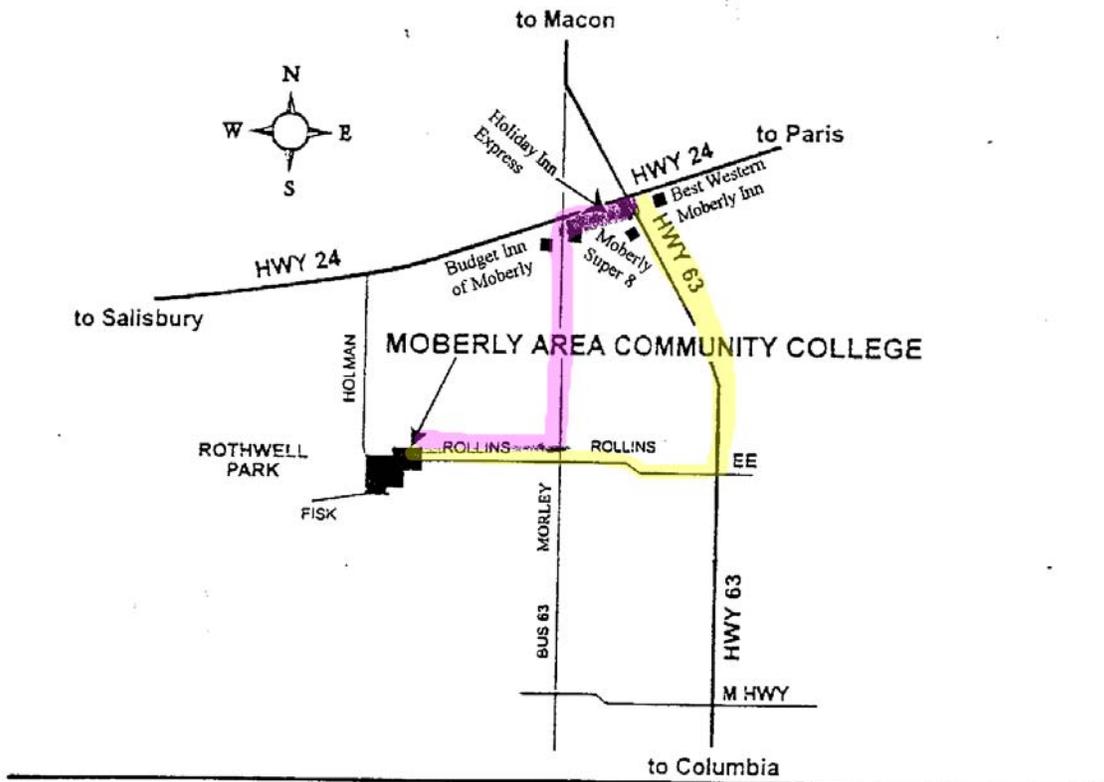


Coordinating Board for Higher Education

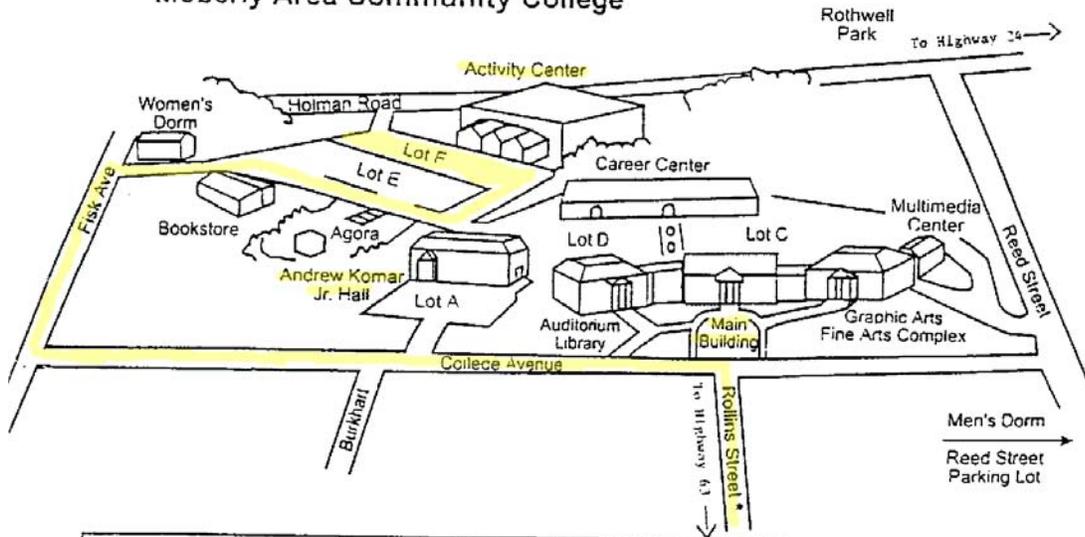
Agenda of Meeting

**10:30 AM
Thursday
October 9, 2003**

**Board Conference Room
Komar Hall
Moberly Area Community College**



Moberly Area Community College



Andrew Komar, Jr. Hall President's Office Student Services Information/Alumni/Foundation	Main Building Dean of Academic Affairs Business Office Financial Aid Columbia College Office Ambassador Room Personnel Office (Parking Lot B behind Main Building)	Career Center Dean of Vocational/Technical Education Career and Placement Services Continuing Education New Traditions
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Rollins Street becomes Route EE and leads to Highway 63.

MISSOURI COORDINATING BOARD FOR HIGHER EDUCATION

Sandra D. Kauffman, Chair, Kansas City

Lowell C. Kruse, Vice Chair, St. Joseph

Dudley R. Grove, Secretary, St. Louis

John F. Bass, St. Louis

Diana M. Bourisaw, St. Louis

Marie Carmichael, Springfield

Robert L. Langdon, Lexington

Kathryn F. Swan, Cape Girardeau

Mary Joan Wood, Cairo

TIME: 10:30 AM
Thursday
October 9, 2003

PLACE: Board Conference Room
Komar Hall
Moberly Area Community College

**Coordinating Board for Higher Education
Schedule of Events
Moberly Area Community College
Moberly
October 8-9, 2003**

Wednesday, October 8

2:00 PM – 5:30 PM CBHE Work Session
Room #238 - Main Building, Second Floor

Thursday, October 9

9:00 AM – 10:15 AM Presidential Advisory Committee
Conference Room – Activity Center

10:30 AM – 12:15 PM CBHE Meeting
Board Conference Room – Andrew Komar, Jr. Hall, Third Floor

12:15 PM – 1:00 PM Lunch, provided by Moberly Area Community College
Conference Room – Activity Center

1:15 PM Resume CBHE Meeting
Board Conference Room – Andrew Komar, Jr. Hall, Third Floor

**COORDINATING BOARD FOR HIGHER EDUCATION
PRESIDENTIAL ADVISORY COMMITTEE**

Presiding – Chairman – Henry Shannon

TIME: 9:00 – 10:15 AM
Thursday
October 9, 2003

PLACE: Conference Room
Activity Center
Moberly Area Community College

AGENDA

- | | |
|---|------------|
| I. Missouri Campus Compact Update | <u>Tab</u> |
| II. Performance Excellence Funding | A |
| III. Higher Education FY 2005 Budget | B-F |
| IV. Associate Degree Delivery Mission Differentiation | K |
| V. Other Items | |

**COORDINATING BOARD FOR HIGHER EDUCATION
PRESIDENTIAL ADVISORY COMMITTEE**

**Representatives by Statute
September 2003**

Public Four-year Colleges and Universities

Dr. Bobby Patton
President
Central Missouri State University
Administration 202
Warrensburg 64093

Dr. Henry Givens, Jr.
President
Harris-Stowe State College
3026 Laclede Avenue
St. Louis 63103

Dr. David B. Henson
President
Lincoln University
820 Chestnut
Jefferson City 65101

Dr. Julio Leon
President
Missouri Southern State University - Joplin
3950 East Newman Road
Joplin 64801

Dr. James Scanlon
President
Missouri Western State College
4525 Downs Drive
St. Joseph 64507

Dr. Dean Hubbard
President
Northwest Missouri State University
800 University Drive
Maryville 64468

Dr. Ken Dobbins (COPHE President)
President
Southeast Missouri State University
One University Plaza
Cape Girardeau 63701

Dr. John H. Keiser
President
Southwest Missouri State University
901 South National Avenue
Springfield 65802

Dr. Barbara M. Dixon
President
Truman State University
100 East Normal
Kirksville 63501

Dr. Elson Floyd
President
University of Missouri
321 University Hall
Columbia 65211

Dr. Richard Wallace
Chancellor
University of Missouri-Columbia
105 Jesse Hall
Columbia 65211

Dr. Martha Gilliland
Chancellor
University of Missouri-Kansas City
5100 Rockhill Road
Kansas City 64110

Dr. Gary Thomas
Chancellor
University of Missouri-Rolla
206 Parker Hall
Rolla 65401-0249

Dr. Thomas George
Chancellor
University of Missouri-St. Louis
8001 Natural Bridge Road
St. Louis 63121

Public Two-year Colleges

Dr. Kent Farnsworth
President
Crowder College
601 Laclede Avenue
Neosho 64850

Dr. Karen Herzog
President
East Central College
P.O. Box 529
Union 63084

Mr. William McKenna
President
Jefferson College
1000 Viking Drive
Hillsboro 63050-1000

Dr. Wayne Giles
Chancellor
Metropolitan Community Colleges
3200 Broadway
Kansas City 64111

Dr. Terry Barnes
President
Mineral Area College
5270 Flat River Road
Park Hills 63601

Dr. Evelyn Jorgenson (MCCA President)
President
Moberly Area Community College
101 College Avenue
Moberly 65270

Dr. Walter Nolte
President
North Central Missouri College
1301 Main Street
Trenton 64683

Dr. Norman Myers
President
Ozarks Technical Community College
1417 North Jefferson
Springfield 65801

Dr. John McGuire
President
St. Charles County Community College
4601 Mid Rivers Mall Drive
St. Peters 63376

Dr. Henry Shannon
Chancellor
St. Louis Community College
300 South Broadway
St. Louis 63110

Dr. Marsha Drennon
President
State Fair Community College
3201 West 16th Street
Sedalia 65301-2199

Dr. John Cooper
President
Three Rivers Community College
Three Rivers Boulevard
Poplar Bluff 63901

Public Two-year Technical College

Dr. Donald Claycomb
President
Linn State Technical College
One Technology Drive
Linn 65051

Independent Four-year Colleges and Universities

Dr. Keith Lovin
President
Maryville University of St. Louis
13550 Conway Road
St. Louis 63131

Dr. Marianne Inman
President
Central Methodist College
Church Street
Fayette 65248

Dr. William L. Fox
President
Culver-Stockton College
One College Hill
Canton 63435-9989

Dr. Mark S. Wrighton
Chancellor
Washington University
One Brookings Drive
St. Louis 63130

Independent Two-year Colleges

Dr. Helen Washburn
President
Cotter College
1000 West Austin
Nevada 64772-1000

**CBHE Presidential Advisory Committee
Meeting Summary
June 5, 2003
Dr. Henry Shannon, Chair**

The CBHE Presidential Advisory Committee met at 9:30 a.m. on Thursday, June 5, 2003, at the Truman State Office Building in Jefferson City. Members (or their representatives) present were:

Bobby Patton (Central Missouri State University)
Kent Farnsworth (Crowder College)
Karen Herzog (East Central College)
Henry Givens, Jr. (Harris-Stowe State College)
David Henson (Lincoln University)
Donald Claycomb (Linn State Technical College)
Wayne Giles (Metropolitan Community Colleges)
Terry Barnes (Mineral Area College)
Jeanie Crain for James Scanlon (Missouri Western State College)
Evelyn Jorgenson (Moberly Area Community College)
Walter Nolte (North Central Missouri College)
Taylor Barnes for Dean Hubbard (Northwest Missouri State University)
Norman Myers (Ozarks Technical Community College)
Ken Dobbins (Southeast Missouri State University)
John Keiser (Southwest Missouri State University)
John McGuire (St. Charles Community College)
Henry Shannon (St. Louis Community College)
John Cooper (Three Rivers Community College)
Michael McManis for Jack Magruder (Truman State University)
Richard Wallace (University of Missouri-Columbia)
Gary Thomas (University of Missouri-Rolla)
Don Driemeier (University of Missouri-St. Louis)

Members absent from the meeting were:

Marianne Inman (Central Methodist College)
Helen Washburn (Cottey College)
Edwin B. Strong, Jr. (Culver-Stockton College)
William McKenna (Jefferson College)
Keith Lovin (Maryville University of St. Louis)
Julio Leon (Missouri Southern State College)
Stephen Poort (State Fair Community College)
Elson Floyd (University of Missouri)
Martha Gilliland (University of Missouri-Kansas City)
Mark S. Wrighton (Washington University)

Members of the Coordinating Board present were:

Sandra Kauffman, Chair
 Mary Joan Wood, Secretary
 John Bass
 Diana Bourisaw
 Lowell Kruse
 Robert Langdon
 Kathryn Swan

Also attending were:

Quentin Wilson, Commissioner of Higher Education
 Debra Cheshier, Director of Educational Policy, Planning, and Improvement Center (EPPIC)
 Robert Stein, Associate Commissioner for Academic Affairs and Planning
 John Wittstruck, Senior Research Associate (EPPIC)
 Joe Martin, Associate Commissioner for Fiscal and Legislative Affairs
 Becky Brennecke, Research Associate for Fiscal and Legislative Affairs
 Jim Matchefts, Associate Commissioner and Director of Legal Affairs for MOSTARS/General
 Counsel for Coordinating Board for Higher Education
 Scott Giles, Director of Lender, Institutions and Student Services
 Chris Kelly, Director of Communications
 Amy Fennewald, Public Information Specialist
 Gina Hodge, Director of Information Technology
 Natalie Miles, GEAR UP Coordinator
 Brenda Miner, Administrative Assistant to the Commissioner
 Laura Vedenhaupt, Administrative Assistant for Academic Affairs and Planning
 Donna Imhoff, Research Associate for Fiscal and Legislative Affairs
 Wei Zhou, Senior Associate (EPPIC)
 Melissa Vineyard, Accountant
 Trudy Baker, Administrative Assistant (EPPIC)

Welcome and Introduction

Dr. Henry Shannon, chancellor, St. Louis Community College, welcomed the presidents and chancellors and introduced Mrs. Sandra Kauffman, chair, Coordinating Board for Higher Education and Quentin Wilson, Commissioner of Higher Education.

FY 2004 Budget Update

Commissioner Wilson informed the presidents and chancellors that spending issues and the amount of available revenue were the major concerns of the FY 2004 budget.

Mr. Joe Martin provided updated detail on the budget. On June 4, the House initiated a substitute for HB3. The House Budget Committee appropriated most of the federal fiscal relief funds, including an additional \$14 million to higher education, but retained some in savings. The

substitute bill contained these funds. Included as part of the \$14 million, \$2.4 million appropriated to Bright Flight Scholarships restored the 15 percent earlier cut and returned Bright Flight to its FY 2003 funding level. An additional \$12 million will be distributed among the higher education institutions as state aid.

Mr. Martin distributed a report (included with these minutes), which explains the distribution of the \$12 million among the institutions. A formula, based upon the same proportions used in determining the cuts previously made to the institutions, was applied to arrive at the individual shares that would be distributed.

Administrative appropriations were reduced by 20 percent in FY 2004 over FY 2003. Over the last three years, total administrative appropriations have been reduced by 40 percent. While the 15 percent reduction to the Higher Education Academic Scholarship Program (Bright Flight) was restored; the 15 percent reductions to the Missouri College Guarantee Advantage Missouri (general revenue portion), Public Service Officer Grant Program, Vietnam Veteran's Survivor Grant Program and the Marguerite Ross Barnett Memorial Scholarship Program were not.

The Governor recommended a transfer of MOREnet core funding of \$4,787,830 from HB2 to HB3. Additional withholdings may be likely after July 1. Mr. Martin stated that in the Truly Agreed budget, there were cuts to the institutions of \$51 million.

Commissioner Wilson stated that although there was a predicted shortfall of May revenue, it is not likely that the institutions would face additional FY 2003 withholdings. The Department of Higher Education staff is not aware of any contingency plans made by the Division of Budget and Planning or any mechanism that would allow spending after July 1, without incorporation by the General Assembly, in case a budget was not approved by July 1.

Final Summary of Legislation, First Regular Session, 92nd General Assembly

Mr. Martin stated that the following bills have been Truly Agreed To and Finally Passed, but have not yet received the Governor's signature. SB 55 changes the name of Missouri Southern State College to Missouri Southern State University-Joplin. It charges Missouri Southern with a statewide mission and changes its Board of Regents to a Board of Governors. All of its associate degrees are to be discontinued by July 2008, unless continuation is approved by the Coordinating Board for Higher Education. SB 55 also encourages collaboration among institutions for delivery of master's degree programs at institutions that do not offer these programs, and allows diplomas issued pursuant to such collaborations to contain the names of both institutions.

SB 18 did not pass. This legislation intended to create a college savings program and parallel board to MOST. The Department of Higher Education did not take an official position on this bill, but worked closely with the Treasurer's office, Office of Administration, Governor's office, and legislators to ensure that the bill did not adversely affect student aid.

The final version of SB 248 contains a retirement incentive for state employees and regional state college and university personnel for medical coverage only. It allows the institutions and their governing boards, as members of MOSERS, the option of offering the incentive to their

employees. The incentive applies to employees who retire by September 30, 2003, and is available for those employees who are eligible for retirement between February 1, 2003 and February 1, 2004.

SB 686 includes a provision relating to meningitis immunizations on college campuses. It requires every public institution of higher education in this state to require all students who reside in on-campus housing to sign a written waiver stating that the institution has provided the student with detailed written information of the risks associated with meningococcal disease and the availability and effectiveness of the meningococcal vaccine.

SB 346 and HB 221 revise the banking laws and allow MOHELA to consolidate existing parent loans for undergraduate students and extend repayment of MOHELA issued bonds from 30 to 40 years. SB 371 allows MOHELA to provide loans to high school students enrolled in advanced placement or college credit courses.

HB 444 alters the distribution of Gaming Commission Funds by transferring \$4.5 million to the Missouri College Guarantee Fund at the beginning of the year, rather than transferring it in a split of \$3 million upfront and \$1.5 million at the end of the year. An additional \$500,000 will be transferred from the Gaming Commission Fund to the College Guarantee Fund if the net proceeds exceed \$28 million. The passage of this bill ensures the timelines of payments to the institutions and provides money for additional scholarships.

HB 688 creates the Life Sciences Trust Fund and the Life Sciences Board. This bill designates a portion of the tobacco settlement funds for life sciences beginning in FY 2007.

Commissioner Wilson announced that Governor Holden, Senator Peter Kinder, and Representative Catherine Hanaway would speak at a joint legislative session at the Capitol at noon today. He invited presidents and chancellors to attend.

Mr. Martin stated that the Department of Higher Education is having discussions with the Office of Administration (OA) about higher education assuming some of OA's money distribution and accounting roles, due to their staff reduction resulting from budget cuts. Currently, higher education handles all distribution and reimbursement of funds to community colleges for state aid and maintenance and repair. Four-year institutions receive their money through the Office of Administration, Division of Accounting. Staff will work with the business officers at the institutions to initiate minor revisions of information requested from them and to devise a simple and efficient reimbursement process. These procedures will begin on July 1, 2003.

Commission on the Future of Higher Education

Commissioner Wilson explained that the Commission on the Future of Higher Education was created by the Governor to look at the long term higher education issues. During its first meeting on April 14, 2003 in Jefferson City, the Commission discussed broad issues related to higher education, as well as the challenges facing the state which higher education might help address.

At its June 17 meeting at Penn Valley College in Kansas City, the Commission will receive information from the National Collaborative on preparation, participation, performance, affordability, and other related issues. Exercises to focus the Commission's attention on certain outcomes will be initiated using a prioritization process.

During the week of July 28, the National Collaborative staff will visit areas across the state to consult with presidents and chancellors, other education leaders, community leaders, and business leaders to discuss how policies both promote and hinder attainment of higher education goals. The findings from this policy audit phase of the National Collaborative's project will be reported to the full Commission at its August meeting in St. Louis.

Results and Discussion of Identified Priority Outcome Measures

Commissioner Wilson stated that this agenda item stemmed from the department's strategic plan and performance improvement process using quality criteria, which began in April 2003. The agenda item describes plans for developing specific strategies and measurements related to the six priority outcome measures identified by the Coordinating Board for Higher Education, the Presidential Advisory Committee, and the Department of Higher Education senior staff. Of the 42 specific outcome measures identified primarily from the measures included in the state-by-state report cards, *Measuring Up 2000* and *Measuring Up 2002*, six priority outcome measures were selected for the primary focus of improvement efforts. The remaining outcomes will be addressed in long-term improvement efforts. The proposed department units and divisions participating in improvement efforts of the six outcome measures have been identified. The institutions of higher education will perform a key role in developing, implementing, and measuring strategies related to the following six priority outcome measures:

- Increase need-based financial aid for low- and middle-income families;
- Increase the percentage of the population aged 25-65 with a one-year or two-year certificate or degree, or with a bachelor's degree;
- Increase the percentage of teacher education graduates meeting CBHE test goals;
- Increase completion rates among underserved students;
- Increase the number of institutions undertaking and assessing improvement initiatives, with measurable goals and targets; and
- Increase the percentage of employer workforce needs that are met.

Commissioner Wilson stated that he had received feedback from boards of curators, trustees of community colleges, presidents and chancellors of two- and four-year institutions, chief academic officers, and the National Collaborative staff on the priority issues as follows:

- It is important to remember that this is an improvement plan, not an operating plan.
- Although a consistent level of two- and four-year degree program/degree completion has been maintained over time, there has been a reduced economic benefit of those degrees. The question remains, why is this occurring?

- The underrepresented groups should be disaggregated from the total population and analyzed separately.
- The goal of increasing need-based aid is only part of the affordability issue; other ways to increase access to quality participation need to be considered and discussed.
- Some of the board's policies may be at odds with these priorities. Board policies will be examined at upcoming meetings in the context of these priorities.

Dr. Shannon expressed appreciation to the board, the Commissioner, and the presidents and chancellors for their participation at the Presidential Advisory Committee meeting.

The meeting adjourned at 10:17 a.m.

FY 2004 - All Institutions

	FY 2003 Core Budget	FY 2004 CBHE Recommendation	FY 2004 Gov Recommendation	FY 2004 HCS	HCS % Change from FY 2003
<u>Community Colleges</u>					
Crowder	4,465,449	4,465,449	4,465,449	4,214,293	-5.62%
East Central	5,424,168	5,424,168	5,424,168	5,119,089	-5.62%
Jefferson	7,958,711	7,958,711	7,958,711	7,511,079	-5.62%
Metropolitan	33,064,367	33,064,367	33,064,367	31,204,684	-5.62%
Mineral Area	5,214,395	5,214,395	5,214,395	4,921,116	-5.62%
Moberly	4,976,336	4,976,336	4,976,336	4,696,445	-5.62%
North Central	2,574,084	2,574,084	2,574,084	2,429,306	-5.62%
Ozark Technical	9,471,295	9,471,295	9,471,295	8,938,588	-5.62%
St. Charles	6,425,088	6,425,088	6,425,088	6,513,690	1.38%
St. Louis	47,543,648	47,543,648	47,543,648	44,869,589	-5.62%
State Fair	5,528,682	5,528,682	5,528,682	5,217,725	-5.62%
Three Rivers	4,254,359	4,254,359	4,254,359	4,146,439	-2.54%
Sub Total	136,900,582	136,900,582	136,900,582	129,782,043	-5.20%
Tax Refund Offset	250,000	250,000	250,000	250,000	0.00%
TOTAL	137,150,582	137,150,582	137,150,582	130,032,043	-5.19%
<u>State Technical College</u>					
Linn State Technical College	4,689,475	4,689,475	4,689,475	4,443,886	-5.24%
Tax Refund Offset	30,000	30,000	30,000	30,000	0.00%
TOTAL	4,719,475	4,719,475	4,719,475	4,473,886	-5.20%
<u>Four-year Institutions</u>					
Missouri Southern	19,211,851	19,211,851	19,211,851	20,279,632	5.56%
Missouri Western	19,716,110	19,716,110	19,716,110	19,811,466	0.48%
Central Missouri	55,597,699	55,597,699	55,597,699	52,686,023	-5.24%
Southeast Missouri	45,273,509	45,273,509	45,273,509	42,902,515	-5.24%
Southwest Missouri	80,294,626	80,294,626	80,294,626	77,480,887	-3.50%
Northwest Missouri	28,991,464	28,991,464	28,991,464	28,801,793	-0.65%
Truman State	42,108,894	42,108,894	42,108,894	39,903,632	-5.24%
Lincoln University	17,298,105	17,298,105	17,298,105	16,396,079	-5.21%
Harris-Stowe	10,133,324	10,133,324	10,133,324	9,602,637	-5.24%
University of Missouri	411,147,559	411,147,559	411,147,559	389,615,571	-5.24%
Sub Total	729,773,141	729,773,141	729,773,141	697,480,235	-4.43%
Tax Refund Offset	875,000	875,000	875,000	875,000	0.00%
TOTAL	730,648,141	730,648,141	730,648,141	698,355,235	-4.42%
ALL INSTITUTIONS	872,518,198	872,518,198	872,518,198	832,861,164	-4.55%

(Reflects Base Budget Adj. of \$476,794)

(Reflects Base Budget Adj. of \$139,192)

(Reflects Base Budget Adj. of \$2,336,377)
(Reflects Base Budget Adj. of \$1,526,364)

(Reflects Base Budget Adj. of \$1,944,835)
(Reflects Base Budget Adj. of \$1,857,189)

(Reflects Base Budget Adj. of \$5,426)

COORDINATING BOARD FOR HIGHER EDUCATION

TIME: 10:30 AM
Thursday
October 9, 2003

PLACE: Board Conference Room
Andrew Komar, Jr. Hall
Moberly Area Community
College

AGENDA

	<u>Tab</u>	<u>Action Item</u>	<u>Discussion Item</u>
I. Minutes of the June 5, 2003 CBHE Meeting		*	
II. Report of the Commissioner			
III. Report of the CBHE Presidential Advisory Committee			
IV. Higher Education FY 2005 Budget			
Overview			*
Performance Excellence Funding	A	*	
Recommendations for Public Four-year Institution Operating Appropriations	B	*	
Recommendations for Linn State Technical College Operating Appropriations	C	*	
Recommendations for Public Community College Operating Appropriations	D	*	
Recommendations for DHE Operating Appropriations	E	*	
Recommendations for State Student Financial Assistance Programs	F	*	
Recommendations for Public Four-year Institutions' and Linn State Technical College's Capital Improvements	G	*	
V. Strategic Planning Issues			
Promoting Quality and Performance Excellence: An Update on DHE's Strategic Planning	H		*
VI. Lake of the Ozarks Community College Proposal	I	*	
VII. PreK-16 Initiatives-Business Education Roundtable Recommendations	J	*	

	<u>Tab</u>	<u>Action Item</u>	<u>Discussion Item</u>
VIII. Associate Degree Delivery Mission Differentiation	K	*	
IX. Other Items			
X. Information Items			
2003 Governor's Conference on Higher Education	1		
Department of Higher Education Reorganization	2		
Distribution of Community College Funds	3		
Academic Program Actions	4		
Cycle 2 Improving Teacher Quality Grants	5		
Proprietary School Certification Actions and Reviews	6		
Update on the Committee on Transfer and Articulation	7		

Executive Session

RSMo 610.021(1) relating to "legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives and its attorneys."

RSMo 610.021(3) relating to "hiring, firing, disciplining or promoting of particular employees by a public governmental body when personal information about the employee is discussed or recorded."

RSMo 610.021 (11) relating to "specifications for competitive bidding."

Other matters that may be discussed in closed meetings, as set forth in RSMo 610.021.

COORDINATING BOARD FOR HIGHER EDUCATION
Minutes of Meeting
June 5, 2003

The Coordinating Board for Higher Education met at 11:00 a.m. on Thursday, June 5, 2003 at the Truman State Office Building in Jefferson City. Members present were:

Sandra Kauffman, Chair
Marie Carmichael, Vice Chair
Mary Joan Wood, Secretary
John Bass
Diana Bourisaw
Lowell Kruse
Robert Langdon
Kathryn Swan

Members absent from the meeting were:

Dudley Grove

Others attending included:

Quentin Wilson, Commissioner of Higher Education
Trudy Baker, Administrative Assistant for EPPIC
Becky Brennecke, Research Associate for Fiscal and Legislative Affairs
Debra Cheshier, Director of Educational Policy, Planning and Improvement Center (EPPIC)
Amy Fennewald, Public Information Specialist
Scott Giles, Director of Lender, Institutions and Student Services
Gina Hodge, Director of Information Technology
Donna Imhoff, Research Associate for Fiscal and Legislative Affairs
Chris Kelly, Director of Communications
Joe Martin, Associate Commissioner for Fiscal and Legislative Affairs
Jim Matchefts, Associate Commissioner and Director of Legal Affairs for MOSTARS/General Counsel for Coordinating Board for Higher Education
Natalie Miles, GEAR UP Coordinator
Brenda Miner, Administrative Assistant to the Commissioner
Robert Stein, Associate Commissioner for Academic Affairs and Planning
Laura Vedenhaupt, Administrative Assistant for Academic Affairs and Planning
Melissa Vineyard, Accountant
John Wittstruck, Senior Research Associate (EPPIC)
Wei Zhou, Senior Associate (EPPIC)

Chair Kauffman called the meeting to order. A list of guests attending the meeting is included as Attachment A.

Minutes of April 10, 2003 CBHE Meeting

Dr. Bourisaw moved **that the minutes of the April 10, 2003 board meeting be approved as printed.** Mr. Bass seconded the motion, and it passed unanimously.

Presentations of Proclamations and Recognitions

Chair Kauffman, on behalf of the board, presented two proclamations recognizing the contributions of Mary Findley and Adam Fischer, who provided service to postsecondary education in Missouri as members of the Coordinating Board for Higher Education. Jim Summers, Jr. was not present to receive his proclamation. The proclamations are included as Attachment B. Dr. Edwin B. Strong, Jr. retiring president of Culver-Stockton College was also recognized for his service to Missouri's students and stewardship to Missouri higher education.

Mrs. Findley expressed her thanks to all who contributed and assisted her while she served on the Coordinating Board. She commended everyone on their accomplishments and cooperative efforts to improve conditions for the citizens of Missouri through the higher education system. Mr. Fischer, likewise, expressed his thanks to everyone.

Report of the Commissioner

Commissioner Wilson stated that department staff continue to cope with the budget challenges of FY 2003 and FY 2004. The Commissioner, Joe Martin, Becky Brennecke, and Donna Imhoff have attended hearings and participated in discussions with legislators. A report on the status of the budget is provided in agenda item, FY 2004 Budget Update (Tab A).

The department has begun innovation efforts for performance improvement, which will be discussed in the near future. In response to those efforts, a customer assistance unit has been created from existing staff to provide the institutions, students, and public with valuable information on school specific issues, financial aid, and the department's efforts toward meeting the present challenges and improvement strategies. Cost reductions and efforts to achieve the most efficient methods possible are the incentives supporting higher education's improvement efforts.

While progress has been accomplished on the Community College Administrative Rule, new issues have developed. New petitions for the election may be required because of the timeframe involved. Every effort is being made to avoid delay of the election.

The Commissioner reported that he has delivered several commencement addresses in which he focused on the budget and other issues requiring improvement. He spoke with students about their public involvement and participation on issues that they can support to serve humanity, stressing that academic involvement and civic engagement does not end on graduation day.

Commissioner Wilson also met with the University of Missouri Board of Curators in May at their meeting in Kirkwood. Institutional governing boards represent a large sector of the state system of higher education and relationships with them contribute to establishing strong, forward thinking initiatives.

Commissioner Wilson attended the dedication of the Emerson Physical Education and Visual and Performing Arts Building at Harris-Stowe State College. The new structure provides an efficient, organized facility, which establishes a positive addition to that area of St. Louis.

He also attended the groundbreaking of Southeast Missouri State University's River Campus. This event illustrates that higher education continues to move forward during these times of tough fiscal constraints.

Report of the CBHE Presidential Advisory Committee

Dr. Henry Shannon, chancellor, St. Louis Community College, reported on four items that were discussed at the Presidential Advisory Committee meeting:

- FY 2004 Budget Update – Although the budget has not yet been finalized, the possibility of shortfalls, which higher education has experienced regularly during the last few years, still exists. Dr. Shannon commended the Coordinating Board, the Commissioner, and the staff for their work with the institutions to alleviate some of the burden of these shortfalls.

The revised budget offers Missouri a flat increase based on the federal budget cuts. Presidents and chancellors are hopeful that these funds can be enhanced, sparing them the repetition of previous financial burdens in the FY 2004 budget year. There was a restoration of the Bright Flight Scholarship and an additional \$12 million redistributed to higher education with the modification of the House budget.

- Final Summary of Legislation-First Regular Session, 92nd General Assembly – Some of the Truly Agreed To and Finally Passed legislation included the following:

SB 55 changes Missouri Southern State College to Missouri Southern State University-Joplin and provides related items. This bill awaits the Governor's signature.

SB 686 requires every public institution of higher education in Missouri to require all students who reside in on-campus housing to sign a written waiver stating that the institution has provided the student with detailed written information of the risks associated with meningococcal disease and the availability and effectiveness of the meningococcal vaccine.

SB 688 creates the Life Sciences Trust Fund and the Life Sciences Board.

HB 444 alters distribution of Gaming Commission Funds, which transfers \$4.5 million upfront to the Missouri College Guarantee Fund, including an additional transfer of \$500,000 from the Gaming Commission Fund to the College Guarantee Fund if the net proceeds exceed \$28 million.

- Commission on the Future of Higher Education – The commission will meet on June 17 in Kansas City. Presidents and chancellors discussed what the present and future might hold in terms of planning the role Missouri should play to make higher education systematically stronger. Planning is important to everyone in higher education and,

during critical times of budget shortfall, the challenge to become more effective and efficient remains. Presidents and chancellors will respond to the Commissioner's request and provide input to the commission both formally and informally.

- Results and Discussion of Identified Priority Outcome Measures – This work in progress has the support of presidents and chancellors and has been discussed with the Missouri Community College Association (MCCA) and the Council on Public Higher Education (COPHE). Again, presidents and chancellors will provide input as requested. The combination of faculty, staff, and the planning process working together will yield rewards and results for all sectors as a whole. As presidents and chancellors think about the higher education system as one entity and not segmented by institutions or by sectors, it will support and shape the future for higher education in the next decade.

Dr. Shannon applauded the audience and the presidents and chancellors, for their input and involvement over the last year and for the opportunity to participate in this healthy process of meeting and discussing their issues through the Presidential Advisory Committee.

Chair Kauffman, at the request of Dr. Richard Wallace, chancellor, University of Missouri-Columbia, shared with the board and attendees that the presidents and chancellors believe that the Commissioner had reported very accurately the discussions that had taken place in regard to the process of identifying priorities. Chair Kauffman encouraged attendees of the Presidential Advisory Committee to take advantage of the opportunity for direct exchange with and presentation of issues to the board during these sessions.

Mr. Kruse expressed admiration for the manner in which the board and staff had responded and led their organization through the difficult budget cuts with their exemplary conduct.

FY 2004 Budget Update

Commissioner Wilson stated that the institutions have undertaken creative and innovative efforts to survive the financial crisis and in their ability to participate fully in one of higher education's major efforts to communicate to the legislature the efficiencies they have initiated. The department and the institutions share this challenge to maintain operations and continue to make improvements, even though additional money is not available.

Mr. Martin stated that during the current Special Session, a new budget passed by the House Budget Committee, is being discussed on the House floor today. The coordination unit of administrative appropriations received an approximate 20 percent cut in the FY 2004 budget compared to the FY 2003 budget. Since FY 2001, there has been a 40 percent reduction in coordination administration, a 31 percent reduction in proprietary administration, and a 44 percent reduction in grants and scholarship administration. There has been a total administrative reduction of 40 percent, including a 36 percent reduction in FTE over the last three years. The department is reorganizing the work it performs by consolidating, refining, and processing for efficiency with the limited resources available.

