

# **Coordinating Board for Higher Education**

## **Agenda of Meeting**

**9:00 AM  
Thursday  
October 12, 2006**

**Board Room, Social Sciences Building  
St. Charles Community College**

# St. Charles

COMMUNITY COLLEGE

[www.stchas.edu](http://www.stchas.edu)

DRURY INN  
St. Peters  
80 Mid Rivers Mall Dr.  
636-397-9700

MID RIVERS  
MALL DRIVE

EMBASSY  
SUITES  
2 Convention Center Plaza  
636-946-5544

SCC

94

Blanchette  
Bridge

364

370

70

270

East

40

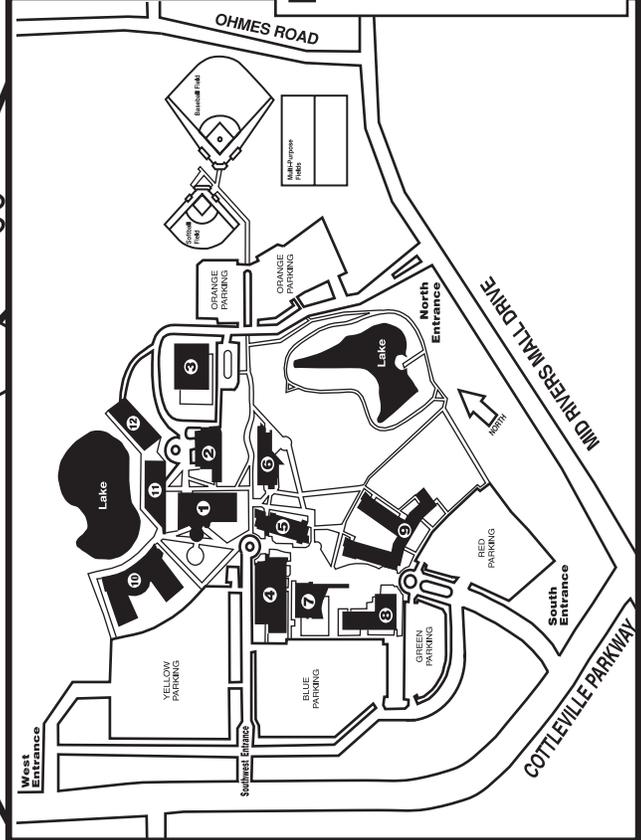
64

94

**SCC CAMPUS**  
4601 Mid Rivers Mall Drive  
about 3 miles south of Interstate 70  
and 2 miles north of Hwy. 94 South.  
(636) 922-8000

## SCC CAMPUS MAP

- 1 College Center (CC)
- 2 Campus Services (CS)
- 3 Child Development Center (CDC)
- 4 Fine Arts Building (FAB)
- 5 Humanities Building (HUM)
- 6 Technology Building (TECH)
- 7 Learning Resource Center-Library (LRG)
- 8 Student Center (SC)
- 9 Administration Building (ADM)
- 10 Social Sciences Building (SSB)
- 11 Caf /Bookstore (CB)
- 12 Visual Arts Building (VAB)



**COORDINATING BOARD FOR HIGHER EDUCATION**

**Kathryn F. Swan**, Chair, Cape Girardeau

**Gregory Upchurch**, Vice Chair, St. Louis

**Martha L. Boswell**, Columbia

**David Cole**, Cassville

**Lowell C. Kruse**, St. Joseph

**Jeanne Patterson**, Kansas City

**Duane Schreimann**, Jefferson City

**Earl Wilson, Jr.**, St. Louis

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St. Charles Community College  
St. Charles

**Coordinating Board for Higher Education  
October 11-12, 2006  
St. Charles Community College  
St. Charles  
Schedule of Events**

**WEDNESDAY, OCTOBER 11**

- |                    |  |
|--------------------|--|
| 11:30 AM – 1:00 PM | CBHE Lunch with Senator Gary Nodler<br>Board Room, Social Sciences Building<br>St. Charles Community College   |
| 1:00 PM – 3:00 PM  | Joint CBHE and Presidents/Chancellors Meeting<br>with Senator Gary Nodler<br>Board Room, Social Sciences Building<br>St. Charles Community College   |
| 3:00 PM – 5:00 PM  | CBHE Work Session<br>Board Room, Social Sciences Building<br>St. Charles Community College   |
| 6:30 PM            | CBHE Members and MDHE Staff<br>Reception and Dinner with St. Charles Community College<br>Board of Trustees and Missouri Community College<br>Association<br>St. Charles Community College |

**THURSDAY, OCTOBER 12**

- |                     |   |
|---------------------|---|
| 8:30 AM             | Continental breakfast provided by St. Charles Community<br>College<br>Board Room, Social Sciences Building<br>St. Charles Community College |
| 9:00 AM             | Presidential Advisory Committee/CBHE Meeting<br>Board Room, Social Sciences Building<br>St. Charles Community College                       |
| 12:00 PM – 12:45 PM | Lunch provided by St. Charles Community College   |
| Following lunch     | Resume CBHE Meeting, if necessary   |

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

**Representatives by Statute  
September 27, 2006**

**Public Four-year Universities**

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

Dr. Carolyn Mahoney  
President  
Lincoln University  
820 Chestnut  
Jefferson City 65101

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

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

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

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

Dr. Michael Nietzel  
President  
Missouri State University  
901 South National Avenue  
Springfield 65802

Dr. Barbara Dixon (COPHE President)  
President  
Truman State University  
100 East Normal  
Kirksville 63501

Dr. Aaron Podolefsky  
President  
University of Central Missouri  
Administration 202  
Warrensburg 64093

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

Dr. Brady Deaton  
Chancellor  
University of Missouri-Columbia  
105 Jesse Hall  
Columbia 65211

Dr. Guy Bailey  
Chancellor  
University of Missouri-Kansas City  
5100 Rockhill Road  
Kansas City 64110

Dr. John Carney III  
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**

Mr. Alan Marble  
Interim President  
Crowder College  
601 Laclede Avenue  
Neosho 64850

Dr. Edward Jackson  
President  
East Central College  
1964 Prairie Dell Road  
Union 63084

Mr. Wayne Watts  
President  
Jefferson College  
1000 Viking Drive  
Hillsboro 63050-1000

Dr. Jackie Snyder  
Chancellor  
Metropolitan Community Colleges  
3200 Broadway  
Kansas City 64111

Dr. Don Doucette (Ex Officio Member-MCCA President)  
Vice Chancellor for Education  
and Technology  
Metropolitan Community Colleges  
3200 Broadway  
Kansas City 64111

Dr. Steven Kurtz  
Interim President  
Mineral Area College  
5270 Flat River Road  
Park Hills 63601

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

Dr. Neil Nuttall  
President  
North Central Missouri College  
1301 Main Street  
Trenton 64683

Dr. Hal Higdon  
President  
Ozarks Technical Community College  
1417 North Jefferson  
Springfield 65801

Dr. John McGuire  
President  
St. Charles 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 16<sup>th</sup> 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. Brian Nedwek  
Acting President  
Maryville University of St. Louis  
13550 Conway Road  
St. Louis 63131

Dr. Marianne Inman  
President  
Central Methodist University  
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. Judy Robinson Rogers  
President  
Cotter College  
1000 West Austin  
Nevada 64772-1000

# COORDINATING BOARD FOR HIGHER EDUCATION

TIME: 9:00 AM  
Thursday  
October 12, 2006

PLACE: Board Room, Social Sciences Building  
St. Charles Community College  
St. Charles

## AGENDA

- |   | <u>Tab</u> | <u>Presentation by:</u>   |
|---|------------|---|
| <b>I. Introduction</b>  |            |   |
| A. Call to Order  |            | Kathryn Swan,<br>CBHE Chair                                     |
| B. Confirm Quorum   |            | Secretary   |
| C. Committee Reports  |            |   |
| 1. Audit Committee  |            | Duane Schreimann, Chair   |
| 2. Student Loan/Financial Aid Committee   |            | Martha Boswell, Chair   |
| 3. Strategic Planning Committee   |            | Jeanne Patterson, Chair   |
| 4. Commissioner Search Committee Report   |            | Greg Upchurch, Chair  |
| <b>II. Presidential Advisory Committee</b>  |            |   |
| A. Mathematics, Engineering, Technology and<br>Science (METS) Alliance Presentation |            | Kathryn Swan,<br>CBHE Chair                                     |
|   |            | Debra Hollingsworth,<br>Chair, METS Alliance                    |
| B. Higher Education Strategic Planning  | A          | Jim Scanlon, Chair<br>Presidential Advisory<br>Committee        |
|   |            | Jeanne Patterson, Chair<br>CBHE Strategic<br>Planning Committee |
|   |            | Robert Stein, Acting<br>Deputy Commissioner                     |
| <b>III. Action Items</b>  |            |   |
| A. Minutes of the June 14, 2006 CBHE Meeting  |            | Kathryn Swan,<br>CBHE Chair                                     |
| Minutes of the July 24, 2006 CBHE Open Meeting                                      |            |   |
| Minutes of the July 24, 2006 CBHE Closed Meeting                                    |            |   |
| Minutes of the August 10, 2006 CBHE Meeting   |            |   |
| Minutes of the September 22, 2006 CBHE Open Meeting                                 |            |   |

	<u>Tab</u>	<u>Presentation by:</u>
Minutes of the September 22, 2006 CBHE Closed Meeting		
Minutes of the September 26, 2006 CBHE Meeting		
B. Proposed CBHE Bylaw Revision	B	Jim Matchefts, Assistant Commissioner and General Counsel
C. State Student Financial Aid Committee Update	C	Leroy Wade, MDHE Committee Liaison
D. Department of Higher Education FY 2008 Budget Overview	D	Donna Imhoff, Assistant Commissioner
Recommendations for Adjustments to Public Institutions Operating Appropriations	E	
Recommendations for Public Four-Year Institutions Operating Appropriations	F	
Recommendations for Linn State Technical College Operating Appropriations	G	
Recommendations for Public Community Colleges Operating Appropriations	H	
Recommendations for MDHE Operating Appropriations	I	
Recommendations for State Student Financial Assistance Programs	J	
Recommendations for Public Four-Year Institutions' and Linn State Technical College's Capital Improvements	K	Becky Brennecke, Legislative Liaison
<b>IV. Consent Calendar</b>		
A. Distribution of Community College Funds	L	Donna Imhoff, Assistant Commissioner
B. Academic Program Actions	M	Robert Stein, Acting Deputy Commissioner
C. Proprietary School Certification Actions and Reviews	N	Leroy Wade, Director, Proprietary School Certification

	<u>Tab</u>	<u>Presentation by:</u>
D. Cycle-5 Improving Teacher Quality Grant	O	Robert Stein, Acting Deputy Commissioner
E. Institutional Eligibility to Participate in the Missouri Student Financial Assistance Programs-Cass Career Center and Northland Career Center	P	Kelli Reed, Interim Director of Financial Assistance

**V. Discussion Items**

- A. Report of the Commissioner Robert Stein, Acting Deputy Commissioner
  
- B. Other items received after posting of the agenda

**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.”

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

Individuals needing special accommodations relating to a disability should contact Brenda Miner, at the Missouri Department of Higher Education, 3515 Amazonas Drive, Jefferson City, MO 65109 or at 573.751.2361, at least three working days prior to the meeting.

**COORDINATING BOARD FOR HIGHER EDUCATION**  
**MINUTES OF MEETING**  
**June 14, 2006**

The Coordinating Board for Higher Education (CBHE) and Presidential Advisory Committee (PAC) met at 9:00 a.m. on Wednesday, June 14 at Harris-Stowe State University in St. Louis.

Members present were:

Lowell C. Kruse, Chair  
Martha Boswell  
Diana Bourisaw  
Jeanne Patterson  
Duane Schreimann  
Kathryn Swan  
Gregory Upchurch  
Earl Wilson, Jr.

Presidents or their representatives present were:

Ann Pearce for Aaron Podolefsky, Central Missouri State University  
Henry Givens, Jr., Harris-Stowe State University  
Carolyn Mahoney, Lincoln University  
James Scanlon, Missouri Western State University  
Dean Hubbard, Northwest Missouri State University  
Ken Dobbins, Southeast Missouri State University  
Michael Nietzel, Missouri State University  
Barbara Dixon, Truman State University  
Stephen Lehmkuhle for Elson Floyd, University of Missouri System  
John F. Carney III, University of Missouri-Rolla  
Thomas George, University of Missouri-St. Louis  
Don Doucette for Jackie Snyder, Metropolitan Community Colleges  
Terry Barnes, Mineral Area College  
Norman Myers, Ozarks Technical Community College  
John McGuire, St. Charles Community College  
Henry Shannon, St. Louis Community College  
John Cooper, Three Rivers Community College  
Don Claycomb, Linn State Technical College  
Edgar Rasch for Brian Nedwek, Maryville University

Chair Lowell C. Kruse called the Coordinating Board for Higher Education and Presidential Advisory Committee meeting to order. A list of guests is included as an attachment.

The presence of a quorum was established with a roll call vote.

## **Introduction and Greetings**

Chair Kruse welcomed everyone to the meeting and expressed appreciation on behalf of the board to Harris-Stowe State University for hosting the CBHE and PAC meetings.

Dr. Henry Givens, Jr., President, Harris-Stowe State University warmly greeted CBHE members, presidents and chancellors, and guests and welcomed everyone to the Harris-Stowe State University campus. Dr. Givens highlighted the progress and accomplishments of HSSU since the last visit by the CBHE, which was in 1993.

Chair Kruse thanked Dr. Givens for the warm welcome the board has received while on the HSSU campus. Chair Kruse also remarked at the enthusiasm and spirit that radiates from Dr. Givens, the Board of Regents, and the entire HSSU community.

## **Board Service Recognition**

CBHE members recognized Dr. Diana Bourisaw and Mr. Earl Wilson, Jr. for their service as CBHE members. Chair Kruse commented on their commitment to improving the state system of higher education and their dedication to improving access and opportunity for Missouri students.

## **Committee Reports**

### Audit Committee

Mr. Duane Schreimann, CBHE Audit Committee Chair, reported that as he stated in April, the committee received the Guaranty Agency Review Report from the U.S. Department of Education (USDE), dated February 17, 2006. MDHE staff sent a response on April 5, 2006 addressing the issues raised in the audit. The audit committee was scheduled to have a conference call to discuss the department's response to the audit, but prior to the committee meeting, MDHE received a letter from the USDE indicating that the department response was satisfactory and that the audit was closed.

Yesterday, Dr. Jim Matchefts distributed to audit committee members the State Auditor's report of security controls and policies and procedures used by the MDHE and the Office of Administration's Information Technology Services Division (ITSD) in managing student records maintained in the MDHE Financial Assistance for Undergraduate Students (FAMOUS) System. Mr. Schreimann said that the report will be reviewed by the audit committee and reported to the full board.

### Student Loan/Financial Aid Committee

There was no report from the Student Loan/Financial Aid Committee.

## **Presidential Advisory Committee**

### Higher Education Funding Model

Ms. Donna Imhoff, Assistant Commissioner for Fiscal Affairs and Operations, briefly reviewed the higher education funding model approved in October 2005 for FY 2007 by the CBHE, with the endorsement of presidents and chancellors and the Office of Administration Budget and Planning staff. The funding model will be utilized again in FY 2008 and beyond. When budget instructions are distributed to institutions later in June, they will include slightly revised budget forms and instructions relating to the categories contained in the model. These revisions are based, in part, on feedback MDHE staff received from institutions' business officers. An upcoming conference call with the business officers and MDHE staff will provide an opportunity for the business officers to ask questions or express any concerns related to the funding model.

Increases in mandatory expenditures for items in the five identified areas (health care benefits, retirement, utilities, IT, and supplies and services), will result in a request for new money in the FY 2008 budget request. The department will ask each institution to supply the increases realized in those categories from FY 2005 to FY 2006.

Finally, the performance measure section of the funding model remains in a developmental stage. The plan calls for two institutional measures, which will be negotiated with the institutions and three statewide measures which MDHE will develop in collaboration with the institutions. Ideally, the performance measures should be finalized by the time the budget is produced. If no new funding is available for performance measures in the future, the intent is to have the measures in place so trend line data can be established.

Dr. Stephen Lehmkuhle, University of Missouri System, raised a concern regarding the shock factor of a budget request that includes actual increases in mandatory expenditures.

Chair Kruse stated that when the model was developed last year the CBHE made a policy decision to state the actual costs in order to create an awareness of the financial gaps that exist within the system of higher education. The model is also intended to establish a target for future funding efforts. The board agrees that not only is it important for higher education institutions to be as transparent as possible with their budget requests, it is important for the Governor and General Assembly and the public to be aware of the increases institutions continue to sustain related to mandatory expenditure increases. Throughout the 2005 legislative session there appeared to be support for that approach and the CBHE intends to move forward this year with the refined model.

### New Federal Grant Programs: Academic Competitiveness Grants and National Science and Mathematics Access to Retain Talent (SMART)

Dr. Kenneth Dobbins, President, Southeast Missouri State University provided an overview of the new federal grant program opportunities for current college students and

high school seniors applying for the new Academic Competitiveness Grants and National SMART Grants. Funding of \$750 million for these programs will be available for the 2006-2007 academic year. Pell Grant-eligible students who complete rigorous coursework in high school or who are pursuing degrees in math, science, and critical foreign languages are also eligible for a portion of \$790 million in new federal funding for higher education.

Dr. Dobbins stated that during a recent national conference Sally Stroup, Assistant Secretary for Postsecondary Education, USDE spoke about the Academic Competitiveness grants and the SMART grant program. In order to ensure students are eligible for the grants, states need to submit documentation relating to rigorous programs of study to USDE for their approval. Following a recent conference call with MDHE staff and staff from the Department of Elementary and Secondary Education (DESE), along with Dr. Dobbins and Dr. Terry Barnes, president, Mineral Area College, DESE submitted the current high school core curriculum, which was approved by the CBHE several years ago, as the rigorous course of study utilized in the state. DESE hopes to receive approval from USDE very soon.

Dr. Dobbins noted that because community colleges are open enrollment institutions, they do not necessarily track the students entering their institutions that have completed the core curriculum as do the four-year institutions. Overall however, utilizing the established core curriculum is the simplest method to ensure Missouri students have an opportunity to utilize these grants. The question was raised whether or not community college students would be at a disadvantage to receive these grants. While it is unlikely that community colleges will be at a disadvantage, the institutions will have to back into the data in order to determine student eligibility by first identifying students who are Pell Grant eligible and then reviewing high school transcripts for core curriculum completion.

CBHE members requested a follow up report on these grants as the details become better defined.

### **Minutes for the April 6, 2006 CBHE Meeting**

Mr. Gregory Upchurch moved **that the minutes of the April 6, 2006 CBHE meeting be approved as printed.** Ms. Jeanne Patterson seconded the motion and it passed unanimously.

### **CBHE Strategic Planning Committee**

Dr. Robert Stein, Associate Commissioner, highlighted previous systemic strategic planning efforts undertaken by the CBHE and department. As noted in this agenda item, the board has statutory responsibility to design a coordinated plan for the state system of higher education. In fulfilling this responsibility there have been and will continue to be strategic plans on file at the MDHE and with the Governor's office.

The establishment of a standing committee of board members, however, is intended to make strategic planning more continuous from one year to the next, more of an organizational norm – imbedded and internalized within CBHE/MDHE and institutional culture, so the process of engaging in strategic planning becomes integrated into everyday thinking and work, so the spotlight is ever present on both the process and the product.

While strategic planning models vary, most strategic plans tend to focus attention on:

- Mission/vision statements
- Environmental scans (strengths, weaknesses, opportunities, and threats)
- Analyses of gaps between aspirations and reality
- Benchmarking (comparison with best practices and performance of peers)
- Establish goals (specific, measurable, agreed-upon, realistic, and time/cost bound)
- Prioritization
- Flexibility
- Review, Evaluation and Revision

The board's establishment of a standing committee on strategic planning that actively works with educational leaders and policymakers throughout Missouri will help to ensure visibility, sustainability, relevance, and effectiveness of the board's coordinated plan for the state's system of higher education.

The appointment of a strategic planning standing committee is timely as Commissioner Fitch received a June 2, 2006 correspondence from Tom Deuschle, Deputy Chief of Staff for Governor Blunt indicating that the department's strategic plan has been accepted and should be posted to the MDHE website. The plan will include introductory comments indicating that the plan is intended as a dynamic document, subject to periodic revisions as it sets a foundation for prioritizing statewide agendas and tracking system effectiveness. The department has also been provided a list of the Governor's most recent priorities along with a request to indicate higher education's contributions to each priority.

**Mr. Upchurch moved that the CBHE chair appoint a standing strategic planning committee. The committee should be composed of two CBHE members and the CBHE chair, who will serve as an ex officio member of the committee.**

**It is further recommended that the CBHE chair direct the strategic planning committee to utilize the current draft strategic plan to provide direction and a starting point for development of a system wide strategic plan framework and should engage leaders of each higher education sector (two- and four-year public, independent, and proprietary institutions) in the creation and establishment of a strategic plan. In addition, the committee should solicit feedback from leaders of each higher education sector prior to submission of any formal strategic planning document or proposal for action by the full board. Mr. Schreimann seconded the motion and it passed unanimously.**

## **2006-2007 Committee Assignments**

Chair Kruse stated that since the next agenda item is the election of new board officers, as well as the expected appointment of three new board members, the new CBHE chair will appoint new committee members and chairs of those committees.

### **Report of the CBHE Nominating Committee and Election of Officers**

Dr. Diana Bourisaw, Chair of the CBHE Nominating Committee, **proposed and moved for the adoption of the following slate of officers to serve in said capacity beginning at the close of today's meeting for a term of one year:**

**Ms. Kathryn Swan, Chair**

**Mr. Gregory Upchurch, Vice Chair**

**Mr. Duane Schreimann, Secretary**

Ms. Jeanne Patterson seconded the motion and it passed unanimously.

Chair-elect Kathryn Swan presented Chair Kruse with a plaque honoring his leadership and dedication to the CBHE and the state system of higher education during his tenure as board chair.

