience, measure meaningful impact, and create a feedback loop. By doing so, SSC is aligned to deliver a relevant, high quality experience that engages participants, leverages SSC's workforce capacity, and positions SSC as a premier professional development provider.

We replicated this process with our other "business units" to focus on the right key metrics to prioritize work and deliver results much faster and with more impact. We worked to identify the right metrics that truly matter to achieve results by identifying key process leading indicators that predict success. This allowed us to ensure that we invested time and resources on the critical few projects with the greatest strategic importance and meaningful impact.

Shaping the Future
for communities of leaders and learners

Mission Statement

We mobilize resources, add value, and promote continuous improvement through member-focused solutions.

Core Competencies

- Collaborative Culture
- Customer Focused Service Design
- Intentional Agility

Core Values

Integrity. We carry out our work with high levels of responsibility, accountability, and ethics.

Excellence. We are forward-thinking, competent, efficient, and effective.

Relationships. We facilitate collaboration with respect and passion to serve.





2016-2017 Highlights and Accomplishments

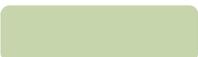
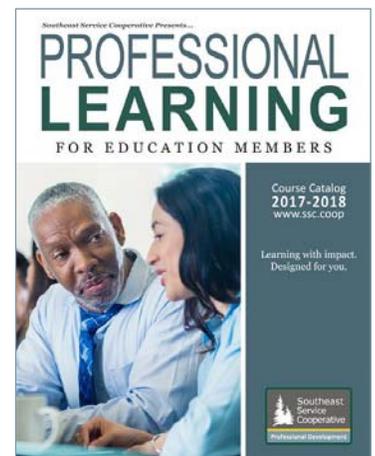
Professional Development: Significant changes were implemented in the processes and planning of SSC's Professional Development program as a result of a two-day Kaizen event facilitated by the Rendement Group for all staff in August of 2016. **Kaizen** is a Japanese word meaning continuous improvement. A Kaizen event is commonly referred to as a tool that:

- 1) Gathers operators, managers, and owners of a process in one place
- 2) Maps the existing process (using a deployment flowchart, in most cases)
- 3) Improves on the existing process
- 4) Solicits buy-in from all parties related to the process

As the staff worked through the current processes in Professional Development, they identified a problem statement, a strategic need, a current state map, identified pain points and gaps, and finally developed a future state map of the process to deliver successful, meaningful and impactful PD. Key metrics were identified in order to measure progress throughout the life of the program. Seven process steps were defined and included: Listen to the customer, translate needs into products, align resources, market and attract participants, deliver delightful customer experience, measure meaningful impact and create a feedback loop. A major focus of the 16-17 year was the first process step: listening to the customer. The Team decided to concentrate their work on the education member side during the first year as we felt we had more basic knowledge related to their PD planning and structure needs than we did local government and non-profit members. The Team members met with staff development teams, presented at staff development sessions, scheduled face to face meetings with administrators, distributed surveys, allowing us to gain valuable information related to professional learning needs in our region. Utilizing this information, the PD team planned and scheduled professional learning offerings to meet the most common needs amongst our members which included Gifted and Talented sessions, Digital Leadership, Personalized Learning, Navigating Conflict, Building Effective Teams, an Instructional Coaches Network, and more.

Two things became very clear to the PD Team while listening to their members. One, our members needed professional development to be customized to their specific organizational needs and two, due to the difficulty of leaving the building during the workday, they needed the learning opportunity brought to them. In response to these discoveries, the PD Team developed a Customized Professional Development program in addition to our meeting center learning opportunities. During the past year, we have recruited 13 experienced and passionate educators who possess specialized knowledge in multiple content and instructional areas to serve as SSC Faculty. These individuals design the requested professional development to best fit the identified member need and bring the offering(s) to the member. Current content and instructional areas in which SSC faculty can provide PD include: Behavior Management, Instructional Math Strategies, Instructional Reading Strategies, English Language Learners, Mindfulness, Professional Learning Community Support, Gifted and Talented, Differentiation, Special Education and Cyber Security. We also have several Instructional Coaches on staff who are able provide PD in a number of other areas.