The FY 2004 budget affected MOSTARS in reductions to the student aid programs. In the proposed budget, the previous 15 percent reduction to the Bright Flight Scholarship Program has been restored, providing full funding for those students who qualify for Bright Flight Scholarships. The Gallagher Program did not receive any reductions and is still unaffected by the new budget. The Missouri College Guarantee Program, Advantage Missouri Program, Public Service Officer Grant Program, Vietnam Veteran's Survivor Grant Program, and Margaret Ross Barnett Memorial Scholarship Program all received 15 percent reductions, which will result in fewer students receiving financial aid from those programs. The other appropriations for the student loan program are unchanged.

The institution appropriations report, which was distributed at the Presidential Advisory Committee meeting (included with the Presidential Advisory Committee minutes), explains how the proposed budget will restore about \$12 million in funding to the institutions. The University of Missouri-related appropriations were not reduced in the original "regular" session budget or in the proposed House budget.

Mr. Martin reiterated strongly that FY 2004 remains uncertain. July 1 is near and the amount of funds appropriated or how much of that appropriated amount will actually be available has not been decided. He asked the institutions to budget carefully by looking for the actual amounts that might be available for expenditures from the appropriated dollars.

Mr. Bass asked Mr. Martin's perspective on the effectiveness of higher education's interaction with the legislature's Budget and Appropriations Committees. Mr. Martin stated that higher education fared better this session in terms of being a part of the overall education agenda and being held in a more favorable light, given the large reductions received in FY 2002 and the somewhat disproportionate 10 percent core cuts in FY 2003. The board, staff, and institutions have succeeded in creating a common message that extols the virtues of economic development and the relationship between economic development and the institutions in contributing to a better educated society and workforce. Higher education effectively delivered those messages to the General Assembly and, because of the large reductions previously received, benefited in an overall budget impact – more a K-16 approach than a K-12 approach.

Dr. Bourisaw added that Commissioner Wilson, and Mr. Martin had evaluated those issues that increased the effectiveness of higher education's ability to address their relationship with the legislature. She hopes additional planning will further increase the effectiveness of this relationship in securing funds and decreasing further reductions.

Mr. Bass requested a profile on Bright Flight Scholarship recipients that would explain how these funds are distributed to help underrepresented students. Commissioner Wilson stated that several types of data on Bright Flight funding are available, including the names of institutions receiving aid, the race/ethnicity of the recipients, and the income distribution of recipients and that it would be provided to Mr. Bass.

Commissioner Wilson stated that from the beginning of this session to the end, the legislature wanted to know what higher education was doing to improve the financial situation, how improvements were being accomplished, and how higher education would change. The performance improvement work now taking place will be beneficial in future sessions when higher education has more quantifiable evidence that situations and conditions are changing.

This process will help yield the kind of information and results the legislature wants. Higher education must be proactive, making a case for higher education and its future. Dr. Bourisaw suggested that the legislature clarify their expectations so higher education can provide applicable information.

Chair Kauffman expressed the board's appreciation to the institutions and to the Department of Higher Education staff for a successful legislative year. Success was due to the leadership of presidents and chancellors and the leadership exhibited by staff in making higher education's issues known to the legislators in a way that preserves a good relationship with them.

Commissioner Wilson stated that the department and the board are responsible for providing an estimate of actual state funding available to the institutions. According to the Division of Budget and Planning, the primary impact was the revenue shortfall of \$284 million, which was due to the continuing slumping economy. Using an estimate of \$95 million for federal tax cuts, these two shortfalls total about \$380 million. Budget and Planning estimated the new revenue package to be \$37.8 million short along with a \$99.6 million shortage in the area of cost containment which created a \$516.4 million shortfall in the recently passed budget. The federal revenue that was distributed throughout the states had a one-time impact of \$375.6 million, creating a \$140.8 million shortfall in the budget passed by the legislature. These calculations were based on the Senate's and the Division of Budget and Planning's projections.

The House has not yet appropriated \$113 million in federal relief money or determined how much money will address the potential shortfall. It is difficult to know how much money is actually available for the institutions without a projection from the House, delaying the department's state-level responsibility of informing the institutions. However, the institutions may closely estimate how their budgets will be decreased next year, based on their past experience of withholdings, regardless of what has been appropriated.

Final Summary of Legislation-First Regular Session 92nd General Assembly

Mr. Martin stated that HB 444 affects the department most directly and provides additional funds for grants and scholarships. Revenue packages were introduced in the Special Session, which could result in additional funding for higher education if additional revenue becomes available. The referendum bill, SB 4, contains a tax increase on cigarettes and other tobacco products as well as an increase on gaming tax and admission fees for gaming boats, and levies a surcharge on taxpayers earning over \$200,000. A miscellaneous revenue bill closes some of the corporate tax loopholes, decouples Missouri from the federal tax system, provides sales tax refunds to purchasers, and includes the yacht tax loophole, an in lieu of tax fee assessed to large boats. SB 2 increases the gaming admission fee by one dollar and earmarks the entire dollar for higher education. These funds will be held in a separate account and will generate about \$50 million. Schools seeking name changes were included to garner support for the bill, i.e., Missouri Western State College, Missouri Southern State College, and Southwest Missouri State University.

Mr. Bass asked for commentary about the increase of revenue from casinos for education. Mr. Martin stated that when the lottery was first established, the money was designated for education. Due to much controversy, a constitutional amendment was added in the mid-90s, which specifically directed all gaming revenues towards public education. Currently, higher education

receives about \$75 million of lottery money in its budget, which is distributed to the College Guarantee Scholarship Program and the institutions. Gaming money from the gaming boats is not available to higher education as it is earmarked for K-12. Theoretically, that additional funding for K-12 should free up general revenue for other purposes such as higher education. If that would happen, it could provide an indirect benefit to higher education.

MOSTARS Update

Dr. Jim Matchefts introduced Mr. Scott Giles, director of Lender Institutions and Student Services for MOSTARS, who prepared the financial statistics for this agenda item.

Dr. Matchefts thanked Commissioner Wilson, Mr. Martin, and the staff of Fiscal and Legislative Affairs for their efforts on the success of HB 444, a remarkable achievement for the institutions. Individually, and through the Missouri Association of Student Financial Aid Personnel, presidents and chancellors made written requests for passage of this legislation. The extra \$500,000 for the need-based College Guarantee Program is an added bonus.

Dr. Matchefts presented information on the Guaranteed Student Loan Program at the April 10, 2003 board meeting. MOSTARS offers students loan benefits in conjunction with MOHELA, the Missouri Higher Education Loan Authority, which is the state designated secondary market. Dr. Matchefts provided detailed information on the benefits MOSTARS offers and the manner in which those benefits are delivered as follows:

The MOHELA flyer (Attachment C) describes what MOHELA, in conjunction with MOSTARS, offers student loan borrowers who are in repayment in terms of reduced interest rates. While the student is in school and their grace period is in deferment, the basic rate for a Stafford Student Loan is 2.82 percent as of July 1. When the student goes into repayment, an extra .6 percent is added to the interest rate, raising it to 3.42 percent.

MOHELA offers a rate relief program for borrowers who meet the following criteria: 1) their loan must be held and serviced by MOHELA; 2) it must be guaranteed by MOSTARS; and 3) they must sign up for auto-debit payments. Upon meeting these criteria, they receive a 2.5 percent rate reduction immediately upon repayment, giving them a rate of .92 percent beginning July 1.

PLUS Loans are parent loans for undergraduate students, whereby the parent is the borrower. The PLUS Loan rate, which is higher, is set by the federal government and is now at 4.22 percent. With the MOHELA/MOSTARS benefit of a 2.5 percent rate reduction, the rate is lowered to 1.72 percent.

The Carnahan Public Service Reward Program, provides peace officers, teachers, members of the National Guard, social workers, and nurses with an additional reduction of .17 percent, lowering their rate for a Stafford Loan to .75 percent.

An article in *The Wall Street Journal* (included in Attachment C) points out that MOHELA benefits are superior to those offered by other lenders and guarantors in savings for the borrower.

Students get a .75 percent rate with their loans held by MOHELA and guaranteed by MOSTARS, deriving the greatest benefit when their loan is guaranteed by MOSTARS. The preferred channel for loan guarantees for MOHELA is MOSTARS. Committed to serve the citizens of the State of Missouri, it is accountable to the state, and for this reason, provides greater benefits. By using the Missouri guarantee, students receive a 2.5 percent benefit rather than a 2.0 percent without the Missouri guarantee. The MOHELA benefit is primarily available due to their tax-exempt bond funding from the State of Missouri. The Department of Higher Education is responsible for approving their requests for tax-exempt bond funding, which comes through the Department of Economic Development. The loans that MOHELA holds and services are mainly disbursed through the MOSTARS Automatic Transfer of Money System (ATOM), which is free.

The Stafford Borrower Benefit Program Comparisons (Attachment D) explains the benefits and savings of the various loan programs. A borrower with the MOHELA benefit, the MOSTARS' guarantee, and the Carnahan benefit could save \$2,400 and pay off their loan 19 months early. The significance of these benefits will surely increase as student lending increases, as tuitions rise, and as state and federal aid is cut. It is conceivable that Congress will increase the loan limits when it reauthorizes the Higher Education Act next year.

Dr. Matchefts explained to the board that MOSTARS has an operating fund from which expenses are paid, and a separate federal fund which is the property of the federal government. There are profits in the operating fund, which supports a default prevention grant program that has, since 2001, awarded \$25,000 in annual grants to institutions that had historically high default rates. A larger amount was provided to the two historically Black institutions in Missouri. The money is available to all institutions that qualify regardless of whether they use MOSTARS guarantee. Training programs are established from this operating fund and the possibility of developing a MOSTARS or DHE grant program has been discussed.

Dr. Matchefts referred to the 2002 Guarantee Volume Statistics (Attachment E) which describes the volume of MOSTARS' guarantee services to the institutions of Missouri. MOSTARS guaranteed 42 percent of all student loans made in Missouri in FY 2002. The remaining 58 percent are guaranteed by other guarantors with 23 percent from Direct Lending, a program operated by the US Department of Education. The public two-year institutions had a volume of \$31 million in MOSTARS' guarantees, which represented 99.1 percent of their loan volume. Those institutions are not attractive to out-of-state guarantors because in some cases their default rates are higher, their tuition is low, and their loan balance is low. MOSTARS is the primary guarantor for most of the four-year institutions (excluding the University of Missouri System), guaranteeing \$110 million in loans last year. Central Missouri State University, Missouri Southern State College and Northwest Missouri State University are still in direct lending. The institutions select the guarantors and lenders they want to use. Missouri Southern participated in the department's default prevention grant program and received grants of \$25,000 during the last two years.

The University of Missouri-Kansas City left direct lending three years ago. MOSTARS guarantees their undergraduate volume with \$23.7 million, or 32.5 percent of their loan volume, but the National Student Loan Program of Nebraska guarantees their graduate volume. They have a school-as-lender agreement, whereby the school receives the line of credit from the lender, becomes the lender, and receives the benefits of a lender under the program.

The University of Missouri-St. Louis began their PLUS Loans with MOSTARS this year in the amount of \$418,000. This institution will move out of direct lending completely this fall, bringing their entire Stafford volume of \$44 million to MOSTARS.

The University of Missouri-Rolla moved their PLUS Loan volume out of direct lending in FY 2003, leaving the remaining volume of Stafford Loans in direct lending.

The University of Missouri-Columbia brought their PLUS Loan volume out of direct lending, using a selected group of 12 lenders, with MOSTARS being the guarantor for eleven of them. The MOSTARS staff assisted in making their transition from direct lending to the MOSTARS Guarantee Program as smooth as possible. It is conceivable that they will convert their Stafford volume to MOSTARS next year. MOSTARS is pleased with the direction in which the University of Missouri system is moving with respect to its loan volume.

The board recognized that institutions using MOSTARS as their guarantor can save their students significant amounts of money. In the past, many state institutions that relied upon the federal government for large amounts of their funding chose direct lending, which was promoted by the federal government. Direct lending was attractive, because it was a one-stop loan process and was believed to be administratively easier for institutions to provide than acquiring loans through the FFEL Program. The University of Indiana, one of the largest student loan volume systems, moved out of direct lending recently. In Missouri, their market share will be much less as the University of Missouri System transitions.

Mrs. Carmichael stated that it was unconscionable not to go to a guarantor where students receive the most benefits. While financial aid is so difficult to obtain, institutions should take advantage of MOHELA since the benefits would be far greater.

Mr. Bass stated that in the last three years, the MOHELA board has developed ways to attract more students in higher education and reward those different disciplines by reducing their loans. MOHELA's contributions back to the student population benefits the student, higher education, and the economy. The business community began using the statistics now available for making comparisons and sharing that information. Competitiveness in the financial market among the banking industry and lenders plays a major role as they attempt to keep their clientele.

Commissioner Wilson, Dr. Matchefts, and Mr. Giles visited with David Kemper of Commerce Bank and informed him of higher education's progress in customer satisfaction and other improvement efforts. The purpose of their visit was to solidify and improve the department's relationship with Commerce Bank, the department's largest lender. Chair Kauffman stated that as the department moves forward with building stronger relationships and conveying to the institutions the benefits to be received by future graduates, more changes will be evident. As the department focuses more on the customer and how it serves them, those customers will want their loans guaranteed by MOSTARS.

The federal government's fund is unlimited in that student loans are always available. The loan limits will probably be increased by reauthorization, since the last increase was in 1992. Mr. Giles stated that there are currently many lending limits. For dependent students, Stafford Loans range from \$2,625 for an incoming freshman, \$5,500 for juniors and seniors, and \$23,000

maximum for graduates. PLUS Loans are limited by the cost of education at each institution. The general feeling is that \$2,625 is no longer sufficient, particularly for students at a public or private four-year institution. There is a different set of limits for independent students.

The department's early awareness and outreach activities inform high school students throughout the state of MOHELA/MOSTARS loan rates. Staff attends and provides literature at financial aid nights offered at high schools statewide. The department's new focus on the customer is crucial to the loan program. Mr. Robert Langdon suggested adding guidance counselors to the outreach program's contacts.

Dr. Matchefts stated that the state database integration project attempts to consolidate the administration of the five primary state student aid programs into one consolidated database. Mr. Dan Peterson is conducting training for college and university financial aid administrators throughout the state. The project is on schedule for deployment in January 2004, with processing to begin in the 2004-2005 academic year.

Progress on the issue of scholarship-matching funds in the GEAR UP Program is being made. After discussions with the program officer at the U. S. Department of Education, the Department of Higher Education is optimistic that a solution to this situation is forthcoming. Dr. Matchefts and staff will focus on this complicated issue in the near future.

State Student Financial Assistance Programs, FY 2003

The following programs offer eligible Missouri residents a valuable financial resource for an opportunity to attend the postsecondary institution of their choice in the State of Missouri.

Advantage Missouri Program

Charles Gallagher Student Financial Assistance Program

Marguerite Ross Barnett Memorial Scholarship Program

Missouri College Guarantee Program

Missouri Higher Education Academic Scholarship Program (Bright Flight)

An annual report on the Student Financial Assistance Programs which describes the distribution of awards during FY 2003 among these five programs by number of students and dollars awarded to each institution is included in Tab C. Research is being conducted for MOSTARS in conjunction with the Educational Policy, Planning and Improvement Center (EPPIC) staff, which will describe where higher education's state student financial aid dollars are distributed in terms of race, socio-economic status, and geographic area. Awards are determined largely from the information students and parents provide on their applications for federal student financial aid. Demographic type information may be more limited regarding Bright Flight than for other programs. Dr. Bourisaw suggested that the origin of recipients, their high schools, or their districts might give a good indication of representation.

Mr. Langdon stated that it is important to know the number of Bright Flight students located in Missouri and how many students are retained. The objective of this program is to educate the highly intelligent students in this state, and to encourage them to remain in the state so they may impact Missouri's socioeconomic status.

Commission on the Future of Higher Education

Governor Holden addressed the commission and identified priority areas for its consideration at its first meeting on Monday, April 14, 2003, in Jefferson City. He charged the commission with developing recommendations to improve Missouri higher education by examining five major issue areas: preparation, participation, affordability, completion, and benefits. The focus of the recommendations is to insure that the system of higher education is efficient, effective, and fiscally responsible.

The presentation that Mr. Dennis Jones, president of the National Center for Higher Education Management Systems, made to the Commission on the Future of Higher Education at its first meeting is located behind Tab D. The Commissioner, Dr. Debra Cheshier, and others in the department provided information about the State of Missouri, its educational system, its economy, and the role of higher education in workforce development, for inclusion in Mr. Jones' presentation. The presentation began with the status of Missouri relative to other states with regard to the areas that were measured in *Measuring Up 2002*: preparation, participation, affordability, completion, benefits, and learning. There was a slight improvement in the areas of preparation and participation between 2000 and 2002.

The Student Pipeline chart (Attachment F), describes the transition points in the lives of students as they move through the educational delivery system. It describes how the states rank in loss of students as they transition from 9th grade through college graduation. Of 100 Missouri 9th-graders, 27 are lost between 9th-grade and high school graduation, 34 are lost between high school graduation and entering college, and 39 enter college. This is similar to the results of the nation as a whole, but it is far behind some of the top performing states with top educational delivery systems – high numbers of high school graduates and large numbers of students entering college. Of the 39 who enter college, Missouri loses 12 students between the freshman and sophomore year, leaving 27 students entering their sophomore year, and results in 18 graduates from college.

This transition data describes where the focus of higher education's energies, initiatives, and strategies should begin addressing the participation issues. Mr. Jones implied that no one policy fits every state, because each state requires different strategies to address their transition shortage. In Missouri, students' participation in, and completion of, college should be the focus of higher education's strategies.

The department is beginning to GEO-code its data to graphically describe where higher education should focus its energies in collaboration with schools to increase participation and academic success in the state's colleges and universities. The Commissioner referred to the chart found behind Tab D, Percent of 25- to 64-year Olds with a Bachelor's Degree or Higher (%) – 2000. This chart reveals that educational attainment of the adult population is non-existent in some areas of the state. Evidence confirms that there is a close association between a college or university's presence in a county and the educational attainment of the population of that county. Per capita income is highest in those counties whose citizens have high educational attainment. The chart entitled, Median Earnings by Degree-Level (\$) (Tab D), describes a labor force issue that explains the median earnings of individuals with certain levels of educational attainment. In terms of earnings in Missouri, there is not a significant difference in having some college versus having a high school diploma, but the monetary difference between graduating with a bachelor's

degree or a high school diploma is \$8,000. It is the degree completion that results in these earnings and this has been the focus of the Coordinating Board for Higher Education in recent years.

Mr. Kruse stated that looking toward the workforce needs of Missouri requires higher education to correlate the data collected and measurements established to the positions available in Missouri. The Commissioner, Dr. John Wittstruck, and others in the Department of Higher Education, worked with the workforce development agencies, departments, and programs, and have found that one of the real issues facing the employers and the state is the nature of the jobs available and the retention of skilled labor and workforce. Employers need to inform the population of the required educational attainment levels necessary to adequately perform the announced jobs, and possibly discuss salary adjustments. There are many meaningful jobs in the state that can be performed well with a high school diploma, but the demands placed on quality workers in high-technology fields, especially in the life sciences area, require more than a high school diploma. Mr. Kruse suggested the board be provided with such reports and analyses as soon as they are available to enable the board to work within that context and focus their energies toward that end.

Mr. Bass added that students should be encouraged, made aware of apprenticeships and entrepreneurship, and motivated toward those different industries. A disservice is made to industries and to students of K-12 and K-16, if that data is not made available and shared in student counseling and parental discussions.

Mr. Langdon stated that he hopes the group planning for the future of higher education realizes that higher education's goal of increasing the number of students, who not only attend college, but graduate from college is the same goal of the legislature. The materials presented today visually depict the areas of focus if Missouri intends to promote life sciences and intends to be a center of learning. It is evident that Missouri must increase the number of students it graduates from its institutions of higher education.

Mr. Kruse reiterated that the work accomplished with the Workforce Development group focuses on the creation of the kinds of jobs desired in Missouri. Higher education must prepare accordingly to fill these new positions.

One cooperative research project with the Department of Economic Development's Missouri Economic Research and Information Center (MERIC), is looking at the kinds of industries clustered in certain regions of the state, the kinds of occupations they require, the trained workforce residing in that area, and the kinds of training programs higher education provides in the region. One of the things that helps industry clusters compete economically is having access to a pool of qualified workers. Much of this is new and has not been undertaken nationwide. Hopefully, material will be available for conversations to take place within a year. Once there is an awareness of what is happening, it can be determined what kinds of industries are going to thrive, what occupational groups are needed, and what particular skills are required.

Quality and Performance Excellence – Departmental Performance Measures

The data in this agenda item was presented to the Commission on the Future of Higher Education by the National Center for Higher Education Management Systems. This information is

beneficial to the commission, to the department's planning efforts, and to the board in establishing new policies. In each of the groups that participated in the exercise of prioritizing specific outcome measures, the issue of the economic impact of students with degrees was stated many times, and may become part of the future measures as it is driven by the data in this agenda item.

Dr. Cheshier stated that in April, 42 specific outcome measures as identified on the basis of the measures in *Measuring Up 2000* and its studies were presented during an exercise with the board. Additional measures were added that tapped into specific areas that staff felt were lacking from the *Measuring Up 2000* focus. The most notable was an emphasis on how well higher education serves underserved populations. The board also suggested additional measures they felt were important. The 42 separate outcome measures are listed behind Tab E. All participants were asked to prioritize the top five outcome measures on which the department, the Coordinating Board, and the system of higher education should focus quality improvement efforts and strategic planning in the near future. The top six measures identified were:

- Increase need-based financial aid for both low- and middle-income families;
- Increase the percentage of the population aged 25-65 with a one- or two-year certificate or degree, or with a bachelor's degree;
- Increase the percentage of teacher education graduates meeting CBHE test goals;
- Increase completion rates among underserved students;
- Increase the number of institutions undertaking and assessing improvement initiatives, with measurable goals and targets; and
- Increase the percentage of employer workforce needs.

At the department level, planning sessions with each unit of the department will examine these priority outcome measures and refine the kinds of products, processes, and strategies contributing to those outcomes for which they have major participation. This work in progress will continue to be refined as each unit becomes involved in the process. The areas of primary participation by each unit is provided in this agenda item and will serve as a tool to define products, processes, and measures for improvement.

Some areas have baseline data, and some have proxy baseline data, which come from secondary national data sources. Targets will be established during the planning sessions with each unit and the board will receive reports at intervals determined by the product and the process. A scorecard will be developed. The board responded with the following:

- Separate workforce development into two segments: current needs and anticipated future needs to assist the board in knowing if existing needs are being met, or if the state is being positioned to attract more industries in the future.
- In what manner will data on workforce development needs be disseminated to elementary, secondary, and postsecondary schools? Dr. Cheshier stated that early awareness and outreach efforts would disseminate the information to middle and high school students.

- The Coordinating Board has influence over many issues. Hopefully, those will be separated, i.e., reporting data is not controlled by the board. Commissioner Wilson stated that the focus of the improvement plan is higher education's impact on the priority measures and higher education's improvement of the measures. This will be the source of the scorecard.

Report of the Nominating Committee and Election of Officers

Mr. Bass presented the report of the Nominating Committee to the board as follows:

Chair – Sandra Kauffman
Vice-Chair – Lowell Kruse
Secretary – Dudley Grove

Mr. Langdon moved **that the nominations cease, the nominative ballot become the elective ballot, and the elective ballot be adopted by acclamation.** Mrs. Swan seconded the motion, and it passed unanimously with the following vote:

Mr. Bass – yes
Dr. Bourisaw – yes
Mr. Langdon – yes
Chair Kauffman – yes
Mrs. Swan – yes
Mr. Kruse – yes
Mrs. Wood – yes
Mrs. Carmichael – yes

Chair Kauffman thanked the board for their confidence in providing her the opportunity to serve as chair of the Coordinating Board for Higher Education for another term. The board has been unbelievably supportive of the tasks undertaken during the last year. She thanked Ms. Carmichael, who served as vice-chair and Ms. Wood, who served as secretary during the past year.

Chair Kauffman requested Mr. Bass to continue serving as the department's representative to the MOHELA Board. Mr. Bass accepted, stating it has been a good experience and a good partnership has developed with MOSTARS and MOHELA sharing information concerning national and legislative changes.

The board received the following information items:

Update on Recent Audits

Mr. Martin distributed the Performance Audit, issued by the state auditor, regarding tuition levels and what drives tuition increases from the perspective of the state auditor, along with her recommendations for the institutions and for the department concerning these areas.

The MSLP Audit Report, an annual audit of the department's student loan program, was also distributed. This routine audit contained no significant findings and the department has responded to the suggestions of the state auditor, making revisions to procedures to address her concerns. Regarding the audit finding related to the cost allocation plan, the department uses appropriated general revenue funds, federal government funds, and loan operating funds to fund operating costs. The state auditor suggested that better record keeping on the implementation of the cost allocation plan be available during the next audit to provide information on how these funds are spent and if the spending is appropriate. The federal government conducted an audit on the department's allocation of federal funds and their preliminary findings determined that the audit was clean with no recommendations.

Chair Kauffman requested the status of the department's response to, and implementation of, recommendations made in the first audit, completed in September 2002. Mr. Martin stated that all of the findings of the first audit have been implemented, with the exception of one item – Advantage Missouri, including a tracking system of its recipients.

“Adult Learners and State Policy,” State Higher Education Executive Officers/Council for Adult and Experiential Learning Report

Dr. Wittstruck referred to pages two and three of “Adult Learners and State Policy,” behind Information Item 2, which described state policies that encouraged or discouraged adult participation, including working adult participation, in state systems of higher education. When the policy audit is conducted by the national collaborative, they will examine the department's policies that promote participation and those policies that discourage participation. In some cases, higher education has not encouraged adult and working adult participation as well as it could have in this state's system of higher education.

In conversations with the Missouri Training Employment Counsel and others, the AFL-CIO was present and they did not understand why the Coordinating Board did not recognize the importance of apprenticeship training programs. About five years ago, the board approved the first Associate of Applied Science degree in Apprenticeship Training at Mineral Area Community College. However, it was not promoted. There were possible weaknesses in the data collection systems which were difficult for the presidents and chancellors to understand.

Dr. Evelyn Jorgensen, president, Moberly Area Community College, provides continuing education in Edina consisting of short-term welding, computer, and professional education for nurses. Those types of courses are part of the state higher education delivery system and need to be recognized and promoted in conversations of higher education and workforce development. At the same time, role and delivery of non-degree credit instruction needs to be included in these discussions. It is appropriate to do this given the changing times, demands, and challenges facing employers of this state. Dr. Wittstruck encouraged the board to conduct their own audits as they read this report and decide if policies exist that encourage or discourage the conditions necessary for adult participation in workforce development.

Mr. Bass stated that many non-traditional students are participating in the proprietary system which is not included in most of the auditing of the different layers of higher education, i.e., apprenticeship. If higher education supports these programs, and it is believed that they are a part of the system, they should be included in discussions of the higher education community.

Update on Two- and Four-year Review of Associate Degree Delivery Policies

Dr. Robert Stein reported that since the April 2003 CBHE meeting, the joint subcommittee, composed of representatives from the Council on Public Higher Education (COPHE) and the Missouri Community College Association (MCCA), engaged in discussions with Linn State Technical College and incorporated Linn State into the draft agreement.

The joint subcommittee reaffirmed its agreement on all major issues regarding associate degree delivery, acknowledged the role of the independent and proprietary sectors in providing higher education opportunities, agreed upon the criteria and a process for the development of appendices, and agreed upon a process and a timeline to provide review of the joint subcommittee's recommendations by the appropriate higher education councils in order to meet the CBHE deadline for submission of August 1, 2003.

Dr. Stein advised the board that upon receipt of the recommendations made by the joint subcommittee, the Department of Higher Education staff would engage in a statewide review and discussion of those recommendations. Any policy changes should undergo the board's processes for extensive dialogue and analysis prior to presentation to the board for action in October 2003.

Academic Program Actions

Dr. Stein briefed the board on the academic program changes that have occurred since the April 10, 2003 meeting. Dr. Stein focused the board's attention on new programs offered by Font Bonne University and Park University.

Font Bonne University is offering one new program both on-campus and off-site (BA, Organizational Studies) and three current programs that will be offered off-site (BA, Business Administration; MM, Master of Management; and MBA, Business Administration). DHE review identified no concerns in the new course or the off-site courses.

Park University offers one new program (BSW, Bachelor of Social Work). The Department of Higher Education commented on potential duplication of effort. Avila University, Central Missouri State University, and Missouri Western State College offer fully accredited baccalaureate degree programs in social work. In addition, Central Missouri State University offers a Two-Plus-Two degree completion program at Metropolitan Community Colleges on the Longview campus.

Proprietary School Certification Actions and Reviews

Dr. Stein briefed the board on actions that have occurred since the April 10, 2003 meeting in the Proprietary School Certification Program, including school certifications, school exemptions, denials that occurred, pending actions, and other elements affecting the program, including institutions that have submitted applications, and applications that have been withdrawn.

Distribution of Community College Funds

Mr. Martin stated that within the last two months, the department distributed over \$21 million in state aid to community colleges, including \$21 million in capital appropriations from general revenue and lottery funds.

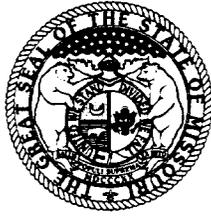
There being no further business to come before the board, Dr. Bourisaw moved **that the meeting recess until 10:30 a.m., June 6, at which time the board will go into executive session according to RSMo 610.021-3.** Mr. Langdon seconded the motion, and it passed unanimously with the following vote:

Mr. Bass - yes
Dr. Bourisaw - yes
Mr. Langdon - yes
Chair Kauffman - yes
Mrs. Swan - yes
Mr. Kruse - yes
Ms. Wood - yes
Mrs. Carmichael - yes

The meeting adjourned at 3:30 p.m.

Roster of Guests
Coordinating Board for Higher Education
June 5, 2003

Name	Affiliation
J. David Arnold	Missouri Western State College
Deborah Baldini	University of Missouri-St. Louis
Taylor Barnes	Northwest Missouri State University
Terry Barnes	Mineral Area College
Brent Bates	State Fair Community College
Constance Bowman	Harris-Stowe State College
Donald Claycomb	Linn State Technical College
John Cooper	Three Rivers Community College
Jeanie Crain	Missouri Western State College
Ken Dobbins	Southeast Missouri State University
Don Driemeier	University of Missouri-St. Louis
Kent Farnsworth	Crowder College
Celeste Ferguson	Harris-Stowe State College
Wayne Giles	Metropolitan Community Colleges
Henry Givens	Harris-Stowe State College
David Henson	Lincoln University
Karen Herzog	East Central College
Ellen Harshman	St. Louis University
Evelyn Jorgenson	Moberly Area Community College
John Keiser	Southwest Missouri State University
James Kellerman	Metropolitan Community Colleges
John McGuire	St. Charles County Community College
Michael McManis	Truman State University
Norman Myers	Ozarks Technical Community College
Walter Nolte	North Central Missouri College
Bobby Patton	Central Missouri State University
Henry Shannon	St. Louis Community College
Gary Thomas	University of Missouri-Rolla
Rochelle Tilghman	Harris-Stowe State College
Richard Wallace	University of Missouri-Columbia
Leigh Walton	University of Phoenix
Beth Wheeler	Missouri Western State College



**Office of the Governor
State of Missouri
Proclamation**

WHEREAS, a democratic government that possesses ideas and has no means of implementation is a government doomed to fail, and qualified professional individuals are needed to bridge the gap between ideas and everyday use; and

WHEREAS, the State of Missouri is deeply and immeasurably indebted to the members appointed to the Missouri Coordinating Board for Higher Education; and

WHEREAS, Mary Findley was appointed to the Missouri Coordinating Board for Higher Education in December 1993 and served until January 2003, and during that time, exhibited skill and dedication in the execution of her duties as Chair of the Coordinating Board for Higher Education from July 1995 to July 1996; and

WHEREAS, under the leadership of Mary Findley, the Coordinating Board for Higher Education undertook several initiatives that resulted in a new statewide plan for Missouri's higher education, known as the Blueprint for Missouri Higher Education, and approved the establishment of Linn State Technical College; and

WHEREAS, Mary Findley was instrumental in gaining consensus on the Funding for Results program with the legislature and the higher education community; and

WHEREAS, Mary Findley provided strong leadership during her tenure on the Coordinating Board for Higher Education and exhibited exemplary service to the citizens of Missouri; and

WHEREAS, Mary Findley has been a faithful steward of the public trust and demonstrated extraordinary service to Missouri's higher education; and

WHEREAS, Missouri state board members provide quality service and seldom receive recognition for that service:

NOW, THEREFORE, I, BOB HOLDEN, GOVERNOR OF THE STATE OF MISSOURI, do hereby recognize the outstanding efforts of

MARY FINDLEY

in service to the citizens of Missouri and congratulate her for her commitment to excellence in Missouri's system of higher education as a member of the Missouri Coordinating Board for Higher Education.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, this 30th day of May, 2003.

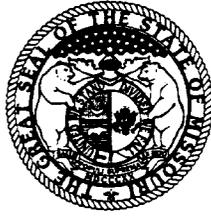


Governor

Attest:



Secretary of State



**Office of the Governor
State of Missouri
Proclamation**

WHEREAS, a democratic government that possesses ideas and has no means of implementation is a government doomed to fail; and

WHEREAS, qualified professional individuals are needed to bridge the gap between ideas and everyday use; and

WHEREAS, the State of Missouri is deeply and immeasurably indebted to the members appointed to the Missouri Coordinating Board for Higher Education; and

WHEREAS, Adam Fischer was appointed to the Missouri Coordinating Board for Higher Education in July 2001 and served until September 2002; and

WHEREAS, Adam Fischer exhibited skill in the execution of the office of Vice Chair of the Coordinating Board for Higher Education from July 2002 to September 2002; and

WHEREAS, Adam Fischer diligently served as a member of the Commissioner's Executive Search Committee of the Coordinating Board for Higher Education during the summer of 2002; and

WHEREAS, Adam Fischer exhibited exemplary service to the citizens of Missouri; and

WHEREAS, Adam Fischer has been a faithful steward of the public trust and demonstrated extraordinary service to Missouri's higher education; and

WHEREAS, Missouri state board members provide quality service and seldom receive recognition for that service:

NOW, THEREFORE, I, BOB HOLDEN, GOVERNOR OF THE STATE OF MISSOURI, do hereby recognize the outstanding efforts of

ADAM FISCHER

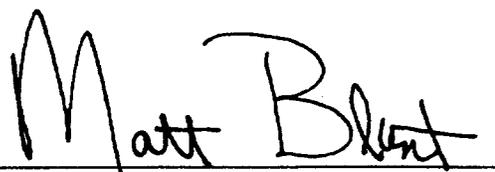
in service to the citizens of Missouri and congratulate him for his commitment to excellence in Missouri's system of higher education as a member of the Missouri Coordinating Board for Higher Education.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, this 30th day of May, 2003.

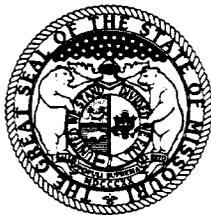


Governor

Attest:



Secretary of State



**Office of the Governor
State of Missouri
Proclamation**

WHEREAS, a democratic government that possesses ideas and has no means of implementation is a government doomed to fail; and

WHEREAS, qualified professional individuals are needed to bridge the gap between ideas and everyday use; and

WHEREAS, the State of Missouri is deeply and immeasurably indebted to the members appointed to the Missouri Coordinating Board for Higher Education; and

WHEREAS, James Summers, Jr. was appointed to the Missouri Coordinating Board for Higher Education in April 1998 and served until January 2003; and

WHEREAS, James Summers, Jr. served as Secretary to the Coordinating Board for Higher Education from July 2001 to July 2002; and

WHEREAS, James Summers, Jr. exhibited exemplary service to the citizens of Missouri; and

WHEREAS, James Summers, Jr. has been a faithful steward of the public trust and demonstrated extraordinary service to Missouri's higher education; and

WHEREAS, Missouri state board members provide quality service and seldom receive recognition for that service:

NOW, THEREFORE, I, BOB HOLDEN, GOVERNOR OF THE STATE OF MISSOURI, do hereby recognize the outstanding efforts of

JAMES SUMMERS, JR.

in service to the citizens of Missouri and congratulate him for his commitment to excellence in Missouri's system of higher education as a member of the Missouri Coordinating Board for Higher Education.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, this 30th day of May, 2003.