### **Southeast Missouri State University/Three Rivers Community College Site Surveys**

Dr. Stein provided an update to the board on the Southeast Missouri State University (SEMO) and Three Rivers Community College (TRCC) site surveys. Both MDHE staff and personnel from TRCC and SEMO have been working diligently to meet the board's directive that an annual data collection and reporting system be implemented for all out-of-district and off-campus sites operated by these two institutions until the board determines to sunset this requirement.

This first survey is being used to establish baseline data for several indicators associated with educational delivery systems to communities served by both institutions—communities for TRCC that are outside its taxing district and communities for SEMO that are outside its home county but in the TRCC voluntary service region.

As noted in the agenda item, some of the indicators require further work to ensure their meaningful interpretation and comparability. It is important to note that both institutions have worked cooperatively with MDHE staff throughout this process and that the need for further clarification is the result of staff analysis and interpretation of the data submitted.

Despite some initial challenges which will be addressed later this summer, it is clear from the baseline data submitted for Malden, Kennett and Sikeston for FY 2005, that there is a demonstrated demand for the certificate and degree programs offered. Since these institutions operated out of the same facilities in these three communities until May 2005,

it is only after submission of FY 2006 data that it will be possible to analyze the impact that the breakdown in cooperative ventures has had on these communities. In addition, MDHE staff should be able to analyze whether it makes sense for the state to be supportive of two separate operations and the extent to which unnecessary duplication may be identified.

While MDHE staff originally imagined a more aggressive timeframe for issuing its first annual report on the external delivery systems of each institution, adjustments have been made to ensure accurate, meaningful, and comparable data. While labor intensive, this project places an important spotlight on the southeast region of the state and serves as a reminder to both institutions that meeting the educational needs of the region, avoiding unnecessary duplication of effort and ensuring smooth transition from one educational level to another are all essential. It is important to bear in mind that the state system of higher education seeks to increase the educational attainment of Missouri citizens and improve the economic stability and growth of our state.

The work being done with SEMO and TRCC will serve as precedent for any additional monitoring of external delivery systems that the CBHE determines is necessary.

**Dr. Bourisaw moved that the Coordinating Board for Higher Education commend the leadership and staff of Southeast Missouri State University and Three Rivers Community College for their cooperation in the timely and thorough provision of FY 2005 site survey data.**

**Further the Coordinating Board for Higher Education directs MDHE staff to work with institutional leadership of SEMO and TRCC to clarify FY 2005 data, reporting parameters, and/or definitions to ensure thorough and comparable baseline survey data.**

**Additionally, the Coordinating Board for Higher Education directs MDHE staff to collect FY 2006 data following these discussions, and to report to the board at its December 2006 meeting. The report should include a comprehensive analysis of the educational needs of the southeast portion of Missouri, the responsiveness of local institutions to those needs, the efficiency and effectiveness of current delivery systems in meeting those needs, and the alignment of institutional operations with Missouri statutes and higher education public policy.** Mr. Upchurch seconded the motion and it passed unanimously.

#### **Establishment of the State Aid Program Task Force as a Standing CBHE Committee**

Mr. Leroy Wade, MDHE staff member and member of the State Aid Program Task Force provided the board with an update of the Task Force's activities since the December 2005 CBHE meeting when the CBHE adopted the recommendations set forth by the Task Force. The task force has continued to meet regularly to continue development of a model for a consolidated need-based grant program. The task force having narrowed its

focus on a range of previously considered options has tentatively agreed that additional recommendations will be brought forward to the board for consideration at the October 2006 CBHE meeting. Mr. Wade noted that Mr. Dan Peterson, Director of Financial Assistance and Outreach, has recently retired from the MDHE. Mr. Wade agreed to serve as the MDHE staff liaison with the task force and to provide the leadership necessary to continue progress toward bringing the remaining issues to closure.

Mr. Wade said that this group constitutes both in membership and structure, an excellent committee containing a good balance of perspectives in student financial aid and in the legislative and administrative process. It has been through their hard work and effort that tangible progress has been made toward simplifying and improving the financial aid delivery process. Given the issues that continue to need attention within the financial aid delivery system relating both to development and implementation as well as the operation of the grant and scholarship programs, MDHE staff believe it is imperative to maintain regular and ongoing access to experts in the field for this critical area. This has led to a staff recommendation to make the State Aid Program Task Force a standing committee of the board with regular reports from the committee at each December CBHE meeting.

Dr. Bourisaw moved **to change the name of the existing State Aid Program Task Force to the State Student Financial Aid Committee to better reflect its ongoing role. Further, the CBHE will designate the State Student Financial Aid Committee as a standing committee of the Coordinating Board for Higher Education.** Ms. Boswell seconded the motion and it passed unanimously.

Board members discussed the need to establish a reporting sequence for this newly formed standing committee. The CBHE recently created two committees of board members, one of which is the Student Loan/Financial Aid Committee. As that committee is reconstituted in the coming weeks, the issue of whether or not recommendations of the State Student Financial Aid Committee should first flow through that committee, to be subsequently presented to the full board, needs to be resolved.

### **Committee on Transfer and Articulation Update**

Dr. Stein provided an update on the activities of the Committee on Transfer and Articulation. COTA, under the leadership of President Evelyn Jorgenson, continues to move forward on several initiatives intended to improve Missouri's transfer and articulation system. Dr. Stein briefly reviewed four items with the board: Transfer/Articulation Conference, Teacher Education Articulation, Study of Advanced Credit Practices, and a recommendation for change to the CBHE policy on the high school core curriculum requirement.

#### Transfer/Articulation Conference

Planning for a February 2007 statewide transfer/articulation conference is underway. A draft proposal for the 2007 conference is included in the board book. Highlights include:

- A data source book
- A one-day work session for practitioners
- A half-day session on February 7, 2007 for presidents/chancellors and CBHE members

With this structure in place, a foundation will be set for making annual reports at each February CBHE meeting on Missouri's success in improving its transfer and articulation system.

#### Teacher Education Articulation

Both two- and four-year institutions are actively engaged in discussions surrounding the development of an Associate of Arts (AAT) degree that would build on past work, and ensure alignment with the state's 42-hour general education guidelines and four-year institutional entry-level standards. It is anticipated that a degree will be submitted for MDHE review and approval during the fall 2006 semester.

#### Study of Advanced Credit Practices

The term "advanced credit" applies to postsecondary credit opportunities provided to high school students. Traditional programs in Missouri involve collegiate-level courses offered through dual credit or Advanced Placement (AP). A few Missouri high schools also offer the International Baccalaureate (IB) program. Data on the scope, magnitude and administration of Missouri's advanced credit experiences offered to high school students is outdated. COTA is in the process of developing surveys on advanced credit – one for high schools and one for postsecondary institutions, to fill this data void. It is anticipated that these surveys will be distributed by fall 2006 in ample time to be included in the transfer/articulation data source book that will be prepared for the 2007 conference.

#### High School Core Curriculum

COTA was charged in December 2005 to review the CBHE recommended high school core curriculum guidelines and make recommendations, as appropriate, to the CBHE for review and approval at its June 2006 meeting.

The current CBHE Recommended High School Core Curriculum Policy Guidelines were passed in 1992 with full implementation in 1996. As a result of changes made by the State Board of Education (SBE), the CBHE policy is no longer appropriate as it falls short of graduation requirements that will be expected of all high school students beginning in 2010.

Based on advice from the Subcommittee for the Review of Admissions Standards (SRAS), and after extensive discussion, COTA approved forwarding its recommendation for a new set of policy guidelines to replace the current ones.

The major changes are outlined in the board item and include:

- Increasing science units from 2 to 3,
- Increasing total recommended units from 16 to 24, and
- Identifying fall 2010 enrollment for full implementation

These changes are consistent with the new high school graduation requirements adopted by the State Board of Education.

In addition, the new policy guidelines also:

- Acknowledge common interests of K-12 and higher education,
- Reference the relationship between demonstration of competencies and institutional placement policies,
- Expand the importance of core curriculum success with admissions processes and access to collegiate-level work at all postsecondary sectors,
- Reference the role of individual governing boards,
- Strongly recommend completion of two units of a single foreign language, which carries over from the old policy, and
- Provide descriptions of acceptable and unacceptable course content in each major discipline category.

Dr. Bourisaw moved **that the Coordinating Board for Higher Education adopt the proposed replacement for the CBHE High School Core Curriculum Policy Guidelines for full implementation beginning with the graduating class of spring 2010.**

**Further, the CBHE High School Core Curriculum Policy Guidelines should be sent to each institutional governing board encouraging their integration into institutional admissions and placement processes.**

**Finally, the Coordinating Board for Higher Education commends the Committee on Transfer and Articulation and the Subcommittee for Review of Admissions Standards for their work in developing a replacement policy that is in alignment with State Board of Education policy and that promotes consistent expectations for student preparation and for access to collegiate-level work.** Ms. Swan seconded the motion and it passed unanimously.

### **Consent Calendar**

Items on the consent calendar are recurring issues or are a routine part of the CBHE's and the MDHE's operation. Any or all items may be withdrawn from the consent calendar by any member of the board, if further discussion is necessary.

### Proprietary School Certification Actions and Reviews

Dr. Stein noted that as printed in the board item, John Thomas College of Naturopathic Medicine was listed as an institution with impending certificate of approval status. A certificate of approval to operate for the 2006-2007 certification year was issued on June 12, 2006. The certificate stipulates that enrollment is fixed at 16 students enrolled at 2 clinical sites. John Thomas College would need to seek and receive approval from the MDHE in order to increase its enrollment above this level. Each proprietary institution must undergo an annual certification renewal process.

Ms. Patterson moved that **items found behind Tabs E-K on the consent calendar be approved as printed.** Mr. Schreimann seconded the motion and it passed unanimously.

Chair Kruse acknowledged the hard work of MDHE staff on this issue. He expressed the board's appreciation to MDHE staff for working with John Thomas College officials to arrive at a solution that is in the best interest of the institution as well as the students.

### **Annual Report of the MDHE Proprietary School Program**

Dr. Robert Stein provided introductory comments regarding the proprietary school certification staff and the certification program. Dr. Stein noted that Mr. Wade, Director of the Proprietary School Certification Program, along with Ms. Dory Hamburg, research associate and Ms. Rita French, administrative assistant are the team that ensures this program run smoothly. The MDHE and the CBHE are indebted to their commitment and service to the department, the proprietary school program, and the students of Missouri.

The objective of this board item is to increase the understanding of the MDHE proprietary school certification program and to spark interest in its operations, its challenges, its opportunities. With such heavy focus on public and independent institutions, the complexity and significance of this sector are often forgotten. Proprietary schools are an important part of the postsecondary system in Missouri.

Certified schools range in enrollments in the single digits to large schools with enrollments in the thousands. There were 192 certificates (including branch campuses, and recruit only institutions) granted in Missouri in 2005.

The proprietary school sector makes a significant contribution to the Missouri economy – employing over 3,400 instructional and administrative personnel and expending over \$245 million into the economy in 2004.

In addition, proprietary schools made a significant contribution to the training of Missouri's workforce with over 60,000 students enrolled and over 22,900 completions in 2005. This sector continues to grow each year.

For traditionalists, proprietary schools are often pushed aside as primarily for profit business operations that do not have equivalent academic quality. With greater exposure to proprietary schools, however, many have realized that fostering such stereotypes is not based on exposure or experience, but simply a reaction to something that appears different. Current debates, both nationally and throughout the states are forcing everyone to be more mindful of the important value added by this sector.

Mr. Wade recognized Ms. Melissa Uding from Sanford-Brown Business College. Ms. Uding is a member of the Proprietary School Advisory Committee, which works very closely with the proprietary school certification staff.

Mr. Wade organized his comments around the certification process, program objectives, contributions proprietary institutions make to Missouri, growth of the sector, and the challenges the sector faces.

Over the years, MDHE has worked hard to provide accurate and useful consumer information for students with questions about particular proprietary schools, as well as those who may be interested in starting a school in Missouri.

The proprietary school certification program is set in Missouri statute. The statutory structure divides educational providers into two categories—either certified or exempt from certification requirements. Certification is defined as the authorization by the department through the CBHE to offer postsecondary instruction “in, from, or through” the state (all levels, all types).

The initial certification process includes the submission of a comprehensive application, a detailed review by MDHE staff; depending on the type of the institution and programs to be delivered, MDHE may utilize external consultants considered experts in a particular aspect of higher education or a particular subject area that serve to supplement and support MDHE staff.

Approximately 50 percent of initial applicants become certified to operate, with all certified schools undergoing annual recertification to ensure consistency with state standards.

The proprietary school certification program utilizes a standards-based approach. The program’s objectives are to put in place meaningful standards for:

- Governance and control
- Instructional programs
- Personnel
- Finances
- Consumer information
- Student services

Assuming schools meet these standards they are certified to operate. Emphasized in that process are the operational characteristics of the school, encouraging quality performance and effectiveness of the institution, promoting fair and equitable treatment of students, truth in advertising, and alignment of policy and practice.

In addition to the annual certification process, MDHE proprietary school certification staff conducts site visits throughout the year often coordinated with visits from accrediting commission teams.

As mentioned previously, the proprietary school sector continues to grow. From FY 1999 to FY 2005, certificates for approval to operate have increased by 28 percent, enrollment has increased 25 percent, completion has increased by 24 percent, and programs by 98 percent. The proprietary sector has a reputation for changing and adapting to the needs of business and industry as evidenced by the 320 percent increase in program changes and additions.

While the proprietary sector has enjoyed growth, challenges and opportunities exist within the sector, as well as the certification program administered by the MDHE. The regulatory framework by nature involves significant constraints in the manner in which business can be conducted, but these same constraints also offer the opportunity to ensure the program is effective. Although the sector can be constrained by this compliance oriented model, quality improvement opportunities exist by examining best practices in other states, which are working toward performance- and outcome-based models. While relationships with other higher education sectors at times can be challenging, progress has been made relating to credit transfer and other significant issues that can sometimes be a barrier to students from the proprietary sector.

Following board discussion, Ms. Swan commented to Mr. Wade that the board was receptive to the review and consideration of needed changes in Missouri's proprietary school certification structure as suggested by models from other states. If statutory change is needed to move the program to a more performance-based model or if the existing fee structure needs revision in order to operate within revenue generation framework, it would be helpful to look at those scenarios in advance of the next legislative session.

### **FY 2007 Budget Update**

Ms. Donna Imhoff, Assistant Commissioner for Fiscal Affairs and Operations provided a brief overview of the Truly Agreed to and Finally Passed version of HB 1003 for FY 2007. The FY 2007 appropriation to higher education realized several positive outcomes for higher education institutions, students, and the department including an approximately two percent increase to the core budgets of the institutions, increases to the Charles Gallagher and Missouri College Guarantee scholarship programs, and a four percent pay plan increase for department employees.

## **Final Summary of Legislation 93<sup>rd</sup> General Assembly, 2<sup>nd</sup> Regular Session**

Ms. Becky Brennecke, Legislative Liaison provided a summary of legislative activities related to higher education that took place during the legislative session that closed on May 12.

Senate Bill 580 which creates P-20 Council with membership from elementary and secondary education, higher education, and economic development was signed during a public ceremony by Governor Blunt on Monday, June 12. MDHE staff and Ms. Swan attended the signing and Ms. Swan had the opportunity to provide positive signing comments during the ceremony.

Ms. Brennecke noted that although several higher education related bills did not pass, it is significant that higher education policy was a major topic of discussion during this legislative session, which is movement in a very favorable direction. These pieces of legislation were new to many and it is not always an easy path for new concepts to gain immediate legislative approval. Largely due Commissioner Fitch's efforts and involvement, there is reason to look toward the next session optimism for garnering additional support for higher education related initiatives, hopefully ultimately gaining legislative approval for some.

Dr. Barbara Dixon, President, Truman State University and President of the Council on Public Higher Education (COPHE) echoed Ms. Brennecke's comments regarding the positive momentum that higher education experienced during the legislative session.

Dr. Dixon highlighted COPHE's support of several pieces of higher education related legislation. The COPHE presidents have been working hard to demonstrate their cooperative abilities and concentrate on those things which are most important for keeping public higher education in the forefront. Dr. Dixon stated that COPHE intends to use the momentum and continue to move forward during the coming legislative session.

### **Report of the Commissioner**

Dr. Jim Matchefts and Dr. Stein provided the board with an update of several education related issues. Dr. Stein stated that he and Commissioner Fitch made a presentation to the State Board of Education on May 25, 2006 on the "High School Graduates' Performance Report." The SBE expressed concern as has the CBHE did during the April board meeting with the trends in remedial coursework. The SBE is receptive to more engaged involvement and conversation about remediation issues. Commissioner King wrote a letter as a follow-up to the presentation indicating DESE/SBE interest in more focused discussions between higher education and K-12 related to the expectations for successful collegiate experiences.

Dr. Stein also reported that MDHE staff and a CBHE representative will participate along with other state department, legislative, and governor's office representatives as part of

state teams in two national meetings this summer, one relating to youth policy and the other relating to K-16 issues.

Dr. Matchefts provided the board with a brief update relative to the Missouri Higher Education Loan Authority (MOHELA) and the status of the Lewis and Clark Discovery Initiative. During the interim executive director's report at the most recent MOHELA board meeting on June 9, it was reported that given the legal uncertainties of the initiative and given some concerns that the board has, MOHELA has postponed the financial analysis of the Authority.

Dr. Matchefts expressed, on behalf of MDHE senior staff members, that it has been a privilege and honor to work with Commissioner Fitch during the last 18 months.

Chair Kruse stated that Commissioner Fitch's departure is in fact a deep loss for the board, the department and the agency, but looking to the future it will be the quality of the staff that will sustain the board and department during the interim period and will ultimately lead to the successful transition to the next commissioner.

### **Other Items**

Chair Kruse reported that during their work session on Wednesday, June 13, the board established plans to move forward with the search for a commissioner. In the coming weeks, MDHE senior staff will provide departmental leadership and work with Chair-elect Swan to address operational issues that may arise.

The board will undertake a brief search to identify and hire an interim commissioner of higher education. The search will begin immediately and will be led by a board committee composed of Duane Schreimann, who will chair the committee, Martha Boswell, Lowell Kruse, and Kathryn Swan. A call for nominations and applications will be announced after the committee meets to discuss process issues. The board agreed that nominations and applications will be held by Brenda Miner in the commissioner's office until such time as the committee is ready to review the materials. The CBHE committee will make a hiring recommendation to the full board, board members not on the committee would have an opportunity to interview candidates for the position, if they would like to. The board intends to have an interim commissioner in place by mid-July.

A separate search for a permanent commissioner of higher education will also be led by a CBHE committee made up of: Gregory Upchurch, who will chair the committee, Lowell Kruse, Jeanne Patterson, and Kathryn Swan. The committee will begin by reviewing the commissioner profile that was developed during the 2004 commissioner search. The profile will be updated based on statewide input that the board intends to seek. The intent is to finalize the profile by the August 10 CBHE retreat, with a search process that begins in earnest by the end of August. Because the board intends to recruit the most highly qualified candidate possible for the position, no firm timeline was established for completing the search, although board members agreed that having a commissioner in place no later than May 2007 would be a reasonable timeframe.

The board will engage in a bid process for consultant services to assist with the process of searching for a permanent commissioner.

**Adjournment**

There being no further business to come before the board, Dr. Bourisaw moved for adjournment, Ms. Swan seconded the motion and it passed unanimously. The Coordinating Board for Higher Education meeting adjourned at 12:20 p.m.

Respectfully submitted,  
Brenda Miner  
Executive Assistant to the Commissioner

**Roster of Guests**  
**Coordinating Board for Higher Education**  
**June 14, 2006**

<b>Name</b>	<b>Affiliation</b>
Jessica Ash-Schulte	Department of Higher Education
Terry Barnes	Mineral Area College
Constance Bowman	Harris-Stowe State University
Becky Brennecke	Department of Higher Education
Don Claycomb	Linn State Technical College
John F. Cooper	Three Rivers Community College
Jeanie C. Crain	Missouri Western State University
Curtis E. Creagh	Lincoln University
Barbara Dixon	Truman State University
Don Doucette	Metropolitan Community Colleges
John Ganio	St. Louis Community College
Thomas George	University of Missouri-St. Louis
Charles Gooden	Harris-Stowe State University
Rodney Gray	Truman State University
Dean Hubbard	Northwest Missouri State University
George Hiram	Harris-Stowe State University
Kyna Iman	Missouri Southern State University
Donna Imhoff	Department of Higher Education
James Kellerman	Missouri Community College Association
Leroy Kemp	Harris-Stowe State University
Steven Kurtz	Mineral Area College
Stephen Lehmkuhle	University of Missouri System
Brian Long	Council on Public Higher Education
Jim Matchefts	Department of Higher Education
John McGuire	St. Charles Community College
Brenda Miner	Department of Higher Education
Norman K. Myers	Ozarks Technical Community College
Greg Myles	Department of Higher Education
Michael T. Nietzel	Missouri State University
Marty Oetting	University of Missouri System
Ron Olinger	Missouri Western State University
Ann Pearce	Central Missouri State University

Edgar Rasch  
Greg Sandbothe  
Henry Shannon

Robert Stein  
Rochelle Tilghman  
Leroy Wade  
Beth Wheeler  
George Wilson

Paula Wolken

Maryville University  
Department of Higher Education  
St. Charles Community College

Department of Higher Education  
Harris-Stowe State University  
Department of Higher Education  
Missouri Western State University  
Central Missouri State University

Department of Higher Education

**Meeting Minutes**  
**Coordinating Board for Higher Education**  
**2316 St. Mary's Boulevard, Suite 130**  
**Jefferson City**  
**July 24, 2006**

Meeting was called to order by Chairperson Swan.

A quorum was established. The following board members were in attendance: Duane Schreimann (in person); Kathy Swan (by telephone); Greg Upchurch (by telephone); Marie Carmichael (by telephone); and Lowell Kruse (by telephone). Also in attendance was Martha Davis.

Board members absent from the meeting were: Diana Bourisaw, Martha Boswell, Jeanne Patterson, and Earl Wilson, Jr.

