

Coordinating Board for Higher Education

September 13-14, 2017

Jefferson City, MO



COORDINATING BOARD FOR HIGHER EDUCATION
 September 14, 2017 | 9:00 a.m.
James C. Kirkpatrick State Information Center
 600 W. Main Street, Room 139, Jefferson City, MO 65101

Call-in options: (573) 526-5504 / (866) 630-9347

MEETING AGENDA

COMMITTEE ITEM	TAB	PRESENTER
GENERAL BUSINESS		
<u>Information</u>		
1. Welcome and Introduction of New Board Members		Carolyn Mahoney
2. Committee Appointments		Carolyn Mahoney
<u>Action</u>		
1. Review Consent Agenda		
b. Minutes of the June 7, 2017, Work Session		
c. Minutes of the June 8, 2017, Public Meeting		
d. Minutes of the June 8, 2017, Ad Hoc Meeting		
e. Minutes of the August 1, 2017, Joint SBE/CBHE Meeting		
f. Minutes of the August 1, 2017, CBHE Retreat Session		
g. Minutes of the August 2, 2017, CBHE Retreat Sessions		
h. Distribution of Community College Funds	A	Leroy Wade
REPORT OF THE COMMISSIONER		ZORA MULLIGAN
<u>Information</u>		
1. Budget Forecast		Dan Haug
2. Commissioner's Report		Zora Mulligan
PRESIDENTIAL ADVISORY COMMITTEE		RAY CUMMISKEY, CHAIR
<u>Information</u>		
1. Performance Funding Update	B	Leroy Wade / Jeremy Kintzel
2. Budget Overview	C	Kerry Branch
BUDGET AND FINANCIAL AID COMMITTEE		MIKE THOMSON, CHAIR
<u>Action</u>		
1. FY 2019 Recommendations for Public Institutions' Appropriations	D	Kerry Branch
2. FY 2019 Recommendations for MDHE Operating and Student Financial Assistance Appropriations	E	Kerry Branch
3. FY 2019 Higher Education Capital Fund Certifications	F	Leroy Wade
4. Certification of Institutional Eligibility to Participate in State Student Financial Assistance Programs	G	Leroy Wade
5. Rescission of the Missouri Prospective Teacher Loan Program	H	Leroy Wade
<u>Information</u>		
1. Missouri Student Loan Program Update	I	Leanne Cardwell
2. Journey to College	J	Leanne Cardwell
ACADEMIC AFFAIRS AND WORKFORCE NEEDS COMMITTEE		DOUG KENNEDY, CHAIR
<u>Action</u>		
1. Five-Year Provisional Program Review	K	Rusty Monhollon

Information

- | | | |
|---|---|-----------------|
| 1. Academic Program Actions | L | Rusty Monhollon |
| 2. Statewide Review of Existing Academic Programs | M | Rusty Monhollon |
| 3. Missouri Math Pathways Initiative | N | Rusty Monhollon |
| 4. Proprietary School Certification Actions and Reviews | O | Leroy Wade |

AUDIT COMMITTEE

VACANT, CHAIR

STRATEGIC PLANNING AND EXTERNAL AFFAIRS COMMITTEE

DALTON WRIGHT, CHAIR

Information

- | | | |
|--|---|--------------------|
| 1. Regulatory Review "No MO Red Tape" Initiative | P | Angelette Prichett |
| 2. Administrative Cost Work Group Reports | Q | Zora Mulligan |
| 3. Blueprint for Higher Education Quarterly Update | R | Zora Mulligan |

GENERAL BUSINESS

Action

1. Adjourn Public Session of the Coordinating Board for Higher Education

Information

- | | |
|---|---|
| 1. Good and Welfare of the Board | |
| 2. CBHE Members by Congressional District | S |
| 3. Organizational Information | T |



COORDINATING BOARD FOR HIGHER EDUCATION
MINUTES OF WORK SESSION
June 7, 2017

The Coordinating Board for Higher Education held a work session at 2:00 p.m. on Wednesday, June 7, 2017, at Northwest Missouri State University in Maryville, Missouri. Board members Carolyn Mahoney, Brian Fogle, Doug Kennedy, Mike Thomson, and Dalton Wright were present. Board member Sam Murphey was absent.

Statewide goals for higher education, the Missouri Student Loan Program, Advantage Missouri loan disposition, changes to capital improvement recommendations, the delegation of authority to the commissioner for routine program review, emerging issues, and future meetings were discussed with no action taken.