Governor

Attest:



Secretary of State



**Federal Student Loan
Interest Rates**
July 1, 2003 - June 30, 2004

<i>Stafford</i> In-school, grace and deferment	2.82%
<i>Stafford</i> in Repayment.....	3.42%
With MOHELA's Rate Reliefsm and Missouri Guarantee	0.92%
PLUS.....	4.22%
With MOHELA's Rate Reliefsm and Missouri Guarantee.....	1.72%
Stafford or PLUS With MOHELA's Carnahan Public Service Benefit	3.25%
And MOHELA's Rate Reliefsm and Missouri Guarantee.....	0.75%

www.mohela.com
1-800-666-4352
636-532-0600
TDD (636) 532-5189

MOHELA reserves the right to modify, expand, or discontinue these programs at any time without notice. Rates are applicable to loans first disbursed between 7/1/1998 to 6.30/2004 and are reviewed annually on July 1. *Rate Reliefsm* and Public Service Benefits are offered exclusively by MOHELA Lender-Partners and are available to all borrowers in repayment whose loans are owned by MOHELA and serviced at our Chesterfield, MO servicing center. These benefits are not applicable to loans placed in Consolidation. These benefits are not applicable to payment, but rather reduces the interest rate and results in more dollars being applied to the principal of the loan. MOHELA reserves the right to discontinue offering *Rate Reliefsm* benefits to any borrower whose account becomes more than 29 days delinquent or in the event an auto-debit is terminated for any reason. Loans guaranteed by guarantors other than the Missouri state guarantee agency may qualify for a reduced level of *Rate Reliefsm*.

August 27, 2002

THE WALL STREET JOURNAL

Student Loans 101: Ignore Schools' Advice

Colleges Tout 'Preferred Lenders' On Their Web Sites, but There Are Better Bargains; How to Find Them

By ANNE MARIE CHAKER

LIKE MANY COLLEGES these days, the University of Texas at Austin has put together a list of "preferred lenders" to guide students seeking student loans. No. 1 on the list: Nellie Mae, a lender in Braintree, Mass.

But does Nellie Mae have the best deal around? Hardly. Anyone who ignores the university's list can find far better packages, such as a \$15,000 loan from Mohela, a nonprofit lender in St. Louis, that could save a student about \$1,200 over the full term of the loan compared with Nellie Mae.

With families' college savings taking a hit in the stock-market slump, more students are seeking financial aid. But the preferred-lender lists posted on many universities' Web sites often don't

include anything close to the best deal.

The universities say the listings are intended as a convenience to students, to help them choose a lender that offers superior service over the decade-long life of the typical undergraduate loan, and they don't claim to list the best bargains. But their criteria for picking the lenders are murky.

Part of the reason Nellie Mae landed on the University of Texas' list, says Larry Burt, director of financial aid, is that it gave his department free software. He says he "thought it was appropriate."

Students clearly rely on the lists. Financial-aid offices at the University of Texas and the University of Cincinnati, for instance, say that more than 90% of students select lenders that appear on their lists.

But a review of the lists nationwide shows that college-recommended lenders rarely offer the best deals. Seeking loans from lenders that weren't on the preferred lists, in fact, can net big savings, from about \$1,000 for a typical undergraduate to more than \$18,000 for a graduate student, according to Versura Inc. The company, an independent financial-aid consultant in Washington, analyzed data at The Wall Street Jour-

Please Turn to Page D3, Column 3

PERSONAL FINANCE

Beyond Schools' Loan Advice

Continued From Page D1
 nal's request using publicly available figures.
 "It's important to understand that colleges don't do the due diligence" in finding the best deals for students, says Kalman Chan, president of Campus Consultants Inc. in New York.

A Starting Point

As a result, students ought to consider the lists as a starting point in their research, but they should also shop around, particularly for nonprofit lenders.

ers. It all takes some digging. Student loans are federally guaranteed, and they carry the same rate, initially. But where there is some leeway is in discounts on the loans' interest rates and other expenses.

While some lenders take a basic approach of simply offering a one-time cash-back incentive to students who make a certain number of payments on time, others can offer larger incentives. For instance, ALL Student Loan Group and Mohela both offer to take two percentage points off the interest rate, while Chela Financial offers up to 1.75 points off the repayment interest rate.

"As a nonprofit, we don't pay taxes or dividends, and we have a lower target profit margin" than some of the bigger, for-profit lenders, says Ray Bayer, a senior vice president at Mohela. "We can do just a little bit better than break-even and we're still satisfied."

Students may have to hunt around for lending outfits that aren't household names. One of the recommended lenders for the University of Massachusetts-Boston is Bank of America. But by the time you factor in reduced origination fees and other discounts, the same loan

office, which has to deal with Sallie Mae, now a private company formerly known as SLM Corp., to get its tuition payments.

Having to deal with so many lenders, servicing agents and state guarantors can be time-consuming and costly for school administrators. It's "not always about the rate," says Dallas Martin, president of the National Association of Student Financial Aid Administrators, in Washington. "Sometimes lenders offer better service," he says. "They may turn around the paperwork more quickly."

from the lesser-known Massachusetts Educational Financing Authority could run you about \$800 less.

How to Make the List

How do lenders get preferred status in the first place? Sometimes they appear on the lists after providing services to the financial-aid office. The University of California, Los Angeles, lists only lenders that work through Sallie Mae, the former quasigovernment organization once known as Student Loan Marketing Association.

That's good for the financial-aid of-

Financial Aid 101

Colleges offer their own "preferred lenders," but better deals can be found. Here are some, and the total costs, on a \$15,000 loan over a 10-year term.

SCHOOL	LENDERS PROVIDED ON WEB SITE	BETTER LOAN DEALS
University of Massachusetts, Boston	Nellie Mae	Access Group... \$17,097
	Bank of America	MEFA
	National Education	MOHELA
University of California, Los Angeles	Bank One	CHELA
	Chase	ALL
	Nellie Mae	MOHELA
University of Notre Dame	Nellie Mae	Access Group.. \$17,097
	Citibank	borrowsmart-trust.com
	Wells Fargo	MOHELA
Syracuse University	Chase	Access Group.. \$17,097
	HSBC	borrowsmart-trust.com
	Citibank	MOHELA

Notes: Among other factors, calculations are based on current interest rates of 3.48% while in-school; 4.09% after graduation. Source: NetScout, Inc.

Stafford Borrower Benefit Program Comparisons

Programs	Principal Balance	Rate Reduction	Interest Rate	Monthly Payment	Total Interest Paid	Cumulative Savings	Total Monthly Payments
Statutory Maximum Rates							
No benefits (Direct Lending & other FFELP)	\$ 16,100.00	0.00%	8.25%	\$ 197.47	\$ 7,596.49	\$ -	120
0% origination fees	\$ 16,100.00	0.00%	8.25%	\$ 197.47	\$ 7,596.49	\$ 483.00	120
48 on-time monthly payments with .25% auto debit	\$ 16,100.00	0.25% / 2.25%	8.00% / 6.00%	\$ 197.47	\$ 6,332.83	\$ 1,263.66	114
MOHELA w/ other guarantor	\$ 16,100.00	2.00%	6.25%	\$ 197.47	\$ 4,912.27	\$ 2,684.22	107
MOHELA w/ MOSTARS guarantee	\$ 16,100.00	2.50%	5.75%	\$ 197.47	\$ 4,364.86	\$ 3,231.63	104
MOHELA w/ MOSTARS guarantee and Carnahan benefit	\$ 16,100.00	4.25%	4.00%	\$ 197.47	\$ 2,719.06	\$ 4,877.43	96
Rates Beginning July 1, 2003 through June 30, 2004							
No benefits (Direct Lending & other FFELP)	\$ 16,100.00	0.00%	3.42%	\$ 158.60	\$ 2,932.43	\$ -	120
0% origination fees	\$ 16,100.00	0.00%	3.42%	\$ 158.60	\$ 2,932.43	\$ 483.00	120
48 on-time monthly payments with .25% auto debit	\$ 16,100.00	0.25% / 2.25%	3.17% / 1.17%	\$ 158.60	\$ 2,018.03	\$ 914.40	115
MOHELA w/ other guarantor	\$ 16,100.00	2.00%	1.42%	\$ 158.60	\$ 1,062.32	\$ 1,870.11	109
MOHELA w/ MOSTARS guarantee	\$ 16,100.00	2.50%	0.92%	\$ 158.60	\$ 667.47	\$ 2,264.96	106
MOHELA w/ MOSTARS guarantee and Carnahan benefit	\$ 16,100.00	2.67%	0.75%	\$ 158.60	\$ 538.63	\$ 2,393.80	105

Notes-

All rates are in-repayment rates for Stafford Loans originated after 7/1/1998.

\$16,100 represents the average cumulative Federal student loan indebtedness for students graduating from a public 4-year institution in 1999-2000, according to the National Center for Education Statistics.

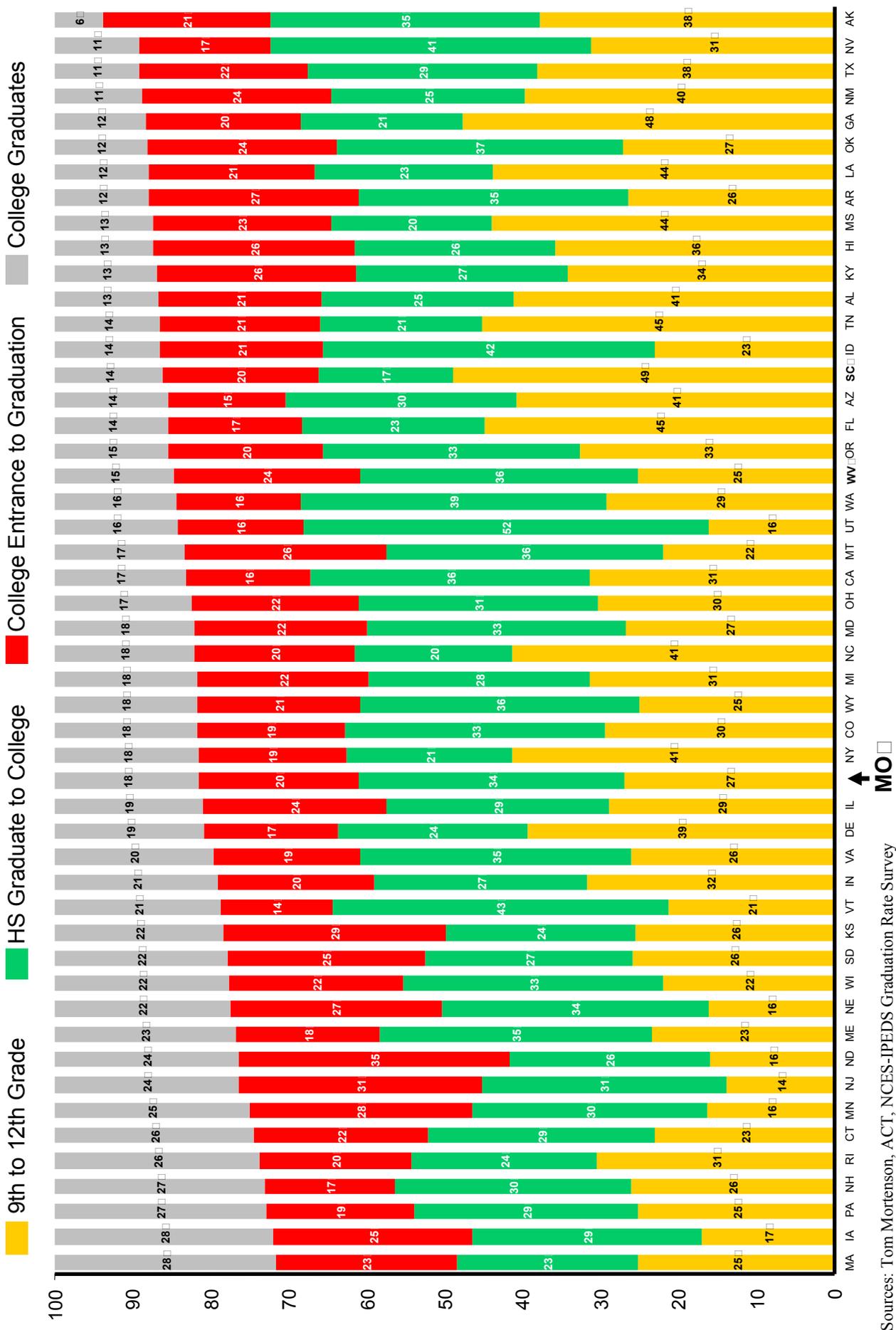
Federal Fiscal Year 2002 Guaranty Volume Statistics

State Public 2-Year Institutions Using MOSTARS Guarantee Services			
	MOSTARS	Total	% Guaranteed by MOSTARS
Crowder College	\$ 1,153,957	\$ 1,153,957	100.0%
East Central College	\$ 1,340,672	\$ 1,340,672	100.0%
Jefferson College	\$ 1,968,435	\$ 1,968,435	100.0%
Linn State Technical College	\$ 3,260,595	\$ 3,289,620	99.1%
Metropolitan Community Colleges (4)	\$ 2,241,850	\$ 2,244,365	99.9%
Mineral Area College	\$ 2,427,236	\$ 2,427,236	100.0%
Moberly Area Community College	\$ 2,106,831	\$ 2,139,721	98.5%
North Central Missouri College	\$ 1,099,143	\$ 1,116,965	98.4%
Ozarks Technical Community College	\$ 4,430,055	\$ 4,435,423	99.9%
Southwest Missouri State-West Plains	\$ 1,425,370	\$ 1,425,370	100.0%
St. Charles County Community College	\$ 2,176,748	\$ 2,176,748	100.0%
St. Louis Community Colleges (3)	\$ 4,383,848	\$ 4,555,449	96.2%
State Fair Community College	\$ 1,718,317	\$ 1,724,592	99.6%
Three Rivers Community College	\$ 1,081,352	\$ 1,081,352	100.0%
Sub-total	\$ 30,814,409	\$ 31,079,905	99.1%
State 4-Year Institutions Using MOSTARS Guarantee Services (Excluding UM System)			
	MOSTARS	Total	% Guaranteed by MOSTARS
Harris-Stowe State College	\$ 2,070,849	\$ 2,092,661	99.0%
Lincoln University	\$ 6,278,494	\$ 6,298,665	99.7%
Missouri Western State College	\$ 13,158,336	\$ 13,356,954	98.5%
Southeast Missouri State University	\$ 22,660,713	\$ 22,741,959	99.6%
Southwest Missouri State University	\$ 54,660,839	\$ 55,608,944	98.3%
Truman State University	\$ 9,405,685	\$ 10,065,895	93.4%
Sub-total	\$ 108,234,916	\$ 110,165,078	98.2%
State 4-Year Institutions Using Federal Direct Lending Program (Excluding UM System)			
	MOSTARS	Total	% Guaranteed by MOSTARS
Central Missouri State University	\$ -	\$ 28,585,367	0.0%
Missouri Southern State College	\$ -	\$ 15,053,944	0.0%
Northwest Missouri State University	\$ -	\$ 18,526,678	0.0%
Sub-total	\$ -	\$ 62,165,989	0.0%
UM System			
	MOSTARS	Total	% Guaranteed by MOSTARS
University of Missouri - Kansas City /1	\$ 23,780,066	\$ 73,243,279	32.5%
University of Missouri - St. Louis /2	\$ 418,083	\$ 44,200,561	0.9%
University of Missouri - Rolla /3	\$ 735,154	\$ 12,603,292	5.8%
University of Missouri - Columbia /4	\$ -	\$ 98,668,786	0.0%
Sub-total	\$ 24,933,303	\$ 228,715,918	10.9%
Total	\$ 163,982,628	\$ 432,126,890	37.9%

- Notes:
- 1 - UMKC graduate school volume is guaranteed by the National Student Loan Program in Nebraska, under a School-as-Lender Agreement with NelNet.
 - 2 - UMSL PLUS loan volume began with MOSTARS in SFY03; Stafford loans will move out of direct lending in SFY04; MOSTARS will be the primary guarantor.
 - 3 - UMR PLUS loan volume began with MOSTARS in SFY03; Stafford loans will remain in direct lending at this time.
 - 4 - UMC PLUS loan volume will move out of direct lending in SFY04; MOSTARS will be the primary guarantor; Stafford loans will remain in direct lending at this time.

Student Pipeline

Loss at each Stage of Transition



Sources: Tom Mortenson, ACT, NCES-IPEDS Graduation Rate Survey

MO

AGENDA ITEM SUMMARY

AGENDA ITEM

Performance Excellence Funding
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

In recent years, Missouri's commitment to use funding to both invest in and recognize performance on state goals has been restricted because of the state's fiscal challenges. The idea of connecting the budget process to performance remains a strategy that holds great potential. The intent of this agenda item is to begin a planning process to reestablish a performance-based funding system in the higher education budget, despite limited resources.

Background

Since the early 1990s, Missouri has embraced the concept that funding should be used to promote and acknowledge results. The Funding for Results (FFR) process was an early model of similar efforts nationwide. Standardized indicators were used both as an accountability system and as a trigger for funding recommendations based on results. While FFR was not a perfect system, Missouri's educational leadership embraced the concept that limited funding should be used to promote and acknowledge results. The power of money is undeniable. Money gets attention and the system by which it is distributed can change behavior.

In his recent book *Honoring the Trust*, William Massy (2003) reinforces the point that "the budget process can be a powerful instrument for improvement." Linking resource allocation to performance not only launches a dialogue about what is important, but also it helps to establish priorities for improvement initiatives.

The Governor and several legislators have stressed the importance of quality and performance within Missouri's higher education system. The importance of engaging in performance-based budgeting was reinforced by the General Assembly and the Governor in SB 299, which became effective August 28, 2003. This new law provides that the state Budget Director must develop and implement a performance-based budgeting system. In addition, a program evaluation is required of each department's performance-based budgeting process at least once every five years.

Coordinating Board for Higher Education
October 9, 2003

Conclusions

A commitment to implement some form of performance-based budgeting will demonstrate to the executive and legislative branches and to the public that Missouri's higher education leaders support the promotion and acknowledgement of results through the appropriations process.

The adoption by the CBHE and DHE of the Malcolm Baldrige quality principles as a management tool provides an important context for utilizing a portion of the budget to fund results. Without an emphasis and commitment to quality, performance funding systems have the potential to buy compliance rather than systemic improvements.

Linking a portion of the FY 2005 budget to funding performance associated with state priorities will demonstrate a collective commitment by Missouri's system of higher education to enhance educational quality throughout the state.

A new initiative, Performance Excellence Funding, should be designed utilizing a small percentage of the FY 2005 budget request. In reintroducing the concept of performance-based funding, Missouri should build on lessons learned from its experience with FFR. Any new initiative on Performance Excellence Funding should utilize consensus through dialogue with institutions, legislators and other policy makers to ensure collective responsibility for this initiative.

To implement a new Performance Excellence Initiative in FY 2005, a decision about the amount of funding should be made by December so that it can be included as an addendum to the Board's budget request sent to the Governor and General Assembly. Between December 2003 and April 2004, education leaders and policy makers will have an opportunity to finalize specific components of a Performance Excellence Funding model based on experience and current feedback.

STATUTORY REFERENCE

Section 163.191, RSMo, CBHE statutory responsibility to develop an appropriations request for community colleges

Sections 173.005.2(2), 173.030(3), and 173.040(5), RSMo, CBHE statutory responsibility to establish guidelines for appropriations requests and to recommend a budget for each state-supported college or university

Section 173.005.2(7), RSMo, CBHE statutory responsibility for gathering data from state-supported institutions

RECOMMENDED ACTION

It is recommended that the Coordinating Board acknowledge that performance-based budgeting is a viable and desirable strategy to promote quality and performance excellence.

It is further recommended that the Board direct the Commissioner to discuss options with higher education leaders, legislators, and the executive branch to develop a new Performance Excellence Funding Initiative that would begin with the FY 2005 appropriation. A staff recommendation concerning the amount of Performance Excellence Funding to be included as an addendum to the Board's FY 2005 budget request should be presented at the CBHE's December 4, 2003 meeting. In addition, recommendations concerning a proposed set of criteria and processes for distribution of Performance Excellence Funding should be developed for review and comment.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Recommendations for Public Four-year Institution Operating Appropriations
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

The request for each item is the FY 2004 core appropriation amount. The amounts recommended for FY 2005 may include a Performance Excellence Funding component based on recommendations contained in Tab A of this board book.

A. Core State Appropriations

Core Appropriation \$697,250,724

	<u>FY 2004 Core Budget</u>	<u>FY 2005 CBHE Recommendation</u>
Missouri Southern	20,373,791	20,373,791
Missouri Western	20,084,703	20,084,703
Central Missouri	52,567,478	52,567,478
Southeast Missouri	42,805,983	42,805,983
Southwest Missouri	77,757,193	77,757,193
Northwest Missouri	29,167,319	29,167,319
Truman State	39,813,848	39,813,848
Lincoln University	16,360,445	16,360,445
Harris-Stowe	9,581,032	9,581,032
<u>University of Missouri</u>	<u>388,738,932</u>	<u>388,738,932</u>
TOTAL	697,250,724	697,250,724

B. Tax Refund Offset

Core Appropriation \$875,000

The public four-year institutions participate in the tax refund offset program. Under the program, they may intercept Missouri income tax refunds of students who have unpaid debts at the institution.

C. University of Missouri Related Programs

In addition to its general operating budget, the University of Missouri has responsibility for the administration of several separate programs.

	<u>Core Appropriation</u>
Missouri Institute of Mental Health	\$2,299,850
State Historical Society	\$922,601
Alzheimer's Program	\$227,375
Missouri Rehabilitation Center	\$10,116,691
Hospitals and Clinics*	\$13,135,457
Missouri Kidney Program	\$4,016,774
Missouri On-line Bibliographic Information User System (MOBIUS)	\$649,539
Missouri Research and Education Network (MOREnet)	\$15,004,401
Spinal Cord Injury Fund	\$375,000
State Seminary Fund Investments in:	
Government Securities	\$1,500,000
Investment Earnings from Principal	\$250,000

* Beginning in FY 2005, the Ellis Fischel Cancer Center appropriation is combined with Hospitals and Clinics

STATUTORY REFERENCE

Chapter 173, RSMo, and Chapter 33.210 – 33.290, RSMo

RECOMMENDED ACTION

It is recommended the Board approve the FY 2005 four-year institution appropriation request including University of Missouri Related Programs, as presented, for submission to the Governor and General Assembly.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Recommendations for Linn State Technical College Operating Appropriations
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

The request for each item is the FY 2004 core appropriation amount. The amounts recommended for FY 2005 may include a Performance Excellence Funding component based on recommendations contained in Tab A of this board book.

A. Core State Appropriations

Core Appropriation	\$4,433,887
--------------------	-------------

B. Tax Refund Offset

Core Appropriation	\$30,000
--------------------	----------

Linn State Technical College participates in the tax refund offset program. Under the program, it may intercept Missouri income tax refunds of students who have unpaid debts at the institution.

STATUTORY REFERENCE

Chapter 173 RSMo, and Chapter 33.210 – 33.290 RSMo

RECOMMENDED ACTION

It is recommended the Board approve the FY 2005 Linn State Technical College appropriation request, as presented, for submission to the Governor and General Assembly.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Recommendations for Public Community College Operating Appropriations
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

The request for each item is the FY 2004 core appropriation amount. The amounts recommended for FY 2005 may include a Performance Excellence Funding component based on recommendations contained in Tab A of this board book.

A. Core State Appropriations

Core Appropriation \$130,021,553

It is further recommended that beginning in FY 2005, all community college core appropriation line items consisting of state aid, workforce preparation, out of district courses, and Regional Technical Education Initiatives (RTEC) be consolidated as one core appropriation line item.

	<u>FY 2004 Core Budget</u>	<u>FY 2005 CBHE Recommendation</u>
Crowder	4,222,071	4,222,071
East Central	5,128,536	5,128,536
Jefferson	7,524,940	7,524,940
Metropolitan	31,262,271	31,262,271
Mineral Area	4,930,197	4,930,197
Moberly	4,705,113	4,705,113
North Central	2,433,790	2,433,790
Ozark Technical	8,955,085	8,955,085
St. Charles	6,525,711	6,525,711
St. Louis	44,952,394	44,952,394
State Fair	5,227,354	5,227,354
<u>Three Rivers</u>	<u>4,154,091</u>	<u>4,154,091</u>
TOTAL	130,021,553	130,021,553

B. Tax Refund Offset

Core Appropriation

\$250,000

Several community colleges participate in the tax refund offset program. Under the program, they may intercept Missouri income tax refunds of students who have unpaid debts at the institution.

STATUTORY REFERENCE

CBHE authority under Section 163.191, RSMo, relating to state aid to community colleges and the State Plan for Postsecondary Technical Education (Sections 173.637 and 178. 637, RSMo).

RECOMMENDED ACTION

It is recommended the Board approve the FY 2005 community college appropriation request, as presented, for submission to the Governor and the General Assembly.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Recommendations for DHE Operating Appropriations
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

Staff recommendations for the FY 2005 internal operating appropriation request for the Department of Higher Education are included in this section.

A. Coordination

1. Administration

Core Appropriation \$789,095 (14.35 FTE)

2. Program Distribution

a. Midwest Higher Education Commission

Core Appropriation \$82,500

Section 173.700, RSMo, authorizes Missouri's membership in the Midwestern Higher Education Commission (MHEC), naming the CBHE as the administrative agent. All of Missouri's public two- and four-year institutions, and numerous independent institutions use the services of MHEC. The state's two largest community colleges take advantage of the pooled purchasing opportunities through MHEC. As a member of MHEC, Missouri participates in the Midwest Student Exchange Program which became operational during the 1994-95 academic year in most member states. This program allows Missouri residents to enroll at participating out-of-state institutions at 150 percent of the resident student tuition rates. Other programs include joint purchasing of natural gas and property insurance through pooled arrangements involving member institutions.

b. State Anatomical Board

Core Appropriation \$3,069

Section 173.005, RSMo, transferred the State Anatomical Board to the Department of Higher Education. The responsibilities of the State Anatomical Board are outlined in Chapter 183, RSMo. The CBHE acts as the fiscal agent for the State Anatomical Board, which distributes unclaimed or donated human bodies to mental, dental, chiropractic and osteopathic programs for use by students in their training. Expenditures consist of fixed stipends paid to officers of the State Anatomical Board, printing costs, and per capita stipends paid to doctors serving as local secretaries who

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have responsibility for the receipt and distribution of bodies. These expenditures are partially offset by an assessment of 50 cents per student from member institutions.

B. Improving Teacher Quality State Grants (formerly known as the Eisenhower Program)

Core Appropriation \$1,775,225 (1 FTE)

The core request of \$1,775,225 in federal funds comes from a U.S. Department of Education grant to enhance teacher education in mathematics and science, as authorized by Title II of the Elementary and Secondary Education Act. These funds are allocated to projects designed by higher education institutions and qualifying nonprofit organizations to improve mathematics and science education in grades K-12. In FY 2005, the CBHE will utilize 1.0 FTE for this program.

C. Proprietary School Regulation

Core Appropriation \$155,622 (2.6 FTE)
Proprietary School Bond \$100,000

A key responsibility of the CBHE is to certify and monitor proprietary schools, including out of state institutions offering programs in Missouri. These expenses from the General Revenue Fund are partially offset by the collection of certification fees that are deposited into general revenue.

Section 173.612, RSMo, requires each proprietary school to file a security deposit with the CBHE covering the school and its agents in order to indemnify any student, enrollee, parent, guardian or sponsor of a student or enrollee who suffers loss or damage because of certain actions of the school or for failure to deposit student records in an acceptable manner upon school closure. The CBHE holds a security deposit from each proprietary school ranging from a minimum of \$5,000 to a maximum of \$25,000. This appropriation is necessary to ensure the use of those monies for indemnification purposes in cases of malfeasance by a proprietary school.

D. Federal and Donated Funds

Core Appropriation \$2,000,000

This appropriation provides CBHE with spending authority for any private or federal grants received by the agency.

E. Financial Assistance and Outreach

1. Administration

Core Appropriation \$275,951 (4.95 FTE)

a. GEAR UP Early Awareness and Outreach

i. Administration

Core Appropriation \$777,040 (5.5 FTE)

ii. Program Distribution

Core Appropriation \$897,572

In September 2000, the Coordinating Board for Higher Education was notified that it received a five-year federal GEAR UP grant of \$7,455,027 covering the period September 15, 2000 through September 14, 2005. The purpose of the grant is to increase the educational attainment of low-income middle and high school students by helping them complete high school, prepare for, and enroll in college. A request for continued authority for GEAR UP is included in this year's budget request. Continued funding of the grant is dependent upon successfully raising the educational attainment level and college participation rates among the youth participating in the GEAR UP grant program.

F. Missouri DHE Student Loan Program (Federal Funds)

1. Administration

Core Appropriation \$12,183,607 (56.83 FTE)

a. E-Government

i. Administration

Core Appropriation \$431,808 (4.5 FTE)

2. Guaranty Functions

a. Student Loan Revolving Fund

Core Appropriation \$85,000,000

Section 173.120, RSMo, establishes a revolving fund used solely to pay claims and administer the loan program. An appropriation granting authority to spend up to \$85,000,000 is required so that Guaranty Student Loan Program funds may be accessed. Disbursements include the purchase of defaulted loans, repurchases of defaulted loans by lenders, payments of accrued interest on defaulted loans, and federal reinsurance payments.

b. Collection Agency Invoicing

Core Appropriation \$4,000,000

The department requires that all collection agencies transmit all collections to DHE and then submit invoices for their fees. Continued authority in the amount of \$4,000,000 is needed for this purpose.

c. Federal 48-hour Rule Reimbursement

Core Appropriation \$500,000

A U.S. Department of Education regulation requires state guaranty agencies to deposit all revenues collected from defaulted borrowers into the state's federal fund within 48 hours of receipt. Authority in the amount of \$500,000 is needed to meet these requirements.

d. Transfer Appropriations

Core Appropriations \$9,000,001

Federal law requires certain transfers between the Guaranty agency operating fund and the federal student loan reserve fund. These appropriations provide the necessary authority to meet these requirements.

e. Tax Refund Offsets

Core Appropriation \$250,000

Section 143.781, RSMo, gives state agencies the authority to make state tax refund offsets against debts owed to the state agency, including defaulted guaranteed student loans.

G. FY04 Missouri DHE Student Loan Program Supplemental Request

1. Administration

Core Appropriation \$500,000

STATUTORY REFERENCE

Authority granted under Sections 173.005, RSMo, through 173.750 inclusive.

RECOMMENDED ACTION

It is recommended the Board approve the CBHE FY 2005 internal appropriation request, as presented, for submission to the Governor and General Assembly.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Recommendations for State Student Financial Assistance Programs
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

Staff recommendations for the FY 2005 Student Financial Assistance Programs appropriations are included in this section. The Department of Higher Education administers seven state grants and scholarships. The request for each item is the FY 2004 core appropriation amount, with the exception of the Advantage Missouri Program which is being phased out.

1. Program Distribution

a. Academic Scholarship Program (Bright Flight)

Core Appropriation \$15,787,000

The Missouri Higher Education Academic Scholarship Program (Bright Flight) provides scholarship benefits to students who have a composite score in the top three percent of all Missouri students taking either the American College Testing (ACT) Program Assessment or the Scholastic Aptitude Test (SAT) during their senior year of high school. The scholarship award is \$2,000 per academic year (\$1,000 for each semester of enrollment) until the first bachelor's degree is received, or ten semesters, whichever occurs first. This program has proved very successful in persuading many of Missouri's best and brightest high school scholars to remain in Missouri for their higher education experience.

b. Charles Gallagher Student Financial Assistance Program

Core Appropriation \$16,628,436

The Charles Gallagher Student Financial Assistance Program provides assistance to Missouri residents based on financial needs as determined by the Federal Needs Analysis Formula considering the cost of attendance at the institution where the applicant is enrolled. More than 76 percent of the funds in this program are awarded to students attending independent colleges and universities.

The core request will provide average awards of \$1,300 to approximately 12,500 students, representing approximately 25 percent of eligible applicants.

c. Missouri College Guarantee Grant Program

Core Appropriation \$8,385,000

The Missouri College Guarantee Grant Program provides assistance to students who demonstrate financial need and also meet the other statutory eligibility requirements for this scholarship. The amount of the scholarship cannot exceed the current average cost of tuition, other fees, and cost of books at the campus of the University of Missouri having the largest total enrollment. More than 79 percent of the funds in this program are awarded to students attending public colleges and universities.

The core request will provide average awards of \$2,050 to approximately 4,000 students, representing approximately 25 percent of eligible applicants.

d. Advantage Missouri Program

Core Appropriation \$200,000

The Advantage Missouri Program is a loan and loan forgiveness program designed to provide financial assistance to students who elect to enroll and work in certain designated high-demand occupational fields. The CBHE has designated biomedical/biotechnology, advanced manufacturing, and computer-related occupations as eligible occupational fields.

e. Marguerite Ross Barnett Memorial Scholarship Program

Core Appropriation \$425,000

The Marguerite Ross Barnett Memorial Scholarship Program is the only state-funded scholarship available for part-time enrolled students. The scholarship is especially important for those individuals already in the workplace seeking to upgrade their skills. The scholarship is need-based and is calculated using the Federal Needs Analysis Formula.

f. Public Service Officer's Survivor Grant Program

Core Appropriation \$38,250

This grant provides educational assistance to the spouses and children of certain public employees killed in the line of duty. Dependents are eligible up to the age of 24 to receive a grant to enroll in any program leading to a certificate, associate degree or baccalaureate degree at an approved public or private Missouri postsecondary institution. The maximum annual grant is the least of the tuition paid by a full-time undergraduate Missouri resident at the University of Missouri-Columbia, or the tuition paid at the institution which the student attends.

g. The Vietnam Veteran Survivor Grant Program

Core Appropriation

\$10,200

This program provides educational grants to eligible survivors of certain Vietnam veterans. To be eligible, an applicant must be a child or spouse of a deceased veteran who served in the military in Vietnam or the war zone in Southeast Asia and who was a Missouri resident when first entering military service and at the time of death. Grant recipients must enroll full-time in programs leading to a certificate, associate degree, or baccalaureate degree at an approved Missouri postsecondary institution. The maximum grant award is the lower of the actual tuition charged a full-time student at the approved institution where the eligible survivor is enrolled or the average amount of tuition charged for a full-time Missouri resident at the four regional institutions.

STATUTORY REFERENCE

Authority granted under Sections 173.005 RSMo, through 173.750 inclusive.

RECOMMENDED ACTION

It is recommended the Board approve the CBHE FY 2005 Student Financial Assistance appropriation request, as presented, for submission to the Governor and General Assembly.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Recommendations for Public Four-year Institutions' and Linn State Technical College's Capital Improvements
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

The FY 2005 capital improvement recommendations are attached. The \$207,175,031 recommendation includes fourteen projects for the public four-year institutions and Linn State Technical College. The first priority for each institution is listed and ranked in accordance with CBHE policy IV.D.1, "Guidelines for Selecting Priorities for Capital Improvement Projects."

STATUTORY REFERENCE

Chapter 173, RSMo, and Chapter 33.210 – 33.290, RSMo
Section 173.020, RSMo, CBHE statutory responsibility to plan systematically for the state higher education system

RECOMMENDED ACTION

It is recommended the Board approve the FY 2005 capital improvement recommendations for the public four-year institutions and Linn State Technical College for submission to the Governor and General Assembly.