Motion was made by Mr. Kruse to go into executive session to discuss the report of the Interim Commissioner Search Subcommittee. Motion was seconded by Ms. Carmichael. Roll call vote on the motion as follows: Upchurch (yes); Swan (yes); Schreimann (yes); Carmichael (yes); Kruse (yes).

Public meeting adjourned to reconvene in executive session.

Upon conclusion of the executive session, CBHE reconvened in open session. Mr. Upchurch moved to adjourn; seconded by Mr. Kruse. Motion carried.

Chairperson Swan announced that meeting was adjourned.

Duane Schreimann, Secretary

**Meeting Minutes**  
**CBHE Annual Retreat**  
**August 10, 2006**  
**MDHE Offices**  
**Jefferson City**

Board members attending the meeting were:

Kathryn Swan, Chair  
Martha Boswell  
David Cole  
Lowell C. Kruse  
Jeanne Patterson  
Gregory Upchurch

**Introduction and Comments**

Chair Kathryn Swan welcomed board members and MDHE staff to the retreat. Chair Swan introduced the newest CBHE board member, Mr. David Cole. Mr. Cole is an attorney in private practice at Cassville. Following brief introductions by board members and MDHE staff, Chair Swan provided a brief overview of the retreat agenda and outlined several goals for board members to achieve by the end of the meeting:

- Better understand the higher education funding model
- Determine strategies for upcoming legislative session
- Outline a framework for the process of strategic plan development

**FY 2008 Budget Presentation and Overview**

Ms. Donna Imhoff, Assistant Commissioner for Fiscal Affairs and Operations provided the board with a historical picture of higher education funding in Missouri since FY 2001, as well as a preliminary overview of the FY 2008 budget request. The presentation is included with the minutes as Attachment A.

Board members discussed at length the higher education funding model, which was developed during the FY 2007 budget. Board members expressed support for the intent of the model, which is to increase institutional transparency and accountability with respect to requests for new core decision items, provide a more accurate picture of the gap between state appropriations and institutional needs with respect to increases in mandatory expenses beyond the control of the institutions, and achieve desired strategic outcomes through the performance funding element of the model.

The funding model is also intended to reinforce that the Coordinating Board analyzes higher education funding requests with a system wide lens, making funding recommendations to the governor and General Assembly driven by statewide policy and system integrity rather than with an institution specific focus.

One element of the funding model, performance funding, has experienced past success in Missouri. From FY 1994 until FY 2001, public colleges and universities received over \$66 million in funding to improve institution and student results in the areas of participation, performance, and success. Although the higher education budget request has continued to include an element for performance funding, because of the state's fiscal challenges, funding for performance has not been appropriated since FY 2001.

As the concept of performance funding is reintroduced, and the potential for receiving appropriations increases, it will be critical to build upon lessons learned by working with institutions to identify potential performance funding elements, incorporating state aligned elements (such as the goals related to the Mathematics, Engineering, Technology, and Science initiative), ensuring that performance funding is aligned with mission review, selecting a limited number of targeted elements, and determining baseline data and setting target goals for each element.

During the board discussion of performance funding, a timeline emerged that would allow MDHE staff to use the remainder of this summer and the fall of 2006 to move to a planning stage with institutions and state policy makers to select a small, targeted number of performance funding elements and to establish baseline data for those elements. A request for performance funds will be included in the FY 2008 higher education budget request; though it is unlikely funding will be available for the upcoming year. This will allow MDHE staff to analyze baseline data in 2007, with a target of FY 2009 for a return to performance funding. Board members were supportive of the timeline and framework for a sustained commitment to a meaningful funding stream based on a results driven approach, however, they expressed concern about department staffing levels and the need for additional FTE to adequately support this and other initiatives, specifically mission review.

### **Discussion of CBHE Role Regarding Legislation and FY 2008 Capital Recommendation**

Ms. Becky Brennecke, Legislative Liaison, provided the board with an update on legislative activities occurring this summer. Several board members, Commissioner McClain and Ms. Brennecke met with Rep. Carl Bearden on August 9, 2006 to discuss various higher education related issues. Rep. Bearden suggested that the board submit to him any thoughts they may have regarding potential higher education legislation for the upcoming legislative session. Rep. Bearden had several questions relating to the draft proposal for a single need-based financial aid program that has been developed by the state student financial assistance committee. MDHE staff will work with Rep. Bearden to answer his questions relating to the proposal.

Ms. Brennecke noted that on August 30, 2006 the Senate Interim Committee on the Cost of a College Education will hold its first hearing at the University of Missouri-St. Louis. Sen. Gary Nodler, chair of the committee, has asked that the Department of Higher Education give a presentation at the hearing.

Pre-filing of legislation begins on December 1, 2006. The board discussed higher education related legislation that may be filed early in December. Board members agreed

that their attendance and possible participation at key hearings will be important during the upcoming session. Ms. Brennecke and the commissioner will provide as much advance notice as possible of hearings at which board member representation will be important.

Ms. Brennecke stated that over the last several years no funding recommendations have been made for higher education capital projects, although some funding has been appropriated for capital projects. These appropriations have resulted from individual institutions working directly with legislators to secure capital funding. Board members expressed concern that institutions continue to circumvent an established process, an approach that results in institution-specific focus rather than a system perspective.

The four-year public institutions and Linn State Technical College have recently finished submitting their FY 2008 capital priorities to the MDHE. Generally, most of the institutions' priorities are similar to last year's priorities with the scope of some of the projects changing and project costs increasing. Construction costs, in fact, have risen significantly for many of the projects, which is consistent with construction costs across the country. Institutions provided explanations and rationales for projects that have changed in scope, as well as increased construction costs associated with the projects. Board members will consider a prioritized FY 2008 capital project list during the October CBHE meeting.

During the Missouri Community College Association meeting on August 2, 2006, the community college presidents presented Chair Swan with a prioritized list of FY 2008 community college capital projects since FY 2003. Community college capital projects have not been recommended for funding by the Coordinating Board for Higher Education. The community college presidents indicated that this list is intended to inform board conversation and can be referred to if the board is asked about community college capital needs.

## **Various Updates**

### MOHELA

Dr. Jim Matchefts, Assistant Commissioner and General Counsel, provided the board with an update on issues related to the Missouri Higher Education Loan Authority (MOHELA). Commissioner McClain and Dr. Matchefts met with Mr. Ray Bayer, Executive Director of MOHELA on August 3, 2006. Mr. Bayer requested the meeting as a matter of introduction to Commissioner McClain since he is now a member of the MOHELA board. During the meeting, Commissioner McClain presented Mr. Bayer with a request for information relating to MOHELA personnel matters and contracts and agreements. Commissioner McClain received a response to the request on August 9 and is reviewing the information.

Mr. Bayer indicated that MOHELA continues to meet with governor's office staff to try to establish a mechanism by which MOHELA could transfer funds to the State of Missouri to be used for the benefit of projects outlined in the governor's Lewis and Clark Discovery Initiative. Some board members expressed concern that funds colleges and

universities receive as a result of a transfer of MOHELA funds could be used to offset future increases in state appropriations.

CBHE members agreed that CBHE designee to the MOHELA board, Mr. Greg Upchurch should continue to articulate the CBHE position relating to the manner in which MOHELA funds would be used to benefit the state of Missouri. Some members believe some funding should be directed toward establishing a scholarship fund to provide ongoing awards aimed at improving access to higher education. In addition, the view was expressed that colleges and universities that have a relationship with MOHELA should be given priority consideration in funding for capital projects should MOHELA funds be utilized for this purpose.

#### Transfer and Articulation

Dr. Robert Stein, Associate Commissioner, provided the board with an update on the activities and initiatives of the CBHE Committee on Transfer and Articulation. After discussing transfer and articulation issues and best practices from other states, the board requested an opportunity, perhaps during the February 2007 Transfer and Articulation conference, to discuss the development of a state level placement policy.

#### Mathematics, Engineering, Technology, and Science (METS) Alliance

Dr. Stein updated the board on the work of the METS Alliance, appointed by the governor in early 2006, which is developing a P-20 action plan to address the crisis in METS education and economic development. Since the Math Science Summit in April, the Alliance has been working to complete this action plan and deliver it to the governor by August 31, 2006.

A data task force was also established by the governor in order to develop a linked P-20 data system that can be used to serve several purposes, including development of strategies and policies to address METS related issues. An action plan from the data task force is due to the governor by August 31 and will include a vision for a data center, process for integrating data to answer P-20 data questions, and how to use a P-20 integrated data system to support longitudinal analyses.

#### Update on P-20 Council

Senate Bill 580, sponsored by Sen. Charlie Shields and signed recently by Governor Blunt, creates a P-20 Council charged to work collaboratively to achieve P-20 policy goals. Members of the council are the commissioners of education and higher education, chairs of the State Board of Education and the Coordinating Board for Higher Education, and the Director of Economic Development. An initial meeting of the council was held in May with the next meeting scheduled for September 22, 2006.

#### **Discussion of Orientation Program for New Board Members**

Board members discussed the importance of providing orientation to newly appointed board members. Each new board member receives a packet of information relating to the board and department. Beyond introductory materials, it is also important for either the

chair or the commissioner to make contact with the new appointee. Chair Swan also suggested a board mentor concept, whereby newly appointed members would work with a veteran board member during the first year of board membership to gain a better understanding of board membership and higher education issues.

Board members also discussed the need for new members to spend time at the department offices working with senior staff members, particularly to better understand the guaranty agency function of the department and the board's responsibilities with respect to the student loan program.

Chair Swan asked board members to send her any additional suggestions they have for the development of a board orientation program.

### **Review Proposed Bylaw Revision**

As the CBHE bylaws are currently written, committee assignments are made by the CBHE chair at each regular June board meeting. Committee assignments made at the June board meeting can be problematic in some years because an outgoing chair may make the assignments, in addition to the fact that board members' terms typically expire on June 27<sup>th</sup>, and therefore, new board members are not normally appointed prior to the June board meeting.

Dr. Matchefts presented a proposed revision to the CBHE bylaws that would address this potential problem by directing the CBHE chair to make committee assignments "promptly after" rather than "at" the regular June meeting.

As stipulated in the CBHE bylaws, any proposed amendment to the bylaws must be submitted in writing to the board at the regular meeting prior to the meeting when the amendment is to be acted upon. Thus, the proposed amendment will be on the agenda as an action item at the October board meeting.

### **CBHE Committees**

#### Audit Committee Update

Dr. Matchefts reported on four audits that are currently in process at this time.

The following audits have been completed and are ready to be submitted to the CBHE Audit Committee and/or the full Board:

- Audit by BKD LLP of the financial statements of the DHE Student Loan Program for state fiscal year 2005 (report submitted June 2006)
- Audit by the Missouri State Auditor regarding the FAMOUS (Financial Aid for Missouri Undergraduate Students) system data confidentiality and security (report submitted April 2006)

The following audits are in progress but have not yet been completed:

- Audit by the Missouri State Auditor of higher education tuition levels, conducted as a follow-up to an audit on the same subject submitted in May 2003. The State Auditor issued a draft report on August 1, 2006 and the DHE's response is due August 14, 2006. This audit was initiated in June 2005.
- Audit by the Missouri State Auditor of the DHE's "management of tuition assistance programs." The DHE has provided information about state student financial assistance programs, as requested by the State Auditor, most recently in May 2006. The State Auditor's Office has indicated that it intends to visit 10 schools as part of this audit. The DHE has not heard anything recently regarding the status of this audit, and no date has been set for a draft report or an exit interview. This audit was initiated in June 2005.

#### Student Loan/Financial Aid Committee

Ms. Martha Boswell, Chair of the Student Loan/Financial Aid Committee, reported receiving an update and draft proposal to establish a single need-based state grant program from the State Student Financial Aid Committee. The State Student Financial Aid Committee is expected to have a recommendation relating to this proposal for the board to consider at the October CBHE meeting.

#### Strategic Planning Committee

CBHE members, led by Ms. Jeanne Patterson as chair of the CBHE strategic planning committee, discussed various approaches for the development of a new strategic plan. A key aspect of the discussion was whether the board should focus on crafting a strategic plan focused on internal board structure or on producing a comprehensive strategic plan for the state system of higher education. Board members agreed that one approach is not exclusive of the other. Implicit to strategic planning efforts is the ability for a plan to evolve, and grow in response to the changing dynamics of the organization it is built around. Ideally, a newly crafted, system-centered strategic plan would retain these characteristics, as well as become a plan with the ability to transcend the inevitable changes in administration and governance at the institution level as well as the state level.

During the June CBHE meeting, presidents and chancellors appeared eager to participate in a comprehensive, engaged strategic planning process at a system level that would be directed by the Coordinating Board.

Board members discussed a timeline for the planning process, target audiences for the plan, development and writing of the plan, costs associated with the planning process and a targeted public relations campaign that would coincide with the rollout of the strategic plan. Ms. Patterson agreed to draft a document based on the board discussion and work with Dr. Stein on the document. By October, board members intend to begin an engaged dialogue with key stakeholders regarding the state of higher education in Missouri and use the October CBHE meetings to continue this discussion. Board members will also utilize the time between now and the October board meeting to review best practices used by other states.

#### **Goal Setting**

Based on the discussion during the retreat, the board identified the following goals for Commissioner McClain to work toward during the next few months:

- Work with legislators between now and the beginning of the legislative session to promote the board and strengthen the board's position among key legislators.
- Formulate a structured message for communication with commissioner candidates that articulates the board's goals related to restoration of department staffing and funding, improved student accessibility, the importance of an interconnected P-20 system, and the critical nature of linked data systems with K-12 and economic development.
- Communicate on an ongoing basis with the governor's office. Demonstrate the need for increased funding and restored FTE for the MDHE. Attempt to secure consideration in the governor's FY 2008 budget recommendation for funding and FTE restoration for the department.
- Fulfill duties as a MOHELA board member.

### **Commissioner Search Process**

Mr. Upchurch, Chair of the Commissioner Search Committee, provided the board with an update on the search process. An invitation for bid (IFB) for executive search consulting services was released to eight firms on August 1, 2006. Responses to the IFB are due by August 15, 2006 at 2:00 p.m.

Upon selection of a consultant, the search committee intends to circulate the commissioner profile developed during the last search process to various stakeholders. The search committee would like feedback from these stakeholders about their vision for the role of the commissioner of higher education. In addition, the search committee intends to visit with key legislators and the governor's senior staff to gain their thoughts on the commissioner's position.

Mr. Upchurch also discussed the committee's initial thoughts relating to the interview process in terms of arranging meetings or receptions with the final candidate(s) with legislators, presidents and chancellors of the colleges and universities, and the directors of the Department of Economic Development and the Department of Elementary and Secondary Education. The search committee is committed to identifying the most highly qualified candidates for the position, engaging in a thorough and inclusive interview process that results in the hiring of a commissioner by January 2007.

### **Other Items**

Chair Swan shared with the board comments she received from community college presidents during a meeting of the Missouri Community College Association relating to the Presidential Advisory Committee. Chair Swan will work with Commissioner McClain to incorporate some of these suggestions into the planning for these committee meetings.

Chair Swan also shared with the board positive comments she had received from various individuals relating to the board's hiring of Commissioner McClain.

**Adjournment**

There being no further business to discuss the meeting adjourned at 4:55 p.m.

Respectfully submitted,  
Brenda Miner  
Executive Assistant to the Commissioner

**Coordinating Board for Higher Education  
Minutes of Meeting  
September 22, 2006**

The Coordinating Board for Higher Education (CBHE) met via conference call at 3:30 p.m. on Friday, September 22, 2006.

Members present were:

Kathryn Swan, Chair  
Martha Boswell  
David Cole  
Lowell C. Kruse  
Jeanne Patterson  
Duane Schreimann  
Earl Wilson, Jr.

Members absent were:

Gregory Upchurch

Others present were:

Martha Davis, Executive Search Consultant, The Davis Group  
Matthew Franck, *St. Louis Post-Dispatch*  
Donna Imhoff, Assistant Commissioner for Fiscal Affairs and Operations, MDHE  
Peter Lyskowski, Missouri Attorney General's Office  
Jim Matchefts, Assistant Commissioner and General Counsel, MDHE  
Brenda Miner, Executive Assistant to the Commissioner, MDHE

**Discussion of Possible Appointment of Interim Commissioner of Higher Education**

The presence of a quorum was established and Chair Kathryn Swan called the meeting to order. With the resignation of Dr. Charles McClain as Interim Commissioner of Higher Education, CBHE members discussed next steps and options available to the board with respect to department leadership.

**Motion and Vote to Enter Executive Session**

Mr. Duane Schreimann moved **that the board enter executive session pursuant to RSMo, Section 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."** Mr. Earl Wilson, Jr. seconded the motion and it passed with the following vote:

<u>Member</u>	<u>Vote</u>
Martha Boswell	Aye
David Cole	Aye
Lowell Kruse	Aye
Jeanne Patterson	Aye
Duane Schreimann	Aye
Kathryn Swan	Aye
Gregory Upchurch	Absent
Earl Wilson, Jr.	Aye

Upon conclusion of the executive session, the CBHE reconvened in open session.

### **Discussion of Public Statement Regarding the Lewis and Clark Discovery Initiative**

Board members discussed issuing a statement of support relating to the Lewis and Clark Discovery Initiative. Mr. Schreimann made a motion that **the board adopt the following resolution and direct staff to release the statement publicly, “The Coordinating Board for Higher Education (CBHE) acknowledges that Missouri’s institutions of higher education have not had funding for capital improvement projects for the last several years. Further, the CBHE acknowledges and appreciates the Missouri Higher Education Loan Authority’s (MOHELA) desire to fund the Lewis and Clark Discovery Initiative, while at the same time maintaining its commitment to serve Missouri students in its mission of removing barriers to higher education. Therefore, the CBHE recognizes that the Lewis and Clark Discovery Initiative through the partnership between MOHELA and the state of Missouri will benefit students, higher education institutions, and economic development in the state.”** Mr. David Cole seconded the motion, which passed with the following vote:

<u>Member</u>	<u>Vote</u>
Martha Boswell	Aye
David Cole	Aye
Lowell Kruse	Absent
Jeanne Patterson	Aye
Duane Schreimann	Aye
Kathryn Swan	Aye
Gregory Upchurch	Absent
Earl Wilson, Jr.	Aye

### **Adjournment**

There being no further business to discuss, the meeting adjourned at 4:50 p.m.

Respectfully submitted,  
Brenda Miner  
Executive Assistant to the Commissioner

**Coordinating Board for Higher Education  
Minutes of Meeting  
September 26, 2006**

The Coordinating Board for Higher Education (CBHE) met via conference call at 11:00 a.m. on Tuesday, September 26, 2006.

Members present were:

Kathryn Swan, Chair  
David Cole  
Lowell C. Kruse  
Duane Schreimann  
Gregory Upchurch  
Earl Wilson, Jr.

Members absent were:

Martha Boswell  
Jeanne Patterson

Others present were:

Martha Davis, Executive Search Consultant, The Davis Group  
Matthew Franck, *St. Louis Post-Dispatch*  
Peter Lyskowski, Missouri Attorney General's Office  
Jim Matchefts, Assistant Commissioner and General Counsel, MDHE  
Brenda Miner, Executive Assistant to the Commissioner, MDHE

**Discussion of Appointment of Interim Commissioner of Higher Education**

With the presence of a quorum established, Chair Kathryn Swan called the meeting to order. Chair Swan met with individually with senior staff on Monday, September 26 to discuss their thoughts about the board potentially appointing an interim commissioner of higher education. Chair Swan noted that she had distributed these notes to the board for their review. Board members briefly discussed their concern for stability and leadership within the department. Board members also discussed the need to move aggressively to successfully complete the search for a permanent interim commissioner in time for the next legislative session.

Search consultant Martha Davis provided the board with an update on the progress related to the permanent commissioner search process. The board agreed that a more detailed discussion regarding the permanent commissioner search will be held during the board work session on Wednesday, October 11.

Mr. Duane Schreimann moved that **the Coordinating Board for Higher Education proceed aggressively toward successfully completing the permanent commissioner search, continue the operation of the Department of Higher Education under the current senior staff leadership, with Robert Stein serving as Acting Deputy**

**Commissioner with assistance from Martha Davis to define the role, responsibilities, and scope of the Acting Deputy Commissioner position.** Mr. Gregory Upchurch seconded the motion and it passed with the following vote:

<u>Member</u>	<u>Vote</u>
Martha Boswell	Absent
David Cole	Aye
Lowell Kruse	Aye
Jeanne Patterson	Absent
Duane Schreimann	Aye
Kathryn Swan	Aye
Gregory Upchurch	Aye
Earl Wilson, Jr.	Aye

Mr. Kruse emphasized the continued need to prepare the department to be attractive to the very best candidate by reaching an agreement with key legislators and the governor's office relating to the role of the department and the need to rebuild the department with both FTE and additional funding.

### **Adjournment**

There being no further business to discuss Mr. Duane Schreimann moved for adjournment, Mr. Earl Wilson, Jr. seconded the motion and it passed unanimously. The meeting adjourned at 11:22 a.m.

Respectfully submitted,  
Brenda Miner  
Executive Assistant to the Commissioner

## **AGENDA ITEM SUMMARY**

### **AGENDA ITEM**

Higher Education Strategic Planning  
Coordinating Board for Higher Education  
October 12, 2006

### **DESCRIPTION**

Since its inception, the Missouri Coordinating Board for Higher Education (CBHE) has been expected to manage an ambitious agenda. Over the years, however, the success of the CBHE in influencing institutional and state policy decisions has varied. Indeed, questions about the viability of the CBHE as a key state entity have been periodically raised and debated. The intent of this board item is to provide a catalyst for a frank discussion by CBHE members with presidents and chancellors about reinventing higher education coordination structures in ways that will better drive economic prosperity for the state and reinforce life-long learning gains for all Missouri citizens.