The meeting adjourned at 4:29 p.m.



COORDINATING BOARD FOR HIGHER EDUCATION
MINUTES OF AD HOC MEETING
June 8, 2017

An ad hoc meeting of the Coordinating Board for Higher Education was called to discuss what priorities Carolyn Mahoney should discuss the following day with representatives from the Office of Boards and Commissions. Due to the limited time remaining during the work session on Wednesday, June 7, 2017, it was publicly announced that the group would meet immediately following the public meeting of the board on Thursday, June 8, 2017, to complete their discussion, pursuant to § 610.020.5, RSMo. The meeting was held at 12:15 p.m. at Northwest Missouri State University in Maryville, Missouri. Board members Carolyn Mahoney, Brian Fogle, Doug Kennedy, Mike Thomson, and Dalton Wright were present. Board member Sam Murphey was absent. No action was taken.

The meeting adjourned at 12:30 p.m.



COORDINATING BOARD FOR HIGHER EDUCATION
MINUTES OF MEETING
June 8, 2017

The Coordinating Board for Higher Education (CBHE) held a public meeting at 9:00 a.m. on Thursday, June 8, 2017, at Northwest Missouri State University (NWMSU) in Maryville, Missouri. CBHE members Carolyn Mahoney, Doug Kennedy, Brian Fogle, Mike Thomson, and Dalton Wright were present. CBHE member Sam Murphey was absent.

General Business

1. Mr. Kennedy moved to approve the consent agenda in its entirety. Mr. Fogle seconded. Motion carried unanimously.

Report of the Commissioner

1. John Jasinski, president of NWMSU, gave a welcome presentation and campus overview. No action was taken.
2. President Jasinski presented on NWMSU's approach to integrating career readiness into their campus culture and curriculum. No action was taken.

Presidential Advisory Committee

1. The 2017 legislative session, budget, and performance funding model revisions were discussed with no action taken.

Budget and Financial Aid Committee

1. Mr. Thomson moved to adopt the recommended changes to the capital improvements budget recommendation process and direct MDHE staff to make the changes necessary to implement the recommendations for the FY 2019 budget process. Mr. Fogle seconded. Motion carried unanimously.
2. Mr. Thomson moved to have the Missouri Department of Higher Education (MDHE) cancel the remaining debts under the Advantage Missouri program. Mr. Kennedy seconded. Motion carried unanimously.

Academic Affairs & Workforce Needs Committee

1. Mr. Kennedy moved to approve the revised process for the review and approval of new academic program proposals, and direct MDHE staff to implement it effective July 1, 2017. Mr. Thomson seconded. Motion carried unanimously.
2. Mr. Fogle moved to grant the commissioner of higher education the authority to act on behalf of the board and approve provisionally new academic program proposals subject to routine review and meet the criteria for new academic programs, effective July 1, 2017. Mr. Kennedy seconded. Motion carried unanimously.
3. Mr. Kennedy moved to approve the program changes and new program proposals listed in the attachment and addendum. Mr. Thomson seconded. Motion carried unanimously.
4. Mr. Kennedy moved to approve the actions listed in the Five Year Provisional Review Summary of Recommendations table contained in the board item. Mr. Fogle seconded. Motion carried unanimously.

Strategic Planning and External Affairs Committee

1. Mr. Wright moved to certify the projects described in the energy loan application submitted by the University of Missouri—Kansas City as consistent with related state programs for education facilities. Mr. Kennedy seconded. Motion carried unanimously.
2. Administrative Cost Work Groups presented their status report to the CBHE. No action was taken.

Adjournment

1. Mr. Wright moved to adjourn the meeting. Mr. Kennedy seconded. Motion carried unanimously.



COORDINATING BOARD FOR HIGHER EDUCATION
MINUTES OF JOINT SBE/CBHE MEETING
August 1, 2017

The State Board of Education (SBE) and the Coordinating Board for Higher Education (CBHE) held a joint meeting at 1:00 p.m. on Tuesday, August 1, 2017, at Tan-Tar-A Resort in Osage Beach, Missouri. SBE members Charlie Shields, Vic Lenz, Mike Jones, Eddy Justice, and John Martin were present. CBHE members Carolyn Mahoney, Brian Fogle, and Mike Thomson were present. SBE member Joe Driskill and CBHE members Doug Kennedy, Sam Murphey, and Dalton Wright were absent. No quorum was established.