ATTACHMENT

FY 2005 Capital Improvement Recommendations, Public Four-year Institutions and Linn State Technical College

FY 2005 Capital Improvement Recommendations
PUBLIC 4-YEAR INSTITUTIONS
and LINN STATE TECHNICAL COLLEGE

CBHE Priority	Inst. Institution	Facility Name	Project Description	Total Project Cost	Prior State Funding Received	FY 05 Request	FY 05 Local Match	FY 06 Request
1	1	UM-St. Louis Benton/Stadler Halls	Renovation of science complex for chemistry, physics, psychology, and biology	\$ 66,583,000	\$ 3,500,000	\$ 24,169,400	\$ -	\$ 24,169,400
2	1	Southeast Visual & Performing Arts/ Kennett Area Center	Renovation and addition at existing River Campus for school of performing arts/renovation at Kennett Center for addition of classroom & computer lab	\$ 40,003,057	\$ 4,601,000	\$ 16,092,057	\$ 19,310,000	\$ -
3	1	Northwest Olive DeLuca Fine Arts Agenstein Science and	Complete renovation of existing fine arts building	\$ 19,713,418	\$ 1,691,651	\$ 17,753,753	\$ 268,014	\$ -
4	1	Missouri Western Math, Phase I	Renovation and addition for math and science programs	\$ 32,205,727	\$ -	\$ 16,600,000	\$ 2,400,000	\$ 13,205,727
5	1	UM-Rolla Mechanical Engineering	Phase I renovations for mechanical and aerospace engineering, and engineering mechanics departments	\$ 23,350,000	\$ -	\$ 18,617,000	\$ 4,733,000	\$ -
6	1	Southwest FREUP Phase I	Renovation/Reutilization plan involving multiple campus facilities	\$ 30,788,529	\$ -	\$ 14,690,650	\$ -	\$ 16,097,879
7	1	Central Morrow/Garrison	Renovation of classrooms, laboratories, gymnasiums, and general repairs for health, physical education, wellness programs	\$ 8,988,981	\$ -	\$ 8,988,981	\$ -	\$ -
8	1	Lincoln Jason Hall	Renovation of existing facility and addition of a swim facility	\$ 8,996,537	\$ 423,195	\$ 6,573,342	\$ 2,000,000	\$ -
9	1	Truman Baldwin/McClain Halls	Renovations and addition for social science, language, and literature	\$ 19,369,634	\$ -	\$ 17,987,054	\$ 1,382,580	\$ -
10	1	Linn State HTAC- Heavy Equip/ Med Truck/Auto Collision	Construction of a new facility for heavy equipment technology, medium/heavy truck technology, trailer repair and auto collision repair	\$ 11,105,056	\$ -	\$ 5,427,644	\$ 1,356,911	\$ 4,320,501
11	1	Harris-Stowe Early Childhood/ Parent Education Center	Construction of new building for early childhood and parent ed programs	\$ 14,083,370	\$ -	\$ 11,433,370	\$ 2,650,000	\$ -
12	1	Missouri Southern Health Sciences Building	Construction of a new facility for consolidation of allied health programs, psychology, and wellness	\$ 15,323,725	\$ 294,000	\$ 12,023,780	\$ 3,005,945	\$ -
13	1	UM-Columbia* Engineering East	Renovations of the capsule pipeline research center and the following engineering depts: chemical, civil, mechanical & aerospace, and nuclear	\$ 20,910,000	\$ -	\$ 20,910,000	\$ -	\$ -
14	1	UM-Kansas City** Chilled Water Plant Steam Utility	Add chilled water plant to expand existing chilled water capacity and renovate existing central cooling plant.	\$ 29,869,000	\$ -	\$ 15,908,000	\$ -	\$ 13,961,000
TOTALS				\$ 341,290,034	\$ 10,509,846	\$ 207,175,031	\$ 37,106,450	\$ 71,754,507

*Under HB 20, \$28,947,000 was reappropriated to UMC for a life sciences building in FY 04.

**Under HB 19, UMKC was appropriated \$30,490,400 for a pharmacy and nursing (life sciences) building in FY 04.

AGENDA ITEM SUMMARY

AGENDA ITEM

Promoting Quality and Performance Excellence: An Update on DHE's Strategic Planning
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

At its April 10, 2003 meeting, the Coordinating Board for Higher Education adopted the Missouri Quality Award criteria as the performance improvement model for the Board and the Department of Higher Education. The criteria focus on several key areas, including: leadership; strategic planning; student, stakeholder, and market focus; measurement, analysis, and knowledge; management; faculty and staff focus; process management; and organizational performance results.

As part of this performance improvement effort, the board established 5 priority goals from over 40 proposed by various efforts to improve higher education. These five areas have the greatest potential impact on the future of higher education in Missouri. These goals include:

- Increase the number of recipients of certificates and two- and four-year degrees in Missouri, including members of underrepresented groups.
- Increase the percentage of workforce needs that are met.
- Increase need-based financial aid for low- and middle-income families.
- Increase the number of institutions undertaking quality initiatives, with measures.
- Increase teacher exit exam performance.

Based on these results, the staff of the Department of Higher Education established six performance improvement efforts on which to focus during the coming year:

- development of a financial literacy program
- student loan guarantee marketing program
- expanded outreach and early awareness efforts
- state grants and scholarship award application process
- institutional adoption of quality principles as a management tool
- measuring value-added student learning

Teams will be chartered by DHE senior staff for the performance excellence projects in each of these six efforts.

With these projects, staff will establish performance measures for each of the six affected products and develop improvement plans for each. These measures will become part of the DHE's quarterly reporting system, Strategic Planning and Operations Reports. Measuring the department's performance improvement efforts will be important in monitoring how the agency is improving its performance. As discussed in the information items of this board book, the definition of these initiatives led, in part, to the organizational structure changes within the DHE.

STATUTORY REFERENCE

Sections 173.005, RSMo, through 173.750

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Lake of the Ozarks Community College Proposal
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

Background

Chapter 178 of the Revised Missouri Statutes assigns the responsibility for oversight of the establishment of new community college districts to the Coordinating Board for Higher Education. The procedures implementing that statutory authority are included in the board's administrative rule 6 CSR 10-6.010 (Standards for Establishing Community College Districts) which the board revised on April 10, 2003. The revised rule was included among the notice of proposed rulemaking published in the *Missouri Register* on May 15, 2003 (28 MoReg 956-958). Following the rulemaking process, the revised rule becomes effective on October 30, 2003. This agenda item provides the Coordinating Board with another opportunity to publicly discuss the Lake of the Ozarks Community College Proposal and related recommendation calling for an election on the question in April 2004. The actual vote by the board on the recommendation will occur on November 3, 2003 and will be conducted through a conference call meeting of the board. Copies of the pertinent statutory sections and the revised rule are attached to this agenda item summary.

CBHE Responsibilities

The Coordinating Board has two basic responsibilities relating to the establishment of a new community college district. First, it must determine if the proposed district meets the standards described in the board's administrative rule. If the proposal is determined to meet the standards, the board's second responsibility is to call and conduct an election among registered voters of the proposed district on the question of establishing the new community college taxing district. While the board has the crucial responsibility of determining if the proposed district meets established benchmarks, it is the local voters who decide whether to establish the district.

Guidelines for the establishment of a community college district require the steering committee to submit two documents to the Coordinating Board. The first is petitions, signed by district voters, requesting the board to call an election on the question of establishing a community college district.

The second submission is a feasibility study. The study must comprehensively address the board's standards relating to need for the district, district size and location, projected student enrollment, and local tax support as well as include plans for meeting the initial physical facility needs of the new district and the start-up instructional and support costs of operation.

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Findings

A detailed staff analysis of the documents submitted by the steering committee is included with this agenda item. Based on the staff review of the materials, the proposed district meets all of the standards included in the board's revised administrative rule, 6 CSR 10-6.010.

STATUTORY REFERENCE

Section 178.770 through 178.890, RSMo, Junior and Community College Districts

RECOMMENDED ACTION

This is a discussion item related to the following recommendation to be considered by the Coordinating Board during a conference call meeting of the board on November 3, 2003 following the completion of the amended rulemaking process on October 30, 2003.

It is recommended that the Coordinating Board for Higher Education order, as authorized in section 178.800, RSMo, the submission of the following question within the public school districts of Camdenton R-III and School of the Osage R-II to vote on the question and to elect trustees at the next following annual municipal election:

Shall there be organized within the area comprising the school districts of Camdenton R-III and School of the Osage R-II, state of Missouri, a junior college district for the offering of 13th and 14th year courses, to be known as the "Junior College District of Lake of the Ozarks, Missouri," having the power to impose a property tax not to exceed the annual rate of twenty cents on the one hundred dollars assessed valuation of taxable property without voter approval and such additional taxes as may be approved by vote thereon, as prayed in petition filed with the Coordinating Board for Higher Education at Jefferson City, Missouri, on the Eighth day of September 2003?

It is further recommended that the Coordinating Board for Higher Education authorize the Commissioner of Higher Education to take all necessary action for calling the election.

ATTACHMENTS

Attachment A: Lake Ozarks Community College Proposal—Staff Analysis

Attachment B: Administrative Rule 6 CSR 10-6.010, Standards for Establishing Community College Districts

Attachment C: Sections 178.770 through 178.890, RSMo

Lake Ozarks Community College Proposal

Staff Analysis

The Coordinating Board's administrative rule for reaching a decision concerning an election to establish a public community college includes six basic standards related to tests of need, assessed valuation and enrollment established in statute. The following is a brief overview of each standard.

Standard 1: The initiative to establish a district must come from the area to be served.

Petitions calling for the election must be submitted to the Coordinating Board. Petitions must be signed by voters in each school district within the proposed community college district equal to at least five percent of the number of votes cast for the school board candidate (director) receiving the greatest number of votes at the last school election.

Based on a proposal to form the community college district within two school districts (Camdenton R-III and School of the Osage R-II), the petition process was initiated in Camden and Miller counties and was completed during the summer of 2003. The completed petitions were forwarded to the respective county clerks in order to determine the number of valid signatures they contained. The county clerks also reported the "number of votes cast for the [school] director receiving the greatest number of votes within each component school district at the last preceding school election in each school district." Based on this information, staff determined the petitions contained signatures representing 10.0 percent of the votes in the Camdenton R-III school district and 10.2 percent of the votes in the School of the Osage R-II school district. Consequently, Standard 1 of the rule was satisfied.

Standard 2: Need must be clearly established in terms of the total area to be served, including educational interest of citizens, manpower needs of local industry, business, government and other consumers, and compatibility with the statewide policy goals established by the Coordinating Board for Higher Education.

If it is determined unmet educational needs exist, the board will conduct a review to ascertain if alternative agencies can provide the identified services.

Both the statutes and the board's administrative standards require the use of statistically valid and reliable survey methods in the development of data concerning the educational needs of the area to be served by the district. In order to facilitate a dependable assessment of need, department policies require the local steering committee employ the services of a professional consultant to serve as liaison between the organizing body and the Department of Higher Education staff in the development and administration of the survey process as well as consultation regarding other data requirements.

Dr. Don Shook was retained by the steering committee to serve as consultant to the process of studying the feasibility of establishing a community college. Dr. Shook is a widely recognized expert on community colleges, has first hand experience in the establishment of new districts,

and is the former president of three districts in the state. The surveys used to assess need were designed and the results were analyzed by Opinion Research Specialists of Springfield, Missouri. Study methodology and data collection instruments for each survey were reviewed and approved by the Department of Higher Education staff.

The surveys provide mixed results concerning the unmet need for higher education services and the interest of students, parents, and others in the formation of a district in this area of the state. While 65 percent of the students surveyed indicated the area (Camden, Miller and Morgan counties) needs a public community college, only 52 percent stated they would attend such a college and less than 20 percent currently plan to attend a community college. Results from the survey of residents, a critical component of a successful proposal, showed only moderate support for district establishment. Less than half of the individuals surveyed (46 percent) support the property tax increase required for the district and only about one in four (27 percent) indicated any interest by a member of their household in attending a local community college. Support from the business community was the most consistent with 80 percent of the businesses surveyed indicating they would support the establishment of a local community college. Overall, the business community also indicated a preference for more of their full- and part-time employees having at least some college.

The guidelines for this standard are not focused on determining the support for the district by local voters or businesses. This standard is intended to gauge the need for a community college in the area to be served by the proposal. In this regard, there is some evidence to indicate this standard is satisfied. Based on 2000 census data, the three-county area (Camden, Miller, and Morgan counties) to be served by the district lags behind the state in the percent of population that are college graduates or professionals. Statewide, nearly 22 percent of the population are college graduates while only about 16 percent of the population in these counties have completed that educational milestone. Data on the percentage of citizens that have completed some college or an associate degree exhibit the same pattern. For the state as a whole, 27 percent of the population have a two-year degree or have completed some college. In the three county service region, only 24 percent have done so and, in one county, that percentage is less than 14 percent.

Postsecondary education is a central factor in the ability of citizens of Missouri to see continued improvements in their quality of life and for economic development to continue. If the Lake of the Ozarks region is to keep pace with the demands of the future, an increasing number of individuals must successfully access the state's postsecondary education system. Over the last five years, educational opportunities have been expanded in this area of the state both by public and private higher education institutions. Through support for and funding of the A+ program, out-of-district course delivery (HB 1456) and the statewide postsecondary technical education plan, state resources have been committed to this task as well. While those investments have resulted in marked improvement in college attendance, the 2000 census data, the survey of area businesses, and the survey of high school students seem to indicate unmet need continues to exist for postsecondary education services.

Regarding alternative agencies providing needed services, Missouri law requires the establishment of new community college taxing districts be the result of local initiatives and local referendum on the question of establishing a community college. As a local decision, representatives of the Camdenton and Osage Beach region of the state have requested the opportunity to establish their own locally governed and controlled community college rather than Coordinating Board for Higher Education
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rely on the instructional and training services offered by other institutions. It is the staff's assessment that Standard 2 has been satisfied.

Standard 3: Proposed districts must be composed of one or more public school districts. In the case of a proposal encompassing two or more districts, those districts must be contiguous. As a general guideline, student commuting time should not exceed 45 minutes each way.

The submitted proposal includes two contiguous school districts located in south central Missouri. Those districts are Camdenton R-III, located in Camden County, and School of the Osage R-II, located in Miller County. Based on staff review of the region, estimated commuting time is within the 45 minute standard. Consequently, Standard 3 of the rule has been satisfied.

Standard 4: There shall be substantive evidence to project an enrollment of at least 1,000 full-time-equivalent (FTE) students within five years of the initial operation of the new district. FTE enrollment, after five years of operation, shall be estimated on the basis of 2.5% of the proposed district population.

In addition to the enrollment projections based on district population, the projected FTE resulting from the demand for literacy and adult basic education, customized and contract training for area employees and other non-credit or non-degree types of institutional services are to be added as well as the FTE from documented demand for educational services from within the proposed district's service area that are not currently within an existing community college district.

The rule clearly specifies the sources and bases for the population projections. As in other study components, this methodology was developed in order to ensure a valid and reliable process based on data that would be consistent for every proposal submitted to the Coordinating Board for consideration. While the first component of this standard is designed to ensure there is a sufficient population base to be served by the community college, the other components recognize the role community colleges have in workforce development and student commuting patterns to obtain local or regional access to postsecondary education and training.

Proposed District Projections (Two School Districts)

The following table displays the population and projected community college district enrollment in 2009 for the proposed district (Camdenton R-III and School of the Osage R-II).

Population (2000 Census)	37,105
Projected Population (2009)	42,581
Projected FTE Enrollment	1,065
Workforce Development Instructional and Training Services (Central Missouri Workforce Investment Board)	300
Total 2009 Projected FTE Enrollment	1,365

Based solely on the population within the legal boundaries of the proposed district, the formula for estimating FTE enrollment, the proposal exceeds this standard of 1,000 projected FTE enrollments by 2009.

The steering committee included in its Feasibility Study student enrollment information for the three county region the district will likely serve. This includes all of Camden, Miller, and Morgan counties. Because the two petitioning school districts, in this case Camden R-III and School of the Osage R-II, meet the required minimum enrollment projection of 1,000 FTE students based on population, the additional enrollment information for Camden, Miller, and Morgan counties was excluded from the analysis of Standard Five, Financial Viability. Standard 4 has been satisfied.

Standard 5: The financial viability of the proposed district is dependent on several interrelated factors involving the estimation of both revenue and operating costs. The assessed valuation of the proposed district is a critical factor. The assessed valuation of the proposed district shall provide adequate financial support to the proposed district as determined by the Coordinating Board.

The guidelines for this standard include a formula for determining if there is a sufficient assessed valuation within the proposed district. The formula is based on assumptions about educational support services and the projected enrollment for the district. The financial projections, while using information from expenditure and income reports of existing community colleges, are not intended to develop a budget for the proposed institution. Rather their sole purpose is to determine if the proposed district has a sufficient tax base to support the institution.

The following table contains information relating to each item of the formula. Section I uses projected FTE and faculty salary information to calculate a projected cost for operating the educational component of the institution. Section II takes that base amount and applies factors from current community college funding patterns and board policies on community college state aid. The result is the required local tax income necessary to operate the institution. Section III uses the projected assessed valuation of the district to determine if the statutory levy amount is sufficient to generate the required local tax support.

Section I

Formula Item	Proposed District (Two School Districts)
Faculty Requirements (20:1)	68
Faculty Salary (from feasibility study)	\$58,500
Projected Instructional Cost	\$3,978,000
Instructional Ratio	43 %
Projected Total E & G Expenditures	\$9,251,163

Section II

Projected Student Fee Income (26 % - based on FY 2003 for 7 similar existing community college districts)	\$2,405,302
Projected State Aid Income - Based on \$2,580/FTE during FY 2003	\$3,521,700
Projected Other Income (2% of Total Projected E & G Expenditures)	\$185,023
Required Local Income	\$3,139,138

Section III

Projected Assessed Value (2009)	\$1,996,225,094
Projected Local Revenue	\$3,992,450
Projected Local Revenue Surplus (Deficit)	\$853,312

In the projections contained in the table above, the financial revenue and income estimates are based on information provided in the feasibility study and data submitted for FY2002 by public community colleges with a district population of 200,000 or less. Assessed valuation estimates were developed based on 2001-02 school district data and inflated by the average growth rate of each proposed district for the past five years.

Based on the formula, the proposal meets the minimum requirements for district assessed valuation with a tax levy rate (\$.20 per \$100 assessed valuation) that does not require separate voter approval from the referendum on the question regarding the establishment of the community college district. Standard 5 has been satisfied.

Standard 6: A study of the feasibility of a proposed district shall be prepared and submitted to the Coordinating Board. In addition to comprehensively addressing all other standards and requirements, the study must include detailed plans both for meeting the initial physical facility needs of the proposed new district and for meeting the additional start-up instructional and support costs of operation until revenue from local taxes, state aid and student fees become available.

This standard is designed to ensure the district organizers have comprehensively addressed all identifiable issues relating to district formation and to provide a format through which they may communicate relevant information to the Board. The submitted feasibility study provides basic information regarding additional financing plans for district start-up and operation during the first few years as well as plans for meeting the initial facility needs. Financial projections indicate a surplus of local tax revenue of more than \$850,000 due to the relatively large assessed value of the district. This would permit the district to establish a reserve fund to assist with capital expenditures for a permanent campus and other start-up costs. Tax anticipation bonds will be issued to provide prompt access to the local tax funds. The plan also indicates there are a number of options for meeting the need for temporary facilities during the first three to five years of operation. These include storefront locations and collaborative arrangements with area high schools. It is staff's assessment that the submitted materials are sufficient to satisfy Standard 6.

Title 6 - DEPARTMENT OF HIGHER EDUCATION
Division 10 - Commissioner of Higher Education
Chapter 6 - Establishment of New Institutions and Instructional Sites

6 CSR 10-6.010 Standards for Establishing Community College Districts.

PURPOSE: This rule sets forth the standards and procedures of the Coordinating Board for Higher Education, under which community college districts may be established.

(1) Standards.

(A) Standard 1. Initiative to establish a district must come from the area to be served. Local initiative to establish a community college district is demonstrated by submitting a petition to the Coordinating Board in accordance with the provisions of section 178.800.1, RSMo. The petition and the response to Standard 1 should include the official name of the proposed district. The official name of the district must adhere to the following format: "The Junior College District of _____, Missouri."

(B) Standard 2. Need must be clearly established in terms of the total area to be served, including educational interest of citizens, manpower needs of local industry, business, government and other consumers, and compatibility with the statewide policy goals established by the Coordinating Board for Higher Education. Clear and convincing evidence of need for the proposed district shall be demonstrated by providing information which will be generated by a survey, the form and method for administration of the survey to be determined by the Coordinating Board for Higher Education. The cost of the administration of the survey shall be borne by the organizing body for the proposed district. The information provided by the survey will include, but not be limited to, the specific educational services needed by employers, high school students and representatives of the general public which can be provided by a community college. So that the respondents to the survey can make an informed judgement relating to the establishment of a community college, information will be provided to each respondent regarding the probable tax levy for the first five (5) years of operation of the community college, probable capital expenditures required during the first ten (10) years of operation and probable location of the initial site.

1. Supplemental to the results of the survey, additional demographic information will be provided to the Coordinating Board to further substantiate the need for a community college. The format and method for providing this information will be determined by the Coordinating Board.

2. If the board determines a bona fide need exists after examining the information regarding the establishment of a community college, the board will conduct a review to ascertain if alternative agencies can provide the identified services.

(C) Standard 3. Proposed districts must be composed of one (1) or more public school districts. In the case of a proposal encompassing two (2) or more public school districts, those districts must be contiguous. Variations in traffic arteries, population density, tax base valuations and public school district boundaries require flexibility in geographic size. As a general guideline, student commuting time should not exceed forty-five (45) minutes each way. The proposed district should be described in terms of the public school districts it will encompass. A map detailing boundaries of the proposed district, the population centers and the boundaries of the public school districts shall be provided.

(D) Standard 4. There shall be substantive evidence to project an enrollment of at least one

thousand (1000) full-time-equivalent (FTE) students within five (5) years of the initial operation of the new district. Enrollment may be projected for an FTE greater than one thousand (1000). The basis for projecting enrollment is as follows:

1. 2.5% of the proposed district population

A. The proposed district base population shall be the populations of the component public school districts as determined from the School District Population Summary Tables prepared after the most recently completed decennial census;

B. The school district base populations will be incremented by the estimated growth rates for the counties in which the districts are headquartered through the most recent year for which county population estimates are available from the State Census Data Center; and

C. The district populations derived in subparagraph (1)(D)1.B will be projected for future years using the average annual growth between the latest decennial census and the latest county population estimates for the counties in which the districts are headquartered;

2. Projections of FTE enrollment based on local demand for--

A. Literacy and adult basic education programs,

B. Customized and contract training for area employers,

C. Other noncredit or nondegree types of instructional services; and

3. Projections of FTE enrollment based on documented demand for educational services to be offered by the proposed institution from areas within the proposed district's service area that are not currently within an existing community college district.

(E) Standard 5. The financial viability of the proposed district is dependent on several interrelated factors involving the estimation of both revenue and operating costs. The basis for computing operating costs is given in this subsection. The relevant revenue factors are assessed valuation of the proposed district, local tax levy and local tax income generated from the assessed valuation; student fee level and student fee income; state aid income; and other income. The local portion of revenue consists of the income generated by the tax levy on the assessed valuation of taxable, tangible property in the proposed district. The assessed valuation of the proposed district is a critical factor. The assessed valuation of the proposed district shall provide adequate financial support to the proposed district as determined by the Coordinating Board. The revenue derived from student fees is dependent upon the FTE enrollment and the fee amount charged to each student. Methods for computing these factors as well as state aid income and other income are given as follows:

1. Operating costs. Estimations of operating costs are for education and general and do not include capital expenditures or costs for auxiliary purposes. The estimated operating costs shall be based upon a student faculty ratio of twenty to one (20:1) and faculty compensation which is sufficient to attract and retain qualified and competent faculty;

2. Student fee income. This factor is determined by computing the average percent of total income, less auxiliary and restricted, provided by student fees at existing community college districts, established under the provisions of sections 178.770-178.890, RSMo for the most recent fiscal year for which data are available preceding the new district proposal. If the proposed district has a population of two hundred thousand (200,000) or less, the average for existing districts with population of two hundred thousand (200,000) or less shall be used. If the proposed district has a population of over two hundred thousand (200,000), the average for all existing districts shall be used. This factor shall be computed by the Department of Higher Education staff;

3. State aid income. This factor is determined by applying the current method of determining

state aid to the five (5)-year projected size and program diversity of the proposed community college. This factor shall be computed by the Department of Higher Education staff;

4. Other income. An amount equal to two percent (2%) of the estimated cost of operations shall be allowed as estimation of other income for districts with populations of two hundred thousand (200,000) or less and an allowance of one-half percent (.5%) for proposed districts of over two hundred thousand (200,000) population. If the proposed new district feasibility study categorically demonstrates, in the judgement of the Coordinating Board, other reliable sources of income, the actual dollars so demonstrated may be added to the two percent (2%) or one-half percent (.5%) allowance;

5. Local tax levy. The tax levy per one hundred dollars (\$100) assessed valuation, for purposes of computing the adequacy of the assessed valuation to support the proposed district, shall be the maximum levy allowed, without voter approval, by section 178.870, RSMo, as follows:

LEVY	ASSESSED VALUATION
\$.10	\$1.5 Billion plus
.20	\$750 Million but less than \$1.5 Billion
.30	\$500 Million but less than \$750 Million
.40	Less than \$500 Million; and

6. Local tax income generated from assessed valuation. The purpose of establishing an assessed valuation requirement for a proposed new district is to assure that the valuation is sufficient to generate adequate funds to provide a viable college fiscal operation and education of acceptable quality. That adequacy is assessed by formulae which produce either an assessed valuation from a known amount of needed revenue or the amount of revenue generated from a known assessed valuation. The steps and formulae of the computation are-

A. Estimated operating costs less estimated student fee income, less estimated state aid, less estimation of other income produces a balance which is the estimated operating cost to be provided through local tax revenue;

B. The amount of assessed valuation required to generate the needed tax revenue is computed with the following formula:

$$(a)(X/100)=y$$

in which: a=the amount of the tax levy per \$100 of assessed valuation;

X=the assessed valuation required to generate needed tax revenue; and

y=the tax revenue to be generated.

In this formula, X is the unknown. If the computation reveals the value of X to be equal to or less than the actual assessed valuation of proposed district, then the assessed valuation shall be judged to be adequate; and

C. The amount of tax revenue, which would be generated by the assessed valuation of the proposed district is computed as follows:

$$(a)(X/100)=y$$

in which: a=the amount of the tax levy per \$100 of assessed valuation;

X=the actual valuation of the proposed district; and

y=the tax revenue generated. In this formula, y is the unknown. If the computation

reveals the value of y to be as great or greater than the balance of income to be provided through local tax revenue, then the assessed valuation of the proposed district shall be judged to be adequate.

(F) Standard 6. A study of the feasibility of a proposed district shall be prepared and submitted to the Coordinating Board. In addition to comprehensively addressing all other standards and requirements specified in this rule, the feasibility study shall include detailed plans both for meeting the initial physical facility needs of the proposed new district and for meeting the additional start-up instructional and support costs of operation until revenue from local taxes, state aid and student fees become available, above and beyond state appropriations for existing districts.

(2) Election. If the Coordinating Board determines that the proposed district meets the standards set forth in section (1) of this rule, the board shall order an election in accordance with the provisions of sections 178.800 and 178,820, RSMo.

JUNIOR AND COMMUNITY COLLEGE DISTRICTS

Section 178.770. Organization of junior college districts--standards--corporate powers of districts.--

1. In any public school district, or in any two or more contiguous public school districts in this state, whether in the same county or not, the voters resident therein may organize a junior college district in the manner hereinafter provided. Prior to the organization of a district under sections 178.770 to 178.890, the Coordinating Board for Higher Education shall establish standards for the organization of the districts which shall include among other things:

- (1) Whether a junior college is needed in the proposed district;
- (2) Whether the assessed valuation of taxable, tangible property in the proposed district is sufficient to support adequately the proposed junior college; and
- (3) Whether there were a sufficient number of graduates of high school in the proposed district during the preceding year to support a junior college in the proposed district.

2. When a district is organized, it shall be a body corporate and a subdivision of the state of Missouri and shall be known as "The Junior College District of, Missouri" and, in that name, may sue and be sued, levy and collect taxes within the limitations of sections 178.770 to 178.890, issue bonds and possess the same corporate powers as common and seven-director school districts in this state, other than urban districts, except as herein otherwise provided.

(L. 1963 p. 200 § 13-77)

(Source: L. 1961 p. 357 § 1)

(1969) A junior college district organized under the provisions of this section may not be dissolved upon petitions under the provisions of section 162.451. Junior College Dist. of Met. Kansas City v. Mayse (A.), 446 S.W.2d 412.

Section 178.780. Coordinating board for higher education to supervise colleges--duties.--

1. Tax supported junior colleges formed prior to October 13, 1961, and those formed under the provisions of sections 178.770 to 178.890 shall be under the supervision of the Coordinating Board for Higher Education.

2. The Coordinating Board for Higher Education shall:
 - (1) Establish the role of the two-year college in the state;
 - (2) Set up a survey form to be used for local surveys of need and potential for two-year colleges; provide supervision in the conducting of surveys; require that the results of the studies be used in reviewing applications for approval; and establish and use the survey results to set up priorities;
 - (3) Require that the initiative to establish two-year colleges come from the area to be served;
 - (4) Administer the state financial support program;
 - (5) Supervise the junior college districts formed under the provisions of sections 178.770 to 178.890 and the junior colleges now in existence and formed prior to October 13, 1961;
 - (6) Formulate and put into effect uniform policies as to budgeting, record keeping, and student accounting;
 - (7) Establish uniform minimum entrance requirements and uniform curricular offerings for all junior colleges;
 - (8) Make a continuing study of junior college education in the state; and

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(9) Be responsible for the accreditation of each junior college under its supervision. Accreditation shall be conducted annually or as often as deemed advisable and made in a manner consistent with rules and regulations established and applied uniformly to all junior colleges in the state. Standards for accreditation of junior colleges shall be formulated with due consideration given to curriculum offerings and entrance requirements of the University of Missouri.

(L. 1963 p. 200 § 13-78)
(Source: L. 1961 p. 357 § 2)

Section 178.790. Boundaries of community college districts.--

The boundaries of any community college district organized pursuant to sections 178.770 to 178.890 shall coincide with the boundaries of the school district or of the contiguous school districts proposed to be included, and the community college district shall be in addition to any other school districts existing in any portion of the area.

(L. 1963 p. 200 § 13-79, A.L. 1998 S.B. 553)
(Source: L. 1961 p. 357 § 3)

Section 178.800. Petition to establish district--election on proposal.--

1. Whenever a petition, signed by voters in each component school district within a proposed junior college district area, equal in number to five percent of the number of votes cast for the director receiving the greatest number of votes within each component school district at the last preceding school election in each school district at which a director was elected, is presented to the state board of education, praying that a junior college district be organized for the purpose of offering junior college (13th and 14th year) courses, if the state board of education determines that the area proposed to be included within the district meets the standards established by it under the provisions of sections 178.770 to 178.890, it shall order the submission of the question within the proposed district to vote on the question and to elect trustees, at the next following annual municipal election.

2. The question shall be submitted in substantially the following form:

Shall there be organized within the area comprising the school districts of, state of Missouri, a junior college district for the offering of 13th and 14th year courses, to be known as the "Junior College District of, Missouri", having the power to impose a property tax not to exceed the annual rate of cents on the one hundred dollars assessed valuation of taxable property without voter approval and such additional taxes as may be approved by vote thereon, as prayed in petition filed with the state board of education at Jefferson City, Missouri, on the day of, 20.....?

3. Within fifteen days after the submission, the results shall be transmitted by those receiving them under law in each component district to the state board of education, by certificates attesting to the total number of votes cast within each district on the question, the votes cast for and against the question, and the votes cast for each candidate for trustee. The proposal to organize the junior college district, to carry, must receive a majority of the total number of votes cast thereon, and the secretary of the state board of education, from the results so certified and attested, shall determine whether the proposal has received the majority of the votes cast thereon and shall certify the results to the state board of education. If the certificate of

the secretary of the state board of education shows that the question to organize the junior college district has received a majority of the votes cast thereon, the state board of education shall make an order declaring the junior college district organized and cause a copy thereof to be recorded in the office of recorder of deeds in each county in which a portion of the new district lies. If the question carries, the board shall also determine which candidates have been elected trustees under section 178.820. If the question to organize the district fails to receive a majority of the votes cast thereon, no tabulation shall be made to determine the candidates elected trustees.

(L. 1963 p. 200 § 13-80, A.L. 1978 H.B. 971)
(Source: L. 1961 p. 357 § 4)

Section 178.820. Trustees, election of--subdistricts--redistricting committees --trustee of subdistrict, residency requirements, qualifications.--

1. In the organization election, six trustees shall be elected at large throughout the entire proposed district. The two candidates receiving the greatest number of votes shall be elected for terms of six years each, the two receiving the next greatest number of votes for terms of four years each, the two receiving the next greatest number of votes for terms of two years each, and such terms shall be effective until the first Tuesday in April coinciding with or next following such period of years, or until the successors to such trustees have been duly elected and qualified. Thereafter, the trustees shall be elected for terms of six years each.

2. Following the initial election, the board of trustees may, at any duly called meeting, adopt a resolution calling for the formation of a redistricting committee to consider the formation of subdistricts within the junior college district from which trustees are thereafter to be elected. Upon adoption of any such resolution, the secretary of the board of trustees shall forward a certified copy thereof to the Coordinating Board for Higher Education with the request that a redistricting committee be appointed in order to divide the junior college districts into at least two and not more than six subdistricts for the purpose of electing trustees. The redistricting committee shall consist of three residents within the affected district, appointed by the board of trustees of the affected district, plus three additional persons residents within the affected district, appointed by the Coordinating Board for Higher Education. Thereafter, the redistricting committee shall meet, organize itself with a chairman and secretary, and proceed with the adoption of a redistricting plan specifying at least two but not more than six subdistricts which are to the extent possible so apportioned on the basis of population that the population of any such subdistrict divided by the number of trustees to be selected therefrom substantially equals the population of any other subdistrict divided by the number of trustees to be selected therefrom. The redistricting plan referred to herein, in lieu of requiring all trustees to be elected from subdistricts, may provide for the election of one or more trustees at large and the remainder from subdistricts, or for the election of all the trustees at large with the requirement that each must reside in a certain subdistrict, so long as in any plan adopted, subdistricts are apportioned as provided above. Notwithstanding the above, the board of trustees of any junior college district which contains more than four hundred fifty thousand residents shall, at the first duly called meeting following August 13, 1972, and thereafter within ninety days following the publication of the decennial census figures, adopt a resolution calling for the formation of a redistricting committee; and the redistricting committee shall adopt a redistricting plan specifying the establishment of not less than four nor more than six subdistricts compact and contiguous in territory and apportioned as provided above.

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3. In any district which shall contain a city not within a county, if four subdistricts are established, then at least one subdistrict shall be within said city, and if five or six subdistricts are established, then at least two subdistricts shall be within said city.

4. Any person running for election as a trustee of a subdistrict shall be domiciled and a resident therein. Any plan proposed to be adopted must receive approval of a majority of the whole redistricting committee. Upon adoption the redistricting committee shall forward a copy of the plan certified by the secretary to the Coordinating Board for Higher Education for its approval or disapproval. The Coordinating Board for Higher Education shall approve any redistricting plan in which the population of any subdistrict divided by the number of trustees to be selected therefrom substantially equals the population of any other subdistrict divided by the number of trustees to be elected therefrom. Upon approval, the redistricting plan shall become effective and all trustees elected thereafter shall be required to be elected from subdistricts in which they are resident. If the plan is not approved, then it shall be returned to the redistricting committee for revision and resubmission. Until approval of a plan by the Coordinating Board for Higher Education, trustees of a district shall continue to run at large. Upon approval of any plan, the board of trustees shall determine by resolution the assignment of trustees to subdistricts. Any such assignment shall not affect the term of office of any such trustee. Once a district has been divided into subdistricts in accordance with the provisions hereof, it shall remain so divided until one year following the publication of the decennial census figures, by which date a new plan shall have been adopted or the trustees shall again be required to run in the district at large; provided, however, that if during the period between publications of decennial census figures the area of a district is increased or decreased, a new plan shall be adopted within one year thereafter or the trustees shall be required to run in the district at large. No member of the redistricting committee shall serve on the board of trustees for a period of six years following his service on the redistricting committee.

5. Candidates for the office of trustee shall be citizens of the United States, at least twenty-one years of age, who have been voters of the district for at least one whole year preceding the election, and if trustees are elected other than at large they shall be voters of the subdistricts for at least one whole year next preceding the election. All candidates for the first board of a district shall file their declaration of candidacy with the Coordinating Board for Higher Education.