Another result of this past year's redesign of SSC's Professional Development program included the development of a Professional Learning Catalog for Educators, a comprehensive resource of all of SSC's professional development offerings including those scheduled at our meeting center and the customized opportunities as well as information about SSC faculty and other aspects of our programming. The plan is to provide updates of the catalog on a bi-yearly basis in order to keep members up to speed on how we can support them in providing professional development to their staff. It is available at www.ssc.coop/catalog.



Wood Lake Meeting Center: In the second year since remodeling and expanding our meeting center, usage has continued to increase thanks to our reputation for meeting needs and offering top-notch customer service. Rental income augments our revenue to better support our members. Please keep in mind that all SSC members receive a substantial discount for rental space!



Student Conferences: 150 students in grades 2-4 from twelve districts came to the Science and Nature Conference to learn about wind power, gravity, weight ratio, computer science, and starfish dissection. In addition, the Young Authors, Young Artists Conference for middle school students drew 150 students in grades 6-8 from twelve districts, giving participants an opportunity to express themselves through cartoon development, writing, origami, sculpting, computer science, and drawing. We also continued our longtime Young Authors, Young Artists Conference for elementary students, welcoming 1045 students from grades 3-5 to learn the art and joy of writing and creating from professional authors, poets, illustrators, painters, sculptors, and others.

Student Academic Competitions: We continued to host two Regional Spelling Bees for 73 students from 37 districts, and the Final Spelling Bee, during which 12 spellers vied for the top honor. A student from Rochester Catholic Schools was declared the champion and advanced to the 90th Annual Scripps National Spelling Bee in Washington D.C. We also coordinated of Knowledge Bowl with 55 Junior High teams from 19 districts and 109 Senior High teams from 29 schools and five teams advanced to State.

Mobile Science Lab: Our collaborative project with the Mayo Clinic has now impacted almost 15,000 high school students in our region. 145 teachers from 65 districts have been trained to implement the molecular biology, genomics, agricultural bioscience, and food science curriculum. The supplies and consumables in the three trailers allow them to do so economically while bringing real science into the classroom. This year, the program received the Top Innovator Award from the Humphrey School's Public and Nonprofit Leadership Center at the University of Minnesota in association with the Association of Minnesota Counties, the League of Minnesota Cities, and the Minnesota School Boards Association.



Rochester Area Math Science Partnership. After 25 years as an independent program and nine years as a 501(c)3 non-profit, RAMSP embarked on a strategic planning process that led to a change in management and program coordination. On January 1, 2017, RAMSP dissolved as a stand alone entity and joined the fabric of Southeast Service Cooperative's programs and services. The RAMSP Board determined that SSC could bring added value to the RAMSP mission due to it's credibility, reputation, existing infrastructure, staff capacity, and access to resources to create greater efficiencies and effectiveness. Out of the transition new mission-driven priorities, goals, and strategies related to workforce development and professional development were created to help promote STEM excellence in partner schools.

10th Annual Legislator/Educator Forum: In collaboration with Region 1 Minnesota Association of School Administrators (MASA), SSC provided an opportunity for over 100 southeast Minnesota education representatives to share constructive dialogue with the 11 legislators attending, including Senators David Senjem, Carla Nelson, Jeremy Miller, and Mike Goggin, as well as Representatives Steve Draskowski, Barb Haley, John Petersburg, Nels Pierson, Jeanne Poppe, Duane Quam, and Duane Sauke. Superintendents shared presentations designed to inform our Legislators about the impacts of existing mandates and the challenges that are being faced that could be supported through legislative action.

Cooperative Purchasing Connection (CPC): 74 member organizations and 19 participating organizations made purchases using CPC contracts totalling \$5,206,901.77 in 2016-2017. Members and participants saved 2-25% on each dollar spent. CPC expanded catalog offerings to include 58 partnered suppliers and vendors. New vendor categories awarded include: Theatrical Equipment, Lighting, and Supplies, Outdoor Grounds Equipment (mowers), and Large Athletic Equipment (equipment, lockers, telescopic seating). The Express online shopping portal celebrated it's 3rd birthday and sales increased from \$116,692.60 in FY16 to \$234,082.93 in FY17. Express is also home to 16 vendor stores.