Shared strategic priorities, the Missouri Advisory Board for Educator Preparation, charter school sponsorship, success-ready graduates, and opportunities for strategic collaboration were discussed with no action taken.

The meeting adjourned at 3:00 p.m.



COORDINATING BOARD FOR HIGHER EDUCATION
MINUTES OF CBHE RETREAT
August 1, 2017

The Coordinating Board for Higher Education opened their retreat at 3:30 p.m. on Tuesday, August 1, 2017, at Tan-Tar-A Resort in Osage Beach, Missouri. Board members Carolyn Mahoney, Brian Fogle, and Mike Thomson, were present. Board members Doug Kennedy, Sam Murphey and Dalton Wright were absent. No quorum was established.

St. Louis Graduates presented on "Degrees with Less Debt: Effective Higher Education Strategies for Underrepresented Student Populations." No action was taken.

The meeting adjourned at 5:00 p.m.



**COORDINATING BOARD FOR HIGHER EDUCATION
MINUTES OF CBHE RETREAT
August 2, 2017**

The Coordinating Board for Higher Education resumed their retreat at 8:00 a.m. on Wednesday, August 2, 2017, at Tan-Tar-A Resort in Osage Beach, Missouri. Board members Carolyn Mahoney, Brian Fogle, Mike Thomson, and Dalton Wright were present. Board members Doug Kennedy and Sam Murphey were absent. No quorum was established.

The Missouri Community College Association presented on the Community College Workforce Network; Harris-Stowe State University and Lincoln University provided an update on their operations; the University of Wisconsin System gave a presentation titled "Public Higher Education in the Accountability Era;" and University of Missouri System leaders introduced themselves and described their vision for the future. No action was taken

The meeting adjourned at 12:00 p.m.

AGENDA ITEM SUMMARY

AGENDA ITEM

Distribution of Community College Funds
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

State aid payments to community colleges will be made on a monthly basis. All FY 2018 state aid appropriations are subject to a three percent statutory reserve. The Truly Agreed To and Finally Passed (TAFP) core state aid appropriations reflect an equity adjustment to the distribution formula as proposed and agreed to by the community college presidents and chancellors. An additional component included in State aid for FY 2018 is an appropriation of \$10,044,016 for the purpose of equity adjustments. There was no appropriation for performance funding this fiscal year.

Expenditure restrictions made by the governor in June for FY 2018 currently include a reduction of \$3,821,231 from the general revenue core appropriation for community colleges.

The total TAFP state aid appropriation for community colleges in House Bill 3 for FY 2018 is \$147,391,746. The amount available to be distributed (TAFP appropriation less the three percent statutory reserve less expenditure restrictions) is \$139,263,400.

The total payment of state aid distributions to community colleges for July and August is summarized below.

State Aid (excluding M&R) – General Revenue	\$19,180,103
State Aid – Lottery portion	1,695,880
Equity Distribution	1,623,786
Maintenance and Repair (M&R)	0
TOTAL	\$22,499,769

STATUTORY REFERENCE

Section 163.191, RSMo – State aid to community colleges

RECOMMENDED ACTION

Assigned to Consent Calendar

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Performance Funding Update
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

Allocating some state funds to higher education institutions based on performance has a long history in Missouri. Most recently, Missouri's performance funding model has been used to allocate the majority of funding increases to higher education institutions based on specific performance measures. The intent of this board item is to provide background information about Missouri's performance funding model, to update the board regarding recent work to update the model, and to recommend CBHE approval of revisions to the model.

Background

The Coordinating Board for Higher Education adopted the basic structure of the current funding model in 2012, based on recommendations from a task force of representatives from public higher education institutions, legislative staff, the governor's office, and the Missouri Department of Higher Education. The initial year that funds were allocated using the model was FY 2014.

Performance funding models must be dynamic if they are to remain relevant and effective in promoting achievement of state goals. Since the initial implementation of performance funding, the Missouri model has undergone several revisions.

During the 2014 legislative session, performance funding was incorporated into state statute. The legislation also called for the establishment of an additional performance item "to measure student job placement in a field or position associated with the student's degree level and pursuit of a graduate degree." In order to implement the statutory requirements and to make necessary adjustments to the existing model, a second performance funding task force, with similar membership as the original, was impaneled during 2014. That task force recommended revisions that were adopted by the Coordinating Board. In 2015, in response to major changes in the delivery of developmental education by Missouri community colleges, new measures of student success were adopted for that sector.