(L. 1963 p. 200 § 13-82, A.L. 1972 H.B. 1169, A.L. 1978 H.B. 971)

(Source: L. 1961 p. 357 § 5)

Section 178.830. Board of trustees--oath--officers--quorum--vacancies filled, how-- seal.--

Newly elected members of the board of trustees shall qualify by taking the oath of office prescribed by article VII, section 2, of the Constitution of Missouri. The board shall organize by the election of a president and vice president, a secretary and a treasurer. The secretary and treasurer need not be members of the board. A majority of the board constitutes a quorum for the transaction of business, but no contract shall be let, teacher employed or dismissed, or bill approved unless a majority of the whole board votes therefor. Any vacancy occurring in the board shall be filled by appointment by the remaining members of the board, and the person appointed shall hold office until the next election held by the junior college district when a trustee shall be elected for the unexpired term. The board shall keep a common seal with which to attest its official acts.

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(L. 1963 p. 200 § 13-83)
(Source: L. 1961 p. 357 § 7)

Section 178.835. Discipline of students.--

1. The governing body of each public junior college district and each public school district offering junior college courses shall possess full power and authority to adopt rules and regulations for the guidance and supervision of the conduct of its college students; to enforce compliance therewith; and to delegate to appropriate persons in the district the power to discipline students, including the power of suspension and expulsion, for violation of such rules and regulations.

2. The governing body may also delegate to any administrator or acting administrator designated by the governing body the power to suspend summarily any student whose presence on the district facility would, in the opinion of such administrator or acting administrator, seriously disrupt the operation of the district, or constitute a danger to the records or other physical properties of the district or to the health, safety or welfare of the student or other persons. Such summary suspension shall not exceed a period of five days, unless within such time the district has commenced formal disciplinary procedure and diligently pursues each procedure until its conclusion, in which event such summary suspension may be continued until such conclusion.

(L. 1971 S.B. 129, A.L. 1972 S.B. 455)

Section 178.840. Election, when held, how conducted--certification of votes cast.--

1. After organization, the voters of the junior college district shall vote for trustees and on all other propositions provided by law for submission at school elections which are applicable to junior college districts. Regular elections in junior college districts shall be held on municipal election days in the years in which trustees are to be elected or propositions must be voted upon.

2. If trustees are elected other than at large throughout the entire district, then only those voters within the subdistrict from which the trustee or trustees are to be elected shall cast their ballots for the trustee or trustees from that subdistrict. All candidates for the office of trustee shall file their declarations of candidacy with the secretary of the board of trustees.

3. A majority of the then qualified members of the board of trustees shall declare and certify the candidates receiving the greatest number of votes for terms of six years each and until their successors are elected and qualified and shall declare and certify the results of the votes cast on any question presented at the election.

(L. 1963 p. 200 § 13-84 and p. 346 § 165.813, A.L. 1967 p. 280, A.L. 1972 H.B. 1169, A.L. 1978 H.B. 971)
(Source: L. 1961 p. 357 § 8)

Section 178.850. District to provide college courses--per capita cost to be determined -- tuition charges.--

A junior college district organized under sections 178.770 to 178.890 shall provide instruction, classes, school or schools for pupils resident within the junior college district who have completed an approved high school course. The board of trustees of the district shall

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determine the per capita cost of the college courses, file the same with the Coordinating Board for Higher Education and, upon approval thereof by the Coordinating Board for Higher Education, shall require of all nonresidents who are accepted as pupils a tuition fee in the sum that is necessary for maintenance of the college courses. In addition thereto, the board may charge resident pupils the amounts that it deems necessary to maintain the college courses, taking into consideration the other funds that are available under law for the support of the college courses.

(L. 1963 p. 200 § 13-85)
(Source: L. 1961 p. 357 § 9)

Section 178.860. Board to appoint employees--fix compensation--teachers to be members of public school retirement system.--

The board of trustees shall appoint the employees of the junior college, define and assign their powers and duties and fix their compensation. All certificated personnel shall be members of the public school retirement system of Missouri under provisions of section 169.010, RSMo.

(L. 1963 p. 200 § 13-86)
(Source: L. 1961 p. 357 § 10)

Section 178.862. Junior college district police--oath, powers, qualifications.--

1. The trustees of any junior college district of this state may appoint and employ as many college police officers as they may deem necessary to protect persons, property, and to preserve peace and good order only in the public buildings, properties, grounds, and other facilities and locations over which they have charge or control.

2. The college police officers, before they enter upon their duties, shall take and subscribe an oath of office before some officer authorized to administer oaths, to faithfully and impartially discharge the duties thereof, which oath shall be filed in the office of the college district board of trustees, and the secretary of the board shall give each college police officer so appointed and qualified a certificate of appointment, under the seal of the board of trustees, which certificate shall empower him with the same authority to maintain order, preserve peace and make arrests as is now held by peace officers; the college police officer may in addition expel from the public buildings, campuses, and grounds, persons violating the rules and regulations that may be prescribed by the board of trustees or others under the authority of the board. Such officer or employee of the junior college as may be designated by the board of trustees shall have immediate charge, control and supervision of college police officers appointed by authority of this section. Such college police officers shall have satisfactorily completed before appointment, or within six months after appointment, a training course for college police officers which shall consist of at least three hundred twenty hours as prescribed by the superintendent of the Missouri state highway patrol. The junior college district shall reimburse all such college police officers appointed by them who complete the training course for all reasonable and necessary expenses incurred in taking the training course, and shall reimburse the highway patrol for any expenses directly relating to the prescribed or holding of a training course which are recommended by the patrol.

3. Nothing herein shall be construed as denying the board of trustees the right to appoint guards or watchmen who shall not be given the authority and powers hereby authorized.

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(L. 1974 H.B. 917 § 1)

Section 178.870. Tax rates, limits--how increased and decreased.--

Any tax imposed on property subject to the taxing power of the junior college district under article X, section 11(a) of the Missouri Constitution without voter approval shall not exceed the annual rate of ten cents on the hundred dollars assessed valuation in districts having one billion five hundred million dollars or more assessed valuation; twenty cents on the hundred dollars assessed valuation in districts having seven hundred fifty million dollars but less than one billion five hundred million dollars assessed valuation; thirty cents on the hundred dollars assessed valuation in districts having five hundred million dollars but less than seven hundred fifty million dollars assessed valuation; forty cents on the hundred dollars assessed valuation in districts having less than five hundred million dollars assessed valuation; except that, no public junior college district having an assessed valuation in excess of one hundred million and less than two hundred fifty million which is levying an operating levy of thirty cents per one hundred dollars assessed valuation on September 28, 1975, shall increase such levy above thirty cents per one hundred dollars assessed valuation without voter approval. Tax rates specified in this section that were in effect in 1984 shall not be lowered due to an increase in assessed valuation created by general reassessment; however, the provisions of section 137.073, RSMo, or section 22(a) of article X of the Missouri Constitution are applicable. Districts which operate institutions awarding degrees above the associate degree shall not be affected by the changes provided in this section. Increases of the rate with voter approval shall be made in the manner provided in chapter 164, RSMo, for school districts.

(L. 1963 p. 200 § 13-87, A.L. 1975 S.B. 190, A.L. 1985 H.B. 374, A.L. 2000 S.B. 894, A.L. 2002 H.B. 2022 merged with S.B. 947)
(Source: L. 1961 p. 357 § 11)

Section 178.880. Taxation of public utility property--rate not included in determining rate to be levied by other school districts.--

All real and tangible personal property owned by railroads, street railways, boats, vessels, bridge companies, telegraph companies, electric light and power companies, electric transmission line companies, pipeline companies, express companies, airline companies and other companies and public utilities whose property is assessed by the state tax commission shall be taxed at the same rate of taxation which is levied on other property in the junior college district in the same manner and to the same extent that the property is subject to assessment and taxation for general county purposes, and all of the provisions of chapters 151, 153, 154 and 155, RSMo, shall apply to taxation by junior college districts to the same extent as if the junior college districts were specifically included in the provisions contained in chapters 151, 153, 154 and 155, RSMo, except that the taxes levied by junior college districts shall not be included for the purpose of determining the average school levy for the other school districts in the county in which they are situated. The taxes levied against the property by junior college districts shall be collected in the same manner as taxes are collected on the property from general county taxes.

(L. 1963 p. 200 § 13-88)
(Source: L. 1961 p. 357 § 12)

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Section 178.881. Community college capital improvement subdistrict may be established, boundaries, taxation--ballot language--dissolution of subdistrict.--

1. The board of trustees of any public community college district in this state may establish a community college capital improvement subdistrict by its order for the sole purpose of capital projects. The boundaries of any capital improvement subdistrict established pursuant to this section shall be within the boundaries of the community college district.

2. In the event a capital improvement subdistrict is so established, the board of trustees may propose an annual rate of taxation for the sole purpose of capital projects, within the limits of sections 178.770 to 178.891, which proposal shall be submitted to a vote of the people within the capital improvement subdistrict.

3. The question shall be submitted in substantially the following form:

Shall the board of trustees of (name of district) be authorized, for the purpose of (name of capital project), to borrow money in the amount of dollars to be used in the capital improvement subdistrict of (name of capital improvement subdistrict) for the purpose of (name of capital project) and issue bonds for payment thereof?

YES NO

4. If a majority of the votes cast on the question are for the tax as submitted, the tax shall be levied and collected on property within the capital improvement subdistrict in the same manner as other community college district taxes. Such funds shall be used for capital improvements in the community college capital improvement subdistrict.

5. Where a tax has not been approved by the voters within a five-year period from the establishment of a community college capital improvement subdistrict, such capital improvement subdistrict shall be dissolved by the board of trustees.

(L. 2002 H.B. 2022 merged with S.B. 947)

Section 178.890. Annexation of school districts--new community college district formed, when--refusal without cause of petition to annex, penalty.--

1. If the area of an entire school district which adjoins a community college district organized pursuant to sections 178.770 to 178.890 desires to be attached thereto and become a part of the community college district it may do so in the manner provided for annexation pursuant to section 162.441, RSMo. If the area of an entire school district which adjoins a district offering a two-year college course pursuant to section 178.370 on October 13, 1961, and receiving aid pursuant to section 163.191, RSMo, desires to be attached thereto for community college purposes only, the annexation shall be completed pursuant to section 162.441, RSMo, and upon the annexation, a special community college district shall be established in the entire area as provided in sections 178.770 to 178.890, and notice thereof shall be given to the state board of education. The state board of education, within sixty days, shall call a special election for the election of trustees to be conducted in the manner provided in section 178.820.

2. If the entire area of a school district not adjoining or contiguous with an established and existing community college district organized pursuant to sections 178.770 to 178.890 desires to become part of such an established and existing community college district which lies in whole or in part in a county which is either:

(1) Adjacent to the county in which the school district lies in whole or in part; or

(2) Adjacent to a county which does not have a public four-year open enrollment college or university, which is adjacent to the county in which the school district lies in whole or in part, such school district may do so in the manner provided for annexation pursuant to section 162.441, RSMo, and in such instances, it shall not be required that such school district be adjacent to or adjoin such a community college district, and the subdistrict or subdistricts in the area comprising the petitioning school district need not be contiguous with the subdistricts of the receiving community college district.

3. If the board of trustees of the receiving district rejects the petition for annexation, the state board of education may be petitioned for a hearing and upon receipt of the petition the state board shall establish the time and place and proceed to a hearing. If the state board of education finds that refusal to honor the petition for annexation has been made without good cause, the state board in its discretion may withhold a portion or all of the state aid from the district which is payable pursuant to the provisions of section 163.191, RSMo.

(L. 1963 p. 200 § 13-89, A.L. 1978 H.B. 971, A.L. 1998 S.B. 553)
(Source: L. 1961 p. 357 § 15)

AGENDA ITEM SUMMARY

AGENDA ITEM

PreK-16 Initiatives-Business Education Roundtable Recommendations
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

In recognition of the achievements that result when business and educational leaders work collaboratively, Governor Holden established the Business Education Roundtable (BERT) through Executive Order 02-04 on March 18, 2002. Jay Newton, president of Southwestern Bell-Missouri and Karen Pletz, president and CEO of the University of Health Sciences in Kansas City, chaired a 40-person panel of business executives, community leaders, educators, and government officials, including state legislators, who met periodically over a 16-month span. BERT issued its report in July 2003. The intent of this board item is to summarize the BERT report and to establish the next steps for CBHE involvement.

Background

Throughout the nation, there is increasing acknowledgement that quality PreK-16 education is a necessary investment for a secure future. More frequently, business leaders are working collaboratively with educators and government policy makers to develop comprehensive and innovative policies and programs that will result in higher academic achievement of all students and in increased state resources for education.

The establishment of the Missouri Business Education Roundtable by Governor Holden put into motion a series of focused discussions by key Missouri business, education, and government leaders about the state's need for more qualified teachers in public schools, more assertive recruitment and retention programs, and more in-depth understanding of the problems faced by hard-to-staff schools.

The BERT Report presented to Governor Holden on July 30, 2003 is located on the DHE web site at <http://dhe.mo.gov/commission/resources.htm> and is also included as an attachment to this board item. The report includes 28 recommendations organized around the following themes:

- Recruitment and retention
- Teacher preparedness
- Teaching as a profession images
- Age-appropriate preschool activity
- Parental and community engagement
- Business/community education partnerships

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- Business/community education partnerships
- Continuous school performance improvement
- Funding enhancements

The BERT Report creates a sense of urgency without denial or blame, with an emphasis on understanding that the state's educational system from early childhood through life-long learning is an investment in Missouri's future. The report calls on both the State Board of Education and the Coordinating Board for Higher Education to make commitments to adopt quality criteria as their management model and to encourage individual schools, colleges, and universities to do the same. In calling for additional funding, the Roundtable expressed concerns that state funding decisions should look at the total educational system and not foster unnecessary competition between K-12 and higher education for continuing and new funds.

The BERT Report promotes joint responsibility for most of its recommendations, highlighting the interdependence among state agencies, K-12 institutions, policy makers, and postsecondary institutions. Several recommendations identify CBHE or DHE as having partial responsibility for implementation. Some recommendations also establish a target date for completion of a specified task. Recommendations that specifically identify the CBHE or DHE along with a target timeline when mentioned include:

- Alignment of teacher preparation curriculum and certification with Show-Me standards and MAP objectives (State Board and CBHE to meet immediately)
- State law revisions on early childhood education (recommendations by December 2003)
- Tax incentives to encourage business participation in partnerships with local school districts (recommendations by December 2003)
- A multi-year public awareness campaign on the value of teaching (inaugurate by July 2004)
- Business/community engagement best practices toolkit and training (available July 2004)
- Joint report for budget enhancement and/or teacher preparation statutory changes (budget enhancement recommendations due by October 2004, statutory changes due by December 2004)
- Statutory changes to improve recruitment/retention (due by December 2004)
- Strategies to fill teaching vacancies, especially in hard-to-staff schools (no timeline)
- Adopt Quality Criteria (no timeline)
- Review funding for public higher education (no timeline)
- Review collegiate-level need-based financial assistance - recommend changes (no timeline)

Conclusions

Some of the BERT recommendations reinforce ideas mentioned in previous PreK-16 reports while others chart new initiatives. The importance of PreK-16 work is also highly visible in the emphasis placed by the CBHE, as well as by the Commission on the Future of Higher Education, on adequate preparation by K-12 students for collegiate-level work and on the importance of K-12 teacher quality. In addition to formally receiving the BERT Report, the CBHE should consider holding a special work session before December 2003 to review in detail the BERT recommendations, to prioritize its PreK-16 work, and to determine next steps.

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STATUTORY REFERENCE

Section 167.223, RSMo, High School Offerings of Postsecondary Course Options

Section 173.005.2(4), RSMo, Admission Guidelines

Section 173.005.2(6), RSMo, Transfer of Students

Section 173.005.2(7), RSMo, Data Collection

Section 173.020(2), RSMo, Identification of Higher Education Needs

RECOMMENDED ACTION

It is recommended that the Coordinating Board for Higher Education formally receive the Business Education Roundtable Report and express its sincere gratitude to Governor Holden for establishing the Roundtable and to Roundtable members for their insightful recommendations.

It is further recommended that the Coordinating Board for Higher Education hold a special work session sometime prior to its December 2003 meeting to review in detail the BERT recommendations, to prioritize its PreK-16 work, and to determine next steps.

ATTACHMENT

Report of the Missouri Business Education Roundtable

Report of the
Missouri Business - Education
Roundtable

July 30, 2003

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Business Education Roundtable Executive Summary

*In an agrarian society, individuals need land to be successful;
in an industrial society individuals needed capital to be successful;
and in today's knowledge-based technology society, individuals need a good
education to be successful.¹*

The education of America's youth is at the center of political and public policy dialogue throughout the nation; this prominence reflects an understanding of the relationship between the quality of educational achievements experienced by today's youth and the social and economic progress of tomorrow's adults. The Business Education Roundtable was created by Executive Order 02-04, signed by Governor Bob Holden on March 18, 2002, in recognition of the significance of education for Missouri's continued economic development. This Order acknowledged the importance of the preparation of all students for the opportunities that will be presented by the global economy as well as the significance of a well-educated workforce for the competitiveness and creativity of existing business and for future economic stability and growth in Missouri.

The Roundtable took a broad view of the Governor's charge because of its recognition that the emerging global economy significantly impacts Missouri as manufacturing jobs are shifted out of the country, and will continue to impact the State as international competitors develop their workforce and improve workforce capabilities. The point of departure for the Roundtable, then, was the conclusion that the preparation for emerging workforce demands does not begin at kindergarten and does not end with graduation from high school but, rather, begins in very early childhood and extends throughout life. Consequently, the Roundtable chose to focus on the preparation of the children and young adults of today to successfully compete in a global economy. That focus led to considerations of early childhood development and pre-kindergarten education, methods of improving schools through continuing improvement of teacher education, enhanced community support for schools, strengthening business-school partnerships, mechanisms to support and improve children and schools in economically stressed areas, and the importance of an affordable and high quality postsecondary education.

The scope and importance of the issues considered by the Business Education Roundtable can be illustrated by the following:

- ❖ The brain undergoes its most rapid development in early childhood; quality preschool programs can reduce the negative effects of an at-risk childhood.

¹Keith Bailey, Chairman, National Alliance for Business and Chairman and CEO of Williams, presentation to the Roundtable, March 22, 2002.

- ❖ Between April 1998 and November 2002, the number of manufacturing jobs in Missouri decreased by 14.8 percent.
- ❖ Two-thirds of all jobs created in Missouri by 2006 will require training beyond high school.
- ❖ In 2001, 47 percent of Missouri's large employers reported that skilled workers were scarce.
- ❖ Over half of the rapidly expanding occupational fields require an Associate of Arts degree or higher, but according to the 2000 census, 18.7 percent of Missourians lack a high school degree.
- ❖ While the proportion of Missouri adults having completed at least a college degree increased from 17.8 percent in 1990 to 21.6 percent in 2000, Missouri lags behind the national average of 24.4 percent of the adult population in 2000.
- ❖ Nationally, a high school dropout will earn 20 percent less than a high school graduate over a lifetime, those with an Associate's degree will earn 60 percent more than a high school dropout, while those with a Bachelor's degree will earn 110 percent more.

These data clearly indicate that Missouri must invest in the education of children from birth, it must improve the elementary and secondary educational environment, and it must ensure that college is affordable and of excellent quality, if the state is to maintain a high standard of living for all Missourians. The work and recommendations of the Business Education Roundtable are directed toward improving opportunities for Missourians and improving Missouri's economy over the coming decades.

The Business Education Roundtable formed three subcommittees to consider these issues. The subcommittees met separately, in addition to meetings of the full Roundtable, and were charged with developing a list of initial recommendations that could be debated and adopted by the full Roundtable. Subcommittee topics included: Teachers as Professionals, Improving the School Environment, and Funding Education. The report's recommendations are organized around these three major issues. Below is a synopsis of the recommendations of each subcommittee.²

Teachers As Professionals

Teacher recruitment and retention is a challenge and recent data on the teaching profession indicates declining trends in the number of individuals entering the field. These challenges can be met by working in cooperation with organizations representing educators, businesses, and supportive community groups.

² These broad recommendations are presented as objectives in the body of the report and more detailed recommendations are presented within the discussion of each objective.

Recommendations

- Develop a more proactive teacher recruitment strategy and strengthen teacher retention policies
- Improve teacher preparedness
- Reinforce the perception of teaching as a profession

Improving the School Environment

One of the most important ways to positively influence the school environment is to ensure that children arrive at school prepared to learn. That preparation requires top quality pre-kindergarten programs and parental involvement in the education of children. Businesses in each of the state's 524 school districts have the ability to provide support for schools in their community and these recommendations should encourage a stronger partnership.

Recommendations

- Provide preschool children with age appropriate development activities to enable them to enter kindergarten prepared to learn
- Engage parents and communities in educational outcomes of children
- Develop business and community education partnerships
- Continuous improvement in school performance

Funding Issues in Education

The Roundtable observed that Missourians, like all Americans, sharply divide responsibility for providing early education between the child's parents and society. Parents are almost completely responsible for any education that children receive before kindergarten but society is responsible for the cost of the child's primary and secondary education. This duality contributes to a system where some children arrive at kindergarten unprepared for school and contributes to inequities in achievement with their peers thereafter.

Missouri must make every effort to ensure an adequate and equitable funding system for children and young adults that will provide an efficient and effective method for youths to acquire at each level the knowledge and skills required to succeed at the next level. In order to obtain and maintain an adequate funding stream for public education, Missouri's educational system must provide for maximum accountability through measures of effectiveness, allowing for continuous feedback to employees, students, schools, parents and policy-makers.

Recommendation

- Improve funding for Missouri education at all levels

Missourians are moving beyond the K-12 or even the K-16 concept of education. Education in the 21st century will be a life-long activity, one that begins well before kindergarten, continuing through early childhood programs, and extends beyond the college

years in the form of specialized education and training programs. The state's success in developing its economy in the coming years depends to a very significant degree upon the quality of the education that Missouri provides to its children. Achieving a high quality of education depends upon maintaining and improving cooperative and supportive relationships between the state, the schools and postsecondary educational institutions, businesses, and the surrounding community in regions throughout Missouri.

Unfortunately, the Roundtable's deliberations occurred during a period when Missouri's revenue was insufficient to meet all of the state's needs, including those in education. The members recognize the constraints imposed by current and future revenue trends but the Roundtable also recognizes that education is a fundamental foundation for building an educated workforce and a prosperous state. The Roundtable understands the current financial condition of state government but believes that the recommendations are important and should be funded even in these difficult times because Missouri's competitiveness in the future is dependent upon its investment in education today.

Foreword

In the beginning years of the 21st century, Missourians have been confronted with unprecedented change as the state's economy is impacted by the rapidly evolving global economy. The full implications of these changes are not evident but it is apparent that the workforce of this century must be more adaptable than the workforce of the past century. Education is the means by which we can provide children and young adults with the knowledge and skills required to adjust to a rapidly changing workplace.

The state actually pays a high, although indirect, cost for an inadequate education. Missouri spends substantial resources providing services to adults who have fallen through the educational system. For example, reduced opportunities contribute to the increased use of public services, including Medicaid. Similarly, an important component of 1996 federal Personal Responsibility Work Opportunity Reconciliation Act (the Welfare Reform Act) is providing workforce readiness skills for recipients of public assistance. An inadequate or incomplete education does not cause criminal behavior but there is evidence that education is inversely related to criminal activity. Reports from the Missouri Department of Corrections, and studies from other states, indicate that the recidivism rate is lower for former inmates if they obtain a high school diploma while incarcerated.³

Fortunately, we have the substantial ability to affect the quality and content of the education for those who will comprise Missouri's future workforce. In fact, with the exception of pre-kindergarten education, the components are in place to prepare children and young adults for the emerging demands of the workplace. The challenge ahead is to continuously improve the preparation of students for the opportunities that await them and meeting this challenge requires that parents, educators, policymakers, and the business community play an active role as supportive partners. The members of the Roundtable believe that this report will be an important catalyst in cementing the partnerships necessary to provide the best possible education to the children and young adults of the state.

³ Missouri Department of Corrections Strategic Plan, FY 2004, pp 23-25. Stephen Steurer and Linda Smith. Education Reduces Crime: Three State Recidivism Study.

TEACHERS AS PROFESSIONALS

Objective 1: Develop a more proactive teacher recruitment strategy and strengthen teacher retention policies

We need a culture that promotes the idea that the best teachers should be with the neediest students. In business, they always put their best people on the most challenging cases.⁴

Recommendation 1: The Department of Elementary and Secondary Education shall establish a centrally located, statewide teacher recruitment and retention center to meet the needs of rural, suburban and urban school districts. The center should operate an online clearinghouse, in conjunction with the Department's current on-line listing of jobs, to facilitate local connections for school districts, prospective teachers, and the business community.

Recommendation 2: The Department of Elementary and Secondary Education and the Department of Higher Education shall develop recruitment strategies for filling vacancies in all schools, especially hard-to-staff schools, in cooperation with organizations representing teachers, as well as community leaders and teachers and administrators from potentially affected districts. The State Board of Education and the Coordinating Board for Higher Education shall identify such statutory changes as may be required to improve Missouri's recruitment and retention strategies, especially for teachers in hard-to-staff schools. A report containing recommendations for any statutory change shall be presented by the State Board of Education and the Coordinating Board for Higher Education to the Governor by December 2004.

Recommendation 3: The Department of Elementary and Secondary Education and the Department of Higher Education shall work with its partners and with representatives of the business community in hard-to-staff schools to devise retention incentives, such as support for National Board Certification and enhanced pay for excellent performance for teachers in those schools.

Recommendation 4: Larger step increases should be instituted in the salary scale of K-12 teachers during their earlier employment years. In addition there should be a reduction, to 10 or fewer in the number of years required to advance to the top of the K-12 teacher salary scale.

Recommendation 5: Scholarships and loan forgiveness programs should be designed for college/university students willing to commit to teaching in a school defined as hard-to-staff. In

⁴ "Poorest Kids Often Wind Up with the Weakest Teachers." *Chicago Sun-Times*, September 7, 2001 as cited in Missouri K – 16 Task Force on Achievement Gap Elimination.

addition, programs should be designed to pay for some or all of the costs of tuition for teachers in hard-to-staff schools who choose to address their deficiencies through formal education and training programs. Funding for these educational opportunities should be sought from business partnerships and community organizations as well as the state.

Teacher recruitment and retention is a challenge and recent data on the teaching profession indicates declining trends in the number of individuals entering the field. The proportion of male teachers declined from 24 percent in 1991 to 21.7 percent in 2001. The number of African American teachers declined from 8.3 percent in 1991 to 7 percent in 2001 while the number of African American students increased from 15.6 percent to 17.4 percent in the same time period.⁵

The proportion of teachers with five or fewer years of experience has increased from 21.6 percent to 30.5 percent between 1991 and 2001. The percentage of teachers who leave the classroom after one to five years of experience continues to rise. In 1991, 27.6 percent of teachers left after one to five years in the classroom while in 2001 the percentage increased to 33.8 percent.⁶ These changes in recruitment and retention rates place a burden on local school districts, especially in hard-to-staff schools. Statewide approaches that assist school districts in the recruitment and retention of teachers will help to reverse these trends.

There are many statewide approaches available to increase the retention levels of teachers in Missouri, including creating a career path, such as a master teacher program that keeps experienced teachers focused on their teaching career rather than seeking an administrative position or from leaving the field entirely. Younger teachers could be encouraged to stay by changing the salary schedule to provide larger step increases in the earlier years of employment and a reduction, to 10 or fewer, in the number of years required to advance to the top of the scale may help increase teacher retention. Other areas to examine include accountability methods and incentives for quality teaching, continuing education, enhanced opportunities for professional development, mentoring and other teacher support systems, and leadership training for school administrators.

Hard-to-staff schools require strong and consistent recruitment and retention strategies. A hard to staff school is defined as one with:

- More than 50 percent free and reduced lunch;
- More than 50 percent of the students performing at or below grade level;
- At least a 15 percent teacher annual turnover rate; and
- 25 percent of teachers defined as under-qualified due to provisional accreditation, teaching out of an accredited field or having a probationary certification status.⁷

⁵ Missouri Department of Elementary and Secondary Education, Division of Teacher Quality and Urban Education. "Report to the General Assembly." December, 2001.

⁶ Missouri Department of Elementary and Secondary Education, Division of Teacher Quality and Urban Education. "Report to the General Assembly." December, 2001.

⁷ Bridget Curran. National Governors Association, Center for Best Practices. Presentation to the Missouri Business Roundtable. January 24, 2003.

Hard-to-staff schools face issues that make it difficult for the schools to recruit and train quality teachers. The Department of Elementary and Secondary Education and the Department of Higher Education should assess incentives for teachers, develop peer and mentor systems that could be used in such districts, and recommend any statutory changes, budget initiatives, and district level changes in policies and procedures that will improve the quality of education in these hard-to-staff schools.

The recruitment and retention center should work in partnership with the business community to identify and, when possible, help meet the needs of local school districts, especially but not exclusively in hard-to-staff schools. The recruitment and retention center should work through regional professional development centers to provide research and coordination on the status of teaching in Missouri and provide this information to the general public through multiple dissemination methods including the Internet. The center should perform exit surveys for those leaving the profession; provide information on professional development opportunities and issues such as working conditions, pay, benefits and other topics of related interest; share best practice methods; and provide a central application process for those wishing to teach in a Missouri school.

Objective 2: Improve teacher preparedness

Teachers whose opportunities to learn were grounded in specific curricula and assessments reported more of the sorts of practices that reformers had proposed than teachers whose opportunities to learn were not so grounded.⁸

Recommendation 6: To the maximum extent practical, all teachers shall have subject matter training (a major or minor in the field) and grade-level pedagogy for the subjects taught by the school year 2005-2006.

Recommendation 7: By December 2003, the Department of Elementary and Secondary Education and the Department of Higher Education in collaboration with Missouri colleges and universities will develop a plan to align teacher preparation curriculum and certification with the show-me standards and the Missouri Assessment Program objectives. The Coordinating Board for Higher Education and the State Board of Education should meet immediately to determine best ways to implement the intent of this recommendation. The plan should include a schedule with target dates for the presentation of alignment evidence. Strategies for addressing situations in which alignment is not evident should also be developed.

Recommendation 8: A joint report containing the recommendations of the Department of Elementary and Secondary Education and the Department of Higher Education for budget enhancements and/or for statutory changes to teacher preparedness shall be submitted to the Governor by October 2004 and December 2004, respectively.

⁸David K. Cohen and Heather C. Hill. Learning Policy: When State Education Reform Work. New Haven. Yale University Press. 2001. P 5.

Research shows us that teachers have a greater impact on student achievement than any other educational factor. Ensuring that teachers receive the appropriate training for our hard-to-staff schools is imperative to their success. The federal No Child Left Behind (NCLB) act (PL 107-110) requires that by 2005-2006 all teachers be “highly qualified”, meaning the teacher must have a bachelors degree and be teaching in their field of certification. The Missouri School Improvement Program (MSIP) requires that 95 percent of teachers are teaching in their field of certification. Missouri as a whole meets that standard; however, schools in the northwest and southeast portions of the state continue to have the largest percentage of non-certified teachers.

Missouri is committed to increasing the number of certified teachers by funding professional development for teachers. The amount of state money dedicated to professional development for teachers has increased from \$6 million in 1994 to \$13 million in 1998. Missouri also provided money (\$2.1 million in 1999-2000, for example) for nine Regional Professional Development Centers (RPDC) housed at state colleges and universities around the state. These RPDCs offer professional development services to schools within their region, sponsor the *Select Teachers as Regional Resources* program and facilitate school improvement initiatives. In addition, the federal NCLB act provides federal funds for the professional development of teachers and for allowing teachers to obtain training in their teaching field.

Despite the assistance for professional development at the state and federal level, more can be done to bring all of Missouri’s teachers into compliance with existing state standards and new federal standards. Areas to be examined include alternative routes to certification, methods to provide better preparation for graduates of education programs, methods to expand partnerships between colleges of arts and sciences and colleges of education to align teacher preparation and certification with the Show-Me Standards and Missouri Assessment Program objectives, expanded internship programs, development of a “fellows” Masters program, the use of hybrid” assistance programs in conjunction with business partnerships, and such other changes that the departments and their partners believe will improve the contribution of new teachers to the education of their students. One proven way that business organizations can support professional development activities for teachers is by providing volunteer substitute teachers from their own organizations. By providing these no-cost substitute teachers, schools can lower the expense associated with teacher absences and businesses can develop a deeper appreciation of the teaching profession.

When it is not possible to have classes taught by a teacher with appropriate subject matter training, the employing school district should provide tuition reimbursement for any additional education required to obtain appropriate subject matter education. Coursework to obtain the additional education should be successfully completed within one year of placement and should not take more than eighteen months to obtain.

Objective 3: Reinforce the image of teaching as a profession

The image of teaching as a 'namby-pamby,' 'goody-two-shoes,' part-time, female job with 'summers off with the kids' still lingers even as the actual requirements for the profession demand highly competent, computer-skilled, multilingual, dynamic individuals who can handle kids from every walk of life.⁹

Recommendation 9: The Department of Elementary and Secondary Education and the Department of Higher Education shall develop a multi-year public awareness campaign to demonstrate the value of the teaching profession among potential teachers and the community at large and this program shall be inaugurated by July 1, 2004.

According to a 2002 poll, 55 percent of Americans believed that schools have gotten off on the wrong track and only 23 percent would give public education nationally an “A” or “B”.¹⁰ The image of teachers as professionals is tied to how Americans view public education. Working cooperatively, educators, school and postsecondary administrators, and business and community leaders could demonstrate the worth and also the values of the teaching profession for prospective teachers and the public alike. This multi-year effort should draw upon the expertise of the School of Journalism at the University of Missouri and advertising agencies and should utilize community/business partnerships to coordinate a consistent, coherent message at low direct cost.

⁹ Gordon, June A. *The Color of Teaching*. Routledge/Falmer Press as quoted in “Why Aren't There More Minority Teachers?” National Education Association. <http://www.nea.org/neatoday/0203/resource.html> accessed June 24, 2003.

¹⁰ Linda Voke. “Engaging the Public in Its Schools. Association for Supervision and Curriculum Development. “Issue Brief No 30. July 2002. Page 7.

IMPROVING THE SCHOOL ENVIRONMENT

Objective 4: Provide preschool children with age appropriate development activity to enable them to enter kindergarten prepared to learn

The most recent National Household Education Survey reports that 61percent of children under age 4 regularly attend early childhood program..... In studies of quality, six out of seven early childhood programs are rated as being of mediocre or poor quality.¹¹

Recommendation 10: The State Board of Education shall propose revisions in state law as are necessary to ensure the adequacy and quality of early childhood education programs for children from birth to age five, including assessment and accreditation of those programs. The Department of Elementary and Secondary Education shall cooperate with representatives of schools, colleges and universities, the Department of Social Services, and interested citizens in developing such recommendations and shall have a draft proposal prepared for review by the Board by December 2003.

Recommendation 11: The Department of Elementary and Secondary Education shall obtain or prepare materials about the value of early childhood education and distribute those materials to schools, colleges and universities, non-profit organizations, and other groups and entities interested in early childhood issues. These materials shall be distributed by summer 2004, and periodically thereafter.

Recommendation 12: The Department of Elementary and Secondary Education shall submit a plan to the State Board of Education to expand the Parents as Teachers Program using state, local, and private funds, by fiscal year 2005-2006. The plan shall include incentives for districts with a large proportion of high need families as well as those districts that are serving less than the statewide average of high need families.