Strategic Visioning Service: Southeast Service Cooperative staff use a human-centered design model of strategic planning, which offers fresh thinking and a new perspective. We work with a group of member key stakeholders (administrators, staff, board, community) to implement a tailored process to inform, support, and expand strategic focus. This leads to intentional change and meaningful impact. Our proven model includes problem framing and the synthesis of insights into solution concepts. In 2016-2017, we had the opportunity to work with SERCC (Alaska), Dover-Eyota Public Schools, Lanesboro Public Schools, and Semcac.

Facilities Management: We continued our partnership with the Institute for Environmental Assessment to provide comprehensive consulting services related to indoor environmental quality, hazardous materials, and health and safety compliance. We offered mock-OSHA audits, health and safety consulting, and online health and safety compliance training. In collaboration with CESA FM, we added new services including facilities audits, technology audits, and energy management.

Health Insurance Pools: Groups received professional and technical expertise by Health & Benefits Consultant Bill Colopoulos, who guided insurance committees through annual planning and renewal and provided benefits training and healthcare reform information. In 2016-2017, we served 23 groups in the School Pool and 29 groups in the Local Government Pool.

Worksite Wellness Program: We offered two health forums throughout the year with a combined total of 89 participants. We were able to continue to offer wellness funding to our local government and school health insurance pool members. Our groups continued to be fantastic stewards of their funding, and offered their employees robust wellness programs and made sustainable policy, systems, and environmental changes at their organizations with their funds from SSC. We also held our annual Member vs. Member Walking Challenge and had over 800 people from 31 member groups logging 491,983,888 steps, which is a record number for the contest, now in its 6th year.

Development & Innovation: As part of our commitment to provide innovative solutions that bring value to our members, we embarked on a major professional development service redesign, prepared for facilities management staff changes and service expansion, implemented new fund development strategies for special projects and Student Academic programs, added a new internship program for local government, and joined the new Minnesota Service Cooperative workgroup to explore new opportunities for local government members. At an organizational level, we focused on building capacity and integration of systematic problem solving, process development and evaluation, and use of metrics to drive meaningful impact.



Member Engagement: You may have also noticed that SSC has a modern new “look and feel” to its publications and promotions. In a strategic effort to engage with our members, we have focused on developing relevant content, using new communication tools, and reaching out for face to face conversations about needs and trends. This will be a continued initiative into the future.

Staff and Board Changes: We had a year of goodbyes and welcomes in 2016-2017, as we bid farewell to Ann Clark (State Program Manager of the Regional Centers of Excellence), Sue Haddad (Organizational Assistant), Christina Bokusky (Meeting Center Coordinator), Scott Fitzsimonds (RCE Systems Improvement Specialist), Bryan Scherr (RCE Math Specialist), and Bob Tweten (Health and Safety Specialist). But, with all endings come new beginnings, and we were pleased to introduce Jeff Aamot (RCE Systems Improvement Specialist), Miranda Schornack (RCE English Language Development Specialist), Dr. David Thompson (Facilities Management Specialist), Alicia Bredesen (Operations/WLMC Assistant), as well as new Board of Directors Rob Mathias, Lynn Gorski, Bree Maki, and Don Leathers.

New SSC Members: We were also extremely pleased to add two new members—Southeast Minnesota Community Action Agency (Semcac) and Rochester Arts and Science Academy (RASA). We are committed to exploring opportunities to expand our programs and services to better meet non-profit, local government, and private school needs.





Southeast/Metro Regional Center of Excellence (RCE): In partnership with Minnesota Department of Education, RCE's were launched in 2012 as a Statewide System of Support for Focus and Priority Schools under No Child Left Behind Legislation. Under the new federal Every Student Succeeds Act (ESSA) the RCE's are transitioning to provide supports for districts, high schools, and charters. School improvement support will focus efforts on equity and underserved student groups so that schools meet the needs of each student and every student benefits from high-quality schools.