### **Background**

Success within a postsecondary system that values local autonomy and diversity requires a strong coordinating structure that is able to harness the unique qualities of collegiate-level institutions while at the same time capitalizing on mutual goals and a shared vision to produce desired results. As a lay board, the CBHE is composed of nine dedicated citizens who are committed to a highly evolved, well-coordinated postsecondary system that serves the education needs of a diverse student population, is responsive to the workforce demands of business and industry, and is a partner in state economic development efforts. At the core of CBHE work is action through advocacy, planning, oversight, policy revision and initiation, arbitration of irresolvable disputes, communication with external constituents, and promotion of system excellence.

The commissioner of higher education, appointed by the board, leads the Missouri Department of Higher Education (MDHE), the board's operational arm, and is a member of the governor's cabinet. The MDHE works to fulfill the board's statutory responsibilities by maintaining and expanding valuable longitudinal data systems, monitoring and evaluating the effectiveness of policy initiatives, preparing reports for review and adoption, facilitating conflict resolution, promoting new initiatives, e.g., the effective use of technology, and working with institutions to make postsecondary educational activities, budgets, and performance more transparent and understandable.

Missouri's higher education system should be responsive to clear standards for performance and adaptable to environmental change including a greater interdependency and connectedness throughout the world made possible by technological innovation as well as the changing demographics of prospective students.

Coordinating Board for Higher Education  
October 12, 2006

Within this framework, better student preparation and success, increased institutional access, affordability, results, and an overall commitment to excellence have been emphasized. Many individual efforts have succeeded in bringing about impressive results; however, Missouri's higher education system could potentially reinvent its structures so its delivery systems have a greater impact on the Missouri economy and the lives of all citizens.

Part of the difficulty faced by the CBHE in being more successful in its coordination work relates to the extensive cuts experienced by the MDHE in recent years. Funding decreases of over 64 percent since FY01 and a decrease from 34.95 FTE in FY01 to 12.57 FTE in FY07 has made it difficult to near impossible for the CBHE to effectively fulfill all of its statutory responsibilities. Turnover in leadership positions throughout the state and limited statutory authority have presented additional challenges.

The board's statutory requirement to establish a Coordinated Plan for the state's higher education system (Section 173.020 RSMo) provides an opportunity to emphasize the importance of strategic planning as an exercise that will engage a wide range of constituents in forging a bold vision for the CBHE and MDHE. The plan should address needed structural changes and new legislative initiatives that will provide the necessary tools for Missouri to develop a stronger postsecondary educational system.

At the June 2006 Coordinating Board meeting, the need for more focused discussions with all interested parties to ensure a comprehensive, long-range vision for higher education was acknowledged. Approval to establish a strategic planning committee as a standing committee of the CBHE signaled the priority given to this effort. In addition to a bold vision, mission and value statements can serve as a common foundation for the development of evidence-based action plans for the CBHE and the MDHE. In turn, institutions will be positioned to better understand how to balance institutional aspirations with collective contributions to statewide goals and priorities.

In working with institutional presidents and chancellors in designing a new coordinated plan for postsecondary education, previous plans, governor's priorities, and the demands of the global economy should be taken into consideration. The plan should also result in an honest and comprehensive resolution of the intended reach and responsibilities of the CBHE and should build a coalition of support for the necessary resources and authority required for the CBHE to accomplish its defined purpose.

The Coordinating Board believes that a strong CBHE, granted the authority and resources necessary to pursue its mandated agenda, will serve as a positive force in the development of a system of higher education in Missouri that is reflective of the following core characteristics:

- affordability for students of every socio-economic status
- geographic and programmatic accessibility
- recognition of interdependency and the benefits of collective efforts within and across sectors (both business and education)
- accuracy, currency, and accessibility of data systems
- consumer-friendly information and evidence-based decisions

- innovation and change
- focused and effective investment in educational delivery
- preparation for success in local, state, national, and global economies, especially in high-growth areas of employment
- continuous renewal, evaluation, and improvement
- avoidance of unnecessary duplication of effort
- responsiveness to workforce development needs
- rewards for performance
- effective and efficient use of cutting-edge technology

In addition, the Coordinating Board believes that the CBHE, the MDHE, and Presidents and Chancellors should engage in discussions regarding the most effective and efficient pathways to strengthen or restructure the Coordinating Board in order to best fulfill its purpose. Furthermore, the Coordinated Plan for Postsecondary Education in Missouri should include key statewide goals and the use of a highly functional integrated data system to facilitate the measurement and reporting of key outcomes that are linked to each goal. Strategies, targets, timelines, and assigned responsibility should also be included.

### **Process**

Over the coming months the CBHE should define and execute a coordinated plan that will assert its central role in strengthening Missouri higher education and that will direct it to both question and leverage all available structures and processes to promote the value of postsecondary education to all Missourians, including traditional and non-traditional / lifelong learners, students of every socio-economic status, older workers changing careers, and state policymakers.

As a start, this board item should serve to stimulate an engaged discussion by CBHE members with presidents and chancellors to determine common agreement on next steps in the process and to begin to brainstorm essential content for various elements that will be included in the board's coordinated plan.

As a follow up to the October board meeting, a one-day work session could be held in November 2006 at which Coordinating Board members would work with Presidents and Chancellors and other interested constituents in further development of the Coordinated Plan.

### **Conclusion**

The Coordinating Board believes that a stronger CBHE will be a long-term benefit to the students, taxpayers, and citizens of Missouri, but unless and until consensus is reached regarding the ideal role and reach of the CBHE, coordinated planning and execution will continue to be hindered by inadequate resources and an ambiguous mission. While individual accomplishments will likely continue, the state as a whole and many of our citizens will be left behind. To realize a world class postsecondary education system in Missouri, a strong coordination structure is essential.

**STATUTORY REFERENCE**

Section 173.005.2 (8), RSMo, Collection of information on the performance of the state's system of higher education.

Section 173.020, RSMo, Responsibilities of the Coordinating Board for coordinated / strategic planning

**RECOMMENDED ACTION**

This is a discussion item only.

**ATTACHMENT(S)**

None

## **AGENDA ITEM SUMMARY**

### **AGENDA ITEM**

Proposed CBHE Bylaw Revision  
Coordinating Board for Higher Education  
October 12, 2006

### **DESCRIPTION**

The bylaws of the Coordinating Board for Higher Education (CBHE) are a significant document for the board as they set forth procedures for how the CBHE conducts its business and organizes its affairs. The CBHE adopted its current bylaws in October 2005.

Article V, Sections 2 and 3 of the bylaws outline the annual process to be used by the CBHE chair to make committee assignments. When these new sections of the bylaws were put into practice in June 2006, it was apparent that there were logistical problems associated with the sections. Committee assignments made at regular June meetings could prove problematic because an outgoing chair may make the committee assignments. In addition, board members' whose terms are set to expire on June 27 are not normally reappointed or replaced prior to the end of June. Both of these situations, which may occur from time to time, would make it difficult for committee assignments to be made during the regular June meeting.

At the June 2006 CBHE meeting, the CBHE chair asked MDHE staff to suggest revisions to Article V, Sections 2 and 3 of the bylaws that would address both of these issues. The proposed amended bylaws, with the suggested revisions noted in red, are included as Attachment A of this board item.

As set forth in Article XI of the bylaws, the proposed amendments to the bylaws were submitted in writing to the board at its regular meeting, the annual retreat, on August 10, 2006. Board discussion of the proposed amendments did not result in any additional suggestions for revisions. The amendments for consideration by the board must pass by a two-thirds vote.

### **STATUTORY REFERENCE**

Missouri Constitution, Article IV, Section 52, Establishment of the Coordinating Board for Higher Education  
Section 173.005, RSMo, Duties of the Coordinating Board for Higher Education and creation of the Presidential Advisory Committee  
*Robert's Rules of Order, Newly Revised, 10<sup>th</sup> Edition, 2000*

Coordinating Board for Higher Education  
October 12, 2006

## **RECOMMENDED ACTION**

**It is recommended that the Coordinating Board for Higher Education adopt the amendments to the CBHE Bylaws Article V, Sections 2 and 3 as printed. These amended bylaws shall immediately replace the existing bylaws and shall continue to serve as the fundamental set of guidelines for the conduct of business by officers and members of the Coordinating Board for Higher Education. It is further recommended that the chair direct MDHE staff to copy and distribute the amended bylaws to each board member, as well as to make additional copies available to other interested parties.**

## **ATTACHMENTS**

Attachment A: Final Amended Bylaws, red-line  
Attachment B: Final Amended Bylaws, clean copy

**Bylaws  
of the  
Missouri Coordinating Board for Higher Education**  
*(Adopted by the Board in October 1987,  
Revised on ~~October 13, 2005~~ **October 12, 2006**)*

**Article I  
Enabling Authority**

These bylaws govern the conduct of the business and affairs of the Missouri Coordinating Board for Higher Education (“Board”) pursuant to the responsibilities vested in it by the Missouri Constitution and Revised Statutes.

**Article II  
Members**

The membership of this Board and the terms of office of each member are prescribed in Section 173.005 of the Missouri Revised Statutes. Any member desiring to resign from the Board shall submit such resignation in writing to the Secretary of the Board, who shall provide it to the Executive Committee for action. The Executive Committee shall immediately notify the Director of Boards and Commissions in the Governor’s Office of such member’s resignation.

**Article III  
Officers**

**Section 1. Officers**

The officers of the Board shall be: Chair, Vice Chair and Secretary. They shall be elected by the Board from its own membership. These officers shall perform the duties prescribed by the Missouri Revised Statutes, these bylaws and as may be prescribed by the Board.

**Section 2. Election - Tenure of Officers**

At the regular meeting of the board immediately prior to April 30, a Nominating Committee of three members shall be appointed by the Chair. It shall be the duty of this Committee to nominate candidates for the offices to be filled by election at the regular meeting immediately prior to June 30. Before the election at the regular meeting in June, following the report of the Nominating Committee, additional nominations from the floor shall be permitted. Officers’ terms shall begin at the close of the regular June meeting, and officers shall serve for a period of one year and until their successors are elected and qualified. No member shall hold more than one office at a time, and no member shall be eligible to serve more than two consecutive terms in the same office.

### **Section 3. Duties of Officers**

#### *Chair*

The Chair of the Board shall preside at all meetings of the Board and shall be the spokesperson for the Board and shall perform such duties as may be prescribed by the Missouri Revised Statutes and by the Board. The Chair shall appoint the members of any committee established pursuant to these bylaws and shall name the Chair of each such committee.

#### *Vice Chair*

In the event of the absence of the Chair, the Vice Chair shall serve as Chair of the Board and perform all the duties of the Chair. The Vice Chair shall perform such other duties as prescribed by the Missouri Revised Statutes and by the Board.

#### *Secretary*

The Secretary of the Board shall take minutes of any executive session of the board and shall perform other duties as prescribed the Missouri Revised Statutes and by the Board.

## **Article IV Meetings**

**Section 1.** Meetings of the Board may be held at any place or places within the State of Missouri. The Board shall hold no less than four (4) regular meetings during each calendar year. Special or additional meetings may be called by the Chair or upon call of at least five (5) members of the Board. The purpose of the meeting shall be stated in the call.

**Section 2. Notice of Meeting**

The notice of meeting and agenda shall be in accordance with the Missouri Revised Statutes.

**Section 3. Absence at Meetings**

If any member of the Board fails to attend any two consecutive regularly called meetings of the Board, or any three regularly called meetings in any calendar year, of which meetings the member shall have had due notice, unless such absences shall be caused by sickness or some accident preventing the member's presence (as defined in Article IV, Section 4.A) at the meetings, the Chair shall bring the matter to the attention of the Director of Boards and Commissions in the Governor's Office. For purposes of this Section, "regularly called meetings" shall include the February, April, June, October, and December Board meetings, as well as the Board's annual retreat.

**Section 4. Conduct of Meetings**

A. A majority of the members of the Board shall constitute a quorum. Any act of the majority of the members present at any Board meeting at which a quorum is present shall be the act of the Board. Board members may participate in a meeting by means of conference telephone or similar communication equipment whereby all persons participating in or attending the meeting can communicate with each other, and participation in a meeting in this manner shall constitute presence in person at the meeting for all purposes.

- B. All meetings of the Board and any Committee thereof must comply with the Missouri Revised Statutes on meetings of governmental bodies and maintenance of records by such bodies.
- C. At all Board and Committee meetings, a staff member shall act as Recording Secretary. In the absence of a staff member, the Board or Committee shall designate a member to serve as Recording Secretary. Full and complete minutes shall be kept of each meeting and shall be submitted to Board members for review prior to the succeeding meeting.
- D. Voting on all matters coming before the Board shall be voice vote. In all cases where the vote of the members present is unanimous, it shall be sufficient to indicate unanimity in the minutes of the proceedings. In all cases where the vote of the members present is not unanimous, the “ayes” and “nays” shall be separately entered upon the minutes. In the absence of such expression of dissent or an expression of abstention, a member of the Board who is present at any meeting in which action is taken on any matter shall be presumed to have assented to such actions unless, before the adjournment of the meeting, the member shall affirmatively request that the member’s vote of “nay” be separately entered upon the minutes, or the member be recorded as not having voted.
- E. The Board may meet for appropriate purposes in executive session. Any vote taken in executive session shall be deemed and retained confidential, subject to the closed meeting provisions the Missouri Revised Statutes.

## **Article V Committees**

### **Section 1. Executive Committee**

An Executive Committee shall be established and composed of five Board members: Chair, Vice Chair, and Secretary of the Board, as well as Chairs of both the Audit and the Student Loan/Financial Aid Committees. The Executive Committee shall have general supervision of the affairs of the Board between its business meetings, make recommendations to the Board, and perform such other duties as are specified in these bylaws or as directed by the Board. The Executive Committee shall be subject to the orders of the Board, and none of its acts shall conflict with action taken by the Board.

The Board Chair shall serve as the Chair of the Executive Committee. Meetings of the Executive Committee may be called by the Chair of the Executive Committee or upon call of at least three members of the Committee. The Commissioner of Higher Education may also request that the Chair call a meeting of the Executive Committee. The purpose of the meeting shall be stated in the call.

**Section 2. Audit Committee**

An Audit Committee composed of three Board members shall be established. The Chair of the Board shall appoint the members of the Audit Committee and at the same time shall name the Chair of the Committee at promptly after the regular meeting immediately prior to June 30 of each year. Committee members shall serve for a period of one year and until their successors are appointed and qualified.

The Audit Committee shall receive and review all audit reports pertaining to the Board and the Department of Higher Education and such other audit reports as may be referred to the Committee. The Committee shall report to the Board on the contents of the reports and shall follow up with the Commissioner and department staff regarding resolution of any findings in the reports. The Committee shall report to the Board on the status of any such findings. The Committee shall perform such other duties as are specified in these bylaws or as directed by the Board.

**Section 3. Student Loan/Financial Aid Committee**

A Student Loan/Financial Aid Committee composed of three Board members shall be established. The Chair of the Board shall appoint the members of the Student Loan/Financial Aid Committee and at the same time shall name the Chair of the Committee at promptly after the regular meeting immediately prior to June 30 of each year. Committee members shall serve for a period of one year and until their successors are appointed and qualified.

The Committee shall work with the Commissioner of Higher Education and Department staff on student loan/financial aid issues as they arise and shall, as necessary, make reports to the Board on such activities. The Committee shall perform such other duties as are specified in these bylaws or as directed by the Board.

**Section 4. Other Committees**

Such other committees, standing or special, shall be appointed by the Chair as the Board or the Executive Committee shall from time to time deem necessary to carry on the work of the Board. The Chair shall appoint the membership of such committees, which may, but need not, include members of the Board, and shall designate the matters to be considered by said committees. The Chair shall be an ex officio member of all committees except the Nominating Committee.

**Article VI  
Advisory Committees**

**Section 1. Presidential Advisory Committee**

Four times each year the Board shall meet with the Presidential Advisory Committee as established by the Missouri Revised Statutes. Such meetings shall enable the Presidential Advisory Committee to advise the Board of the views of the institutions on matters within the purview of the Board.

**Section 2. Proprietary School Advisory Committee**

The Board delegates responsibility to the Commissioner of Higher Education to meet with and receive reports from the Proprietary School Advisory Committee as established by the Missouri Revised Statutes.

**Article VII**

**Conduct of Business and Affairs**

**Section 1. Staff**

The Board shall employ a Commissioner of Higher Education (“Commissioner”) to serve at the pleasure of the Board. The Commissioner shall employ and determine the compensation of all such professional, clerical, and research personnel, including, where justified, specialists and/or consultants, as may be necessary to assist the Board in performing those duties outlined in the Missouri Revised Statutes. Except as otherwise expressly provided, all department staff shall be subject to the supervision and direction of the Commissioner.

The Commissioner shall have such duties and responsibilities as prescribed by the Board, including:

- A. Assume general direction of the staff to help meet the objectives set forth by the Board.
- B. Serve as liaison with the presidents, chancellors, and chief executive officers of institutions in carrying out policy objectives promulgated by the Board.
- C. Follow and keep the Board advised of all federal and state legislation affecting the Board and its purposes and objectives.
- D. Issue reports of Board action.
- E. Prepare, review, analyze, and implement all budgets which are approved by the Board.
- F. Make recommendations to the Board concerning the purposes, objectives, and responsibilities of the Board.
- G. Assist the Chair in the release of all information concerning the Board.
- H. Perform such other duties as prescribed by the Board and/or bylaw.

**Section 2. Commissioner Search**

The Board shall act as a committee of the whole as a search committee, unless the Chair, as directed by the Board, establishes a special committee for the purpose of searching for and screening candidates. The Board may include outside consultants and other persons in the search and screening process provided, however, that only Board members shall vote on the selection of a Commissioner.

**Section 3. Evaluation of Commissioner**

The Board shall annually evaluate the performance of the Commissioner. The purpose of the evaluation shall be to establish a record of performance over a period of time, to identify

strengths, and to determine areas where more attention may be needed.

### **Article VIII Records**

Full and complete records of Board actions and activities shall be kept available in accordance with Missouri Revised Statutes on governmental bodies and records.

### **Article IX Diversity**

The Coordinating Board for Higher Education and its staff should use selection processes and criteria designed to ensure diverse representations when making appointments to various committees, councils, or commissions. In as much as reasonably possible, criteria for representation should include the following:

1. Individuals who have demonstrated appropriate expertise and experience through their vocation, employment, affiliation or interests in connection with the membership being assembled;
2. Individuals who reflect the various geographic regions of the state as a whole or other appropriate sub-unit directly in connection to the membership being assembled; and
3. Individuals who reflect the race, ethnicity, age, gender, and disability characteristics of the population of the state as a whole, or other appropriate sub-unit in connection with the membership being assembled.

In as much as reasonably possible, the campus presidents and chancellors, and their respective local boards should use a similar selection process and criteria in making appointments to various committees, councils, or commissions. (Adopted June 7, 2001)

### **Article X Parliamentary Authority**

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Board in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Board may adopt.

### **Article XI Amendment of Bylaws**

These bylaws may be amended at any regular meeting of the Board by a two-thirds vote, provided that the amendment has been submitted in writing at the previous regular meeting.

**Bylaws  
of the  
Missouri Coordinating Board for Higher Education**  
*(Adopted by the Board in October 1987,  
Revised on October 12, 2006)*

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### **Section 3. Duties of Officers**

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In the event of the absence of the Chair, the Vice Chair shall serve as Chair of the Board and perform all the duties of the Chair. The Vice Chair shall perform such other duties as prescribed by the Missouri Revised Statutes and by the Board.

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- B. All meetings of the Board and any Committee thereof must comply with the Missouri Revised Statutes on meetings of governmental bodies and maintenance of records by such bodies.
- C. At all Board and Committee meetings, a staff member shall act as Recording Secretary. In the absence of a staff member, the Board or Committee shall designate a member to serve as Recording Secretary. Full and complete minutes shall be kept of each meeting and shall be submitted to Board members for review prior to the succeeding meeting.
- D. Voting on all matters coming before the Board shall be voice vote. In all cases where the vote of the members present is unanimous, it shall be sufficient to indicate unanimity in the minutes of the proceedings. In all cases where the vote of the members present is not unanimous, the “ayes” and “nays” shall be separately entered upon the minutes. In the absence of such expression of dissent or an expression of abstention, a member of the Board who is present at any meeting in which action is taken on any matter shall be presumed to have assented to such actions unless, before the adjournment of the meeting, the member shall affirmatively request that the member’s vote of “nay” be separately entered upon the minutes, or the member be recorded as not having voted.
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### **Section 1. Executive Committee**

An Executive Committee shall be established and composed of five Board members: Chair, Vice Chair, and Secretary of the Board, as well as Chairs of both the Audit and the Student Loan/Financial Aid Committees. The Executive Committee shall have general supervision of the affairs of the Board between its business meetings, make recommendations to the Board, and perform such other duties as are specified in these bylaws or as directed by the Board. The Executive Committee shall be subject to the orders of the Board, and none of its acts shall conflict with action taken by the Board.

The Board Chair shall serve as the Chair of the Executive Committee. Meetings of the Executive Committee may be called by the Chair of the Executive Committee or upon call of at least three members of the Committee. The Commissioner of Higher Education may also request that the Chair call a meeting of the Executive Committee. The purpose of the meeting shall be stated in the call.

**Section 2. Audit Committee**

An Audit Committee composed of three Board members shall be established. The Chair of the Board shall appoint the members of the Audit Committee and at the same time shall name the Chair of the Committee promptly after the regular meeting immediately prior to June 30 of each year. Committee members shall serve for a period of one year and until their successors are appointed and qualified.

The Audit Committee shall receive and review all audit reports pertaining to the Board and the Department of Higher Education and such other audit reports as may be referred to the Committee. The Committee shall report to the Board on the contents of the reports and shall follow up with the Commissioner and department staff regarding resolution of any findings in the reports. The Committee shall report to the Board on the status of any such findings. The Committee shall perform such other duties as are specified in these bylaws or as directed by the Board.

**Section 3. Student Loan/Financial Aid Committee**

A Student Loan/Financial Aid Committee composed of three Board members shall be established. The Chair of the Board shall appoint the members of the Student Loan/Financial Aid Committee and at the same time shall name the Chair of the Committee promptly after the regular meeting immediately prior to June 30 of each year. Committee members shall serve for a period of one year and until their successors are appointed and qualified.