One of the most important ways to positively influence the school environment is to ensure that children arrive at school prepared to learn and additional preparation is particularly beneficial for children from at-risk families. All children can gain from early childhood programs but children from at-risk families, especially, can gain from early childhood education. Early childhood programs help prepare children for school but also lay a foundation that prepares them for life.¹² Top quality pre-kindergarten programs and parental involvement in the education of children are central to the preparation of children for school. Missouri can build

¹¹ Improving Early Education in Missouri: A Workforce Incentive Project. Center for Family Policy and Research. Issue Brief. University of Missouri – Columbia. <http://mucenter.missouri.edu> accessed June 2003.

upon the existing early childhood programs authorized in HB 1519 (1998) to ensure that quality programs are provided to pre-schoolers.¹³

In Missouri, roughly 75 percent of children enter kindergarten with at least average school readiness skills.¹⁴ Missouri's children who attend school in high poverty areas score lower on average than children elsewhere but still score close to the national preparedness standard. Missouri's Parents As Teachers Program was implemented following the passage of the Early Childhood Development Act of 1984 (Sections 178.691-178.699, RSMo) as one means of improving the preparation of children for school. It initially provided services for parents of children up to age 3. Since the 1987-1988 school year, services are provided to parents and their children up to the age 5. In recent years, the program has provided services to approximately 150,000 Missouri families annually at a cost of approximately \$30M. The Parents as Teachers Program provides services to more than 40 percent of families classified as high need by the Department of Elementary and Secondary Education and high need families constitute approximately 25 percent of all families served by Missouri schools. The program is widely regarded as a success because it reduces remedial education costs, improves performance, and increases parental involvement.

In 1998, the General Assembly enacted provisions in HBs 1519 & 1165 that provided funds for early childhood programs and mandated a study of the effectiveness of early childhood programs in Missouri. That study is nearing completion and the Roundtable looks forward to the publication of its results.

Objective 5: Engage parents and communities in educational outcomes of children

*Acting alone, educators cannot achieve the ideal upon which our nation's schools are founded.... It is not sufficient to hold educators accountable for student learning and reward or punish them based upon the results they produce.*¹⁵

Recommendation 13: The Department of Elementary and Secondary Education shall identify and publicize programs designed to improve the attendance rate of children with excessive absences and assist children who move from school to school during the academic year.

¹³ The Effects of HB 1519 Funding on Early Childhood Programs. Center for Family Policy and Research. Policy Brief, University of Missouri – Columbia. <http://mucenter.missouri.edu> accessed, June 2003 See also, Anne Mitchell, Heather Weiss and Tom Schultz, "Evaluating Education Reform: Early Childhood Education. Missouri Department of Elementary and Secondary Education, website, <http://www.dese.state.mo.us>, accessed in April 2003.

¹⁴ Report on Results of the 2002-2003 School Entry Assessment Program. Missouri Department of Secondary Education.

¹⁵ Linda Voke. "Engaging the Public in Its Schools." Association for Supervision and Curriculum Development. Issue Brief No. 30. July 2002. Page 7.

Recommendation 14: The Department of Elementary and Secondary Education shall obtain or develop and test a toolkit that school districts can use to engage parents by July 2004.

Recommendation 15: The Roundtable encourages the Governor to support and the General Assembly to adopt legislation that encourages parental involvement in public education.

Recommendation 16: The Department of Elementary and Secondary Education shall examine options that will encourage children to remain in school, including but not limited to, incentives for children and their parents, alternative learning opportunities, and advanced placement.

Common sense, supported by years of research, indicates that parental involvement in school and school related activities is critical for the academic success of children. The recognition of the importance of parental involvement was one of the factors that led to the creation of the Parents as Teachers Program for young children. Efforts to increase parental involvement with the school and with the child will pay dividends in terms of reduced absenteeism, improved performance, and fewer dropouts. These efforts can lead to improved lives for children and parents, and will contribute to the vitality of both schools and society.

Schools can take steps to ensure that they are open to parental involvement and perceived as such by adopting policies that explicitly recognize the importance of two-way communication with parents as full partners in the education of their children. Schools can also help parents identify community resources that can help them provide support and assistance to their children. A model policy, adopted by the State Board of Education, could support school efforts to increase parental involvement.

In some Missouri school districts, there are significant numbers of students who move from school to school, both within and out of the district, during the course of a single school year. The sending district must provide information about such children to the receiving district upon request, however, if there is no request from a receiving district, the sending district does not have any further obligation to the child. Some of these children are not entering a new school or are entering after a delayed absence from school. These children could be brought back into the educational system more quickly if the sending district were required to notify the Department of Social Services if the child's record has not been requested by the receiving district within thirty days.

Currently, the Missouri graduation rate is 82.5 percent. A small number of those who drop out of school do so out of boredom as much as anything else. Utilizing efforts to identify and channel those students, through advanced placement, vocational education, and other strategies could enable them to finish high school and enter college. Other students have attitudes, behaviors, and learning styles that are not well suited for the typical high school but many of those students can graduate if provided alternative learning environments.

An incomplete education imposes a very real, lifetime financial burden on individuals. The higher the level of educational attainment, the better each individual's earning potential; a relationship as important as it is obvious. Without a quality education, career choices are limited, unemployment is more likely, and earning capacity is significantly reduced. On average,

earnings of a high school dropout will be 20 percent less than the earnings of a high school graduate over their lifetimes. A recent national study reported that on average a person with an associate's degree or a bachelor's degree would earn 60 percent and 110 percent, respectively, more than a person who did not finish high school. This earnings gap has increased in the last 30 years and there is every reason to expect the gap to continue to widen in the future.¹⁶

Objective 6: Develop business and community education partnerships

*A successful business education partnership will bring businesses and their employees into the schools and draw students into the community.*¹⁷

Recommendation 17: The Department of Elementary and Secondary Education shall facilitate business education partnerships by creating a page on its website where school districts can post needs that could be met by the business community.

Recommendation 18: The Roundtable recommends that the Governor establish an annual business education summit to provide a forum where business leaders can provide feedback to representatives of elementary and secondary education as well as higher education about workforce preparedness issues. Further, we recommend that the Governor appoint an executive committee of business leaders to work with the business community and the Department of Elementary and Secondary Education to ensure that issues critical to both the education and the business community are addressed at the summit.

Recommendation 19: The Department of Elementary and Secondary Education in cooperation with the Department of Higher Education shall obtain or develop by July 2004 a best practices toolkit and training program, to enable school districts to engage potential business and community partners and to enable them to recognize the contributions of those partners. The toolkit shall include innovative programs and ideas designed to help all districts establish and foster business and community partnerships.

Recommendation 20: The state of Missouri and Missouri political subdivisions are encouraged to provide a means by which bidders may indicate on bid documents their level of involvement in business education partnerships to raise awareness within the business community about opportunities for supporting public education.

Recommendation 21: The Department of Elementary and Secondary Education and the Department of Economic Development shall assess the extent to which tax incentives might encourage business to participate in partnerships with local school districts. The State Board of Education shall recommend by December 2003 to the Governor such statutory changes as may be necessary to provide those incentives.

¹⁶ Facts in Brief. July 2002. Higher Education and National Affairs. hena@ace.nche.edu.

¹⁷ Jolene Schultz. Columbia Public Schools. Presentation to the Business Education Roundtable. July 18, 2002.

Recommendations one through five are designed to strengthen the connections between schools and the community and to enable the business community to assist and support local schools. Businesses in each of the state's 524 school districts have the ability to provide support for schools in their community and these recommendations should encourage a stronger partnership; one in which it is easier for businesses to donate material resources, to participate in complementary programs, to assist with after-school programs, to provide volunteer labor, and to otherwise further educational objectives.

The rapid pace of change in the 21st century increases the importance of the quality and character of education available to students for the business community. Today's business leaders know that they have a vital stake in public education for they employ the graduates of Missouri's high schools and colleges. They know that the success of public education in preparing students is critical to the success of tomorrow's businesses. Members of the business community can offer much to education. Businesses are aware of how society is changing, the new demands that are being placed upon the workforce, and the implications of inadequate preparation for the future. Business involvement can provide feedback to the educational community about successes as well as information about the knowledge and skills that business leaders expect new employees to bring to the job.

Objective 7: Continuous improvement in school performance

*Adopting standards-based curriculum, instruction and assessment measures requires deep changes in teaching that experience and research suggest only occur over extended periods of time and with intensive support.*¹⁸

Recommendation 22: The Roundtable recommends the State Board of Education and the Coordinating Board for Higher Education adopt quality criteria as their management model and encourage this model be adopted by individual schools, colleges, and universities. The State Board and the Coordinating Board should determine which laws or regulations are impediments to the quality criteria and develop legislative and other strategies to eliminate them.

Recommendation 23: The Roundtable recommends the implementation and funding of evaluative measures to insure that education prepares students to meet the demands of the 21st century for a highly skilled and knowledgeable workforce.

The rapid pace of economic, technical, and cultural change now occurring in the United States is demanding much of public education and schools across Missouri are responding to the implications of that change. As recently recognized by the Coordinating Board for Higher Education, an effective response requires a continuous reexamination and revision of teaching methods, linkages to parents and the community, as well as monitoring and adapting to

¹⁸ Tom Corcoran and Jolly B. Christman. *The Limits and Contradictions of Systemic Reform: The Philadelphia Story*. Consortium for Policy Research in Education. 2002. p 23.

community and societal changes that affect the ability of children to succeed as students in the larger community as adults.

Assessment is critical to any systematic evaluation of statewide school performance. Organizations in the United States have over fifteen years experience with programs designed to provide on-going organizational assessment and continuous improvement. These programs have been used in both the private and public sectors and have been used by the state of Missouri since 1994 when Governor Mel Carnahan created the Commission on Management and Productivity to assess the efficiency of state government. The Baldrige Education Criteria, developed by the Baldrige National Quality program of the United States Department of Commerce, is the industry standard for excellence, and is one tool that could be used by the state and school districts to assess, improve, and monitor performance.¹⁹

Assessment is also vital at the individual school level. The current Missouri School Improvement Program (MSIP) provides feedback to schools on several performance levels. The Missouri Achievement Program (MAP) is intended to produce long-term assessments by providing periodic, systematic assessment of student performance as they progress through their education. Funding for MAP testing has been reduced due to budget exigencies, although funds for math and communication arts testing were preserved. This reduction prevents the collection of valuable data that could otherwise used to track student and school performance over time.

¹⁹ See http://www.quality.nist.gov/Education_Criteria.htm, the Baldrige National Quality Program for more information.

FUNDING ISSUES IN EDUCATION

Objective 8: Improve funding for Missouri education at all levels

Missouri is like many other states in both pursuing a standards-based approach to allocate the lion's share of state aid for public schools One problem with this approach is that most states and the federal government do not know whether school districts have sufficient resources for them to fulfill state/federal expectations.²⁰

Recommendation 24: The Roundtable recommends that the joint interim committee authorized by Senate Concurrent Resolution 16 (2003) develop an equitable and adequate foundation formula with a funding mechanism for presentation to the General Assembly in January 2004.

Recommendation 25: Article VI, Section 26(b) of the Missouri Constitution should be amended to require simple majority approval of operational levy increases for elections held on the general municipal election day or the state primary or general election day. Article X, Section 11(c) of the Missouri Constitution should be amended to permit school tax levies to be increased by a majority vote even when the total levy exceeds six dollars per hundred of assessed valuation.

Recommendation 26: The Roundtable recommends that the State Board of Education assemble a taskforce composed of educators, public officials, representatives of the business community, and specialists in early childhood development to assess the need for and opportunities presented by public funding of pre-kindergarten educational programs. The taskforce shall submit its report and recommendations to the Board and the Governor by December 31, 2006.

Recommendation 27: The Roundtable recommends that the Coordinating Board for Higher Education review funding for public higher education to assess how recent funding decreases and tuition increases have affected access to education and to identify how the state can ensure continued access to higher education.

Recommendation 28: The Department of Higher Education, in cooperation with the Governor's Commission on the Future of Higher Education, shall review Missouri's record for providing needs-based assistance in comparison to that provided in other states, and recommend funding and program changes as may be required.

²⁰ Augenblick and Myers. Calculation of the Cost of an Adequate Education in Missouri Using the Professional Judgement and the Successful School District Approach. Prepared for the Missouri Education Coalition for Adequacy. February 2003.

Missouri does not have a coherent system of funding for education from early childhood through college. Rather funding and funding expectations, have evolved piecemeal over time for the various levels of education. The public has long expected to fund primary education and funding was extended to secondary education when the need for that became clear. Until recently, there was little thought given to pre-kindergarten education. Today there is an emphasis on ensuring that children enter kindergarten with a foundation that prepares them to learn; however, pre-kindergarten education is almost exclusively funded by the parents of pre-schoolers. The funding of public higher education has been a responsibility shared between the public and the students but recent trends in state funding and in corresponding tuition increases are shifting the balance to the students and their parents.

Missouri moved forward in its support for elementary and secondary education in the 1990s with additional revenues and a revised and more equitable funding formula, both of which contributed to improvements in educational attainment in districts across the state. As we look to the future, we see that these advances are at risk because of both funding issues and because of changes in the formula that weaken the equity of the distribution of state funds to districts. These developments will occur at a time when federal legislation, No Child Left Behind (PL 107-110), brings new attention to the adequacy of funding for the education of every student.

The state actually pays a high, although indirect, cost for an inadequate education. Missouri spends substantial resources providing services to adults who have fallen through the public educational system. For example, reduced opportunities through lack of education contribute to the increased use of public services, including Medicaid. Similarly, an important component of the 1996 federal Personal Responsibility Work Opportunity Reconciliation Act (the Welfare Reform Act) is providing workforce readiness skills for recipients of public assistance. An inadequate or incomplete education does not cause criminal behavior but there is evidence that education is inversely related to criminal activity. Reports from the Missouri Department of Corrections, and studies from other states, indicate that the recidivism rate is lower for former inmates if they obtain a high school diploma while incarcerated.²¹

Furthermore, for Missouri as a whole, the more educated the workforce, the better positioned the state is to develop its economy. It is essential that more Missourians achieve higher educational attainment levels if the state is to be competitive in the 21st century.

According recent data:

- ❖ The number of Missouri manufacturing jobs decreased by almost 15 percent between April 1998 and November 2002.²²
- ❖ Two-thirds of all jobs created in Missouri by 2006 will require training beyond high school.²³

²¹ Missouri Department of Corrections Strategic Plan, FY 2004, pp 23-25. Stephen Steurer and Linda Smith. Education Reduces Crime: Three State Recidivism Study.

²² Northeast Midwest Institute. "Regional Patterns for Recent manufacturing Job Losses". <http://www.nemw.org/MfgEmpChange.pdf>. Accessed May 2003.

- ❖ In 2001, 47 percent of Missouri’s large employers reported that skilled workers were scarce.
- ❖ Over half of the rapidly expanding occupational fields require an Associate of Arts degree or higher.²⁴ According to the 2000 census, 18.7 percent of Missourians lack a high school degree.²⁵

Missouri must make every effort to ensure an adequate and equitable funding system for children and young adults from primary school through college that will provide an efficient and effective method for students to acquire, at each level, the knowledge and skills required to succeed at the next level. In order to obtain and maintain an adequate funding stream for public education, Missouri’s educational system must provide for maximum accountability through measures of effectiveness, allowing for continuous feedback to employees, students, schools, parents, and policy-makers. The ability to fund education and the proportion of support provided by state governments and school districts, respectively, are important factors that should be considered when the foundation formula is evaluated by the General Assembly.

Recent Missouri data provide the following profile of Missouri’s support for public schools:

Average per pupil spending	\$6,991
Proportion of funding provided by state (including Proposition C revenues)	51 percent
Average tax levy	\$3.62
National rank in per capita personal income ²⁶	28 th
National rank in per pupil spending ²⁷	36 th

The State of Missouri has two major responsibilities in public education. The first is providing financial support for education. Missouri does this largely through the foundation formula. That formula was revised in 1977 and again with Senate Bill 380 enacted in 1993 to fund education and revise the foundation formula to improve equity among districts.²⁸ Data show that equity was improved through SB 380 but it still remains an issue and has become more important in recent years. One reason for the continued concern about the equity of funding for

²³ Office of Social and Economic Data Analysis. University of Missouri – Columbia. “Percent of Persons 25 Years or Older Without High School Diploma, 2000, for all US States.”

http://www.oseda.missouri.edu/tables/education/usst_pctnohstdiploma_2000.html.

²⁴ Marty Romitti, Ph.D. Presentation to the Governor’s Business Education Roundtable, September 27, 2003.

²⁵ Office of Social and Economic Data Analysis. University of Missouri – Columbia. “Percent of Persons 25 Years or Older without High School Diploma, 2002 for all US States.”

http://www.oseda.missouri.edu/mo_nation/college_grads_1990_2000.html. Accessed June 2003.

²⁶ U. S. Census Bureau, Statistical Abstract of the United States, No. 643, 2002.

²⁷ Missouri Department of Elementary and Secondary Education. <http://www.dese.state.mo.us/schooldata>. Data for the 2001-2002 school year.

²⁸ Impact of the Outstanding Schools Act Foundation Formula: An Equity Analysis. Missouri Department of Elementary and Secondary Education. December 1999.

education in Missouri is the growing number of “hold harmless” school districts. The number of “hold harmless” school districts increased from nine in 1993 to forty-eight in 2003 and there is the potential for another ten districts to be added to this number in 2004.²⁹ Senate Bill 380 also increased revenues for Missouri public education. For fiscal years 1994-2004, this act provided cumulatively more than \$3.9 billion in increased funding, which equates to a little more than \$350 million per year, thereby ensuring that the formula was fully funded for fiscal years 1995-1996 through 2001-2002.

The second state responsibility involves setting the standards which school districts and their students are expected to meet. Until the 1980s, Missouri, like most states, provided financial assistance for public education but largely left the setting of educational goals and standards to local school districts. Today, however, the state is extensively involved in district, school, and pupil performance issues. This involvement was enhanced by the requirements of the 1985 Excellence in Education Act and significantly increased by SB 380 – properly named as the Outstanding Schools Act of 1993.³⁰ The passage of No Child Left Behind (PL 107-110) will increase the state’s involvement in district and pupil performance issues due to its emphasis on testing, accountability, and statewide proficiency goals.

The developments regarding state and federal education standards have stimulated discussions about adequate education funding in addition to the equity of that funding. Adequate funding is the amount of funding required to meet federal and state standards, including the proficiency standards established in No Child Left Behind, to be met by the 2013-2014 school year. Groups within Missouri, such as the Missouri Education Coalition for Adequacy, have begun to consider the funding adequacy issues, and as a result, have commissioned research on the subject. The General Assembly has also recognized the urgency of the problem with Senate Concurrent Resolution 16, a resolution adopted in May 2003 to establish a joint interim committee to study the equity and adequacy of education funding, as well as other possible funding sources for education.

Two traditional sources of funds in Missouri are school levies and indebtedness. Until the 1980s, school funding proposals required approval by two-thirds of the electorate. The two-thirds requirement had its roots in Missouri’s rural past, at time when most school districts were geographically small and the population of the district was both low and inbedded in a community that included, and frequently revolved, around the school. Today, districts are much larger, the population of the districts is more heterogeneous, and rural communities, as we knew them in the early twentieth century, no longer exist. These conditions both loosen many voters’ ties to the school and make it more difficult for school officials to communicate with the voters.

Nationally, there is growing concern about the high cost of obtaining a college education as well as the change in student financial aid from needs-based grants to loans and merit-based programs. The net effect of these changes is to shift more of the cost of education from the public to students and their parents. These concerns were mirrored in Missouri in the Report of

²⁹ Paul Wagner, Senate Appropriations Staff, May 2003.

³⁰ See primarily sections 160.251 through 160.268 and Sections 160.500 through 160.642, RSMo.

the Missouri Commission on the Affordability of Higher Education.³¹ The report, submitted to the Coordinating Board for Higher Education in 1999, highlighted the trends in Missouri. There has been a comparative decline in state support for education, an increase in tuition, and more reliance on loans rather than grants as a means of providing educational assistance. On the latter point, the Commission reported that the ratio of grants to loans was 60/40 in 1981 but 40/60 in 1999. The conclusions of the Commission, based on data from the economically robust 1990s, are even more valid in 2003 as the state enters its fourth financially challenging fiscal year. In fact, even before the most recent increases, Missouri had increased its tuition by an average of 20 percent between the 2001-2002 and the 2002-2003 school years, ranking Missouri second in the nation in the magnitude of the increase.³² This financial squeeze could have serious consequences for students of modest means who wish to further their education; consequences that could have a significant impact on the state's ability to compete in the global economy.

³¹ Report of the Missouri Commission on the Affordability of Higher Education: Toward an Affordable Future. December, 1999. Prepared for the Missouri Coordinating Board for Higher Education.

³² "Percentage Increase in Public Four-Year Tuition and Fees." College Affordability in Jeopardy. National Center for Public Policy and Higher Education. January 2003.

AGENDA ITEM SUMMARY

AGENDA ITEM

Associate Degree Delivery Mission Differentiation
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

After 10 months of dialogue, a joint COPHE/MCCA subcommittee submitted to DHE staff the attached draft agreement (last revised August 15, 2003), outlining a context for collaboration, identification of suggested rules establishing future delivery activities surrounding associate degrees offered by public institutions, identification of understandings concerning off-campus programs, and a section on the applicability of the agreement to various educational sectors. The intent of this agenda item is to provide the board with a summary and analysis of the joint COPHE/MCCA subcommittee draft agreement and to recommend next steps for CBHE action.

Background

The associate degree is recognized nationally as a two-year degree that requires between 60 and 72 hours of coursework. There continues to be an increased demand for education and training at the two-year level, including a demand for certificate and degree programs as well as for non-degree workforce development. Increasingly, Missouri's economy will be affected by the number of its citizens who complete some postsecondary education.

While community colleges provide a low cost opportunity for postsecondary education, a substantial number of school districts, and therefore, Missouri citizens are located outside a community college taxing district and have limited access to courses and programs at the two-year level. DHE staff review of associate degree delivery identified additional concerns associated with multiple providers, multiple funding streams, duplication of coursework, and problems caused by mixed messages. These conditions should not continue if Missouri is to have an effective, well articulated certificate and associate degree system.

Originally, DHE staff recommended to the CBHE that a joint task force with representation from external constituents along with educators be appointed to evaluate the effectiveness of Missouri's public policy environment for associate degree delivery. Based on a request from institutional presidents, the appointment of a task force was delayed to permit COPHE/MCCA institutions to discuss issues and concerns related to the current policy environment and to seek solutions that would reduce tension and conflicts in the system.

All institutions were sent the most recent draft agreements prepared by the Joint COPHE/MCCA subcommittee and invited to submit comments to DHE staff by September 29, 2003. Although

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some institutions commented on earlier drafts, as of September 24, 2003, no institution has submitted a formal comment on the August 15, 2003 draft agreements. Some institutions have, however, called with questions or sent updates for their listing in one of the appendices.

Summary

The proposed agreement submitted by the joint subcommittee is divided into the following four sections:

- Context
- Associate Degrees
- Off-Campus Programs
- Applicability of Agreements to Sectors

Overall, the proposed agreements establish the following:

- Ideal principles promoting trust, collaboration, and local control
- Eligibility criteria for delivery of associate degrees
- Guidelines connected to institutional mission
- Limitations on public four-year associate degree delivery
- Inclusion of training and workforce development and dual credit coursework
- General guidelines directing institutional aspirations

Conclusion

The proposed agreements go further than current practice and will help to reduce tension and conflict between many public two- and four-year institutions. Current policy does not preclude institutions from signing such agreements. The public institutions should be encouraged to sign any agreements that will reduce tension and conflict between and among institutions. An emphasis on improved results in key areas, however, should also be a primary driver in promoting agreements between institutions, e.g., increasing participation and success in postsecondary educational programs.

Parts of the proposed agreements appear to be institutionally and sector driven with more concerns about protecting previous commitments and turf rather than being driven by state interests for increased access, cost-effectiveness, high quality, and productivity at the associate degree level. The complexity of Missouri's public higher education system makes it difficult to develop concise regulations that will apply to all situations concerning delivery of lower division courses and associate degree programs off-campus. In some locations, community college taxing districts and four-year campuses exist side-by-side, while other communities are beyond counties in which four-year institutions reside and are outside community college taxing district boundaries. This suggests that one size will not fit all situations.

In reviewing the proposed agreements, the staff has identified the following limitations:

- A lack of clarity about the role of Linn State Technical College and Southwest Missouri State University at West Plains in the development and delivery of new associate degrees
- An over-emphasis on protecting previous institutional commitments
- No clear process for conflict resolution
- No identification of new structures, incentives, or support systems to promote better collaboration across all sectors
- No mention of a commitment to quality principles as a management tool to drive local decision-making

As the state moves from a regulatory environment to an emphasis on performance excellence, institutions will benefit from a clear statement of General Principles adopted by the board that will support an effective, well-articulated certificate and associate degree system that is responsive to the state's workforce needs.

Consequently, the staff recommends that the board adopt General Principles to provide direction for institutional programming activity concerning certificates, associate degrees, and lower-division course work. The following draft General Principles are recommended for consideration by the academic community and the board.

Draft General Principles for the Development of Certificates, Associate Degrees, and other Lower Division Coursework

- Two-year institutions should be the primary providers of undergraduate certificates and associate degrees throughout the state.
- All associate degrees and certificate programs at public institutions should be reviewed on a regular schedule to determine the extent to which they meet the state's workforce development needs.
- For all new off-campus programming in the areas outside both the community college taxing district and the county in which a four-year institution is located, the primary provider of off-campus coursework should be the institution best suited by mission, proximity, cost effectiveness, and/or expertise to meet the expressed needs of the service area and to demonstrate value-added learning.
- Institutions should move towards using/adopting quality principles as a management tool – this will enable institutions to evaluate the appropriateness of all their associate degree programs on a regular schedule, regardless of the mission of the institution and the extent of previous commitments.
- All institutions should engage and collaborate with regional stakeholders (local program deliverers, businesses, consortia, and community groups) in program planning and development.
- The best delivery models, including ones that involve collaborative ventures and effective utilization of instructional technology, should be identified to promote increased access to and success in two-year programs.

Furthermore, the absence of an agreed-upon process for conflict resolution remains a shortcoming that should be addressed. Past practices suggest that untended conflicts result in negative consequences for the higher education system as a whole and for the citizens of Missouri in particular. Institutions should be encouraged to develop an agreed-upon process that will address conflicts in a timely manner.

STATUTORY REFERENCE

Section 163.191.3-.4, RSMo, Off-campus instruction by community colleges

Section 193.030(4), RSMo, Promulgating rules for off-campus sites

Section 173.020, RSMo, CBHE statutory responsibility to plan systematically for the state higher education system

Section 173.030(7) and (8), RSMo, Pertaining to the board's statutory authority to undertake a mission review of the state's public four-year colleges and universities every five years

Section 174.160, RSMo, Pertaining to authority to confer degrees

Section 174.231, Pertaining to Missouri Southern State College's mission statement

Section 174.251, Pertaining to Missouri Western State College's mission statement

Section 174.500, Pertaining to the establishment of West Plains Campus of Southwest Missouri State University

Sections 178.637.1-.2, RSMo, Pertaining to the board's statutory responsibility to develop a five-year plan for Linn State Technical College and the state's system of postsecondary technical and community college education

RECOMMENDED ACTION

It is recommended that the Coordinating Board for Higher Education commend the joint COPHE/MCCA subcommittee for its work on developing recommendations concerning associate degree delivery and mission differentiation.

Public institutions are encouraged to sign any agreements that will help reduce tension and conflict between and among public institutions, especially those from different sectors, and that will increase access, cost-effectiveness, high quality, and productivity at the associate degree level.

It is further recommended that the board direct the staff to work with all institutions in the review and further development of the proposed General Principles, including the identification of an agreed-upon process to address unresolved conflicts in a timely manner.

It is further recommended that DHE staff foster continued conversation with all institutions for ways to further deregulate the program and course review and approval policies. At the same time, staff should work with institutions to integrate quality principles as a management tool to drive institutional decisions and collaborative initiatives for the delivery of undergraduate certificates, associate degrees, and other lower division coursework to a greater number of Missouri citizens.

ATTACHMENTS

Attachment A: Joint COPHE/MCCA Task Force on Mission Differentiation Draft Agreements

Attachment B: Appendix 1

Attachment C: Appendix 2

Attachment D: Appendix 3

Attachment E: Appendix 4

JOINT COPHE/MCCA TASK FORCE
ON MISSION DIFFERENTIATION

Draft Agreements

Last revised August 15, 2003

Representatives of the Council on Public Higher Education (COPHE) and the Missouri Community College Association (MCCA) have met as a Joint Task Force on Mission Differentiation to discuss concerns that had been raised by the MCCA letter of May 9, 2002, which had made a case for specific missions for the Missouri's community colleges which differentiated their missions from those of four-year colleges and universities.

The four presidents representing COPHE on the task force were Ken Dobbins, Southeast Missouri State University, co-chair; Dean Hubbard, Northwest Missouri State University; Jack Magruder, Truman State University; and Jim Scanlon, Missouri Western State College. The four members of the MCCA Presidents and Chancellors Council were Evelyn Jorgenson, Moberly Area Community College, co-chair; Don Doucette, Metropolitan Community Colleges; Kent Farnsworth, Crowder College; and John McGuire, St. Charles Community College.

The following is a summary of the substantive agreements reached by the task force.

1. Context

- 1.1. The interests of all Missouri public colleges and universities are best served by consultation and collaboration, and discussion among institutions should be based upon a foundation of mutual trust. Differences among the sectors should be worked out by the parties involved rather than solutions developed or superimposed by external groups.
- 1.2. The role of institutions in serving as primary points of access to higher education in the state is complicated by the mission overlap of community colleges and four-year colleges and universities with open admissions designations and mission enhancement funding in both sectors to provide access. Additionally, developmental courses are offered by both sectors due to the various needs of students and the practicality of delivering those courses.
- 1.3. Collaboration rather than competition is preferred among the public two-year and four-year sectors.
- 1.4. There is value to students' completing programs. Therefore, incentives should be pursued, such as scholarships, for the completion of associate degrees prior to transfer to four-year institutions.

2. Associate Degrees

- 2.1. Community colleges are the primary providers of associate degrees in their service areas throughout the state. In this document, community college service areas are defined as their Regional Technical Education Council (RTEC) service regions.
- 2.2. The state's public two-year technical college is the primary provider throughout the state of highly specialized and advanced technical education and training at the certificate and associate degree level in both emerging and traditional technologies with particular emphasis on technical and vocational programs not commonly offered by community colleges or other area vocational technical schools.
- 2.3. Public, open admissions institutions that have an historic mission of providing career and technical education at the associate degree level may continue to offer previously approved associate degrees, unless otherwise limited or restricted by statute. These institutions and the associate degrees that they are authorized to continue to offer are specified in Appendix 1.
- 2.4. Existing associate degrees at other public institutions will be allowed to continue to be offered. However, these existing associate degrees will be reviewed every five years to determine their continued appropriateness. These institutions and the associate degrees they may continue to offer subject to five-year review are specified in Appendix 2.
- 2.5. If limitations, restrictions or expansion in the offering of associate degrees is established by statute for these or other colleges or universities, these shall be specifically incorporated into these guidelines.
- 2.6. Any new associate degree at a four-year college or university will be developed only in consultation and collaboration with the community college in the service area, and where appropriate, with the state two-year technical college. The community college will have the right of first refusal to be the degree-granting institution for any new associate degree. In the case where a local community college cannot or chooses not to meet the needs of the service area for an associate degree, a four-year institution or the state two-year technical college may be approved to offer the new associate degree.

3. Off-Campus Programs

- 3.1. Existing off-campus sites in which community colleges, the state two-year technical college or four-year institutions have CBHE approval or substantial investments in facilities will be allowed to continue to operate, with no reduction in the programs and services currently offered. These are specified in Appendix 3.
- 3.2. Within the county in which a four-year college or university is located, the four-year institution will be the primary provider of off-campus coursework at both the lower

- and upper-division and will have the right of first refusal for all such coursework, subject to the provisions of 3.4. and 3.5. that follow.
- 3.3. Within the taxing district of a community college, the college will be the primary provider of off-campus, lower-division coursework and will have the right of first refusal for all such coursework.
 - 3.4. In the case where the taxing district of a community college and the county in which a four-year college or university is located overlaps, the two-year and four-year institutions will agree to collaborate in the provision of any off-campus coursework. Generally, in such cases, the community college will be the primary provider of lower-division coursework and the four-year institution will be the primary provider of upper-division coursework. In the case where a local community college cannot or chooses not to meet the needs of the service area for lower-division coursework, a four-year institution or the state two-year technical college may offer such coursework.
 - 3.5. In the case where the four-year college or university cannot or chooses not to meet the need of the county in which it is located for accessible lower-division coursework, the community college in the service area, or the state two-year technical college, where appropriate, may offer such coursework.
 - 3.6. In areas of the state outside the taxing districts of community colleges and outside the counties in which four-year colleges and universities are located, community colleges, four-year institutions, and where appropriate the state two-year technical college, agree to consult and collaborate to meet the needs of the service area. All existing off-campus sites in which community colleges, four-year institutions and the state two-year technical college have CBHE approval or substantial investments in facilities will be allowed to continue to operate, with no reduction in the programs and services currently offered. These are specified in Appendix 3.

For all new off-campus programming in the areas outside both the community college taxing district and the county in which a four-year institution is located, the primary provider of off-campus coursework will be the institution best suited by mission or proximity to meet the expressed needs of the service area for accessible courses and programs.

- 3.7. For the purposes of this agreement, training and workforce development offered for credit at off-campus locations will be considered off-campus coursework and will abide by the same set of rules regarding primary providers and geographic service areas stated previously in items 3.1. through 3.6. inclusive.
- 3.8. For the purposes of this agreement, dual credit courses will be considered off-campus coursework. Providers of dual-credit courses at all locations will be those institutions best suited by proximity to ensure that CBHE guidelines for the oversight of quality delivery of dual-credit courses are followed, including requirements that college or

university faculty provide oversight for course comparability; that college or university faculty mentor, observe and evaluate high school teachers; that high school teachers participate in college orientation and professional development activities; and that college or university faculty review student work and provide oversight for assessment of student outcomes.

Existing relationships between colleges and universities and high schools that have been effective in providing quality dual-credit courses to high school students may be maintained. Appendix 4 contains a listing of high schools currently served by public institutions of higher education.

4. Applicability of Agreements to Sectors

- 4.1. These agreements are binding on all Missouri public colleges and universities.
- 4.2. Public colleges and universities and independent and proprietary institutions agree to consult and collaborate regarding the application of these guidelines in providing meaningful access to higher education opportunities to all the citizens of the state, while avoiding unnecessary duplication of courses, programs and services.