Educational equity is the condition of justice, fairness, and inclusion in our systems of education so that all students have access to the opportunities to learn and develop to their fullest potentials. The pursuit of educational equity recognizes the historical conditions and barriers that have prevented opportunity and success in learning for students based on their races, incomes, and other social conditions. Eliminating those structural and institutional barriers to educational opportunities requires systemic change that allows for distribution of resources, information, and other support depending on the student's situation to ensure an equitable outcome.

Equity is different from equality. Equity is a principle that is based upon justness and fairness, while equality demands everyone be treated at the same level.

Under the new ESSA accountability, reporting school improvement and recognition system, the RCEs will provide differentiated levels and types of support for schools and districts per identification status to address the following outcomes:

1. Improved outcomes for all students
 - Indicator 1 - Academic Achievement: all schools
 - Indicator 2 - Academic Progress: elementary and middle schools
 - Indicator 3 - Graduation Rate: high schools
 - Indicator 4 - Progress Toward English Language Proficiency: all schools
 - Indicator 5 - School Quality/Student Success: all schools
2. Increased capacity of district and schools to identify and eliminate structural and institutional barriers to educational opportunities through equitable distribution of resources, information and other student supports.
3. Increased capacity of districts and schools to implement sustained continuous improvement processes
4. Increased educator effectiveness
5. Improved conditions for teaching and learning

In order to more fully meet the needs of increased numbers of schools and districts across the state, additional staff have been hired in the six regional centers. Regional teams are currently gearing up for the new accountability systems and developing to meet school needs across regions and to collaboratively determine research based practices, logistics, and specific specialist roles.

Directors, Education System Specialists, and MDE partners have been actively engaged in project groups to develop, revise and improve previous systems and documents for use under the new ESSA guidelines. Feedback and training is ongoing at the advocate, advisory, and team levels. Kick-off meetings are being planned for newly identified schools for spring and fall to support schools through this transition.

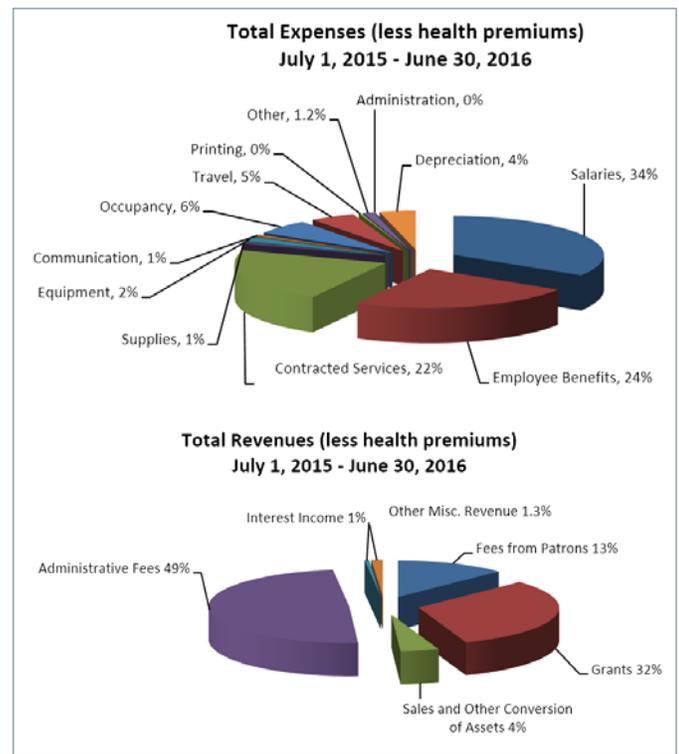
RCE staff are provided a continuum of job-embedded professional development and learning opportunities designed to build their capacity for work at district and high school levels. Job descriptions, orientation and induction, mentoring/coaching, regional team collaboration, and new weekly webinars are being reviewed, revised, and implemented to develop advocates capacity to address the new ESSA accountability, reporting, school improvement and recognition systems.



2016-2017 Annual Fiscal Information

SSC is a membership organization and is statutorily designated as a public entity, independent school district. SSC has no levy authority or tax base and does not receive local, state, or federal aid. This is important in comparing SSC's financial statements with other public entities. Revenue is generated to provide services and programs, and a reserve fund helps to ensure continuing operations and programming. The following data is summary information. Complete financial data is available from the fiscal audit at www.ssc.coop.