The Committee shall work with the Commissioner of Higher Education and Department staff on student loan/financial aid issues as they arise and shall, as necessary, make reports to the Board on such activities. The Committee shall perform such other duties as are specified in these bylaws or as directed by the Board.

**Section 4. Other Committees**

Such other committees, standing or special, shall be appointed by the Chair as the Board or the Executive Committee shall from time to time deem necessary to carry on the work of the Board. The Chair shall appoint the membership of such committees, which may, but need not, include members of the Board, and shall designate the matters to be considered by said committees. The Chair shall be an ex officio member of all committees except the Nominating Committee.

**Article VI  
Advisory Committees**

**Section 1. Presidential Advisory Committee**

Four times each year the Board shall meet with the Presidential Advisory Committee as established by the Missouri Revised Statutes. Such meetings shall enable the Presidential Advisory Committee to advise the Board of the views of the institutions on matters within the purview of the Board.

**Section 2. Proprietary School Advisory Committee**

The Board delegates responsibility to the Commissioner of Higher Education to meet with and receive reports from the Proprietary School Advisory Committee as established by the Missouri Revised Statutes.

**Article VII**

**Conduct of Business and Affairs**

**Section 1. Staff**

The Board shall employ a Commissioner of Higher Education (“Commissioner”) to serve at the pleasure of the Board. The Commissioner shall employ and determine the compensation of all such professional, clerical, and research personnel, including, where justified, specialists and/or consultants, as may be necessary to assist the Board in performing those duties outlined in the Missouri Revised Statutes. Except as otherwise expressly provided, all department staff shall be subject to the supervision and direction of the Commissioner.

The Commissioner shall have such duties and responsibilities as prescribed by the Board, including:

- A. Assume general direction of the staff to help meet the objectives set forth by the Board.
- B. Serve as liaison with the presidents, chancellors, and chief executive officers of institutions in carrying out policy objectives promulgated by the Board.
- C. Follow and keep the Board advised of all federal and state legislation affecting the Board and its purposes and objectives.
- D. Issue reports of Board action.
- E. Prepare, review, analyze, and implement all budgets which are approved by the Board.
- F. Make recommendations to the Board concerning the purposes, objectives, and responsibilities of the Board.
- G. Assist the Chair in the release of all information concerning the Board.
- H. Perform such other duties as prescribed by the Board and/or bylaw.

**Section 2. Commissioner Search**

The Board shall act as a committee of the whole as a search committee, unless the Chair, as directed by the Board, establishes a special committee for the purpose of searching for and screening candidates. The Board may include outside consultants and other persons in the search and screening process provided, however, that only Board members shall vote on the selection of a Commissioner.

**Section 3. Evaluation of Commissioner**

The Board shall annually evaluate the performance of the Commissioner. The purpose of the evaluation shall be to establish a record of performance over a period of time, to identify

strengths, and to determine areas where more attention may be needed.

### **Article VIII Records**

Full and complete records of Board actions and activities shall be kept available in accordance with Missouri Revised Statutes on governmental bodies and records.

### **Article IX Diversity**

The Coordinating Board for Higher Education and its staff should use selection processes and criteria designed to ensure diverse representations when making appointments to various committees, councils, or commissions. In as much as reasonably possible, criteria for representation should include the following:

1. Individuals who have demonstrated appropriate expertise and experience through their vocation, employment, affiliation or interests in connection with the membership being assembled;
2. Individuals who reflect the various geographic regions of the state as a whole or other appropriate sub-unit directly in connection to the membership being assembled; and
3. Individuals who reflect the race, ethnicity, age, gender, and disability characteristics of the population of the state as a whole, or other appropriate sub-unit in connection with the membership being assembled.

In as much as reasonably possible, the campus presidents and chancellors, and their respective local boards should use a similar selection process and criteria in making appointments to various committees, councils, or commissions. (Adopted June 7, 2001)

### **Article X Parliamentary Authority**

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Board in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Board may adopt.

### **Article XI Amendment of Bylaws**

These bylaws may be amended at any regular meeting of the Board by a two-thirds vote, provided that the amendment has been submitted in writing at the previous regular meeting.

## **AGENDA ITEM SUMMARY**

### **AGENDA ITEM**

State Student Financial Aid Committee Update  
Coordinating Board for Higher Education  
October 12, 2006

### **DESCRIPTION**

In December of 2005, the Coordinating Board adopted the report of the State Aid Program Task Force, which contained nine recommendations designed to:

- Improve access by simplifying and streamlining financial aid eligibility for the state aid programs,
- Increase state appropriations for funding, and
- Improve the efficiency of financial aid applications, rules, and delivery.

As part of the board's action on the report, the existence of the task force was extended in order to complete the remaining tasks within its charge. In June of 2006, the board transitioned the task force into a standing committee with an ongoing responsibility to provide counsel and guidance on the operation of the student grant and scholarship programs administered by the Department of Higher Education. This agenda item is the result of the ongoing work of the committee to address the remaining tasks from the December 2005 report.

#### Single Need-based Financial Assistance Program/Funding

First and foremost among those remaining tasks is the development of a model for the implementation of the recommendation to "create one need-based state student financial assistance program and develop a new model to distribute the need-based grant awards based on the student's demonstrated Expected Family Contribution (EFC)...." Attached to this summary is a narrative description of the proposed delivery model and a table displaying award amounts for and number of students served by the proposed program at a recommended funding level.

The proposed program, which would replace the two primary existing need-based programs (Charles Gallagher Student Financial Assistance Program and Missouri College Guarantee Program), establishes award amounts based on the student's EFC (as calculated using the Free Application for Federal Student Financial Aid or FAFSA) and the sector of education the student is attending. All students below the established EFC cutoff would be eligible for an award, with award amounts being adjusted based on the student's eligibility for the federal Pell grant program, participation in the A+ tuition reimbursement program, and EFC level.

The primary benefits of this proposal are that it is easy to understand, award eligibility is portable across all eligible institutions, and eligibility for an award is predictable. The federal

Coordinating Board for Higher Education  
October 12, 2006

need calculation (EFC) used as the basis of the proposed program is well known by students, families and financial aid administrators as most students must complete a Free Application for Federal Student Assistance (FAFSA). The proposal establishes a relatively simple and understandable method for aid distribution owing to the fact that both eligibility and award levels are calculated based directly on EFC, without the need for additional complicated calculations or adjustments. Students and their families can be reasonably confident of their eligibility, once they have completed the FAFSA, owing to the establishment of a uniform cutoff of eligibility across all educational sectors. Finally, award eligibility is portable across institutions and sectors, even though award amounts vary depending on the student's EFC and the sector attended.

Consensus on the benefits of the proposal across all educational sectors is critical in order to initiate such a fundamental change in the delivery of need-based financial assistance. To reduce the impact of funding shifts and to maximize the impact of the program's benefits, the committee incorporated a second recommendation from the December 2005 report into this proposal. That recommendation was to "prepare and submit a new decision item for a core general revenue appropriation increase for the state merit- and need-based programs, with a priority placed on increased need-based student aid, in the FY 2008 budget request." That recommendation coupled with the recognition by policy makers and legislative leaders of the need for additional funds in need-based financial assistance programs has resulted in the committee basing the proposal on an increase in state funding to need-based aid of approximately \$25 million.

From the financial perspective, the basis for the proposal is that funding for the new program would be provided by combining the current appropriations provided for the Charles Gallagher Grant and the Missouri College Guarantee programs. Those funds (about \$25 million) would be combined with the recommended funding increase referenced above (approximately \$25 million) to produce a projected funding total of approximately \$50 million. Based on that assumption, the proposal establishes maximum eligibility for the program at an EFC of \$12,000. Although there is some variation in the income levels that EFC would represent, this level of funding would make families with an average adjusted gross income of approximately \$74,000 or less eligible for this program. Maximum award amounts are intended to reflect a relatively constant proportion of the average tuition in each eligible sector of education. These maximum awards are then reduced at lower need levels by a percent of the student's EFC and at the higher need levels by a percent of the federal Pell grant received by the student. This "tapered" approach allows the program to provide aid to students with the highest levels of need (in order to increase those students access to the state's higher education system) while providing aid to students of moderate income levels (in order to maintain a desirable level of choice across institutions and educational sectors).

#### Revisions to Existing Programs

The December 2005 report included two changes in the operation of existing financial assistance programs by amending the related administrative rules. Those revisions were to:

- Amend the definition of part-time student in the Marguerite Ross Barnett Memorial Scholarship Program administrative rule to specifically define a half-time and three-quarter time student, and
- Require a 2.5 grade point average to be eligible as a renewal student for all state student financial assistance programs including the Charles Gallagher Student Financial Assistance Program, the Missouri Higher Education Academic Scholarship Program (Bright Flight), and the Marguerite Ross Barnett Memorial Scholarship Program. (As a note, the committee recommends this renewal requirement be retained in the proposed new need-based program.)

The decision to proceed with these revisions, including changes to the Charles Gallagher program, is based on the committee's commitment to improving the simplicity and consistency in the financial aid process. Implementing these changes now will ensure consistency during any needed transition period as new programs are implemented and prepare students for the requirements envisioned for financial aid programs in the future.

Attached to this summary are the suggested revisions to the administrative rules for each of these programs.

The revision to the Marguerite Ross Barnett program is designed to accomplish two goals. First, because award amounts are based on the number of credit hours taken by the eligible student, this change would simplify the calculation of awards by establishing a uniform basis for the award regardless of the actual hours taken. This increases predictability for students and for aid administrators as they work together to address a student's financial needs. Second, as currently structured, award amounts within this program can exceed the amounts provided by state need-based programs to students attending full-time. This change would prevent that occurrence by reducing the maximum award amount under this program. This would not only provide a more equitable balance of aid across programs but would also provide the opportunity to fund additional students within this program.

The change to the renewal criteria for the Charles Gallagher Student Financial Assistance Program, the Missouri Higher Education Academic Scholarship Program (Bright Flight), and the Marguerite Ross Barnett Memorial Scholarship Program is intended to simplify the eligibility process across all programs and to provide a strong incentive for students to perform at their best. By taking this approach, we ensure state funds are being used more effectively by directing renewal funds to students with the highest probability of success.

### Conclusion

Over the past 10 months, the committee has worked diligently to complete the tasks assigned to it by the Coordinating Board. Those tasks include developing a proposal for a new need based student financial assistance program and drafting proposed language for the administrative revisions it has recommended that do not require legislative action.

The proposal to establish a new single state-funded need based student financial assistance program to replace the two existing primary need-based financial aid programs (Charles Gallagher Student Financial Assistance Program and the Missouri College Guarantee Program) is a bold and challenging step. It is not, however, a new idea as other studies of Missouri's financial aid system have recommended such a consolidation.

The recommended changes to the administrative requirements for several existing programs are also a critical need, intended to make progress in streamlining and simplifying the financial aid process. While one of the changes impacts a program that would be replaced by the proposed new need based program, proceeding with the change now will ensure a level of consistency in those programs, regardless of the enactment of the legislation establishing the new program.

## **STATUTORY REFERENCE**

Section 173.210, RSMo, Charles Gallagher Student Financial Assistance Program

Section 173.250, RSMo, Higher Education Academic Scholarship Program

Section 173.262, RSMo, Competitiveness Scholarship Program (Marguerite Ross Barnett Program)

Section 173.810, RSMo, Missouri College Guarantee Program

## **RECOMMENDED ACTION**

**It is recommended that the Coordinating Board for Higher Education adopt the attached proposed framework for the establishment of a single need-based student financial aid program and that the leadership of the Coordinating Board and the Missouri Department of Higher Education work with educational leaders, government policy makers, and the CBHE State Student Financial Aid Committee to coordinate 2007 legislation with the understanding that additional revisions may be necessary to address unresolved issues associated with adjustments for Pell recipients.**

**It is also recommended that the board approve the attached amendments to its administrative rules and direct the Commissioner of Higher Education to initiate the rule revision process through the Office of the Secretary of State as soon as possible.**

## **ATTACHMENTS**

Attachment A: Consolidated Need-based Financial Aid Program Draft Proposal

Attachment B: Consolidated Program Award Projections

Attachment C: Proposed Amendment of 6 CSR 10-2.120 Competitiveness Scholarship Program  
(Now the Marguerite Ross Barnett Memorial Scholarship Program)

Attachment D: Proposed Amendment of 6 CSR 10-2.020 Student Eligibility and Application  
Procedures

Attachment E: Proposed Amendment of 6 CSR 10-2.080 Higher Education Academic  
Scholarship Program

Coordinating Board for Higher Education  
October 12, 2006

**State Student Financial Aid Committee**  
**Consolidated Need-based Financial Aid Program**

**Draft Proposal**

**Assumptions**

- The existing state funded need-based student grant system requires restructuring to make it simpler and more predictable for students and their families if this system is to contribute to the state goals of increasing participation of Missouri citizens in postsecondary education and maintaining choice among institutional types.
- Financial need is impacted by both the economic condition of a student's family and the cost of attending the institution of their choice.
- As a result, it is necessary to develop a new single need-based state grant program designed to be sensitive to a student's ability to pay college costs and the type of institution the student chooses to attend. This new program could be funded by combining the appropriations currently provided for the Charles Gallagher Grant Program and the College Guarantee Program.
- Additional funds are needed to accomplish the new consolidated state grant program's goal of providing financial assistance to students based on need, to ensure a smooth transition between the current and proposed grant programs, to provide student financial aid for additional students and to maintain the current financial aid balance between sectors. The committee assumes funds to accomplish this transition are available. For example, during the last session, the General Assembly agreed additional funds are required to address the shortcomings of the current state funded student aid programs as evidenced by the appropriation of \$10 million for a new scholarship program. Additionally, discussions have been underway between legislative and executive leadership regarding the need to increase funding for state scholarship and grant programs by as much as \$25 million.
- The CBHE State Student Financial Aid Committee will monitor the implementation and operation of the consolidated program and propose to the Coordinating Board periodic revisions and updates to maintain the effectiveness of the program. As with any new program, fine-tuning may be needed to respond to unforeseen circumstances and student attendance patterns. Adjustments will be needed to reflect the changing nature of postsecondary education and the economic conditions of the state's residents.

**Attributes**

- Institutions participating in the program are grouped into three primary sectors: Public two-year, public four-year, and approved private institutions (as defined in section 173.205, RSMo). While the Missouri Association of Private Career Colleges and Schools was represented on the committee, students attending private career colleges have not

been eligible to participate in the Charles Gallagher Grant program or the College Guarantee program. Therefore, those students are not included in this proposal.

- Awards are established by sector. The initial award amounts are:
  - \$1,000 maximum and \$300 minimum for students attending institutions classified as part of the public two-year sector,
  - \$2,150 maximum and \$1,000 minimum for students attending institutions classified as part of the public four-year sector, and
  - \$4,600 maximum and \$2,000 minimum for students attending approved private institutions.

Award amounts are intended to reflect differences in the median maintenance fees for each sector. For each sector of public institutions, the maximum amount is approximately one-half of the median of the sector. For approved private institutions, the maximum amount is approximately one-half of the difference between the approved private institution and the public four-year sector median fees.

- Student eligibility for an award is based on the student's federal Expected Family Contribution (EFC), as calculated using the Free Application for Federal Student Aid (FAFSA). For purposes of award calculations, EFCs are organized in \$500 increments.
- All students with an EFC of \$12,000 or less will receive at least the minimum award amount for the appropriate institutional sector. No awards are made for students with an EFC above \$12,000. This cutoff level is estimated to provide eligibility to families with an average annual income of up to approximately \$74,000.
- Maximum award amounts will be reduced by 35 percent of the Pell Grant program award received by an eligible student. Maximum award amounts for an eligible student with an EFC above \$7,000 will be reduced by 10 percent of the student's EFC.
- Actual award amounts made to eligible students will be reduced by the amount of the student's state A+ program tuition reimbursement.
- If appropriated funds are insufficient to fully fund the program as described, the maximum award amount will be reduced across all sectors by the percentage of the shortfall [one minus (appropriation divided by amount required to fully fund program)].
- If appropriated funds exceed the amount necessary to fully fund the program as described, the maximum award amount will be increased across all sectors by the percentage of the additional funds [(appropriation divided by amount required to fully fund program) minus one].
- The structure of the program should be sufficiently flexible to permit a portion of any increase or decrease in appropriations to be allocated to the adjustment of EFC cutoff levels, in addition to adjustments to the award amounts, as necessary to reflect changes in college costs and economic conditions.

State Student Financial Aid Committee  
Hybrid Model Award Projections

Sector	Average	\$2,071	\$5,440	\$15,165
Tuition	Median	\$2,100	\$5,325	\$14,197

Awards								
EFC	Median AGI	Median Pell	Public 2-yr	Public 4-yr	Independent	Projected Payments	Students by EFC	Cumulative Students
0-500	\$12,010	\$3,900	\$ 300	\$ 1,000	\$ 3,240	\$ 11,931,294	10,631	10,631
501-1000	\$23,284	\$3,300	\$ 300	\$ 1,000	\$ 3,450	\$ 2,127,104	1,665	12,296
1001-1500	\$27,566	\$2,800	\$ 300	\$ 1,170	\$ 3,620	\$ 2,312,901	1,593	13,889
1501-2000	\$30,602	\$2,300	\$ 300	\$ 1,350	\$ 3,800	\$ 2,364,388	1,474	15,363
2001-2500	\$32,548	\$1,800	\$ 370	\$ 1,520	\$ 3,970	\$ 2,346,285	1,310	16,673
2501-3000	\$35,251	\$1,300	\$ 550	\$ 1,700	\$ 4,150	\$ 2,442,934	1,194	17,867
3001-3500	\$37,283	\$800	\$ 720	\$ 1,870	\$ 4,320	\$ 2,354,245	1,080	18,948
3501-4000	\$39,986	\$400	\$ 860	\$ 2,010	\$ 4,460	\$ 2,427,752	1,022	19,969
4001-4500	\$42,340		\$ 1,000	\$ 2,150	\$ 4,600	\$ 2,713,538	1,053	21,023
4501-5000	\$45,030		\$ 1,000	\$ 2,150	\$ 4,600	\$ 2,405,432	921	21,944
5001-5500	\$46,672		\$ 1,000	\$ 2,150	\$ 4,600	\$ 2,184,408	830	22,774
5501-6000	\$50,132		\$ 1,000	\$ 2,150	\$ 4,600	\$ 2,060,762	786	23,560
6001-6500	\$52,278		\$ 1,000	\$ 2,150	\$ 4,600	\$ 1,955,048	743	24,303
6501-7000	\$53,397		\$ 1,000	\$ 2,150	\$ 4,600	\$ 1,872,670	702	25,005
7001-7500	\$56,255		\$ 300	\$ 1,500	\$ 3,850	\$ 1,266,344	643	25,648
7501-8000	\$58,250		\$ 300	\$ 1,450	\$ 3,800	\$ 1,186,730	600	26,248
8001-8500	\$60,736		\$ 300	\$ 1,400	\$ 3,750	\$ 1,219,892	639	26,887
8501-9000	\$62,858		\$ 300	\$ 1,350	\$ 3,700	\$ 1,031,214	550	27,437
9001-9500	\$64,458		\$ 300	\$ 1,300	\$ 3,650	\$ 952,940	498	27,935
9501-10000	\$67,142		\$ 300	\$ 1,250	\$ 3,600	\$ 883,388	479	28,414
10001-10500	\$69,347		\$ 300	\$ 1,200	\$ 3,550	\$ 851,800	475	28,889
10501-11000	\$69,936		\$ 300	\$ 1,150	\$ 3,500	\$ 777,018	449	29,337
11001-11500	\$71,432		\$ 300	\$ 1,000	\$ 3,450	\$ 615,188	392	29,729
11501-12000	\$73,934		\$ 300	\$ 1,000	\$ 3,400	\$ 661,528	402	30,131
12001-12500	\$75,333		\$ -	\$ -	\$ -	\$ -	-	-
12501-13000	\$75,723		\$ -	\$ -	\$ -	\$ -	-	-
13001-13500	\$78,042		\$ -	\$ -	\$ -	\$ -	-	-
13501-14000	\$78,673		\$ -	\$ -	\$ -	\$ -	-	-
14001-14500	\$79,620		\$ -	\$ -	\$ -	\$ -	-	-
14501-15000	\$79,900		\$ -	\$ -	\$ -	\$ -	-	-
15001-15500	\$82,534		\$ -	\$ -	\$ -	\$ -	-	-
15501-16000	\$84,477		\$ -	\$ -	\$ -	\$ -	-	-
16001-16500	\$85,440		\$ -	\$ -	\$ -	\$ -	-	-
16501-17000	\$86,133		\$ -	\$ -	\$ -	\$ -	-	-
17001-17500	\$86,427		\$ -	\$ -	\$ -	\$ -	-	-
17501-18000	\$88,265		\$ -	\$ -	\$ -	\$ -	-	-
18001-18500	\$89,451		\$ -	\$ -	\$ -	\$ -	-	-
18501-19000	\$88,846		\$ -	\$ -	\$ -	\$ -	-	-
19001-19500	\$91,529		\$ -	\$ -	\$ -	\$ -	-	-
19501-20000	\$92,102		\$ -	\$ -	\$ -	\$ -	-	-
20001+			\$ -	\$ -	\$ -	\$ -	-	-
Total Payment			\$ 3,498,727	\$ 20,778,982	\$ 26,667,094	\$ 50,944,803		
Percent of Total			7%	41%	52%			
Utilization Factor			56%	56%	56%			

State Student Financial Aid Committee  
Hybrid Model Award Projections

EFC	Cumulative Students Paid		
	Public 2-yr	Public 4-yr	Independ.
0-500	4,677	3,913	2,042
501-1000	5,281	4,613	2,403
1001-1500	5,821	5,290	2,778
1501-2000	6,269	5,971	3,123
2001-2500	6,633	6,601	3,439
2501-3000	6,916	7,211	3,740
3001-3500	7,165	7,790	3,993
3501-4000	7,389	8,330	4,251
4001-4500	7,597	8,894	4,532
4501-5000	7,742	9,427	4,774
5001-5500	7,867	9,911	4,996
5501-6000	7,984	10,374	5,202
6001-6500	8,087	10,820	5,396
6501-7000	8,190	11,222	5,593
7001-7500	8,278	11,603	5,766
7501-8000	8,353	11,957	5,938
8001-8500	8,435	12,337	6,115
8501-9000	8,492	12,683	6,262
9001-9500	8,531	12,995	6,409
9501-10000	8,569	13,299	6,546
10001-10500	8,614	13,592	6,683
10501-11000	8,655	13,873	6,809
11001-11500	8,683	14,138	6,908
11501-12000	8,706	14,403	7,023
12001-12500	-	-	-
12501-13000	-	-	-
13001-13500	-	-	-
13501-14000	-	-	-
14001-14500	-	-	-
14501-15000	-	-	-
15001-15500	-	-	-
15501-16000	-	-	-
16001-16500	-	-	-
16501-17000	-	-	-
17001-17500	-	-	-
17501-18000	-	-	-
18001-18500	-	-	-
18501-19000	-	-	-
19001-19500	-	-	-
19501-20000	-	-	-
20001+	-	-	-

## 6 CSR 10-2.120 Competitiveness Scholarship Program

*Purpose: The purpose of this amendment is to revise academic requirements for renewal students and to standardize the calculation of awards.*

### (1) Definitions.

(A) Coordinating board or board is the Coordinating Board for Higher Education created by section 173.005, RSMo.