APPENDIX 1

(Open Enrollment Institutions w/ Historic Mission at the Associate Degree Level)

PUBLIC TWO-YEAR INSTITUTIONS

Crowder College

East Central College

Jefferson College

Metropolitan Community Colleges

Blue River

Business & Technology College

Longview

Maple Woods

Penn Valley

Mineral Area Community College

Moberly Area Community College

North Central Missouri College

Ozarks Technical Community College

St. Charles Community College

St. Louis Community Colleges

Florissant Valley

Forest Park

Meramec

State Fair Community College

Three Rivers Community College

PUBLIC TECHNICAL INSTITUTION

Linn State Technical College

PUBLIC FOUR-YEAR INSTITUTIONS

Lincoln University

AA, Criminal Justice

AAS, Administrative Office Management

AAS, Computer Science

AAS, Drafting Technology

AAS, Early Childhood Care and Education

AAS, Nursing Science

AS, Pre-Engineering

AAS, Nursing Science

Off-site (Truman Education Center)

Coordinating Board for Higher Education

October 9, 2003

Missouri Western State College

AAS, Health Information Technology
AAS, Manufacturing Engineering Technology
AAS, Paramedic Technology (cooperation w/ Hillyard Technical Center)
AAS, Physical Therapist Assistant

AS, Business
AS, Construction Engineering Technology
AS, Criminal Justice
AS, Electronics & Computer Engineering Technology
AS, Electronics Engineering Technology
AS, Legal Assistant

SMSU – West Plains

AA, General Studies

AAS, Business
 w/ three options
AAS, Child Development
AAS, Computer Technology
 w/ two options
AAS, General Technology
AAS, Industrial Technology
 w/ three options
AAS, Law Enforcement
AAS, Paralegal Studies

ASN, Nursing

AA, General Studies
 Off-site (via interactive video – Alton, Ava, Gainesville, Houston, Mountain Grove, West Plains,
 Willow Springs)

APPENDIX 2

(Other Institutions w/ Existing Associate Degrees)

PUBLIC FOUR-YEAR INSTITUTIONS

Central Missouri State University

AS, Aviation Technology

Missouri Southern State University - Joplin

AA, General

AS, Accounting

AS, Computer Aided Drafting / Design (CADD)

w/ two options

AS, Computer Assisted Manufacturing Technology

AS, Computer Information Science

w/ three options

AS, Dental Hygiene

AS, General Business

AS, Law Enforcement

w/ two options

AS, Pre-Engineering

AS, Radiologic Technology

AS, Respiratory Therapy

Northwest Missouri State University

AS, MO Academy of Science, Mathematics, and Computing

Southeast Missouri State University

AA, Child Care and Guidance

AAS, Computer Technology

w/ four options

*AAS, Childcare & Guidance (approval for 3 years)

w/ two options

Off-site (Three Rivers Community College, Bootheel Education Center, Sikeston Area Higher Education Center)

APPENDIX 3

(Off-Campus Sites Allowed to Continue with No Reduction in Programs or Services)

PUBLIC TWO-YEAR INSTITUTIONS

Crowder College

Business Training and Development Center (Carthage)
Hickey Center (Webb City)
Moss Center (Nevada)
Watley Center (Cassville)

East Central College

Rolla Center

Mineral Area College

Arcadia Valley AVTS
Boone Terre and Unitec AVTS
Cape Girardeau AVTS
Farmington
Fredericktown
Kingston
Parks Hills/Desloge
Perryville St. Mary's of the Barrens Seminary and AVTS
Potosi
Winona

Moberly Area Community College

Columbia
Edina
Hannibal
Kirksville
Macon
Mexico
Women's Eastern Regional Diagnostic Correctional Center (Vandalia)

North Central Missouri College

Bethany
Brookfield
Chillicothe
Gallatin
Maryville
Princeton
Stanberry

Ozarks Technical Community College

Ava	Kimberling City
Billings	Lebanon
Bolivar	Mansfield
Branson	Morrisville
Buffalo	Niangua
Fair Grove	Reed Springs
Forsyth	Seymour
Hollister	Waynesville

St. Charles Community College

Montgomery City Northeast Corrections Center (Bowling Green)
Pike-Lincoln Technical Center (Eolia)
Troy

St. Louis Community College/Meramec

South County Educational & University Center
West County Educational Center

State Fair Community College

Boonville
Boonville Correctional Center
Carrollton
Camdenton
Clinton
Eldon
Jefferson City
Marshall
Warrensburg
Whiteman AFB (Knob Noster)

Three Rivers Community College

Alton High School
Bloomfield High School
Campbell High School
Cape Girardeau Career and Technical Center
Caruthersville High School
Charleston High School
Dexter High School
Kennett High School and Vocational School
Malden High School
New Madrid High School and Technical Skills Center
North Pemiscot High School (Wardell)
Portageville High School
Richland High School (Essex)
Senath-Hornersville High School (Senath)
Sikeston High School and Career and Technical Center
South Iron High School (Annapolis)
Southeast Missouri Technical Center (Hayti)
Southeast Missouri Correctional Center (Charleston)
Southern Reynolds High School (Ellington)
Bootheel Education Center (Malden)
Kennett Area Higher Education Center
Sikeston Area Higher Education Center

PUBLIC TECHNICAL COLLEGE

Linn State Technical College

Jefferson City
Mexico

PUBLIC FOUR-YEAR INSTITUTIONS

Central Missouri State University

Summit Technology Site (Lee's Summit)*

*Central has long-standing commitments at several other off-campus sites. The Summit Technology Site involves upper division and graduate coursework delivered by Central and is listed because it is Central's only off-campus site that is relatively new.

Missouri Western State College

University of Missouri-Kansas City North

Tiffany Springs, Missouri

Trenton, Missouri (video)

Kansas City Public Television (video-based broadcasts)

Workforce Development Programs and Services are conducted at company sites, agencies, and by Western's Mobile

Training Unit at the invitation of organizations

Northwest Missouri State University

Undergraduate Education

- The Northwest Missouri Educational Consortium, a partnership between the University of Missouri, Northwest Missouri State University, Missouri Western State College, North Central Missouri College, and five area vocational technical schools at Maryville, Chillicothe, Bethany, Brookfield, and St. Joseph.
- The Missouri National Guard Distance Learning Initiative (DLI)
- Northwest Technical School, North Central Missouri College and Northwest Missouri State University provide a 2+2+2 cooperative Bachelor of Technology program in Management.
- Northwest, Northwest Technical School and Macon Vocational Technical School provide a cooperative 2+2 program in Child Care Administration.
- Northwest offers an online plus-two program, BS in Business Management in cooperation with Crowder Community College, Metropolitan Community Colleges, North Central Missouri College, and Three Rivers Community College. Northwest also offers an online plus-two program, B.S. in Accounting in cooperation with Metropolitan Community Colleges and Three Rivers Community College and a B.S. Management Information Systems plus-two program with Metropolitan Community Colleges.
- Northwest offers plus-two programs in Child and Family Studies with Kansas City Metropolitan Community Colleges, North Central Community College and Moberly Community College.

Graduate Education

- The University of Missouri System, Northwest, Truman and Central MO State partner to offer collaborative graduate degrees north of the river. Physical site is in St. Joseph, MO.
- The University of Missouri-Kansas City offers MS, Nursing programs in partnership with Missouri Southern State College, Joplin and Missouri Western in St. Joseph.
- Northwest, Lincoln University and Southeast Missouri State University offer a collaborative on-line MSED degree program in Teaching and Learning: Elementary.
- Northwest provides several masters-level programs at Missouri Western State College.
- Northwest Missouri State University has a cooperative doctoral program in educational leadership with the University of Missouri-Columbia.
- Northwest provides masters-level programs in Curriculum and Instruction, Educational Leadership, and Instructional Technology at centers located in Kirksville, Chillicothe, North Kansas City, and Creston, IA.
- Northwest Missouri State University and the Kirksville College of Osteopathic Medicine offer a cooperative on-line MBA with a Health Care emphasis.

Southeast Missouri State University

- | | |
|--|--|
| Advance | Cape Girardeau |
| Annapolis | Columbia (TESOL and/or Reading Recovery) |
| Benton | Charleston |
| Bonne Terre | Chillicothe (TESOL and/or Reading Recovery) |
| Camdenton (TESOL and/or Reading Recovery) | Farmington |
| Festus | Perryville (Area Higher Education Center) |
| Fredericktown | Piedmont |
| Hannibal (TESOL and/or Reading Recovery) | Poplar Bluff (Three Rivers Community College) |
| Herculaneium | Sikeston (Sikeston Area Higher Education Center) |
| Hillsboro (JefCo) | Springfield (TESOL and/or Reading Recovery) |
| Joplin (TESOL and/or Reading Recovery) | Ste. Genevieve |
| Kansas City (TESOL and/or Reading Recovery) | St. Joseph (TESOL and/or Reading Recovery) |
| Kennett (Kennett Area Higher Education Center) | St. Louis (sites include SLCC) |
| Malden (Crisp Bootheel Education Center) | Sullivan County and Milan High School |
| McDonald County | Winona |
| Park Hills (Mineral Area College) | |

Southwest Missouri State University-Springfield

Joplin Graduate Center—Joplin graduate students can complete Master of Science in Education (elementary), Master of Business Administration, Master of Social Work, or Master of Accountancy degrees through the Joplin Graduate Center on the Missouri Southern State College campus. Courses in educational administration, secondary education, reading and special education, or middle school are also taught in Joplin. In addition to on-site courses, the Joplin Graduate Center is also a BearNet interactive video site.

Bull Shoals Field Station—The overall mission of the SMSU Bulls Shoal Field Station is to provide a location for faculty, students, and visiting scientists to conduct research and educational programs that promote public awareness of southwest Missouri ecosystems.

Center for Industrial Productivity—The mission of the Center for Industrial Productivity is to enhance the economic growth and development of manufacturing in southwest Missouri by providing assistance in the development and application of new technologies, enhanced manufacturing processes, and improvement in manufacturing practices.

Center for Applied Science and Engineering—The mission of the Center for Applied Science and Engineering is to provide materials technology, research, development, and services in support of Missouri-based industries while enhancing educational opportunities through participation in business-oriented projects and services. The Center provides educational support for employees and potential employees, materials testing services, prototype support, environmental/energy audit services, and business oriented “high risk” research and development.

The William G. and Retha Stone Baker Observatory—Located approximately ten miles northwest of Marshfield in Webster County, the observatory has a 14-inch Schmidt Cassegrain and a 16-inch Cassegrain reflecting telescope (with CCD). The observatory is used for laboratory work by students in beginning and intermediate astronomy courses, and by advanced undergraduate students and faculty conducting astronomical research.

The William H. Darr Agricultural Center—SMSU owns and operates a 125-acre agricultural research and training center located in southwest Springfield. The Center serves as a laboratory and field experience classroom for the study of livestock management, equine studies, horticulture, agronomy, animal science, and wildlife conservation and management.

Center for Business and Economic Development –Operated by the College of Business Administration since 1981, the Center serves as the college’s outreach arm and supports activities primarily aimed at helping public and private sector entities improve their management abilities, and help create and retain job opportunities for American workers. The efforts of the center are primarily handled through the following programs:

- The Small Business Development Center*
- The Management Development Institute*
- The Center for Industrial Productivity*

Bureau of Economic Research–The Bureau serves as a depository of economic data relevant to the Ozarks region. It distributes that information to interested parties to encourage economic research and to stimulate interest in special projects.

Institute for School Improvement –The institute provides administrative oversight for a number of professional development programs for the region’s school teachers and elementary and secondary education administrators.

Center for Resource Planning and Management—The Center provides educational training, applied research, and community outreach services in the field of urban planning and community development. Services provided to local governments, state and federal agencies, and civic organizations include small town planning, comprehensive planning, grant writing, economic development planning, digital cartographic services, and specialty planning services.

College of Continuing Education and the Extended University—This unit operates the following off-campus sites:

Credit (with Noncredit option for professional development purposes)

- Lebanon: Nelson Education Center (City of Lebanon)
- Nevada: Nevada TeleCenter (Bowman Building), the Nevada School District
- Salem: J.J. Presley Education Center (Missouri Department of Conservation)
- West Plains: Ozark Regional Office, Missouri Department of Conservation

Noncredit Professional Development Only

- Springfield: Off-campus—Clarion Hotel--(1) “Play Therapy” Conference and (2) “Wound Care” Seminar
- Jefferson City: Contract with Missouri State Department of Health and Senior Services-Conference: “Public Health Prepares—Protecting Against Terrorism”
- Kansas City: “Play Therapy Conference”
- St. Louis: “Play Therapy Conference”
- West Plains: “Bed and Breakfast Seminar” for aspiring bed and breakfast innkeepers (in collaboration with SMSU’s Hospitality and Restaurant Management Program)

Out-of-State Conferences and Seminars: Locations include Indianapolis, Tulsa, San Antonio, Phoenix, Tampa, Louisville, Concord (NH), and Window Rock (AZ)

Off-Campus Interactive Video Sites—SMSU-Springfield and SMSU-West Plains operate interactive video sites in the following communities: Nevada, Joplin, Neosho, Lebanon, Mountain Grove, West Plains, Branson, Ste. Genevieve, Houston, and Ava.

Southwest Missouri State University-West Plains

SMSU-West Plains has four off-campus, CBHE approved programs. The West Plains campus offers classes that lead to AA and/or AAS degrees in Mountain Grove and Houston and in Dalian, People’s Republic of China. The campus, also, has approval for an AS in Nursing at Skaggs Hospital in Branson.

The latter program will be conducted in conjunction with Ozarks Technical Community College. OTC will provide the general education classes and SMSU-West Plains will offer the nursing-specific classes. Initial classes in the AS in Nursing program will be offered in Spring 2004.

Southwest Missouri State University-Mountain Grove

Missouri State Fruit Experiment Station—The station was established in 1899 by an act of the Missouri Legislature. The legislature mandated that the station have a statewide mission to "...experiment with the different kinds of fruits, to wit: Apples, peaches, berries of all kinds, grapes and small fruits of all kinds, and to ascertain that varieties that are the best adapted to this state..." The Missouri State Fruit Experiment Station promotes growth of the Missouri fruit crop industry through a long-term program of basic and applied research and an industry advisory program. Research, both basic and applied, is focused on pomology, enology, viticulture, plant pathology, entomology, molecular genetics, and plant physiology.

Mid-America Viticulture and Enology Center—The mission of the Mid-America Viticulture and Enology Center is to promote growth of the grape and wine industry through focused research, advisory, and service activities. The center coordinates work carried on in viticulture and enology to efficiently use available resources in Missouri and surrounding states.

Truman State University

Selected Sites in the St. Louis metropolitan area

University of Missouri – Columbia

- | | |
|--|---|
| Agricultural Experiment Stations | Northwest Missouri State University |
| Agroforestry and Horticulture Research (New Franklin) | Perryville School District |
| Arcadia Valley High School (Ironton) | Poplar Bluff Telecommunications Center |
| Audrain County Public Library | Portageville Telecommunications Center |
| Brookfield Area Career Center | Sikeston Area Higher Education Center |
| Camdenton Telecommunications Center | Skaggs Hospital (Branson) |
| Cooper County Hospital | Southeast Missouri State University |
| Cooperative Extension Centers (statewide) | Southern TCRC / Delta Cntr (Portageville) |
| Fisheries and wildlife centers and labs (Ashland/Puxico) | Southwest Center, Mount Vernon |
| Kirkville Area Technical Center | Sullivan County Hospital |
| Mexico Advanced Telecommunications Center | Tri-Lake Telecommunications Center |
| Missouri Institute of Mental Health (St. Louis) | Truman Building (Jefferson City) |
| Missouri Western State College | UMKC - Truman Campus (Independence) |
| Mount Vernon Hospital | UMSL |
| MU owned farms, labs, and facilities | USDA facilities |
| MU Partnership for Educational Renewal school districts | Van Buren Higher Education |
| Nevada Telecenter | WEMET System (Holden) |
| North Central Missouri College | WEMET System (Pleasant Hill) |

Note: School of Information Science and Learning Technologies (SISLT) offers library science classes in St. Louis, Kansas City, and Springfield

University of Missouri – Kansas City

- Central R-III High School (Park Hill)
- Liberty High School
- Metro North Mall (Kansas City)
- Missouri Southern State College (Joplin)
- Missouri Western State College (St. Joseph)
- North Kansas City High School
- Platte County R-III
- Smithville High School
- University of Missouri – St. Louis
- Veterans' Administration Hospital (Kansas City)

University of Missouri – Rolla

Southwest Missouri State University (Springfield)
Truman Education Center (Ft. Leonard Wood)
Union Electric Plant (Fulton)
University of Missouri – St. Louis

University of Missouri – St. Louis

East Central College
Jefferson College (Hillsboro)
Lindbergh High School (St. Louis)
Park Hills TCRC
Poplar Bluff Telecommunications Center
Portageville Telecommunications Center
South County Education and University Center
St. Charles Community College (St. Peters)
St. Louis Community College
Three Rivers Community College

University of Missouri Outreach & Extension

Jefferson City Regional TCRC
Kirksville Regional TCRC
Mexico TCRC
Nevada Regional Telecenter
Park Hills (Mineral Area) Regional TCRC
Poplar Bluff Regional TCRC
Portageville (Southern) Regional TCRC
Reeds Spring (Tri-Lakes) Regional TCRC
Salem TCRC

APPENDIX 4

(High Schools Served by Institutions of Higher Education for Dual Credit)

PUBLIC TWO-YEAR INSTITUTIONS

Crowder College

Carthage High School
Diamond High School
East Newton High School (Granby)
McDonald County High School (Anderson)
Neosho High School
Seneca High School

East Central College

Belle High School
Bourbon High School
Cuba High School
Hermann High School
Owensville High School
New Haven High School
Rolla High School
Salem High School
St. Clair High School
St. Francis Borgia High School
St. James High School
Steelville High School
Sullivan High School
Union High School
Washington High School

Jefferson College

Crystal City
DeSoto
Dunklin
Festus
Fox
Grandview
Hillsboro
Northwest
Windsor

Metropolitan Community Colleges

Adrian R-III High School	Harrisonville High School
Belton High School	Herndon Career Center
Benton High School	Hickman Mills High School
Bingham Academy, Independence School District	Hillyard Career Center
Blue Springs High School	Jamesport High School
Blue Springs South High School	Kearney High School
Bronaugh High School	Lafayette High School
Cameron High School	Lathrop High School
Cass Career Center	Lawson High School
Center High School	Lee's Summit High School
Central High School	Lee's Summit North High School
Clinton High School	Lex LaRay Career Center
Excelsior Springs High School	Liberty High School
Excelsior Springs Career Center	Lincoln College Prep High School

Fort Osage High School
Fort Osage Career Center
Grandview High School
Hardin High School
Norborne R-VIII High School
North Kansas City Academy
North Kansas City High School
Northeast High School
Northland Career Center
Oak Park High School
Osborn High School
Park Hill High School
Park Hill South High School
Paseo Academy
Pattonsburg R-II High School
Platte County R-III High School
Polo High School
Raymore-Peculiar High School
Raytown High School
Raytown South High School
Rich Hill High School

Linn County R-I High School
Manual Career and Technical Center
Mid-Buchanan High School
Nodaway High School
Ruskin High School
St. Joseph Central High School
St. Pius X High School
Savannah High School
Simon Project, Independence School District
Smithville High School
Southeast High School
Southwest High School
Summit Technology Academy
Tarkio High School
Trenton High School
Truman High School
Van Horn High School
Wesport-Edison High School
William Chrisman High School
Winnetonka

Mineral Area College

Arcadia Valley R-II School District
Bismarck R-V School District
Bunker R-III School District
Central R-III School District
Clearwater R-I School District
Eminence R-I School District
Farmington R-VII School District
Fredericktown R-I School District
Iron County C-4 School District (Viburnum)
Lesterville R-IV School District
Meadow Heights R-II School District
North St. Francois County R-I (Bonne Terre)
Perry County 32 School District (Perryville)
Potosi R-III School District
South Iron County R-I School District (Annapolis)
Valley R-VI School District (Caledonia)
West County R-IV School District (Leadwood)
Winona R-III School District (Winona)
Woodland R-IV School District (Marble Hill)

Moberly Area Community College

Adair County R-II (Brashear)
Atlanta C-3
Boone R-VI (Centralia)
Brunswick R-II
Charlotte's Web ITV
Clark County R-I (Kahoka)
Community R-VI (Laddonia)
Hallsville R-IV
Kirksville R-III
LaPlata R-II
Mexico High School
Moberly High School

Northeast R-IV (Cairo)
Monroe City R-I
Paris R-II
Salisbury R-IV
Shelby County R-IV (Shelbina)
Southern Boone County R-I (Ashland)
Sunnydale Academy
Sturgeon R-I
Van-Far R-I (Vandalia)
Westran R-I (Huntsville)

North Central Missouri College

Braymer Consolidated District No. 4
Chillicothe High School
Gilman City High School
Green City R-I High School
Grundy R-V High School (Galt)
Meadville R-IV High School
Newtown Harris R-III School (Newtown)
North Harrison High School (Eagleville)
Pattonsburg High School
Penny High School (Hamilton)
Princeton R-V High School
Putnam County High School
South Harrison High School (Bethany)
Stanberry High School
Trenton High School

State Fair Community College

Blair Oaks	New Bloomfield
Boonville	New Franklin
California	Nichols Career Center
Camdenton	Northwest
Clinton	Otterville
Cole Camp	Russellville
Concordia	Sacred Heart
Eldon	School of the Osage
Eugene	Smith-Cotton
Excelsior Springs	Smithton
Leeton	Tipton
Lincoln	Warsaw
Morgan County – Versailles	Windsor
Morgan County - Stover	

Three Rivers Community College

Alton R-IV
Bloomfield R-14
Campbell R-II
Caruthersville High School
Clearwater High School (Piedmont)
Doniphan R-I
East Carter County R-II (Ellsinore)
Greenville R-II
Kennett High School
Malden R-I
Naylor Reorganized School District No. 2
Neelyville High School
New Madrid County Central High School
Poplar Bluff High School
Richland High School (Essex)
Senath-Hornersville High School (Senath)
South Iron R-I (Annapolis)
Southern Reynolds County R-II (Ellington)
Van Buren High School

PUBLIC FOUR-YEAR INSTITUTIONS

Central Missouri State University

- | | |
|----------------------------------|-------------------------------------|
| Belton High School | Glasgow High School |
| Blue Springs High School | Kingsville High School |
| Blue Springs South High School | Knob Noster R-VIII High School |
| California High School | Lakeland High School |
| Clinton High School | Lee’s Summit North High School |
| The Career Center (Columbia) | Lafayette County C-1 High School |
| Sherwood Cass R-VIII (Creighton) | Leeton High School |
| Chilhowee R- IV High School | Pleasant Hill High School |
| Climax Springs High School | Mexico AVTS |
| Crest Ridge High School | Miami R-I |
| Concordia High School | Midway High School R-I |
| Drexel High School | New Franklin R-I High School |
| Excelsior Springs High School | Nodaway-Holt R-VII |
| Fatima High School Osage R-III | Northwest High School (Hughesville) |
| Grain Valley High School | Oak Grove High School |
| Green Ridge R-VIII | Odessa High School |
| Harrisonville High School | Osceola High School |
| Holden High School | Otterville High School |
| Richmond R-XVI High School | Tipton High School |
| Sacred Heart High School | Warrensburg High School |
| Sweet Springs High School | Warsaw High School |
| Smithton High School | Wellington-Napoleon |
| Tarkio High School | Westport Academy (Kansas City) |

Lincoln University

- Fatima High School
- Hallsville High School
- Helias High School
- Jefferson City High School
- Nichols Career Center
- Linn High School
- Richland High School
- St. James – John F. Hodge High School
- Van-Far High School
- Vienna High School

Missouri Southern State University – Joplin

- | | |
|---------------------------|-------------------------|
| Aurora High School | Lamar High School |
| Billings High School | Liberal High School |
| Carl Junction High School | Marionville High School |
| Carthage High School | McAuley High School |
| Crane High School | Monett High School |
| Diamond High School | Seneca High School |
| Golden City High School | Verona High School |
| Jasper High School | Webb City High School |
| Joplin High School | |

Missouri Western State College

- | | | |
|----------------|-------------|-------------------|
| Benton | Lafayette | Princeton |
| Bevier | Lathrop | Ridgeway |
| Bishop LeBlond | Lawson | Rockport |
| Breckenridge | Lexington | Savannah |
| Bosworth | Linn County | South Harrison |
| Cameron | Maysville | South Holt County |

Central
 Craig
 East Buchanan County
 Excelsior Springs
 Gallatin
 Grundy County
 Hale
 Hamilton
 Hillyard
 Jefferson

Mid-Buchanan County
 North Andrew County
 North Mercer County
 Northeast Nodaway County
 Newton-Harris
 Nodaway-Holt
 Northwestern R-I
 Osborn
 Platte County
 Polo

South Nodaway
 St. Joseph Christian
 Stanberry
 Stet
 Stewartville
 SW Livingston County
 Tina-Avalon
 West Platte County
 Wathena (Kansas)

Northwest Missouri State University

Benton High School
 Cainsville R-I
 Central High School
 Fairfax
 Harrison County R-IV
 Holt County R-II High School
 Jefferson C-123 High School
 Kearney R-I High School
 King City R-I High School
 Lafayette High School
 Lawson
 Liberty High School

Maryville R-II High School
 Mid-Buchanan R-V High School
 NE Nodaway
 Nodaway Holt R-VII High School
 North Davies
 North Harrison R-III High School
 North Kansas City High School
 North Nodaway R-VI
 North Platte Co. R-I
 Northeast Nodaway R-V
 Oak Park
 Odessa R-VIII

Osborn
 Pattonsburg R-II
 Plattsburg High School
 South Harrison R-II
 South Nodaway R-IV
 St. Joseph Christian
 Tarkio R-I
 Union Star R-II
 West Nodaway R-I
 Winnetonka
 Worth County R-II

Southeast Missouri State University

Advance
 Bell City
 Bernie
 Cape Girardeau Central
 Caruthersville
 Charleston
 Delat
 Dexter
 Hayti
 Jackson

Thomas W. Kelly
 Kennett
 Leopold
 Malden
 Meadow Heights
 New Madrid
 Notre Dame
 Oak Ridge
 Oran
 Perryville

Portageville
 Richland
 Scott Central
 Scott City
 Sikeston
 Viburnum
 Woodland
 Zalma

University of Missouri – Kansas City

Barstow
 Belton
 Blue Springs
 Butler
 Cassville
 Center
 Central
 Clinton
 DeKalb
 East Buchanan
 Excelsior Springs
 Fort Osage
 Grandview
 Harrisonville
 Hebrew Academy
 Hickman Mills
 Jamesport

Joplin
 Kearney
 Lawson
 Lee's Summit
 Liberty
 Midway
 Nevada
 North Kansas City
 Oak Grove
 Oak Park
 Odessa
 Osceola
 Paseo Academy
 Platte County
 Pleasant Hill
 Raymore-Peculiar
 Raytown

Raytown South
 Richmond
 Rock Port
 Rockhurst
 Ruskin
 Sarcoxie
 Smithville
 South Holt
 St. Teresa's Academy
 Truman
 Van Horn
 Warrensburg
 West Platte
 William Chrisman
 Winnetonka

University of Missouri – St. Louis

Berkeley	Incarnate Word	Roosevelt
Bishop DuBourg	John F. Kennedy	Trinity
Block Yeshiva	Kirkwood	Seckman
Brentwood	Ladue Horton Watkins	Soldan Intl Studies
Cardinal Ritter	Lafayette	St. Charles
Career Academy	Marquette	St. Charles West
Center for Visual / Performing Arts	McCluer	St. Dominic
Chaminade	McCluer North	St. Elizabeth Academy
Clayton	Mehlville	St. John Vianney
Cleveland	Metro	St. Pius X
Cuba	Nerinx Hall	Troy Buchanan
Duchesne	Normandy	Vashon
Eureka	Oakville	Visitation Academy
Ft. Zumwalt North	Orchard Farm	Warren County
Ft. Zumwalt South	Parkway Central	Webster Groves
Ft. Zumwalt West	Parkway North	Wentzville Holt
Fox	Parkway South	Wentzville Timberland
Francis Howell	Parkway West	Windsor
Francis Howell South	Pattonville	Winfield
Francis Howell North	Ritenour	Wright City
Hancock	Rockwood Summit	

INFORMATION ITEMS

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AGENDA ITEM SUMMARY

AGENDA ITEM

2003 Governor's Conference on Higher Education
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

The 2003 Governor's Conference on Higher Education will be held on Thursday, December 4, at the University Plaza Hotel in Springfield, Missouri. The conference, entitled "Missouri Higher Education: Building Quality, Opportunity, and Prosperity Together", will focus on the Commission on the Future of Higher Education's draft recommendations. Commission members representing the business and academic communities, National Collaborative, and General Assembly will serve on a panel during the morning and discuss the draft recommendations. Following the panel discussion, conference participants will have an opportunity to participate in facilitated sessions around each key recommendation during the afternoon. During these sessions, participants will begin discussing action planning for each recommendation.

The Governor's Awards for Excellence in Teaching Luncheon will be held in conjunction with the conference.

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT

Tentative Conference Schedule

AGENDA ITEM SUMMARY

AGENDA ITEM

Department of Higher Education Reorganization
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

Over the last three years (FY 2001 through FY 2004), the Department of Higher Education general revenue funded administrative budget of the department has been reduced 43 percent, a commensurate reduction in operations has not occurred, although service levels have diminished.

With FTE reductions of over 37 percent over this period, marginal reductions in service levels were not sufficient to maintain adequate performance.

In an effort to achieve priority results with diminished funds, the DHE undertook two strategies:

1. Adopted quality principles, including the establishment of priority results and strategic performance excellence projects; and
2. Organization restructuring designed to reduce administrative costs, eliminate layers of management, and improve performance.

The DHE organizational chart included with this board item reflects the administrative changes made at the department. As a result of these changes, the department administrative expenses will be \$228,000 less than otherwise required. While some performance reductions can be expected by prioritizing results and focusing on key improvement projects, we will continue to achieve the most important results of the department.

STATUTORY REFERENCE

Sections 173.005, RSMo, through 173.750

RECOMMENDED ACTION

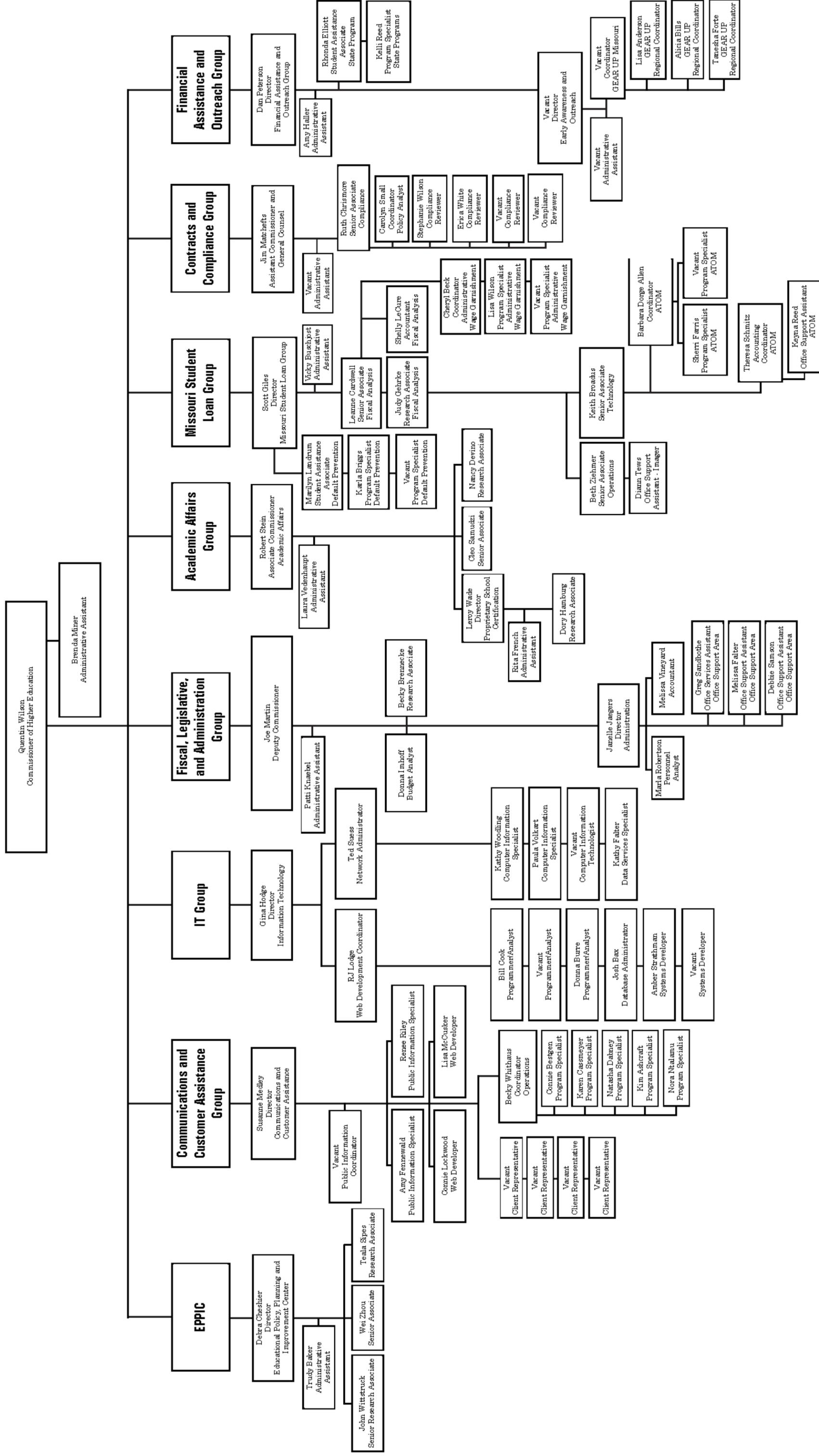
This is an information item only.

ATTACHMENT

Missouri Department of Higher Education Organizational Chart

Coordinating Board for Higher Education
October 9, 2003

Missouri Department of Higher Education



AGENDA ITEM SUMMARY

AGENDA ITEM

Distribution of Community College Funds
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

The process for making state aid payments to the community colleges in FY 2004 will be made monthly. All FY 2004 state aid appropriations are subject to a 3 percent governor's reserve. State aid withholdings of \$2,948,740 in general revenue funds and \$563,225 in lottery funds took effect July 2, 2003. The first state aid payment of FY 2004 appropriations to community colleges aid occurred in July.

The payment schedule for July, August, and September 2003 state aid distributions is summarized below.

State Aid (excluding M&R) – GR portion	\$ 18,876,108
State Aid – lottery portion	1,208,523
Workforce Preparation – GR portion	3,535,659
Workforce Preparation – lottery portion	323,094
Out-of-District Programs	278,502
Technical Education	4,842,639
Workforce Preparation for TANF Recipients	389,358
Maintenance and Repair	<u>67,916</u>
TOTAL	29,521,799

In addition, a payment for capital appropriations, pursuant to House Bill 20 (previously House Bill 16), was made in the amount of \$606,549 to St. Louis Community College.

The total distribution of state higher education funds to community colleges since July 2003 is \$30,128,348.

STATUTORY REFERENCE

Section 163.191, RSMo

Coordinating Board for Higher Education
October 9, 2003

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Academic Program Actions
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

All program actions that have occurred since the June 5, 2003 Coordinating Board meeting are reported in this information item.

STATUTORY REFERENCE

Sections 173.005.2(1), 173.005.2(7), 173.030(1), and 173.030(2), RSMo, Statutory requirements regarding CBHE approval of new degree programs

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT

Academic Program Actions

ACADEMIC PROGRAM ACTIONS

I. Programs Discontinued

No actions of this type have been taken since the last board meeting.

II. Programs and Options Placed on Inactive Status

Metropolitan Community College – Maple Woods

AAS, Travel and Tourism (Inactive)
C1, Travel and Tourism (Inactive)
C0, Travel and Tourism (Inactive)

Central Missouri State University

BS, Aerospace Manufacturing Technology (Inactive)

Truman State University

MA, History (Inactive)

University of Missouri – Columbia

BSED, Special Education
French (Inactive)
German (Inactive)
Italian (Inactive)
Latin (Inactive)
Spanish (Inactive)

University of Missouri – St. Louis

BSED, Physical Education
Elementary Education (Inactive)
Secondary Education (Inactive)

MED, Counseling
General Counseling (Inactive)

III. New Programs Not Approved

No actions of this type have been taken since the last board meeting.