Operations/Program Fund	Revenue	Expense
General Administrative	\$165,570	\$150,310
Innovation	\$0	\$10,475
Wood Lake Meeting Center	\$112,806	\$184,581
Benefit Services	\$35,849	\$20,157
Regional Center of Excellence	\$1,097,575	\$1,097,575
Regional Center of Excellence (State)	\$84,519	\$84,519
Regional Center of Excellence (MDE)	\$44,426	\$44,426
Statewide Health Improvement (SHIP)	\$9,786	\$11,682
Mobile Science Lab	\$14,076	\$33,147
Health & Safety Mgmt Assistance	\$39,634	\$34,500
Environ Health & Safety Mgmt	\$56,630	\$58,372
Cooperative Purchasing	\$118,796	\$95,279
Professional Development	\$80,902	\$225,381
Student Academics	\$131,710	\$181,526
Positive Behavior Interventions (PBIS)	\$7,370	\$8,437
School Climate Improvement Grant	\$2,991	\$2,991
Adjustment to Accrual	\$0	\$728,046
Total Operating Income & Expense	\$2,027,243	\$2,989,924
Operating Revenue Over Expense		-\$962,681
Non-Operating Revenues		-\$2,813
Total Operating and Non-Operating Net		-\$965,494
Transfer from Health Operating		\$668,967
Net Increase (Decrease) to General Fund		-\$296,527
July 1, 2015 General Fund Balance		\$2,234,947
June 30, 2016 Ending General Fund Balance		\$1,938,420
Health Insurance – Enterprise Fund	Revenue	Expense
School Pool	\$30,830,325	\$31,689,918
CCOGA Pool	\$32,361,695	\$34,104,757
Operating Fund (Fees & Grants)	\$1,911,757	\$1,255,775
Total Revenues	\$65,103,777	\$67,050,450
Operating Income (Loss)		-\$1,946,673
Non-Operating Revenues		\$20,339
Transfers Out		\$668,967
Increase (Decrease) in Net Position		-\$2,595,301
Net Position July 1, 2015		\$15,407,799
Net Position June 30, 2016		\$12,812,498



Member Participation and Value

This data shows an aggregate report of member usage of SSC programs and services. Statistics drawn from financial and participation data) are translated as dollar values. This chart illustrates the collective value derived through those programs that we quantified.

2016-2017 Quantified Services	Value
Administrative Support Services	\$54,233
Instructional Programs:	\$277,281
Student Academics	\$39,550
SHIP Grant	\$7,009
ALC Garden Project Land Use	\$68,250
Moodle Server	\$7,665
Mobile Science Lab	\$33,148
PBIS Cohorts	\$7,020
Rochester Area Math Science Partnership	\$19,800
Regional Professional Development	\$59,370
Environmental Health & Safety Mgmt	\$108,900
Health and Benefits Program	\$3,202,507
Cooperative Purchasing	\$1,059,193
Total Estimated Gross Value	\$4,702,11
Less Membership Fees	\$102,428
Net Value to Members	\$4,599,685
Percent Return on Investment	4,491%



Awards: Thanks to our dedicated staff and our forward-thinking leadership, SSC was honored with the When Work Works Workplace Flexibility Award by the Families and Work Institute and the Society for Human Resource Management for the eighth consecutive year. Our Mobile Science Lab partnership was awarded a 2016 Local Government Top Innovator Award. And, we were the grateful recipients of grants from the Greater Rochester Arts and Cultural Trust and the Rochester Exchange Club to support the expansion of our Young Authors, Young Artists Middle School Conference!