(B) Competitiveness Scholarship Program or scholarship program shall mean the scholarship program established by section 173.262, RSMo.

(C) Applicant is anyone who applies to the coordinating board for a scholarship under the competitiveness scholarship program.

(D) Part-time student shall be any undergraduate student who is enrolled less than full-time but at least half-time in a degree program as defined by the approved private or public Missouri institution.

(E) Undergraduate student shall be any student who has not obtained a first baccalaureate degree.

(F) Initial recipient shall be any applicant who meets the eligibility requirements and is awarded and received a competitiveness scholarship for the first time.

(G) Renewal recipient shall be any applicant who received a competitiveness scholarship as an initial recipient under the competitiveness scholarship program and meets the eligibility requirements under the provisions of this rule and requirements as defined by the approved institution, and is awarded and received a renewable competitiveness scholarship under the competitiveness scholarship program as a second-year, third-year, or fourth-year undergraduate student at an approved institution in Missouri.

(H) Resident of the state of Missouri is any person who meets the requirements for resident status for the state of Missouri as set forth by the coordinating board in 6 CSR 10-3.010 the residency rule for higher education.

(I) Approved institution shall be any private or public institution located in Missouri that meets the requirements set forth in section 173.205, paragraphs (2) or (3), RSMo.

(J) Competitiveness Scholarship Assistance or award shall be an amount of money paid by the state of Missouri to a qualified applicant pursuant to the provisions of this rule.

(K) Satisfactory academic degree progress or satisfactory academic progress shall be a cumulative grade point average (CGPA) of at least two and one-half (2.5) on a four-point (4.0) scale or the equivalent on another scale and, with the exception of grade point average, as otherwise determined by the approved institution's policies as applied to other students at the approved institution receiving assistance under Title IV financial aid programs included in the Higher Education Act of 1965. Calculation of CGPA shall be based on the approved institution's policies as applied to other students in similar circumstances.

(L) Standard admissions policies shall be policies approved and published by the approved institution to admit part-time students and students having a certificate of graduation from high school or the equivalent of such certificate.

(M) Financial need shall be the difference between the total financial resources available to an applicant and the applicant's total cost of attendance, including tuition, fees, room and board, books and supplies, personal expenses and transportation while attending part-time at an approved institution.

(N) Financial resources shall be the amount of financial assistance (scholarship, work, loan)

awarded to the applicant by the approved institution and the amount of the applicant's expected family contribution as determined by any multiple data entry (MDE) processor approved by the United States Department of Education.

(O) Academic year or period of the scholarship is the period from August 1 of any year through July 31 of the following year.

(5) Competitiveness Scholarship Program Award Limits and Criteria.

(A) Within the limits of the funds appropriated and made available, the maximum competitiveness scholarship program award amount for each applicant per academic year shall be the least of the actual undergraduate tuition charged at an approved institution where the applicant is enrolled or accepted for part-time enrollment or the amount of tuition charged a Missouri undergraduate resident enrolled part-time in the same class level (freshman, sophomore, junior, senior) and in the same academic major of the applicant at the University of Missouri-Columbia.

(B) For part-time students enrolled in courses totaling six (6), seven (7) or eight (8) semester credit hours, or the equivalent, the award amount shall be calculated based on six (6) semester credit hours. For part-time students enrolled in courses totaling nine (9), ten (10), or eleven (11) semester credit hours, or the equivalent, the award amount shall be calculated based on nine (9) semester credit hours.

(C) Financial need shall be used by the approved institution in determining applicant eligibility for awards under the competitiveness scholarship program.

[(C)] (D) The first year of the competitiveness scholarship program funds shall be awarded only to applicants as initial recipients.

[(D)] (E) Applicants who qualify as initial recipients under the provisions of this rule in the second and each subsequent year of the program will be awarded based on the availability of program funds.

[(E)] (F) If sufficient program funds are unavailable to award to initial recipients, the awards will be made based on the earliest date the completed applications are received by the coordinating board until all funds have been expended.

[(F)] (G) During the second and each subsequent year in which awards are made under the competitiveness scholarship program, the renewal recipients shall have priority in the awarding of program funds. If sufficient program funds are unavailable to award all eligible renewal recipients, priority for program funds shall be awarded based on the earliest date the completed application is received by the coordinating board in the following order; fifth-year, fourth-year, third-year, and second-year students as defined by the approved institution.

[(G)] (H) An applicant receiving an award under the competitiveness scholarship program shall have made satisfactory academic progress as defined by the approved institution and this rule and meet all other eligibility criteria according to the provisions of this rule to be eligible for a subsequent award under the competitiveness scholarship program.

[(H)] (I) The award amount for any given academic year will be disbursed to the approved institution equally according to the number of semesters at the approved institution and awarded for each semester of part-time enrollment.

[(I)] (J) Awards will not be made for periods of enrollment during the summer term(s).

[(J)] (K) An applicant's approved institution choice may be changed prior to the beginning of the first day of classes and may transfer between approved institutions during the academic year. The deadline for such actions is August 1 for the fall semester and January 1 for the winter or spring semester. Failure to notify the coordinating board by the prescribed dates of such action

may result in loss of the award.

[(K)] (L) Award notifications will be sent to applicants by the coordinating board after the awards have been determined. Notification of awards will also be sent to the student financial aid office at the approved institution where the applicant plans to or has enrolled.

[(L)] (M) The applicant's award will be sent to the approved institution to be endorsed by the applicant in accordance with the requirements of subsection (3)(B) of the this rule.

[(M)] (N) Should an applicant withdraw prior to the end of the approved institution's refund period during the period of the scholarship, then a refund shall be calculated and made to the coordinating board by the approved institution within forty (40) days from the day on which the applicant withdraws. The amount of the refund will be calculated by the approved institution based on the refund formula of that institution.

*Auth: section 173.262, RSMo (1994). \*Original rule filed May 24, 1990, effective Nov 30, 1990.*

*\*Original authority 1988, amended 1992.*

**6 CSR 10-2.020 Student Eligibility and Application Procedures**

*PURPOSE: The purpose of amendment is to revise academic requirements for renewal students.*

(1) Definitions

(A) Applicant means, a student who qualifies under section 173.215 RSMo (1986) and has filed an accurate and complete application for financial assistance under that section.

(B) Coordinating Board or CBHE means the Coordinating Board for Higher Education created by the Omnibus State Reorganization Act, Law, 1974 p.530.

(C) Department means the Department of Higher Education created by the Omnibus State Reorganization Act, Law, 1974 p.530.

(D) Self supporting student means a student who meets those self supporting criteria set forth annually for federal Title IV programs.

(E) Dependent student means one who does not qualify as a self supporting student.

(F) Full-time student means a student who is enrolled in at least twelve (12) semester hours, eight (8) quarter hours, or the equivalent of either, but not less than the respective number sufficient to secure the certificate or degree toward which the student is working in no more than the number of semesters or their equivalent normally required by the institutions for the program in which the student is enrolled.

(G) Residency, for the purpose of this rule, shall be determined by reference to the standards therefor set forth in the residency rule for higher education, 6 CSR 10-3.010.

(H) His, him or he shall apply equally to the female as well as the male sex where applicable in this rule.

(I) Satisfactory academic progress means that a student is maintaining a cumulative grade point average (CGPA) of at least two and one-half (2.5) on a four-point (4.0) scale, or the equivalent on another scale, and is successfully completing sufficient courses in his course of study to secure the certificate or degree toward which he is working in no more than the number of semesters or their equivalent normally required by the institution in which the student is enrolled, by means such as suggested in the following tables:

Program	By End of Semester	Completed Percentage of Program Requirements	(or)	Completed Semester Hours
One-year	1	20%	(or)	6
One-year	2	60%	(or)	18
One-year	3	100%	(or)	30
Two-year	2	25%	(or)	15
Two-year	3	50%	(or)	30
Two-year	4	75%	(or)	45
Two-year	5	100%	(or)	60

**ATTACHMENT D**

Four-year	2	12.5%	(or)	15
Four-year	3	25.0%	(or)	30
Four-year	4	37.5%	(or)	45
Four-year	5	50.0%	(or)	60
Four-year	6	60.0%	(or)	72
Four-year	7	70.0%	(or)	84
Four-year	8	80.0%	(or)	96
Four-year	9	90.0%	(or)	102
Four-year	10	100.0%	(or)	120

Students at institutions on the quarter system must meet at least the equivalent standard of satisfactory progress in terms of quarter hours. Institutions, also, shall report their own such standards for satisfactory academic progress to the department by July 1 of each year as they are to be applied by that institution in the subsequent academic year. Calculation of CGPA shall be based on the approved institution's policies as applied to other students in similar circumstances.

(J) Renewal applicant means a student who was awarded and who received a grant of financial assistance in the prior academic year pursuant to sections 173.200 - 173.230, RSMo (1986), who qualifies under section 173.215, RSMo (1986) and who has filed an accurate and complete application by the deadline for renewed financial assistance under that section.

(K) Nonrenewal applicant means a student who qualifies under section 173.215, RSMo (1986) and who has filed an accurate and complete application by the deadline for financial assistance but did not receive a grant of financial assistance the prior academic year, under the Missouri Financial Assistance Program sections 173.200 - 173.230, RSMo (1986).

(L) Student Financial Assistance Program and Financial Assistance Program means the program of financial assistance as set forth in sections 173.200 - 173.230, RSMo (1986).

*Auth: section 173.210 RSMo (1994). \* Original rule filed August 7, 1978, effective March 17, 1979. Emergency amendment filed September 13, 1979, effective September 23, 1979, expired January 11, 1980. Amended: Filed September 13, 1979, effective March 13, 1980. Amended: Filed December 16, 1988, effective April 1, 1989. Amended: Filed January 10, 1990, effective April 16, 1990.*

*\*Original authority 1972, amended 1979.*

**6 CSR 10-2.080 Higher Education Academic Scholarship Program**

*PURPOSE: The purpose of this amendment is to revise academic requirements for renewal students.*

(1) Definitions.

(A) Academic year or the period of the scholarship is the period from July 1 of any year through June 30 of the following year.

(B) Applicant is anyone who applies to the coordinating board for a scholarship under the academic scholarship program.

(C) Approved institution shall be any private or public institution located in Missouri that meets the requirements set forth in section 173.205(2) or 173.205(3), RSMo.

(D) Certificate of high school equivalence shall be a certificate that is awarded to an applicant who has successfully completed and passed the General Education Development (GED) examination as established by the Commission on Educational Credit and Credentials of the American Council on Education (ACE).

(E) Continually enrolled shall be enrollment as a full-time student who receives scholarship assistance at an approved institution for at least one (1) semester, trimester or quarter, not including summer terms, in the academic year for which the scholarship award was originally offered.

(F) Coordinating board or board is the Coordinating Board for Higher Education (CBHE) created by section 173.005, RSMo.

(G) Expenses shall be any allowable expenses related to room, board, travel and person costs of the applicant necessary to satisfactorily provide and complete a service to a nonprofit organization, a state or federal government agency.

(H) Full-time student shall be defined by the approved institution as a postsecondary student who is enrolled in and is carrying a sufficient number of credit hours or its equivalent (minimum twelve (12) credit hours), excluding correspondence-type courses, at the approved private or public Missouri institution to secure the degree or certificate toward which the student is working in accordance with paragraph (2)(A)9. of this rule.

(I) Higher Education Academic Scholarship Program or academic scholarship program shall mean the academic scholarship program provisions included in section 173.250, RSMo.

(J) Initial recipient shall be any applicant who meets the eligibility requirements and is awarded academic scholarship under the academic scholarship program as a graduating high school senior, a homeschooled student, or a student who has obtained a certificate of high school equivalence by passing the GED examination.

(K) Medical need shall be an illness, disability, pregnancy or other medical need that prevents an eligible applicant from enrolling or which requires a recipient to cease all attendance at an approved institution in the academic year for which the scholarship award was originally offered.

(L) Nonprofit organization shall be any organization which is organized under the laws of its home state as a not-for-profit corporation or organization, such as a charitable, scientific or literary organization.

(M) Renewal recipient shall be any applicant who received an academic scholarship as an initial recipient under the academic scholarship program and meets the eligibility requirements under the provisions of this rule and requirements as defined by the approved institution and is awarded a renewable academic scholarship under the academic scholarship program.

(N) Resident of Missouri is any person who meets the requirements for resident status for Missouri set forth by the coordinating board, in 6 CSR 10-3.010.

## ATTACHMENT E

(O) Satisfactory academic degree progress or satisfactory academic progress shall be a cumulative grade point average (CGPA) of at least two and one-half (2.5) on a four-point (4.0) scale, or the equivalent on another scale, and, with the exception of grade point average, as otherwise determined by the approved institution's policies as applied to other students at the approved institution receiving assistance under Title IV financial aid programs included in the Higher Education Act of 1965. The calculation of CGPA shall be based on the approved institution's policies as applied to other students in similar circumstances.

(P) Scholarship assistance or award shall be an amount of money paid by Missouri to a qualified applicant pursuant to the provisions of this rule.

(Q) Standard admissions policies shall be policies approved and published by the approved institution to admit special students and students having a certificate of graduation.

(R) Student deferment or deferment of eligibility shall be a period of time up to twenty-seven (27) continuous months during which an eligible applicant or recipient may defer scholarship eligibility to participate in an international student exchange program, provide a service to a nonprofit organization, a state or federal government agency, serve on active duty in any branch of the armed forces or the United States or because of medical needs. The deferment shall begin on July 1 or the academic year that the student was approved for or July 1 following the most recent academic year that the student received scholarship assistance.

(S) Student exchange program shall be any recognized international or national exchange program this is available to qualified students for the applicant to continue his/her educational studies.

(T) Sufficient documentation or verification shall be required documents provided by the student exchange program, the nonprofit organization, a state or federal government agency, any branch of the armed forces or a practicing medical physician and must be in the form of letters of participation, application materials, copies of orders or release papers, or a statement of medical need.

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*Auth.: section 173.250, RSMo (1994) \*Original rule filed Nov. 14, 1986, effective Feb. 28, 1987. Amended: Filed Feb. 3, 1988, effective April 28, 1988. Amended: Filed Dec. 5, 1988, effective March 1, 1989. Amended: Filed Aug. 15, 1989, effective Nov. 15, 1989. Amended: Filed Oct. 14, 1992, effective May 6, 1993.*

*Amended: Filed Sept. 29, 1994, effective March 30, 1995.*

*\*Original authority 1986, amended 1988, 1990, 1991.*

## AGENDA ITEM SUMMARY

### AGENDA ITEM

Department of Higher Education FY 2008 Budget Overview  
Coordinating Board for Higher Education  
October 12, 2006

### DESCRIPTION

The Missouri Department of Higher Education (MDHE) has suffered funding decreases of over 64 percent since FY 2001. The number of general revenue funded FTE has decreased in a similar fashion from 34.95 FTE in FY 2001 to 12.57 FTE in FY 2007; 2.75 of the FTE reduction was a transfer to Office of Administration Information Technology staff. The MDHE's statutory obligations, administrative rules and policy mandates have not however, been reduced. At this level of funding and staffing, MDHE is not able to perform fully the duties required by the state. With this in mind MDHE is asking for additional staff and funding.

#### *MDHE Staff*

The additional staff request includes three research associates in the academic affairs area at a total cost of \$162,771 annually; one research associate in the fiscal affairs area at a cost of \$52,621 annually and one program specialist in the financial assistance and outreach area at a cost of \$39,373 annually. These staff will perform duties such as data collection, mission review, institution funding analyses and work with financial assistance programs. The total request for new staff and the funds to support them is \$254,765.

In addition to the request for additional staff, there is a request for funds to support contract services. Contract services will provide additional support with special projects for the department in a cost effective way. The request in additional funds to support contract services is \$37,500.

Currently, many department employees are being paid a portion of their salary from loan funds. In order to reduce the department's reliance on loan funds to pay a number of FTE with split salary assignments, MDHE is requesting approximately \$233,759 annually in general revenue funds.

In total the department is asking for \$526,024 in new general revenue funding. The additional staff and funds will be used to help the department meet its current duties required by the state. As additional responsibilities and/or initiatives for the department emerge, future funding and staffing will likely be required.

Coordinating Board for Higher Education  
October 12, 2006

***Financial Aid***

The department is also asking for additional need-based financial aid. Today, two of the state administered scholarships for need-based aid, the Missouri College Guarantee Program and the Charles Gallagher Student Assistance Program serve approximately 35 percent of their eligible applicants. Because there are such large numbers of unfunded students in both of these scholarship programs, an additional \$9 million in funding for the Missouri College Guarantee Program and \$18 million in funding for the Charles Gallagher Student Assistance Program is being requested for FY 2008. These additional funds will provide approximately 4,300 additional Guarantee scholarships and approximately 13,300 Gallagher scholarships. These increases will double the funding in both programs to a total of over \$54 million in need-based aid distributed to Missouri students.

In addition to need-based aid, a request is being made for an increase to merit-based aid as well. It is predicted that approximately \$372,000 will be needed in both FY 2007 and FY2008 to fund fully the Academic Scholarship Program (Bright Flight). This program is intended to keep Missouri's best and brightest students at Missouri's institutions. Both a supplemental request for FY 2007 and a new decision item request for additional funds in FY 2008 will bring the merit-based aid request to more than \$16,350,000.

In conclusion, Missouri needs to consider its investment in higher education for the future of its citizens. Increasing MDHE's resources will help to inform the state about higher education. By investing in the above described scholarship programs, Missouri citizens will be better educated. This will increase their earning capacity which, in turn, will help the economy and the future for all Missourians.

**STATUTORY REFERENCE**

Sections 173.005(2), 173.030(7) RSMo

**RECOMMENDED ACTION**

This is a discussion item only.

**ATTACHMENT(S)**

None

## **AGENDA ITEM SUMMARY**

### **AGENDA ITEM**

Recommendations for Adjustments to Public Institutions Operating Appropriations  
Coordinating Board for Higher Education  
October 12, 2006

### **DESCRIPTION**

In recent years, Missouri's commitment to fund its public institutions has been restricted because of the state's fiscal challenges. As the fiscal environment begins to turn, it is timely to pursue an increased state investment for Missouri's public institutions in a manner that makes sense in all economic times. The intent of this agenda item is to outline components for board review to be included in the FY08 budget recommendation for Missouri's public colleges and universities that will provide approximately \$124,302,040 in additional funding.

#### **Background**

In working with institutional presidents and chancellors last year, the CBHE began to design a new approach to its request for additional funding for public higher education institutions. Major components included mandatory expenses, performance funding, and new core decision items. In preparing a request for FY08, MDHE staff has worked with institutional business officers to refine each component and determine the funding level requested as follows.

#### ***Mandatory Expenses***

Since FY 2002, the Higher Education Price Index has risen by 17 percent while appropriations for Missouri's public institutions have declined by almost 10 percent. Because of this divergence, the institutions have worked to become more efficient; however, some fixed cost expenses are out of their control.

Staff benefit costs such as health care and retirement continue to increase. Some institutions estimate increases over 20 percent. The costs of utilities continue to increase as well. These fiscal constraints make it difficult for the institutions to direct more money to instruction of the students.

Institutions require more state funding to direct expenditures toward instruction and student support. By providing more state support, Missouri's public institutions will be better prepared to contain costs and therefore, keep tuition increases to a minimum, contributing to the rise in Missouri college completion rates. Additional funding of \$35,089,633 or approximately a 4 percent increase will help the institutions direct state funding to the rising fixed costs.

***Performance Funding***

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 Governor and several legislators have stressed the importance of quality and performance within Missouri's higher education system. Despite conceptual support for performance funding, performance funding appropriations to public institutions has not occurred since FY 2001. Reintroducing a performance funding component for public institutions provides a way for the governor and the general assembly to reinforce state priorities through its appropriations process.

Funding in this category is projected to be based upon institutional performance levels as state revenue becomes available. A certain percentage of each institution's core funding would be tied to each performance measure. If the individual performance measures are met, a percentage of the institutions' core funding would be requested only after previous appropriation levels to the institutions have been reached. Linking funding to performance helps to establish priorities for improvement initiatives. Based on the state's increased interest in math, engineering, technology and science (METS), it is recommended that performance indicators be developed that promote improvements in METS appropriate for each institution's mission. An additional \$8,772,407 for performance funding is being shown as a holding place for eventual funding for a limited number of performance measures for each institution. This request is 1 percent of the FY 2007 core funding to the institutions. Should previous appropriation levels be attainable with FY08 funds and additional resources be available to support performance funding in FY08, measurable indicators linked to METS would need to be designed and a distribution model adopted that would provide ample time for institutions to demonstrate improvements.

***New Core Decision Items***

All institutions have different financial priorities because they have different missions to fulfill. Some institutions' top priority may be related to agriculture or information technology while others may be more concerned with health care or life sciences. In all situations, the institutions are best positioned to know their most pressing needs and how best to use additional resources to improve the overall higher education system.