IV. Approved Changes in Academic Programs

Ozarks Technical Community College

Current Program:

AAS, Emergency Medical Technician – Paramedic

Approved Change: Addition of one-year certificate developed from approved existing parent degree

Program as Changed:

AAS, Emergency Medical Technician – Paramedic

C1, One-Year Certificate, Emergency Medical Technician – Paramedic

St. Louis Community College

Current Program:

AAS, Graphic Communications

Approved Change: Addition of certificate program developed from an existing approved program

Program as Changed:

AAS, Graphic Communications

C1, Digital Media Imaging: Graphic Design (Certificate of Proficiency)

Central Missouri State University

Current Program:

MS, School Counseling

Approved Change: Title change

Program as Changed:

MS, Counseling

Southwest Missouri State University – West Plains

1. Current Program:

AAS, Industrial Technology, with three options in
Manufacturing Machine
Mechanical Drafting
Welding

Approved Change: Addition of an option to an existing degree program

Program as Changed:

AAS, Industrial Technology, with four options in
Manufacturing Machine
Mechanical Drafting
Welding
Industrial Supervision

2. Current Program:

AAS, Industrial Technology, with four options in
Manufacturing Machine
Mechanical Drafting
Welding
Industrial Supervision

Approved Changes: Two one-year certificates created and added to existing program

Program as Changed:

AAS, Industrial Technology, with four options in
Manufacturing Machine
Mechanical Drafting
Welding
Industrial Supervision
C1, One-Year Certificate, Mechanical Drafting
C1, One-Year Certificate, Industrial Supervision

University of Missouri – Columbia

1. Current Program:

BSED, Special Education (Inactive), with options in
Behavior Disorders
Learning Disabilities
Mild/Moderate Mental Retardation
Severely Handicapped

Approved Changes: Reactivation of program, combining three options into a new option, and deletion of the Severely Handicapped option

Program as Changed:

BSED, Special Education, with an option in
Cross Categorical Special Education

2. Current Program:

Ph.D., Computer Engineering and Computer Science

Approved Changes: Title change only

Program as Changed:

Ph.D., Computer Science

3. Current Program:

Ph.D., Electrical Engineering

Approved Changes: Title change only

Program as Changed:

Ph.D., Electrical and Computer Engineering

University of Missouri - Rolla

1. Current Program:

BS, Mining Engineering, with options in
General
Quarry Engineering
Explosives Engineering
Mining & the Environment
Coal

Approved Change: Options added to existing program

Program as Changed:

BS, Mining Engineering, with options in
General
Quarry Engineering
Explosives Engineering
Mining & the Environment
Coal
Sustainable Development
Mining Health & Safety

2. Current Program:

BS/MS/PhD, Civil Engineering

Approved Change: Addition of certificate programs developed from approved existing parent degree

Program as Changed:

BS/MS/PhD, Civil Engineering
GRCT, Infrastructure Renewal
GRCT, Contemporary Structural Engineering

University of Missouri – St. Louis

1. Current Program:
MED, Counseling, with options in
Elementary
Secondary

Approved Changes: Option added to existing program

Program as Changed:
MED, Counseling, with options in
Elementary
Secondary
Community Counseling

2. Current Program:
BSED, Physical Education

Approved Changes: Options added to existing program

Program as Changed:
BSED, Physical Education, with options in
PK-9
PK-12

3. Current Program:
BFA, Studio Art, with options in
Drawing
General Fine Arts
Graphic Design
Photography
Painting
Printmaking

Approved Change: Option added to existing program

Program as Changed:
BFA, Studio Art, with options in
Drawing
General Fine Arts
Graphic Design
Photography
Painting
Printmaking
Art Education

4. Current Program:

BS, Applied Mathematics, with options in
Classical Applied Math
Computational Mathematics
Statistics

Approved Changes: Title change of program and deletion of options

Program as Changed:

BS, Mathematics

5. Current Program:

GRCT, Human Resources Management

Approved Change: Title change only

Program as Changed:

GRCT, Human Resource Management

6. Current Program:

MACC, Accounting, with three options in
Corporate Accounting
Public Sector Accounting
Taxation

Approved Changes: One option added to existing program, and two options deleted

Program as Changed:

MACC, Accounting, with two options
Taxation
Auditing/Systems

7. Current Program:

MBA, Business Administration, with six options in
Accounting
Finance
Management
Marketing
Quantitative Management Science
Logistics & Supply Chain Management

Approved Changes: One option added to existing program, and one option deleted

Program as Changed:

MBA, Business Administration, with six options in
Accounting
Finance
Management
Marketing
Logistics & Supply Chain Management
Operations Management

8. Current Program:
MSN, Nursing

Approved Change: Addition of a post-masters certificate to an approved degree program

Program as Changed:
MSN, Nursing
GRCT, Post MSN Nurse Practitioner Certificate

- V. Received and Reviewed Changes in Programs (Independent Colleges and Universities)

No actions of this type have been taken since the last board meeting.

- VI. Program Changes Requested and Not Approved

No actions of this type have been taken since the last board meeting.

- VII. Programs Withdrawn

No actions of this type have been taken since the last board meeting.

- VIII. New Programs Approved

Central Missouri State University

BS, Athletic Training

Lincoln University

BS, Applied Science in Technology

Moberly Area Community College

AA, Associate of Arts (off-site delivery in Hannibal)

Southwest Missouri State University – West Plains

AS, Nursing (off-site delivery in Branson)

University of University-St. Louis

BA/BS, Sociology

BSW, Social Work

(Both are completion programs to be delivered at Mineral Area College)

IX. New Programs Received and Reviewed (Independent Colleges and Universities)

Fontbonne University

BS, Advertising

BS, Sports Management

MA, Family and Consumer Sciences

AGENDA ITEM SUMMARY

AGENDA ITEM

Cycle-2 Improving Teacher Quality Grants
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

With support from federal funds, the Missouri Department of Higher Education administers a competitive grants program to foster strong partnerships between Missouri colleges and universities and K-12 schools, with an emphasis on teacher professional development. The long-term goal is that these efforts will result in improved K-12 student performance. The intent of this board item is to provide the board with an update on the design of the RFP for Cycle-2 of the DHE Improving Teacher Quality Grant Program.

Background

The No Child Left Behind Act was signed into law in January 2002. Title II, Part A of this law provides funds to higher education agencies to administer competitive grants programs for K-12/higher education partnerships that improve teacher and principal quality and ultimately K-12 student performance in core academic subjects. DHE receives approximately \$1.2 million dollars annually to support professional development projects, hereafter referred to as the DHE Improving Teacher Quality Grant. Nine professional development projects were funded in Cycle-1 of this program. In addition an external evaluation team was identified and given responsibility for the analysis and evaluation of all nine Cycle-1 projects, individually and collectively.

In designing the Cycle-2 RFP, DHE staff is working on several changes to ensure highly focused data-driven professional development that will be guided and designed around the need for more effective program evaluation. Consequently, the new RFP will include the several changes from past practices that are summarized below.

There will be a narrower emphasis on the targeted subject area and grade levels. In the past proposals were received across all grade levels and in both science and mathematics at any K-12 school. This year's focus will be on improving science education in high-need middle and secondary schools only. The science content in the proposals will be restricted to the following three strands: Matter and Energy, Force-Motion-Mechanical Energy, and Living Systems. These strands are part of the eight Missouri Curriculum Frameworks in science and were chosen for two reasons. They serve as a foundation for careers in industries targeted for economic growth: advanced manufacturing, information technology, and the life sciences. Furthermore, for the past six years, Missouri's 7th and 10th grade students have generally performed poorly on

Coordinating Board for Higher Education
October 9, 2003

Missouri Assessment Program (MAP) science test questions related to these strands. All proposals will also be expected to integrate Scientific Inquiry (a fourth strand) and the effective uses of instructional technology into their proposed projects.

Another change requires proposals to include the impact the proposed project will have on the higher education system in Missouri. This change highlights the interdependence between K-12 professional development and the curriculum of collegiate-level undergraduate programs. With regard to evaluation, the new RFP assigns evaluation fully to an external evaluation team that will be chosen through a separate RFP process. Proposals must include assurances of access to the data needed for an external evaluation team to determine both short- and long-term effectiveness of each project as well as the total program. Finally, the new RFP will permit greater flexibility concerning program scope and magnitude within the parameters set, and will encourage creativity in program structure.

Funding from the Cycle-2 DHE Improving Teacher Quality Grant will be awarded competitively to eligible partnerships. An eligible partnership must at least consist of the following:

- (1) the division of a higher education institution that prepares teachers;
- (2) a school or college of arts and sciences at a higher education institution; and
- (3) a high-need school or school district.

In some cases, the teacher preparation unit and the school/college of arts and sciences are organizationally integrated. Partnerships may also include non-profit organizations, the business community, and other organizations that will help to advance the project's goals.

The DHE staff is using federal guidelines to develop a list of eligible middle and secondary schools. At least 20 percent of the students in these schools participate in FRL, and they have Missouri Assessment Program (MAP) average index scores in science of 161 or less. For middle schools and high schools, the 7th and 10th grade science MAP scores, respectively, were used to determine eligibility. For schools that span the 7th to 12th grade range, if either MAP score was below 161, the school was determined to be eligible.

Conclusion

DHE staff continues to make progress in revising the RFP for Cycle-2 of its Improving Teacher Quality Grant program. The changes in the RFP should provide a foundation for more effective program evaluation within a narrower subject area range.

STATUTORY REFERENCE

Section 173.050(2), RSMo, Statutory requirements regarding the CBHE's authority to receive expend federal funds for educational programs
Public Law 107-110, Title II of the Elementary and Secondary Education Act: The No Child Left Behind Act of 2001

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Proprietary School Certification Actions and Reviews
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

All program actions that have occurred since the June 5, 2003 Coordinating Board meeting are reported in this information item. In addition, the report includes information concerning anticipated actions on applications to establish new postsecondary education institutions and exemptions from the department's certification requirements.

STATUTORY REFERENCE

Sections 173.600 through 173.618, RSMo, Regulation of Proprietary Schools

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT

Proprietary School Certification Program Actions and Reviews

Coordinating Board for Higher Education

Proprietary School Certification Program Actions and Reviews

Certificates of Approval Issued (Authorization for Instructional Delivery)

DePaul University
Perryville, Missouri

This regionally accredited (North Central Association) out-of-state independent institution based in Chicago, Illinois was approved to deliver a limited number of courses in biology and environmental science at a field research and study site owned by DePaul. Although the proposal did not include the delivery of an entire degree program, since these courses are collegiate level and degree creditable, their delivery at a Missouri site constitutes a physical presence under certification standards. Additional coursework may be offered at the site, contingent on success of this initial proposal.

Lesley University
Cambridge, Massachusetts

This regionally accredited (New England Association) not-for-profit higher education institution is already authorized to offer its outreach programs at multiple locations in the state. This certificate of approval authorizes the institution to offer its programs through a location in the St. Louis area. Program offerings include a Master of Education degree with specializations in Technology in Education and Creative Arts.

Certificates of Approval Issued (Authorization Only to Recruit Students in Missouri)

None

Applications Pending Approval (Authorization for Instructional Delivery)

American Trade School
University City, Missouri

This proposal is to establish a for-profit vocational school with the objective “to qualify the graduate to secure entry-level employment.” The school proposes to offer two one-year nondegree level programs to train heating, air conditioning, and refrigeration technicians and electricians. The school is not accredited.

American Truck Training
West Burlington, Iowa

This proposal is to authorize an existing for-profit school, with locations in Oklahoma and Iowa to establish an instructional location in the state of Missouri. The school currently offers a four-week nondegree commercial driver training program. The school states its objectives as “development of safe and legal driving habits” and “preparation of student for the commercial driver license (CDL) skills test.” At the present time, a specific site has not been identified for the school. The school is not accredited.

Indian Hills Community College
Unionville, Missouri

This not-for-profit regionally accredited (North Central Association) institution based in Ottumwa, Iowa submitted a proposal to deliver degree creditable coursework in Unionville, Missouri. Based on the proposal materials, the Unionville site would be administered by the institutions extension campus in Centerville, Iowa. The delivery of a complete degree program at this location is not anticipated and students wishing to complete an Associate of Arts degree with the institution would need to attend one of the Iowa campuses.

Wichita Technical Institute
Joplin, Missouri

This is a proposal to establish a Missouri instructional location for this existing for-profit vocational school, which currently has locations in Wichita and Topeka, Kansas. The school is accredited by the Accrediting Commission for Career Schools and College of Technology (ACCSCT). The proposal is to offer one twelve month nondegree program in Electronics Technology. The primary mission of the institution is to “enable students to become employable in an entry-level job in their field upon graduation.”

John Thomas College of Naturopathic Medicine
St. Charles, Missouri

This is a proposal to establish a new for-profit institution of higher education in order to provide naturopathic medical education programs. According to the American Association of Naturopathic Physicians, naturopathic medicine “blends centuries-old natural, non-toxic therapies with current advances in the study of health and human systems, covering all aspects of family health from prenatal to geriatric care.” Doctors of Naturopathic Medicine are currently unregulated in the state of Missouri. The proposal includes one first professional degree program, a Doctor of Naturopathic Medicine (NMD) degree, and a Pharmacology elective track. Enrollment in the proposed school would be limited to persons with “a professional health care degree and be license eligible or statutorily licensed to diagnose and treat the human body.” Coursework would be delivered through classroom work (in a Friday evening through Sunday format), through distance education methods, and through supervised research. This school is not accredited.

Initial report to CBHE: June 2003

Current status: The initial staff analysis of the application materials has been completed and a written review was forwarded to the school. The staff has also met with school officials to discuss options for addressing staff concerns and to establish parameters for the remainder of the review process. School officials and department staff are currently identifying a mutually agreeable external expert to provide a more detailed analysis of the programmatic and other aspects of the proposal.

Applications Pending Approval (Authorization Only to Recruit Students)

National American University
Rapid City, South Dakota

This regionally accredited (North Central Association) for-profit institution has initiated a substantial number of degree creditable coursework and degree programs using distance delivery methodologies. Although the institution is currently certified to operate for purposes of on-site delivery of educational programs in the Kansas City area (with a branch campus location in Knob Noster), this proposal reflects the institution will have a presence in the state for purposes of actively recruiting and enrolling students from Missouri in these South Dakota based programs.

Exemptions Granted

Africa Bible College
Springfield, Missouri

This not-for-profit institution proposes to “train Christian leaders and provide on-line educational opportunities to National Africans who want to obtain a Christian education but cannot leave their home country nor can afford the high cost of tuition in America.” The school is affiliated with the Bible Ministries for Christ of Aurora, Missouri. Exemption was granted as “a not-for-profit school owned, controlled and operated by a bona fide religious or denominational organization which offers no programs or degrees and grants no degrees or certifications other than those specifically designated at theological, bible, divinity or other religious designation.”

Language Link Corporation
Kansas City, Missouri

This for-profit corporation offers a range of language services including translation, interpretation and instruction in a large number of languages. Exemption was granted as “a school which offers instruction only in subject areas which are primarily for vocational or recreational purposes as distinct from courses to teach employable, marketable knowledge or skills, which does not advertise occupational objectives and which does not grant degrees.”

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Rockbridge University
Springfield, Missouri

This not-for-profit nondenominational Christian university is operated by the Compton Institute for Christian Leadership. The institution will offer certificate and diploma programs at the nondegree level and one master's degree program. Exemption was granted as "a not-for-profit school owned, controlled and operated by a bona fide religious or denominational organization which offers no programs or degrees and grants no degrees or certifications other than those specifically designated at theological, bible, divinity or other religious designation."

Unity Institute
Unity Village, Missouri

This not-for-profit institution is a collaborative between the Unity School of Christianity and the Association of Unity Churches in order to provide complete education and training for Unity ministerial candidates on their way to ordination. The proposal currently includes a master of divinity degree. Future plans include a partnership with an accredited institution for additional degree offerings. Exemption was granted as "a not-for-profit school owned, controlled and operated by a bona fide religious or denominational organization which offers no programs or degrees and grants no degrees or certifications other than those specifically designated at theological, bible, divinity or other religious designation."

Vilatte Theological Seminary
O'Fallon, Missouri

This not-for-profit institution is established for the purpose of preparing candidates for active ministry in the Ecumenical Catholic Church of the United States. The school will offered nondegree programs as well as master and doctoral degree programs. Exemption was granted as "a not-for-profit school owned, controlled and operated by a bona fide religious or denominational organization which offers no programs or degrees and grants no degrees or certifications other than those specifically designated at theological, bible, divinity or other religious designation."

Wisdom Institute University
St. Louis, Missouri

This not-for-profit school will operate under the auspices of the Word of Life Evangelistic Crusade, Inc. for the exclusive purpose of preparing men and women for Christian ministry and service. The school will offer bachelors and master's level degree programs as well as nondegree certificates. Exemption was granted as "a not-for-profit school owned, controlled and operated by a bona fide religious or denominational organization which offers no programs or degrees and grants no degrees or certifications other than those specifically designated at theological, bible, divinity or other religious designation."

World Revival School of Ministry
Kansas City, Missouri

This not-for-profit school is the educational operation of Jubilation Ministries, Inc., which also operates the World Revival Church of Kansas City. The primary purpose of the school is to equip and train pastors, leaders and Christian workers by offering certificate, associate's and bachelor's level programs. This institution claims accreditation by the Accrediting Commission International, an unrecognized accrediting group based in Beebe, Arkansas. Exemption was granted as "a not-for-profit school owned, controlled and operated by a bona fide religious or denominational organization which offers no programs or degrees and grants no degrees or certifications other than those specifically designated at theological, bible, divinity or other religious designation."

Schools Closed

ICON Computer and Business Institute
Florissant, Missouri

This school, established in 1998, offered a limited range of programs in office skills and technology subjects. The department was recently notified by officials of this school of plans to cease operations due to lack of sufficient financial aid to permit its target clientele to attend the school. Department staff is working with school officials to ensure all educational obligations to students are satisfied and educational records of students that attended the school are adequately preserved.

AGENDA ITEM SUMMARY

AGENDA ITEM

Update on the Committee on Transfer and Articulation
Coordinating Board for Higher Education
October 9, 2003

DESCRIPTION

The CBHE Committee on Transfer and Articulation (COTA) has responsibility to implement the board's Credit Transfer and Dual Credit policies and to work with institutional representatives to ensure successful student transfer. The intent of this board item is to provide an update on COTA activities.

Background

The CBHE has statutory responsibility to promote and facilitate the transfer of students between institutions of higher education within the state. COTA serves as a standing CBHE advisory committee to ensure that effective transfer and articulation policies are developed, implemented, evaluated, and monitored. Within this context, COTA also has the challenge of identifying measures of success that will help inform discussions about the effectiveness of Missouri's transfer and articulation system. COTA is composed of eight presidents/chancellors (or their representatives) with representation from each sector. COTA membership is included in the attachment.

COTA has completed its review of survey results from institutions on dual credit practices. As a result of this review, COTA has established a list of 31 public, independent, and proprietary institutions that have self-reported compliance with the board's dual credit policy guidelines. This list includes two institutions with conditional compliance. This list will be published on the DHE web site and is attached.

In recent months, COTA has undertaken several projects. At the request of transfer and articulation officers, a revision of the job description of responsibilities for this post has been developed and is undergoing a final review by COTA. The generic job description, which will also be posted on the DHE web site, is attached.

COTA has also developed a list of Frequently Asked Questions and responses to those questions for posting on the DHE web site. The FAQ covers such topics as how transfer officers may keep current on new programs and program changes, tracking transfer student success, the 42-hour block of general education, and the appeals process that is available for resolving transfer conflicts between institutions. The FAQ, which is also undergoing final review by COTA and will be posted on the DHE web site, is attached.

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Conclusions

Transfer and articulation remain priorities of the CBHE and the DHE. The board's public policies associated with dual credit and general education represent important initiatives that support an efficient, fair, and predictable transfer system that is sensitive to student needs.

Upcoming projects for COTA include preparing an annual report for presentation to the board, fostering the transferability of credit from proprietary institutions, identifying non-traditional credits that institutions of higher learning will accept, and reestablishing a statewide transfer conference for discussion of complex transfer issues.

STATUTORY REFERENCE

Section 173.020(3) and 173.005.2(6), RSMo, Responsibilities of the Coordinating Board
Section 167.223, RSMo, High schools may offer postsecondary course options—fees

RECOMMENDED ACTION

This is an information item only.

ATTACHMENTS

Attachment A: Committee on Transfer and Articulation Membership
Attachment B: Institutions Reporting Compliance with Dual Credit Policy
Attachment C: Generic Job Description
Attachment D: Frequently Asked Questions

CBHE Committee on Transfer and Articulation

September 22, 2003

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Institutions Reporting Compliance with COTA's Dual Credit Policy Guidelines

1. Central Methodist College
2. Central Missouri State University
3. Crowder College
4. Drury University
5. East Central College
6. Hannibal-LaGrange College*
7. Jefferson College
8. Lincoln University
9. Lindenwood University
10. Metropolitan Community Colleges
11. Mineral Area College
12. Missouri Southern State College
13. Missouri Baptist University
14. Missouri Valley College
15. Missouri Western State College
16. Moberly Area Community College
17. North Central Missouri College
18. Northwest Missouri State University
19. Ozarks Technical Community Colleges
20. Rockhurst University
21. Saint Louis University
22. Southeast Missouri State University
23. Southwest Baptist University
24. Southwest Missouri State University
25. Southwest Missouri State University – West Plains
26. State Fair Community College
27. Three Rivers Community College
28. University of Missouri – Kansas City
29. University of Missouri – St. Louis*
30. Wentworth Military Academy and Junior College
31. William Woods University

*Conditional compliance

**Coordinating Board for Higher Education
Committee on Transfer and Articulation (COTA)
Recommended Responsibilities for
Transfer/Articulation Officers**

Major Assumptions:

- The duties of transfer/articulation officers will vary from institution to institution.
- There are multiple ways of ensuring that the COTA recommended responsibilities for transfer/articulation officers are fulfilled.
- Institutional assignments for transfer/articulation responsibilities may be to one or more individuals.

Effective transfer and articulation includes, but is not limited to, the following:

- Acting as an ombudsperson for students who wish to resolve questions regarding their transfer status after other appeals have been exhausted
- Maintaining an understanding of the institutional data and analysis of transfer students
- Monitoring the institutional transfer credit evaluation process to ensure that institutional and statewide policies are being implemented as designed
- Informing the institutional president/chancellor of any developing issues related to transfer and articulation
- Advising the appropriate campus groups regarding the practical impact of curricula changes on transfer and articulation
- Facilitating the process of developing articulation agreements for apprenticeship, certificates, AA, AS, and AAS Degrees by working with the chief academic officer or other designated personnel
- Aiding communication of curricular changes between institutions.
- Developing with the transfer and articulation officers at other institutions the presentation of transfer and articulation policies on web sites
- Participating in statewide conversations in a public venue on transfer and articulation issues

CBHE Credit Transfer Policy Frequently Asked Questions

AGENCY AND ORGANIZATION INFORMATION

1. What is the CBHE?

The Coordinating Board for Higher Education (CBHE) serves as the state's higher education planning agency, assuming major responsibility for the development of state policy for higher education, the recommendation of budgets for public institutions, and the distribution of regular reports to the General Assembly, the governor, and the public concerning questions of access, quality, and efficiency.

2. What is the role of the CBHE in transfer and articulation?

Missouri statute 173.005(6) defines the CBHE's role in transfer and articulation:

The Coordinating Board shall establish guidelines to promote and facilitate the transfer of students between institutions of higher education within the state.

CBHE policy guidelines include a plan for the transfer of general education credits and for the transfer of associate of arts degrees among public institutions and independent signatory institutions. Other transfer issues are addressed by institution-to-institution articulation agreements. All transfer plans and articulation agreements follow general guidelines outlined in the state's policy framework. These guidelines include an appeals process to follow when the system is not functioning to the satisfaction of students or institutions.

3. Are all colleges and universities obligated to abide by CBHE policies?

Each Missouri institution has a separate, independent board that is responsible for policy adoption and implementation. As a coordinating board, the CBHE has limited statutory authority and cannot control institutional behavior. Missouri uses compromise and consensus building rather than legislation to develop and promote most of its public policies for higher education, including those policies affecting transfer and articulation.

4. What is the DHE and what is its role in transfer and articulation?

The Department of Higher Education (DHE) is the administrative arm of the Coordinating Board. DHE staff provides support for the Committee on Transfer and Articulation (COTA).

5. What is COTA?

COTA is the CBHE Committee on Transfer and Articulation. Eight presidents/chancellors serve as COTA members with three from public two-year institutions, three from public four-year institutions (with one from the University of Missouri System), one from independent four-year institutions and one from independent/proprietary two-year institutions. COTA has major responsibility for reviewing the board's transfer/articulation policy guidelines, making recommendations for any changes to transfer/articulation policy guidelines, and for monitoring the

implementation of new transfer/articulation initiatives. COTA also serves as an appeals board for formal complaints about transfer/articulation practices. Department of Higher Education (DHE) staff serves as support for COTA.

6. What is transfer and articulation?

Transfer is the process whereby a student with previous postsecondary educational experience gains admission to another postsecondary institution and seeks to have the credits successfully earned at the previous institution(s) apply toward graduation requirements for a specific course of study at the receiving institution.

Articulation is the process whereby postsecondary institutions seek to foster the smooth transfer of students by developing agreements that specify in advance the terms, conditions, and expectations that shall be applied to transfer students. Articulation agreements may apply to specific courses and/or to specific degree programs.

7. Why is transfer and articulation important?

Transfer and articulation is important to provide seamless movement of students among Missouri institutions as efficiently and cost effectively as possible.

8. Who are the transfer and articulation officers, and what do they do?

*Each institution has been encouraged to identify an individual(s) to perform the duties of the transfer and articulation officer. A generic description of responsibilities is found on the DHE web site at <<insert **link** when available>>.*

9. With frequent changes in curriculum, how can transfer officers keep course equivalency agreements current?

This is an ongoing challenge that is at the very core of transcript analysis, and there are no simple answers. Transfer officers should stay informed about curricular changes on their own campuses, particularly in lower-division courses that transfer students may have taken at other institutions. Transfer officers should communicate curriculum changes to colleagues at other institutions and ask that they do the same. Changes in course equivalencies that institutions have on the DHE web site should also be communicated to DHE staff in a timely manner.

10. How can transfer officers keep current on program changes that may affect existing or future articulation agreements?

Institutions submit information to DHE about changes to existing programs such as title changes, program additions, and changes in Classification of Instructional Programs (CIP) codes, as well as proposals for new programs. All requests for new programs are posted on the DHE web site by the fifteenth of each month for public comment. All program actions (program changes as well as new programs) are reported to the CBHE at each regular meeting. The program inventory for each institution, available on the DHE web site at <http://www.dhe.mo.gov/Institutions/moinst.htm>, is updated with the most current information after each CBHE meeting.

GENERAL INFORMATION**11. Is it possible to establish common course numbers in Missouri?**

Missouri has emphasized the importance of competencies and content rather than numbers or titles in its most recent approach to credit transfer.

12. Is there a common method for computing a transfer student's GPA?

There is no common method as of July 2003. As a starting point, COTA will survey institutions to learn the extent of variation in institutional practice concerning the treatment of a transfer student's GPA.

13. If a sending institution offers a four- hour course, can that course transfer as equivalent to a five- hour course at the receiving institution?

There is a great deal of unpredictability in the system but the most logical action in this case would be for the receiving institution to accept in transfer four credit hours. Institutions are encouraged to facilitate conversations of course equivalency to prevent repeating the process for each student. Institutions should consider evaluating equivalency by program, rather than by evaluating the equivalency of individual courses.

14. If a student is enrolled in a program, how should that student be treated when an institution changes the program requirements?

Institutions may choose to follow the "catalog rule." Students currently enrolled in a program that undergoes a change are usually given the option either to remain with the program and meet its requirements or to switch to the revised program and meet the requirements of the changed program.

15. Are institutions tracking the success of transfer students?

Several institutions have designed their own tracking system for analysis of transfer student success. In addition, a consortium of public institutions is utilizing databases provided by the DHE to track student retention and performance between 1996-2002. The databases are updated annually. For information on the DHE database, contact Wei Zhou at Wei.Zhou@mocbhe.gov or at (573) 751-2401.

CREDIT TRANSFER POLICY**16. What is the web address of the state's credit transfer policies?**

The CBHE's credit transfer guidelines are available on the DHE web site at <http://www.dhe.mo.gov/Acadafrs/gepolicy.htm>.

17. Does the policy also cover out-of-state institutions?

The CBHE policy guidelines apply to Missouri institutions only.

18. What is the status of the general education policy implementation?

On June 8, 2000, the CBHE revised its Credit Transfer policy to include guidelines for a 42-hour block of transfer-guaranteed general education credit. In October 2002, all

public institutions, with the exception of the University of Missouri–Columbia, and several independent institutions began implementation of general education programs that are in alignment with state policy guidelines and are in support of the respective missions of the institutions. Information about CBHE’s general education policy guidelines is on the DHE web site at <http://www.dhe.mo.gov/Acadaftrs/gepolicy.htm>.

19. What is the University of Missouri – Columbia’s position on a statewide general education policy?

The University of Missouri – Columbia (MU) is supportive of the statewide policy and is working to clarify its general education program to facilitate transfer students and to create more compatibility with the transfer block. Since most degree programs at MU have prerequisites that can be met by general education courses, MU prefers that transfer be facilitated by more specific transfer and articulation agreements. Students planning for a specific major and/or planning to enroll in a specific school or college at MU are encouraged to select general education courses that meet college and program requirements rather than assuming the transfer block will include appropriate prerequisite courses. MU has recently redefined its general education for lower division students as a 39-hour block, which includes College Algebra with a grade in the C range and a math proficiency course with College Algebra as a prerequisite. Although MU does not currently accept the 42-hour block as completion of its general education requirements, students are encouraged to check course equivalencies at MU’s web site <http://registrar.missouri.edu/Catalog/index.htm> and to choose Course Equivalencies from the list. MU is committed to working with students who have additional questions. For further information, contact Ann Korschgen, Vice Provost for Enrollment Management, at (573) 882-7651 or via email at korschgena@missouri.edu.

20. What is the rationale behind the 42-hour block of general education credit?

Previously, Missouri’s approach to general education had been based on seat time and credit hour production, relying on course titles and descriptions to facilitate the transferability of credit from one institution to another. Increasingly, states are looking at competency or proficiency-based systems as a way to promote educational reform, to ensure better alignment between K-12 and higher education, and to encourage better preparation and performance of students.

According to the statewide guidelines, general education:

- *Establishes the curricular foundation of the institution;*
- *Encourages students to acquire and use the intellectual tools, knowledge and creative capabilities necessary to study the world;*
- *Furnishes students with skills that enable them to deepen that understanding and to communicate to others;*
- *Equips students for success in specialized areas of study and to become educated persons, active citizens, and effective contributors to their own life and to the general welfare of others;*
- *Introduces students to the traditional disciplines of the arts and sciences;*
- *Alerts students to the connections between the traditional disciplines and the world;*
- *Informs students that the world is understood in different ways;*

- *Provides students with the means to come to terms, intelligently and humanely, with this diversity of understanding; and*
- *Helps students acquire appropriate investigative, interpretative, and communicative competencies.*

Designing a 42-hour block of general education credit and encouraging students to complete that block at one institution are perceived to be the best means to achieve these goals for student mastery of general education knowledge and skills.

21. How do transfer officers locate the most up-to-date list of institutions abiding by the state's guidelines for general education?

DHE staff strives to maintain an accurate listing of institutions abiding by the state's credit transfer policy guidelines. This list of institutions is available on the DHE web site at <http://www.dhe.mo.gov/Acadafrs/credittrans.htm>. Information provided on the DHE web site is updated on a regular basis. Institutions are encouraged to notify DHE staff of any information on the web site that is inaccurate or incomplete.

22. What process is available if an institution wants to remove itself from the list of institutions abiding by the state's agreement on general education transfer?

Institutions should notify DHE staff should they choose to withdraw from participation in the credit transfer policy.

23. How are students treated by institutions not participating in the state's credit transfer agreement?

Several Missouri institutions that are not participating in the state's credit transfer agreement have expressed their commitment to work with transfer students to ensure a smooth transition from one institution to another. Students transferring to these institutions will be evaluated on a case-by-case basis. Missouri's public, independent, and proprietary institutions are committed to ensuring that all students are treated equitably and fairly as they transfer from one institution to another.

STUDENT ISSUES

24. Do students have to complete an associate degree before transferring in order to receive credit for the 42-hour block?

Completion of an associate degree is strongly encouraged but not required. Some institutions do not offer a two- (2) year degree; therefore, students will by necessity transfer without completion of an associate degree.

25. What can students or institutions do when a course that was previously accepted for credit transfer is no longer accepted because it is not included in the 42-hour general education block?

If students complete courses outside of the general education block, the students are acknowledging the possibility that the course will not be accepted for transfer credit at other Missouri higher education institutions. Institutions are expected to evaluate courses outside the 42-hour block on an individual basis. The general education credit

transfer policy is intended to encourage students to complete a comprehensive general education program that addresses core competencies. Completing a 42-hour block of general education credit at one institution increases the likelihood that students will be successful in their higher education goals.

26. Since some institutions are participating in the state's agreement on general education transfer and others are not, what advice should be given to students interested in transfer?

Students transferring between institutions that are abiding by the statewide guidelines are to be informed that a completed 42-hour block of credit will be received as equivalent and as having fulfilled the 42-hour block of credit at the receiving institution. Students should also be informed that if they transfer prior to completing a 42-hour block of credit, the receiving institution has the choice of whether to transfer partial blocks as equivalent or to do a course-by-course evaluation. In addition, students should be informed that institutions are permitted to require additional general education hours beyond the block of 42 credit hours. Whatever is required beyond 42 credit hours for non-transfer students will hold for transfer students as well. Transfer students should familiarize themselves with the degree requirements of the receiving institution and the course prerequisites they may need to address after transfer.

For a student transferring from a school that is not participating in the state's agreement on general education transfer to a school that is participating, the student should be informed that the receiving institution would determine how much of the 42-hour block will transfer and what general education requirements will be satisfied.

27. Is there an appeals process for sending and receiving institutions?

Institutions are expected to have internal processes for appeal available to transfer students who believe they have not been treated fairly. Responses to the appeal are expected to proceed in a timely manner. Sending institutions are encouraged to become advocates for student appeals when they are perceived to have merit.

Institutions are also able to appeal when there is a belief that a transfer practice, procedure, requirement, or policy of another institution is not in accord with the principles or spirit of the state transfer articulation guidelines. A full description of the appeal process is located in the state's credit transfer policy at <http://www.dhe.mo.gov/Acadafrs/gepolicy.htm#appeal>.

28. What options are available when other institutions ignore requests for information by being evasive or completely non-responsive?

The board's Principles of Good Practice for Credit Transfer states that the transfer process should be efficient, predictable, and sensitive to student needs. Being evasive or non-responsive to requests from other institutions is not acceptable. The appeals process outlined in the state's credit transfer guidelines encourages institutions to appeal to COTA when another institution's practices are out of alignment with the state's guidelines.

29. What is the best advice for students concerning the transferability of general education credit?

While not required, transfer officers should encourage students to complete an institution's 42-hour block of general education prior to transfer. Receiving institutions that accept block transfers are not required to determine course-by-course equivalencies, thereby ensuring efficiency, predictability, and sensitivity to student needs. Students intending to transfer prior to completion of a 42-hour block of general education credit or intending to transfer to an institution not abiding by the state's guidelines should be encouraged to visit with the receiving institution to ensure that courses will transfer. It is always advisable for students, once they are aware of their intent to transfer, to work with both the sending and the receiving institutions to ensure seamless transfer. Students should be encouraged to clarify any mixed messages they are receiving with the sending institution's transfer officer.

Students should expect to receive the benefit of the doubt during the implementation phase of the general education policy. Students should be encouraged to share with advisors and/or transfer officers their experiences in transferring so that problems can be identified and resolved in a timely manner, not only for the students transferring, but also for future transfer students.

Students should be informed of institutional and state-level appeals processes, and a sending institution is expected to review each student's complaint, and to become an advocate for the transfer student when the institution believes that the student is not being treated fairly by a receiving institution. Clearly, reform of general education will present difficult and challenging problems that will need to be addressed as institutions operate in good faith to meet the intent of the policy.

30. How are institutions denoting completion of a block of general education on student transcripts?

It is COTA's intent that transcripts from sending institutions contain a seal or stamp attesting to the student's completion of that institution's 42-hour block. Some institutions have automatic mechanisms in place that perform this function while other institutions rely on the student applying for a block seal on their transcripts.

TRANSFER FROM PROPRIETARY INSTITUTIONS

31. Why are institutions that are not accredited by the Higher Learning Commission of the North Central Association (NCA) participating in the state's credit transfer agreement?

The CBHE's credit transfer guidelines apply to postsecondary institutions with regional accreditation from the Higher Learning Commission or national accreditation recognized by the US Department of Education and Certified by the CBHE. Public and independent institutions are encouraged to develop program-to-program articulation agreements with regionally and nationally accredited institutions.

32. How should institutions accredited by the Higher Learning Commission of the North Central Association (NCA) treat general education credit transferred from institutions without similar accreditation?

The acceptance of credit in transfer is an institutional decision. Institutions complying with the state's credit transfer policy guidelines are encouraged to accept transfer credit from other Missouri institutions including those accredited by the Higher Learning Commission and those postsecondary institutions that have national accreditation recognized by the US Department of Education and are certified by the CBHE to operate in Missouri.

33. If a student has an associate degree from a proprietary institution and some credits are vocational in nature, will other institutions accept those vocational credits as electives?

The decision to accept vocational courses as electives rests with the receiving institution. Many proprietary schools have a block of general education, though not a full 42-hour block. Any proprietary school students denied transfer credit due to disagreements or misunderstandings about the comparability of accreditation standards (regional versus national accreditation) have the right to appeal such decisions to COTA.