Current Status

The current version of the Missouri model is based on broad goals that are common to all higher education institutions. The goals include student success and progress, increased degree attainment, quality of student learning, and financial responsibility and efficiency. Each institution is assessed based on five measures designed to reflect progress in achieving the broad goals. Specific measures include graduation rates, student retention rates, and licensure/certification rates of graduates. Four measures are prescribed by the model, and one is selected by each institution to reflect its mission and scope. Data were collected for the "job placement" measure for the first time for the FY 2018 budget cycle, although some decisions remain regarding success criteria and sustained excellence, and institutions have been encouraged to look for ways to increase the percentage of graduates accounted for in the next collection.

Each institution earns one-fifth of its available performance funding by meeting each of its measures, pending additional data and discussion for the job placement measure. Colleges and universities received new funding through the performance funding formula for fiscal years 2014 through 2017. Although performance items were reported and compiled for FY 2018, no new funds were appropriated to institutions' operating budgets for that year.

National Context

The [National Conference of State Legislatures](#) maintains extensive information about performance funding initiatives and currently estimates that at least 37 states are implementing or have implemented some type of performance or outcomes-based funding for public higher education institutions. While this represents a broad trend in general, each model is somewhat different, reflecting the unique situation and

background of each state. Some states include only their two- or four-year sectors in the model. Additionally, the amount of funding allocated through the model ranges from a high of 100 percent in Ohio to a low of one percent in Illinois.

[HCM Strategists](#), a Lumina-funded organization working with states on performance issues including funding, recently published a relatively detailed review of 25 state performance funding models. Information from that study indicates that 19 of those states allocate some portion of institutional base funding through a performance or outcomes-based funding mechanism while only five, including Missouri, only allocate new funds. However, of those states that include base funding, only four allocate more than 80 percent and only seven allocate more than 10 percent of total funding through a performance funding process. The majority of the states that allocate higher amounts have a performance funding process that is a component of a more comprehensive funding formula that also incorporates such items as enrollment sensitivity and mission differentiation as part of funding decisions.

2017 Review Process

As directed by Coordinating Board policy, the Missouri Department of Higher Education reviews the performance funding model every three years. While this regular review was already scheduled for 2017, additional issues raised by legislators and other policy makers prompted a more in-depth review of the model. In May, Commissioner of Higher Education Zora Mulligan appointed a task force of interested parties to undertake this effort. The Commissioner's charge to the task force and a roster of its members are attached to this agenda item. The task force has met throughout the summer to work through issues with the current model and to update the structure in response to questions and concerns from constituents and to maintain currency with existing best practices for performance funding models.

While not comprehensive, the following narrative highlights several of the most crucial issues addressed by the task force.

Overall Structure. As mentioned earlier, the current model is built around five broad categories (Student Success and Progress, Degree Attainment, Quality of Learning, Financial Responsibility and Efficiency, and Graduate Outcomes). Based on the proposed changes to specific measures and a general reorganization of the model, it is proposed to reduce the number of categories to three (Student Success and Progress, Efficiency and Affordability, and Graduate Outcomes). It is important to point out that Quality of Learning and Degree Attainment remain incorporated into the model in specific measures. For example, the quality measures in the current model remain relatively unchanged but have been reorganized into the Graduate Outcomes section. The task force believes these changes create a more simplified structure that will help in communicating the impact and value of the model.

Efficiency and Affordability. One of the weaknesses identified in the current model has been its approach to the issues of institutional efficiency and affordability. While there were measures relating to these subjects, the measures were sometimes institutionally identified and, in some instances, success on the measure could not be directly linked to improvements in either of these items. The task force has spent considerable time considering possible measures to address these two essential components of the model. In addition, because these issues impact institutions differently based on their sector, discussions of these items were conducted in sector-specific subgroups in order to focus on the unique aspects of each institutional type.

Measure Selection. Because of the diversity of Missouri's public four-year institutions, the current model provides flexibility in measure selection to address these differences. While this flexibility was an important component of the original model, it has come under some recent criticism. In addition, further study of the state of the art in performance funding indicated that Missouri is one of the few states that utilizes this complicated approach. The proposed structure contains no allowance for institutional selection of measures, beyond one item which will be selected based on historical use of the measure and that cannot be revised or changed except in very limited circumstances. Institutional differences will be addressed through the use of the peer institution/benchmarking process.