This part of the funding request is generated from institutional requests for their number one priority after mandatory expenses are met as well as requests for other priorities. Initially all new decision items received were considered as a pass through in this part of the budget. The costs calculated by institutions for new decision items totaled \$132,978,068.

While this amount was included in the FY 2008 budget recommendations distributed during the week of October 2, further analysis of the lists identified significant differences among institutions in the number of projects submitted as well as in the total amount of dollars requested. In addition several questions were raised about the disproportionate distribution of the amount for new decision items and the impact of new core decisions on the overall magnitude of the budget request.

As a result, the new core decision component has been revised to accommodate additional priorities for community colleges and to adjust the total amount recommended for each sector. The revised budget recommendation includes a total of \$80,440,000 for new core decision items.

### **Conclusions**

Additional state resources will enable institutions to address fixed cost increases and to achieve their missions. Linking a portion of the FY 2008 budget to performance funding associated with state priorities aligned with METS will demonstrate a collective commitment by Missouri's system of higher education to be held accountable for agreed upon results. In addition, increased state investment in new priorities will enhance postsecondary educational quality throughout the state.

It is recognized that while higher education has essential needs for increased funding, the state has limited resources and the ability of the state to appropriate this level of increase in one year to higher education may be problematic. It is further recognized that the level of state support has a direct impact on institutional tuition policies.

Consequently the leadership of the Board and MDHE staff is committed to working with presidents and chancellors in developing revised funding guidelines for higher education and in working with the governor's office and the General Assembly to ensure understanding of higher education's financial needs and the best approach to address them in future years.

### **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 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 for Higher Education acknowledge the extensive cooperative work of public college and university presidents and chancellors with legislative leaders in formulating an agreed upon distribution model for the FY 2008 budget recommendation for public colleges and universities.**

**It is further recommended that the CBHE approve a FY 2008 appropriation request for additional funding totaling \$110,729,288. It is important to note that there remains an unresolved issue raised by community colleges concerning the total amount of their portion of this funding model. Community colleges have agreed to work with legislative leaders to resolve this issue and will present an addendum for CBHE consideration.**

**This approval is predicated upon the presidents and chancellors working with MDHE and CBHE to design, develop, and implement funding guidelines for both short- and long-term needs for higher education. CBHE strongly encourages the presidents and chancellors to consider the following factors when designing a new set of funding guidelines including, but not limited to, performance funding, FTE sensitivity, periodic equity adjustments, maintenance and repair needs, institutional missions, relationship between state support and tuition policies, capital needs and other related factors.**

**It is further recommended that the presidents and chancellors work with the leadership of the MDHE in the coming months to propose a performance funding model that includes measurable performance funding indicators for each institution associated with institutional missions. Indicators linked to METS should be given strong consideration. A status report should be provided to the CBHE by its February 2007 meeting.**

**It is further recommended that members of the CBHE and leadership of the MDHE work with the governor's office and with members of the General Assembly to reach an agreement on both a short- and long-term approach for meeting higher education's needs.**

## **ATTACHMENT(S)**

None

**AGENDA ITEM SUMMARY**

**AGENDA ITEM**

Recommendations for Public Four-Year Institutions Operating Appropriations  
Coordinating Board for Higher Education  
October 12, 2006

**DESCRIPTION**

The FY 2008 request for each item is the FY 2007 core appropriation amount plus the amounts recommended for FY 2008 contained in Tab E of this board book.

**A. Core State Appropriations**

Core Appropriation \$829,318,166

	<u>FY 2007 Core Budget</u>	<u>FY 2008 CBHE Recommendation</u>
Missouri Southern	21,539,003	26,228,918
Missouri Western	21,197,492	24,680,898
Central Missouri	54,963,213	61,775,221
Southeast Missouri	44,734,189	50,453,036
Missouri State	81,930,532	91,527,323
Northwest Missouri	30,484,455	33,532,901
Truman State	41,594,223	46,787,660
Lincoln University	17,125,184	19,620,117
Harris-Stowe	10,017,401	11,259,249
University of Missouri	<u>412,991,189</u>	<u>463,452,843</u>
TOTAL	736,576,881	829,318,166

**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>FY 2007 Core Budget</u>	<u>FY 2008 CBHE Recommendation</u>
Missouri Institute of Mental Health	\$1,839,880	\$1,917,155
State Historical Society	\$1,019,561	\$1,277,097
Alzheimer's Program	\$0	\$421,520
Missouri Rehabilitation Center	\$10,401,691	\$10,973,784
Hospitals and Clinics	\$13,185,079	\$13,910,258
Missouri Kidney Program	\$4,016,774	\$4,185,479
Missouri Research and Education Network (MOREnet)	\$10,254,612	\$12,875,306
Spinal Cord Injury Fund	\$400,000	\$400,000
State Seminary Fund Investments in:		
Government Securities	\$3,000,000	\$3,000,000
Investment Earnings from Principal	\$250,000	\$250,000
Missouri Telehealth Network*	\$419,355	\$0

\*This is a one-time appropriation to spend the remaining tobacco settlement funds originally appropriated in House Bill 14 to the University of Missouri-Columbia, School of Medicine.

**STATUTORY REFERENCE**

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

**RECOMMENDED ACTION**

**It is recommended the Board approve the FY 2008 four-year institutions 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 12, 2006

**DESCRIPTION**

The FY 2008 request is the FY 2007 core appropriation amount plus the amounts recommended for FY 2008 contained in Tab E of this board book.

**A. Core State Appropriations**

	<u>FY 2007 Core Budget</u>	<u>FY 2008 CBHE Recommendation</u>
Core Appropriation	\$4,634,133	\$5,510,528

**B. Tax Refund Offset**

Core Appropriation	\$30,000
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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 2008 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 Colleges Operating Appropriations  
Coordinating Board for Higher Education  
October 12, 2006

**DESCRIPTION**

The FY 2008 request for each item is the FY 2007 core appropriation amount plus the FY 2008 recommendations contained in Tab E of this board book.

**A. Core State Appropriations**

Core Appropriation \$153,141,435

It is further recommended that beginning in FY 2008, 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 2007 Core Budget</u>	<u>FY 2008 CBHE Recommendation</u>
Community College Core Appropriation	\$136,029,827	\$153,141,435

**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 2008 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 MDHE Operating Appropriations  
Coordinating Board for Higher Education  
October 12, 2006

### DESCRIPTION

Staff recommendations for the FY 2008 internal operating appropriation request for the Department of Higher Education are included in this section.

#### A. Coordination

##### 1. Administration

FY07 Core Appropriation	\$947,457 (18.65 FTE)
FY08 Requested Core	\$1,314,728 (24.4 FTE)

The Department of Higher Education serves the state system of higher education through the public institutions, the independent colleges and universities, proprietary schools and more than 406,000 students. The primary responsibilities include statewide planning for postsecondary education, submission of a unified annual budget request, approval of new degree programs offered at public colleges and universities, administration of state and federal student financial assistance programs and administration of the proprietary school certification program.

##### 2. Program Distribution

###### a. Midwest Higher Education Commission

FY08 Core Appropriation	\$90,000
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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. 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. Improving Teacher Quality State Grants (formerly known as the Eisenhower Program)**

FY08 Core Appropriation	\$1,778,746	(1 FTE)
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The core appropriation of \$1,778,746 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 2008, the CBHE will utilize 1.0 FTE for this program.

**c. Proprietary School Regulation**

Proprietary School Bond	\$100,000
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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**

FY08 Core Appropriation	\$2,000,000
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This appropriation provides CBHE with spending authority for any private or federal grants received by the agency.

**B. Financial Assistance and Outreach**

**1. GEAR UP Early Awareness and Outreach**

**a. Administration**

FY08 Core Appropriation	\$766,793	(5.5 FTE)
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**b. Program Distribution**

FY07 Core Appropriation	\$897,572
FY08 Requested Core	\$1,397,572

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. A sixth year was granted to extend the contract through September 14, 2006. A one-year no cost extension was approved

through September 14, 2007. 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.

**C. Missouri DHE Student Loan Program (Federal Funds)**

**1. Administration**

FY08 Core Appropriation \$11,807,357 (50.02 FTE)

**2. Guaranty Functions**

**a. Student Loan Revolving Fund**

FY07 Core Appropriation \$85,000,000

FY07 Supplemental Request \$40,000,000

FY08 Requested Core \$125,000,000

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**

FY08 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**

FY08 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**

FY08 Core Appropriations \$9,000,000

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**

FY08 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.

**STATUTORY REFERENCE**

Authority granted under Sections 173.005, RSMo, through 173.750

**RECOMMENDED ACTION**

**It is recommended the Board approve the CBHE FY 2008 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 12, 2006

**DESCRIPTION**

Staff recommendations for the FY 2008 Student Financial Assistance Programs appropriations are included in this section. The Department of Higher Education administers seven state student financial assistance programs.

**1. Program Distribution**

**a. Academic Scholarship Program (Bright Flight)**

FY07 Core Appropriation	\$15,987,000
FY07 Supplemental Request	\$372,000
FY08 Requested Core	\$16,359,000

The Missouri Higher Education Academic Scholarship Program (Bright Flight) provides scholarship benefits to students who have a composite score in the top 3 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**

FY07 Core Appropriation	\$18,157,854
FY08 Requested Core	\$36,157,854

The Charles Gallagher Student Financial Assistance Program provides assistance to Missouri residents based on demonstrated financial need as determined by the Federal Needs Analysis Formula considering the cost of attendance at the Missouri institution where the applicant is enrolled. More than 80 percent of the funds in this program are awarded to students attending independent colleges and universities. This request will provide average awards of \$1,315 to approximately 26,000 students.

**c. Missouri College Guarantee Grant Program**

FY07 Core Appropriation	\$8,945,582
FY08 Requested Core	\$17,945,582

The Missouri College Guarantee Grant Program provides assistance to students who demonstrate financial need and also meet the other statutory academic eligibility requirements for this scholarship. The amount of the scholarship cannot exceed the current average cost of tuition and other fees at the campus of the University of Missouri having the largest total enrollment and a standard book cost determined by the DHE. More than 75 percent of the funds in this program are awarded to students attending public colleges and universities. This request will provide average awards of \$2,090 to approximately 8,400 students.

**d. Marguerite Ross Barnett Memorial Scholarship Program**

FY08 Core Appropriation	\$425,000
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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.

**e. Public Service Officer's Survivor Grant Program**

FY08 Core Appropriation	\$60,710
-------------------------	----------

This grant provides educational assistance to the spouses and children of certain public employees who were killed or permanently and totally disabled 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 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.

**f. The Vietnam Veteran Survivor Grant Program**

FY08 Core Appropriation	\$50,000
-------------------------	----------

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

## **RECOMMENDED ACTION**

**It is recommended the Board approve the CBHE FY 2008 Student Financial Assistance appropriation request, as presented, for submission to the Governor and General Assembly.**

**The CBHE recognizes that additional funding proposals may evolve for increased need-based aid to more fully address the affordability and access needs of the state.**

## **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 12, 2006

### **DESCRIPTION**

The FY 2008 capital improvement recommendations are attached. The \$400,617,748 recommendation includes 14 projects for the public four-year institutions and Linn State Technical College. Utilizing the same protocol as past years, the first priority as submitted in July 2006 by each institution is listed and ranked in accordance with CBHE policy IV.D.1, "Guidelines for Selecting Priorities for Capital Improvement Projects." This policy provides that institutional mission, construction type, and other elements be considered.

As stated on September 25, 2006, the CBHE is supportive of the Lewis and Clark Discovery Initiative (LCDI). This initiative is the first show of support for comprehensive higher education capital funding in several years. While there are many similarities between the two lists of capital projects, it is recognized that the LCDI list was formed from an economic development viewpoint, which accounts for some of the differences. Although the methods by which the lists were developed yielded differing results, both have the common goal of providing benefits to the state system of higher education.

### **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 2008 capital improvement recommendations for the public four-year institutions and Linn State Technical College for submission to the Governor and General Assembly.**

### **ATTACHMENT**

FY 2008 Capital Improvement Recommendations, Public Four-year Institutions and Linn State Technical College

Coordinating Board for Higher Education  
October 12, 2006

**FY 2008 Capital Improvement Recommendations**  
**PUBLIC 4-YEAR INSTITUTIONS**  
**and LINN STATE TECHNICAL COLLEGE**

CBHE Priority	Inst. Institution	Facility Name	Project Description	Total		Prior State Funding Received	FY 08 Request	FY 09 Request
				Project Cost	Local Match			
1	1	UM-St. Louis Benton/Stadler Halls and Master Plan III	Renovation of science complex for chemistry, physics, psychology, and biology/property acquisition, renovations, and a new police station	\$ 58,664,000	\$ -	\$ 3,500,000	\$ 55,164,000	\$ -
2	1	Southeast Visual & Performing Arts/ Kennett Area Center arts/renovation at Kennett Center for addition of classroom & computer lab	Renovation and addition at existing River Campus for school of performing arts/renovation at Kennett Center for addition of classroom & computer lab	\$ 42,216,542	\$ 20,410,000	\$ 4,601,000	\$ 17,205,542	\$ -
3	1	Missouri Western Agenstein Science and Math, Phase I	Renovation and addition for math and science programs	\$ 34,707,208	\$ 3,019,527	\$ -	\$ 17,110,654	\$ 14,577,027
4	1	Central Morrow/Garrison	Renovation of classrooms, laboratories, gymnasiums, and general repairs for health, physical education, wellness programs	\$ 18,621,905	\$ 2,000,000	\$ -	\$ 1,254,192	\$ 15,367,713
5	1	UM-Rolla Schrenk Hall	Renovation and addition for chemistry, chemical engineering, biological sciences, including laboratory upgrade	\$ 72,623,000	\$ 14,525,000	\$ -	\$ 58,098,000	\$ -
6	1	Truman Pershing Building	Renovation and addition for nursing, communication disorders, health science and exercise science programs	\$ 28,111,023	\$ 3,326,859	\$ -	\$ 24,784,164	\$ -
7	1	Lincoln Jason Hall Facilities Reutilization	Renovation of classrooms, health fitness center and general repairs for health and physical education programs	\$ 14,559,468	\$ 1,413,627	\$ 423,195	\$ 12,722,646	\$ -
8	1	Missouri State Plan (FREUP)	Renovation/Reutilization plan involving multiple campus facilities	\$ 30,431,160	\$ 726,639	\$ -	\$ 29,704,521	\$ -
9	1	Linn State Vehicle and Power Center	Construction of a new facility for heavy equip tech, med/heavy truck tech, auto collision repair, & CAT service tech, hydraulic & pneumatic renovation	\$ 24,560,831	\$ 4,552,166	\$ -	\$ 10,004,333	\$ 10,004,332
10	1	Northwest MO Center of Excellence for Plant Biologics	Construction of biotechnology incubator to house commercial research labs and production space and related academic/applied research space	\$ 15,650,000	\$ 4,000,000	\$ -	\$ 11,650,000	\$ -
11	1	Missouri Southern Health Sciences Building Early Childhood/ Parent Education Center	Construction of a new facility for consolidation of allied health programs, psychology, and wellness	\$ 25,066,702	\$ 4,973,240	\$ 200,504	\$ 14,124,000	\$ 5,768,958
12	1	Harris-Stowe Health Sciences Research Center	Construction of new building for early childhood and parent ed programs	\$ 14,083,370	\$ 2,816,674	\$ -	\$ 11,266,696	\$ -
13	1	UM-Columbia Miller Nichols Library and Academic Commons	Construction of new health sciences research center adjacent to University Hospital	\$ 150,000,000	\$ 62,471,000	\$ -	\$ 87,529,000	\$ -
14	1	UM-Kansas City	Construction of new facility for collaborative learning and renovation of the library for computer and equipment space and library instruction	\$ 70,000,000	\$ 20,000,000	\$ -	\$ 50,000,000	\$ -
<b>TOTALS</b>				<b>\$ 599,295,209</b>	<b>\$ 144,234,732</b>	<b>\$ 8,724,699</b>	<b>\$ 400,617,748</b>	<b>\$ 45,718,030</b>

## AGENDA ITEM SUMMARY

### AGENDA ITEM

Distribution of Community College Funds  
Coordinating Board for Higher Education  
October 12, 2006

### DESCRIPTION

The process for making state aid payments to the community colleges in FY 2007 will be monthly. All FY 2007 state aid appropriations are subject to a three percent governor's reserve.

The payment schedule for July through September 2006 state aid distributions is summarized below.

State Aid (excluding M&R) – GR portion	\$ 20,686,956
State Aid – lottery portion	1,484,133
Workforce Preparation – GR portion	3,628,149
Workforce Preparation – lottery portion	323,097
Out-of-District Programs	285,177
Technical Education	4,958,715
Workforce Preparation for TANF Recipients	398,691
Maintenance and Repair	<u>13,684</u>
TOTAL	\$ 31,778,602

The total distribution of state higher education funds to community colleges during this period is \$31,778,602.

### STATUTORY REFERENCE

Section 163.191, RSMo

### RECOMMENDED ACTION

Assigned to Consent Calendar

### ATTACHMENT(S)

None

Coordinating Board for Higher Education  
October 12, 2006

## **AGENDA ITEM SUMMARY**

### **AGENDA ITEM**

Academic Program Actions  
Coordinating Board for Higher Education  
October 12, 2006

### **DESCRIPTION**

All program actions that have occurred since the June 14, 2006, 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**

Assigned to Consent Calendar

### **ATTACHMENT**

Academic Program Actions

## ACADEMIC PROGRAM ACTIONS

### I. Programs Discontinued

#### Metropolitan Community College – Blue River Community College

C0, Computerized Accounting (Deleted)

#### Metropolitan Community College – Longview Community College

C0, Computerized Accounting (Deleted)

C1, Police Science (Deleted)

#### Metropolitan Community College – Map Woods Community College

C0, Computerized Accounting (Deleted)

#### Metropolitan Community College – Penn Valley Community College

C0, Computerized Accounting (Deleted)

C0, Youth Development Worker (Deleted)

C1, Correctional Science (Deleted)

C1, Drug Addition Services (Deleted)

C1, Mental Health Technician (Deleted)

C1, Workers in Developmental Disabilities (Deleted)

C1, Youth Work (Deleted)

AAS, Human Services (Deleted)

#### University of Missouri – St. Louis

GRCT, Electronic Commerce (Deleted)

GRCT, Information Resource Management (Deleted)

GRCT, Taxation (Deleted)

### II. Programs and Options Placed on Inactive Status

No actions of this type have been taken since the last board meeting.

### III. New Programs Not Approved

No actions of this type have been taken since the last board meeting.

#### **IV. Approved Changes in Academic Programs**

##### **Crowder College**

Current Program:

AAS, Business Management

Approved Change:

Add option in Marketing

Program as Changed:

AAS, Business Management  
Marketing

##### **Metropolitan Community College – Blue River Community College**

Current Program:

C1, Computer Information Systems Programming

Approved Changes:

Change title to Programming  
Change CIP to 11.0202

Program as Changed:

C1, Programming

##### **Metropolitan Community College – Business and Technology College**

1. Current Program:

AAS, Industrial Technologies  
Bricklayer  
Construction Carpentry  
Construction Cement Masons  
Construction Iron Working  
Construction Laborers  
Electronics Engineering Technology  
Electronics Technology  
Environmental Emphasis  
Glaziers  
Heating, Cooling, & Ventilation  
Industrial Electrical  
Industrial Maintenance  
Inside Wiring  
Millwright  
Painters  
Stationary Engineer

Approved Changes:

Delete Environmental Emphasis option  
Change title of Heating, Cooling, & Ventilation option to Heating,  
Ventilation, & Air Conditioning

Program as Changed:

AAS, Industrial Technologies  
Bricklayer  
Construction Carpentry  
Construction Cement Masons  
Construction Iron Working  
Construction Laborers  
Electronics Engineering Technology  
Electronics Technology  
Environmental Emphasis (Deleted)  
Glaziers  
Heating, Ventilation, & Air Conditioning  
Industrial Electrical  
Industrial Maintenance  
Inside Wiring  
Millwright  
Painters  
Stationary Engineer

2. Current Program:

AAS, Manufacturing Technology

Approved Change:

Add one-year certificate (C1) in Manufacturing Computer Numerical  
Control Operator

Program as Changed:

AAS, Manufacturing Technology  
C1, Manufacturing Computer Numerical Control Operator

**Metropolitan Community College – Longview Community College**

1. Current Program:

C1, Computer Information Systems Programming

Approved Changes:

Change title to Programming  
Change CIP to 11.0202

Program as Changed:

C1, Programming

2. Current Program:  
C1, Correctional Science  
  
Approved Change:  
Change title to Correctional Services  
  
Program as Changed:  
C1, Correctional Services
3. Current Program:  
C1, Mental Health Technician  
  
Approved Change:  
Change title to Mental Health Services  
  
Program as Changed:  
C1, Mental Health Services
4. Current Program:  
AAS, Human Services  
  
Approved Change:  
Add options: Correctional Services, Drug Addiction Services, Generalist,  
Mental Health Services, and Youth Care Services  
  
Program as Changed:  
AAS, Human Services  
Correctional Services  
Drug Addiction Services  
Generalist  
Mental Health Services  
Youth Care Services

**Metropolitan Community College – Maple Woods Community College**

- Current Program:  
C1, Computer Information Systems Programming
- Approved Changes:  
Change title to Programming  
Change CIP to 11.0202
- Program as Changed:  
C1, Programming

## **Metropolitan Community College – Penn Valley Community College**

Current Program:

C1, Computer Information Systems Programming

Approved Changes:

Change title to Programming

Change CIP to 11.0202

Program as Changed:

C1, Programming

## **Missouri Southern State University**

Collaborative Program:

MS in Criminal Justice degree delivered collaboratively by Southeast Missouri State University (SEMO) and MSSU

Approved Change:

Add MS in Criminal Justice to MSSU program inventory to reflect the Development of a joint (collaborative) degree program between SEMO and MSSU

Program as Changed:

MS, Criminal Justice (Collaboration between SEMO and MSSU)