Current Board of Directors

- Carol Cravath, Chairperson, Plainview-Elgin-Millville Public Schools
- Theresa Arrick-Kruger, Vice-Chair, Houston County
- Mary Blair-Hoeft, Treasurer, City of Byron
- Brian Grudem, Clerk, Zumbrota-Mazeppa Public Schools
- Karla Bauer, Kenyon-Wanamingo Public Schools
- Mike Christensen, Red Wing Public Schools
- Lynn Gorski, City of Owatonna
- Don Leathers, Austin Public Schools
- Bree Maki, Lewiston-Altura Public Schools
- Rob Mathias, Stewartville Public Schools

Current Superintendent Advisory Committee

- Karsten Anderson, Superintendent, Red Wing Public Schools
- Jeff Apse, Superintendent, Lewiston-Altura Public Schools
- Jeff Elstad, Superintendent, Owatonna Public Schools
- Mike Funk, Superintendent, Albert Lea Public Schools
- Beth Giese, Superintendent, Cannon Falls Public Schools
- Ed Harris, Superintendent, Chatfield Public Schools
- Cherie Johnson, Director, Goodhue County Education District
- Mark Matuska, Superintendent, Kasson-Mantorville Public Schools
- Matt Schultz, Superintendent, Lanesboro Public Schools
- Belinda Selfors, Superintendent, Stewartville Public Schools
- Rachel Udstuen, Superintendent, Spring Grove Public Schools

Current Local Government Advisory Committee

- Theresa Arrick-Kruger, HR Director, Houston County
- Mary Blair-Hoeft, City Administrator, City of Byron
- Lisa Hager, Employee Relations Director, Dodge County
- Melissa Cushing, Human Resources, Goodhue County
- Lynn Gorski, Human Resources, City of Owatonna
- Dave Mueller, Organizational Development, Olmsted County
- Linda Rappe, City Clerk, City of Kasson

Southeast Service Cooperative—Rochester Staff

Suzanne Riley	Executive Director	507-281-6673	sriley@ssc.coop
Alicia Bredesen	Organizational Assistant	507-281-6666	abredesen@ssc.coop
Jodi Dettmann	Program Manager	507-281-6679	jdettmann@ssc.coop
Donna Dickison	Meeting Center Coordinator	507-281-6684	ddickison@ssc.coop
Amy Grover	Director of Planning	507-281-6693	agrover@ssc.coop
Chris Hancock	Bookkeeper	507-281-6671	chancock@ssc.coop
Katie Hartman	Program Manager	507-281-6667	khartman@ssc.coop
Kari Kubicek	Program Manager	507-281-6668	kkubicek@ssc.coop
Kirsten Kuehl	Organizational Manager	507-281-6670	kkuehl@ssc.coop
Nicole LaChapelle-Strumski	Program Manager	507-281-6674	nlachapelle@ssc.coop
Sarah Ness	Program Manager	507-281-6678	sness@ssc.coop
Katie Schmitt	Development and Innovation Specialist	507-281-6676	kschmitt@ssc.coop
Kim Swanson	Accounting Assistant	507-281-6672	kswanson@ssc.coop
Dale Walston	Director of Operations	507-281-6675	dwalston@ssc.coop

Southeast/Metro Regional Center of Excellence Staff

Jane Drennan	SE/Metro Center of Excellence Director	507-696-5572	jdrennan@mnce.org
Jeff Aamot	RCE Systems Improvement Specialist	507-696-0274	jaamot@mnce.org
Eric Durand	Advocate/Mathematics Specialist	507-421-6959	edurand@mnce.org
Lori Mack	Advocate/ Implementation Science and Reading Specialist	507-993-7635	lmack@mnce.org
Carolyn Olijnek	Advocate/Mathematics Specialist	507-696-0254	colijnek@mnce.org
Miranda Schornack	Advocate/English Language Development Specialist	507-696-0277	mschornack@mnce.org
Sonia Smith	Advocate/Special Education Specialist	507-696-2741	ssmith@mnce.org
Carol Swanson	Advocate/Reading Specialist	507-696-0229	cswanson@mnce.org
Perry Wilkinson	Advocate/Education Equity and Systems Data Specialist	507-696-4193	pwilkinson@mnce.org

Consultants

Bill Colopoulos	Health and Benefits Consultant	507-206-7419	bcolopoulos@ssc.coop
Angie Radel	IEA Regional Manager	507-281-6682	angie.radel@ieasafety.com
Dave Thompson	Facilities Management Consultant	507-281-6663	dthompson@ssc.coop