## **Northwest Missouri State University**

1. Current Program:

BA/BS Statistics

Approved Change:

Add two options: Applied Mathematical Statistics and Actuarial Science

Program as Changed:

BA/BS Statistics

Applied Mathematical Statistics

Actuarial Science

2. Current Program:

Not applicable

Approved Change:

Add free-standing one-semester certificate (C0) in Information Systems

Program as Changed:  
C0, Information Systems

3. Current Program:  
BS, Office Information Systems

Approved Change:  
Add two options: Interactive Digital Media and Management

Program as Changed:  
BS, Office Information Systems  
Interactive Digital Media  
Management

4. Current Program:  
AS, Missouri Academy of Science, Mathematics, and Computing

Approved Change:  
Change title to Science and Mathematics

Program as Changed:  
AS, Science and Mathematics

5. Current Program:  
BS, Pre-Professional Zoology  
Pre-Medicine  
Pre-Dental  
Pre-Nursing  
Pre-Physical Therapy

Approved Change:  
Add option in Pre-Chiropractic

Program as Changed:  
BS, Pre-Professional Zoology  
Pre-Medicine  
Pre-Dental  
Pre-Nursing  
Pre-Physical Therapy  
Pre-Chiropractic (Added)

6. Current Programs Delivered at Norclay – NKC High School (Site 0464):  
MSED, Educational Leadership: Elementary  
MSED, Educational Leadership: Secondary

Approved Change:

Relocate both programs from current Norclay site to new Liberty Blue Jay Tower site

Programs Relocated to Liberty Blue Jay Tower Site:

MSED, Educational Leadership: Elementary  
MSED, Educational Leadership: Secondary

**Southeast Missouri State University**

Current Program:

BS, Environmental Science  
Biology  
Business  
Chemistry  
Environmental Health  
Geoprocessing & Soils  
Information Systems

Approved Changes:

Delete Information Systems option  
Add Policy and Communication option

Program as Changed:

BS, Environmental Science  
Biology  
Business  
Chemistry  
Environmental Health  
Geoprocessing & Soils  
Information Systems (Deleted)  
Policy and Communication (Added)

**University of Missouri – Columbia**

1. Current Program:

MPA, Public Administration (Site 1010 and Site 0117)

Approved Change:

Change title to Master of Public Affairs

Program as Changed:

MPA, Public Affairs (Site 1010 and Site 0117)

2. Current Graduate-Level Courses Offered through the:  
Nuclear Science and Engineering Institute (Graduate School)  
College of Engineering—Electrical Engineering Department

Approved Change:

Add Graduate Certificate (GRCT) in Nuclear Safeguards Science and Technology

Program as Changed:

GRCT, Nuclear Safeguards Science and Technology

**University of Missouri – Columbia, University of Missouri – Kansas City, and  
University of Missouri – St. Louis**

Current Program:

ND, Nursing (Cooperative program between UMC, UMKC, and UMSL)

Approved Changes:

Change title to Doctorate of Nursing Practice (DNP)  
Change CIP to 51.1699

Program as Changed:

DNP, Nursing (Cooperative program between UMC, UMKC, and UMSL)

**University of Missouri – Rolla**

1. Current Program:

MS, Computer Science  
General  
Computer Organization  
Computer Systems and Language  
Information Systems  
Numerical Analysis  
Operations Research

Approved Changes:

Delete five (5) options: Computer Organization, Computer Systems and Language, Information Systems, Numerical Analysis, and Operations Research

Add three (3) options: Critical Infrastructure Protection, Bioinformatics, and Software Engineering

Program as Changed:

MS, Computer Science  
General  
Critical Infrastructure Protection (Added)  
Bioinformatics (Added)  
Software Engineering (Added)  
Computer Organization (Deleted)  
Computer Systems and Language (Deleted)  
Information Systems (Deleted)  
Numerical Analysis (Deleted)  
Operations Research (Deleted)

2. Current Graduate Programs and Courses in the Following Areas:  
Department of Engineering Management and Systems Engineering  
Department of Psychology

Approved Change:

Add graduate certificate (GRCT) in Leadership in Engineering Organizations

Program as Changed:

GRCT, Leadership in Engineering Organizations

3. Current Program:  
MS, Engineering Management

Approved Change:

Add graduate certificate (GRCT) in Engineering Management

Program as Changed:

MS, Engineering Management  
GRCT, Engineering Management

4. Current Program:  
MS, Mining Engineering

Approved Change:

Add graduate certificate (GRCT) in Explosives Engineering

Program as Changed:

MS, Mining Engineering  
GRCT, Explosives Engineering

**University of Missouri – St. Louis**

1. Current Program:

MPPA, Public Policy Administration  
Health Policy  
Local Government Management  
Managing Human Resources & Organizations  
Nonprofit Organization Management  
Policy Research and Analysis

Approved Change:

Add Graduate Certificate (GRCT) in Local Government Management

Program as Changed:

MPPA, Public Policy Administration  
Health Policy  
Local Government Management  
Managing Human Resources & Organizations  
Nonprofit Organization Management  
Policy Research and Analysis  
GRCT, Local Government Management

2. Current Program:

MBA, Business Administration  
Accounting  
Finance  
Logistics and Supply Chain Management  
Management  
Marketing  
Operations Management

Approved Change:

Add option in Information Systems

Program as Changed:

MBA, Business Administration  
Accounting  
Finance  
Information Systems (Added)  
Logistics and Supply Chain Management  
Management  
Marketing  
Operations Management

3. Current Program:

MS, Management Information Systems

Approved Change:

Change title to Information Systems

Program as Changed:

MS, Information Systems

4. Current Program:

MED, Secondary Education  
Adult Education  
Curriculum and Instruction  
Reading

Approved Change:

Delete option in Adult Education  
Add option in Middle Level Education

Program as Changed:

MED, Secondary Education  
Adult Education (Deleted)  
Curriculum and Instruction  
Middle Level Education (Added)  
Reading

5. Current Program:

MACC, Accounting  
Auditing/Systems  
Taxation

Approved Change:

Delete options in Auditing/Systems and Taxation

Program as Changed:

MACC, Accounting  
Auditing/Systems (Deleted)  
Taxation (Deleted)

6. Current Program:

Ph.D., Psychology  
Clinical-Community Psychology  
General Experimental Psychology  
Industrial and Organizational Psychology

Approved Change:

Change title of option in General Experimental Psychology to Behavioral Neuroscience

Program as Changed:

Ph.D., Psychology  
Clinical-Community Psychology  
Behavioral Neuroscience  
Industrial and Organizational Psychology

**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**

**Crowder College**

AAS, Accounting  
Finance

AAS, Fire Science Technology  
*Off-site delivery at Webb City Center*

**Metropolitan Community College**

AAS, Paraprofessional Educator  
*Delivered on the Blue River, Longview, Maple Woods, and Penn Valley campuses*

**Missouri State University**

BA, Global Studies

BS, Emerging Technologies Management (Comprehensive)

BS, Entrepreneurship (Comprehensive)

MS, Criminology

*Representatives from Missouri State University will work with representatives from the University of Central Missouri and other appropriate institutions to develop collaborative opportunities to more efficiently and effectively utilize state resources in the delivery of the MS, Criminology program.*

MS, Project Management

MS, Student Affairs

### **North Central Missouri College**

AAS, Construction Technology

*Off-site delivery of 1 + 1 program in collaboration with Grand River Technical School; NCMC will articulate 30 credit hours of Construction Technology coursework from Grand River Technical School*

AAS, Construction Technology

*Off-site delivery of 1 + 1 program in collaboration with Northwest Technical School; NCMC will articulate 30 credit hours of Construction Technology coursework from Northwest Technical School*

AAS, Radiology Technician

*1 + 1 program; NCMC will articulate 30 credit hours of radiology technology coursework from Hillyard Technical Center and/or other institutions with accredited radiology technology programs. In addition, NCMC will require that radiology technologist applicants provide proof of registration with the American Registry of Radiologic Technologists.*

AAS, Surgical Technology

*1 + 1 program; NCMC will articulate 30 credit hours of surgical technology coursework from Hillyard Technical Center and/or other institutions with accredited surgical technology programs. In addition, NCMC will require that surgical technologist applicants provide proof of certification from the Liaison Council on Certification of Surgical Technologists.*

### **Northwest Missouri State University**

MSED, Teacher Leadership

### **Ozarks Technical Community College**

AAS, Medical Laboratory Technology

**Southeast Missouri State University**

BS, Social Work

*Off-site delivery at Kennett Area Higher Education Center via on-site classes, online classes, and instructional television (ITV); SEMO will accept up to 60 hours in transfer credit to fulfill the required credit hours for this program.*

MS, Criminal Justice

*Off-site delivery at Missouri Southern State University via distance education means, including Internet, instructional television (ITV), hybrid, and/or on-site classes*

**University of Central Missouri**

BS, Criminal Justice

*Off-site delivery via online and on-site classes at the Ford Kansas City Assembly Plant; UCM will articulate an Associate of Arts (AA) degree from Metropolitan Community College – Longview.*

BS, Industrial Technology

*Off-site delivery via online and on-site classes at the Ford Kansas City Assembly Plant; UCM will articulate an Associate of Arts (AA) degree from Metropolitan Community College – Longview.*

**University of Missouri – Columbia**

DPT, Physical Therapy

*Doctor of Physical Therapy program will replace the Master of Physical Therapy (MPT) program; students will not be admitted to the MPT program after the fall 2006 class*

**IX. New Programs Received and Reviewed (Independent Colleges and Universities)**

**Fontbonne University**

MBA, Business Administration

*Off-Site delivery at Missouri Athletic Club*

MM, Management

*Off-Site delivery at SSM Health Care*

**Lindenwood University**

BA, Journalism

## **AGENDA ITEM SUMMARY**

### **AGENDA ITEM**

Proprietary School Certification Actions and Reviews  
Coordinating Board for Higher Education  
October 12, 2006

### **DESCRIPTION**

All program actions that have occurred since the June 14, 2006 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, applications for recertification of existing institutions, and exemptions from the department's certification requirements.

### **STATUTORY REFERENCE**

Sections 173.600 through 173.618, RSMo, Regulation of Proprietary Schools

### **RECOMMENDED ACTION**

Assigned to Consent Calendar

### **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)***

Baker University  
St. Joseph, Missouri

This Higher Learning Commission (NCA) accredited, not-for-profit institution is based in Ballwin, Kansas. This action authorizes the institution to deliver business administration programs (associate through master's) at the offices of American Family Insurance in St. Joseph, Missouri. Baker has already received approval to operate at five other locations in the state.

Bellevue University  
Kansas City, Missouri

This not-for-profit, regionally accredited (Higher Learning Commission) institution based in Bellevue, Nebraska has been approved to offer bachelor's and master's level programs in healthcare administration and management and health informatics in north Kansas City. The programs are designed to address the demand for qualified workers in the healthcare field and support area business needs.

Cherry Hill Dental Program of Dental Assisting  
Columbia, Missouri

This authorizes the establishment of a for-profit school offering one nondegree program in dental assisting. The 10-week, 50-contact hour program is designed to "train dental assistants to have comprehensive knowledge and achieve competency in the concepts, theories and clinical skills necessary for contemporary dental assisting." This school is not accredited.

John Thomas College of Naturopathic Medicine  
St. Charles, Missouri

This is a new for-profit institution of higher education providing a first professional degree program, a Doctor of Naturopathic Medicine (NMD). Since the practice of naturopathic medicine is unregulated in the state of Missouri, enrollment will be limited to persons with a "professional health care degree as an M.D., D.C., or D.O., and be license eligible or statutorily licensed to diagnose disease and treat the human body." In addition, enrollment is currently limited to 16 students, based on the number of approved clinical sites and the range of experiences those sites can provide. The school must receive approval from the department in order to increase the enrollment limit. The program includes both classroom and clinical experiences. The classroom component will be delivered using a weekend format through a facility and library use agreement with

Lindenwood University and two Missouri clinical sites are currently approved. This school is not accredited.

Lake Area Dental Assisting School  
Hermitage, Missouri

This authorizes the establishment of a for-profit school offering one nondegree program in dental assisting. The 10-week, 80-contact hour program is designed to “give you the best, basic foundational knowledge and skills necessary to start your new career” as a dental assistant. This school is not accredited.

Swift Driving Academy  
Kansas City, Missouri

This authorizes Swift Transportation Company, a for-profit over-the-road trucking company based in Memphis, Tennessee, to operate a driver training facility in Kansas City, Missouri. Although previously exempted as employer sponsored training, the school is now authorized to offer its single three-week nondegree program in commercial driving to the general public. The school is not accredited.

***Certificates of Approval Issued (Authorization Only to Recruit Students in Missouri)***

None

***Applications Pending Approval (Authorization for Instructional Delivery)***

Aesthetics Institute of St. Louis  
St. Louis, Missouri

This proposal is to establish a school, operated as a partnership (for-profit), to offer nondegree programs in massage therapy and cosmetology related fields. By proposing to include a massage therapy program, the school is subject to proprietary school certification requirements even though the cosmetology-related programs must be approved by the State Board of Cosmetology. This school is not accredited.

Construction Craft Academy  
Kansas City, Missouri

This proposal is to establish a Missouri campus of this for-profit institution based in Macedonia, Ohio. The school would offer a variety of nondegree programs in the construction trades, including carpentry, electrical, masonry, pipefitting and plumbing. The primary goal of the academy is to graduate “exceptional craftworkers prepared to immediately add value on the jobsite;

capable of performing their crafts with a higher level of skill, safety, and work ethic.” This school is not accredited.

Enhancement for U School and Salon  
Springfield, Missouri

This proposal is to establish a for-profit school offering seven nondegree programs in various aspects of permanent makeup and intradermal cosmetics. Permanent makeup and intradermal cosmetics are specialized tattooing applications involving the micro insertion of pigment into the dermal layer of the skin for cosmetic or restorative purposes. The school objective is “to provide high quality education and hands on training to those students interested in learning about the techniques of intradermal cosmetics.” This school is not accredited.

ShurShod Horseshoeing School  
Grovespring, Missouri

This proposal is to establish a for-profit school offering a single nondegree program in horseshoeing and farrier science. The four week, 160 hour program is intended “to give beginning horseshoers the foundation of knowledge and skills required to be successful farriers” as well as “provide experience farriers with the training required to hone their craftsmanship.” This school is not accredited.

Westwind CDL Training Center  
Cuba, Missouri

This proposal is to establish a for-profit school offering three nondegree instructional programs in commercial truck driving. The programs vary in length from one to three weeks and are designed “to equip our students with the proper training, knowledge, skills, and ability necessary to operate a Class A vehicle with reasonable safety on public streets and highways.” This school is not accredited.

***Applications Pending Approval (Authorization Only to Recruit Students)***

WyoTech  
Daytona Beach, Florida

WyoTech is a for-profit school owned by Florida Metropolitan University of Santa Anna, California, a subsidiary of Corinthian Colleges, Incorporated. The school is already authorized to recruit students for its Laramie, Wyoming, Blairsville, Pennsylvania, and West Sacramento, California campus. This proposal is for authorization to recruit students from Missouri for the Daytona Beach campus, which offers a range of nondegree programs designed to train motorcycle and marine mechanics. This campus of the school is accredited by the Accrediting Council for Continuing Education and Training (ACCET).

### ***Exemptions Granted***

Divine Connection School of Ministry  
Ballwin, Missouri

This not-for-profit school, operated under the control and direction of the Power of Prayer Cathedral Ministries of St. Louis, will offer degrees ranging from the associate to the doctoral level. Areas of study include counseling, bible studies, ministry, and religious education. 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 certificates other than those specifically designated as theological, bible, divinity or other religious designation.” This school is not accredited.

National Graduate School  
Falmouth, Massachusetts

This not-for-profit, regionally accredited (New England Association of Schools and Colleges) institution sought exemption to offer its master’s degree program in quality systems management to employees of the Boeing Corporation in St. Louis. Exemption was granted as “a course of instruction, study or training program sponsored by an employer for the training and preparation of its own employees.”

Wisdom University  
Rocky Mount, Missouri

This not-for-profit school, operated under the control and direction of the Wisdom Ministries of Tulsa, Oklahoma, will offer degrees ranging from the associate to the doctoral level in biblical education. 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 certificates other than those specifically designated as theological, bible, divinity or other religious designation.” This school is not accredited.

### ***Schools Closed***

50 Stars Truck Driver Training Academy  
St. Louis, Missouri

This for-profit school offered a single two week nondegree instructional program in truck driver training. This school was not accredited. Although the school initiated the annual recertification cycle, it ceased communication with the department prior to the completion of that process. Consistent with related statutory provisions and program regulations, the department made numerous attempts by certified mail to contact the school and resolve the outstanding issues. However, the school failed to successfully complete the reapproval process and the department denied the application. The school did not appeal

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this decision and it appears the school has ceased operation. At the present time, department staff has been unable to determine the disposition of student records or the completion of training to students, if any, enrolled at the time of closure.

## AGENDA ITEM SUMMARY

### AGENDA ITEM

Cycle-5 Improving Teacher Quality Grant  
Coordinating Board for Higher Education  
October 12, 2006

### DESCRIPTION

Each year the MDHE receives funds from the federal government to administer a competitive grants program for high need K-12/higher education partnerships dedicated to professional development for teachers, administrators, paraprofessionals, and pre-service teachers in core academic subjects. The intent of this board item is to provide information about the Cycle-5 *Improving Teacher Quality Grant* program.

### Background

- No Child Left Behind (NCLB) Act of 2001 signed into law in January 2002
- Title II Part A of the NCLB provides the MDHE with approximately \$1.2 million per year to support professional development activities in core academic subjects
- Five state objectives:
  - student achievement in targeted mathematics and/or science content areas,
  - teachers' content knowledge,
  - teachers' instructional practices in inquiry-based instruction,
  - teachers' use of assessment results to improve instruction, and
  - the preparation of pre-service teachers at partner institutions of higher education.

### Cycle-5 Request for Proposals (RFP)

- Due to multi-year project commitments, limited funding is available for Cycle 5
- Decision to limit Cycle 5 to the St. Louis region based on geographic coverage of other regions from on-going projects of previous cycles
- RFP posted on September 19, 2006, to the MDHE website (<http://www.dhe.mo.gov/mdhecentralteacherquality.shtml>)
- Major changes from Cycle-4 RFP:
  - One-year projects in St. Louis City and high need St. Louis County school districts only
  - Expanded grade level eligibility (eligible grades: 4 - 12)
  - Requires teacher participants to complete a minimum of 80 contact hours per project
  - Requires administrators to complete at least half of the contact hours expected of teacher participants in order to receive administrator bonus for their school

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- The MDHE will conduct technical assistance workshops on October 5 and October 18, 2006, in Jefferson City, MO. The purpose of these workshops is to provide a public venue to explore potential partnerships. In addition, workshop attendees will have an opportunity to receive technical assistance concerning the Cycle-5 RFP.

### **External Evaluation**

The MDHE anticipates continued federal funding in support of high need K-12/higher education partnerships for professional development of K-12 teachers. A major goal is to ensure highly focused, data-driven professional development that will be guided and designed around effective program evaluation. Dr. Sandra Abell, Director of the Southwestern Bell Science Education Center at the University of Missouri – Columbia, leads a team of external evaluators who received a multi-year contract for evaluation services on behalf of project directors.

Dr. Abell's team has provided evaluation services in all previous cycles of the *Improving Teacher Quality Grant* program. The final evaluation report for Cycle-2 is available on the evaluation team website ([http://www.pdeval.missouri.edu/results\\_2.html](http://www.pdeval.missouri.edu/results_2.html)). Evaluation results for Cycle-3 are due by October 31, 2006. Dr. Abell and her team will present an oral report of these findings in central Missouri by November 30, 2006.

### **Conclusions**

Missouri's colleges and universities are encouraged to continue fostering strong partnerships with K-12 schools to assist and support improvement in the quality and effectiveness of elementary and secondary teaching and learning. In order to ensure that the *Improving Teacher Quality Grant* projects are accomplishing these goals, an external evaluation team is used to measure the effects of these partnerships on student performance, best teaching practices, and the design of pre-service programs.

### **STATUTORY REFERENCE**

Section 173.050(2), RSMo, Statutory requirements regarding the CBHE's authority to receive and dispense 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**

Assigned to Consent Calendar

### **ATTACHMENT(S)**

None

## **AGENDA ITEM SUMMARY**

### **AGENDA ITEM**

Institutional Eligibility to Participate in the Missouri Student Financial Assistance Programs-  
Northland Career Center and Cass Career Center  
Coordinating Board for Higher Education  
October 12, 2006

### **DESCRIPTION**

The required application materials have been submitted by Northland Career Center requesting approval for institutional eligibility to participate in the Charles Gallagher Student Financial Assistance Program that the Coordinating Board for Higher Education has the statutory responsibility to administer. In addition, the required application materials have been submitted by Cass Career Center requesting approval for institutional eligibility to participate in the Charles Gallagher Student Financial Assistance Program, Missouri College Guarantee Program, and the Marguerite Ross Barnett Memorial Scholarship Program that the Coordinating Board for Higher Education has the statutory responsibility to administer. The materials for both institutions have been reviewed by the staff. Based on the staff review, both institutions meet the statutory requirements to be approved as public institutions to participate in the state student financial assistance programs indicated above. As a result of being approved to participate in the state programs indicated above, students who plan to enroll at the institutions will be able to submit applications beginning with the 2007-2008 academic year.

### **STATUTORY REFERENCE**

Section 173.200, RSMo, Charles Gallagher Student Financial Assistance Program  
Section 173.205(2)(3), RSMo, eligibility provisions for Missouri institutions to participate in the state student financial assistance programs  
Section 173.236, RSMo, Vietnam Veteran's Survivors Scholarship Program  
Section 173.262, RSMo, Competiveness Scholarship Program (Marguerite Ross Barnett Program)  
Section 173.260, RSMo, Public Service Officer or Employee's Child Survivor Grant Program  
Section 173.810, RSMo, Missouri College Guarantee Program

### **RECOMMENDED ACTION**

Assigned to Consent Calendar

### **ATTACHMENT(S)**

None

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