Weighting. Weighting of various measure inputs is a common approach to provide incentives for certain types of institutional behaviors. For example, the current model provides weighting for graduates in STEM and health-care related fields in order to encourage institutions to enroll and graduate students in these important workforce areas. While it is envisioned these current weights would be maintained, the current model does not address the need to expand the reach of postsecondary education to currently underserved populations. Discussions have focused on incorporating some type of weighting factor for students that are Pell eligible and/or adults (25+).

Current Status

While much progress has been made in the development of the revised model, at the time of the publication of this agenda item, final decisions on several of important measures for all sectors remain. A meeting of the task force is scheduled for September 13, just prior to the Coordinating Board meeting. The intent is to attempt to reach a tentative decision on these remaining items, which would result in the ability of staff to bring forward a complete draft of the performance funding structure at the September 14 CBHE meeting. That draft will provide the context for an open discussion with members of the task force and the Presidential Advisory Committee about the content of the performance funding model and the future direction of performance funding in Missouri.

As it will likely be necessary for the task force to meet at least one additional time after the CBHE meeting to iron out final details, staff is not making a recommendation for action on this item at this time. If the task force is able to sufficiently complete a recommended structure on September 13 and depending on the nature of the discussion at the CBHE meeting on September 14, the Coordinating Board should be prepared for initial action on the model. If that threshold is not reached, discussions will continue and action by the Coordinating Board will follow once all of the details have been finalized.

STATUTORY REFERENCE

Section 163.191, RSMo. – State Aid to Community Colleges
Section 173.1006, RSMo. – Performance Measures to be Utilized
Section 173.1540, RSMo. – Annual Budget Requests
Section 178.638, RSMo. – State Technical College of Missouri

RECOMMENDED ACTION

No action is recommended at this time.

ATTACHMENT(S)

Attachment A: Performance Funding Task Force Charge
Attachment B: Performance Funding Task Force Members
Attachment C: Draft Public Four-year Institution Performance Funding Structure
Attachment D: Draft Public Community College Performance Funding Structure
Attachment E: Draft State Technical College of Missouri Performance Funding Structure



MEMORANDUM

TO: Performance Funding Task Force Members

FROM: Zora Mulligan
Commissioner of Higher Education

RE: Draft Task Force Charge

DATE: May 30, 2017

Thank you for agreeing to serve on the Performance Funding Task Force. I appreciate the time you will dedicate to this important task. Deputy Commissioner Leroy Wade will review the following draft charge during the May 31 task force conference call. Your feedback is welcome. I will present a final charge to the Coordinating Board at their June 8, 2017, meeting.

As you are likely aware, questions have been raised about the credibility of our existing performance funding model. A [report](#) from the state auditor noted that institutions have considerable latitude in selecting and changing the peer institutions to which they are compared. Conversations with legislators suggest skepticism about the model's definitions of successful performance and about reliance on data about the performance of a narrow subset of students – those enrolled for the first time and on a full-time basis – and a belief that graduate outcomes is an essential component of the model. Finally, Governor Greitens has expressed his intention to make individual recommendations about institutions' core operating appropriations and to use data about each institution's performance to make those decisions.

Together, these factors establish a compelling rationale for the Department of Higher Education to convene this task force. I ask that you consider the following issues and make recommendations regarding each:

1. Reward collaboration.
2. Develop a credible and comprehensive measure or index of institutional efficiency.
3. Make the peer selection process credible, transparent, and robust.
4. Evaluate the existing approach to measuring graduate outcomes and determine whether changes are warranted.
5. Evaluate the existing practice of allowing institutions to choose among measures.
6. Consider alternatives or additions to first-time, full-time data to ensure that all students are counted and all institutions' performance is properly considered.

7. Identify elements in the model for which weighting can be applied to encourage alignment with the state's postsecondary education goals.
8. Review the threshold for "sustained excellence," which is the shorthand in the existing model for a level of performance that is sufficiently high that improvement is not required to "succeed" on the measure.
9. Establish a floor for "successful performance."
10. Develop protocol for ensuring that data can be verified.
11. Other issues identified by the task force.

I ask that you complete your work in time to present recommendations at the September 14, 2017, Coordinating Board meeting, and I thank you again for your service.

Performance Funding Task Force - 2017

Four-year Institutions

Kathy Mangels – Vice President, Finance and Administration, Southeast Missouri State University

Brad Hodson – Executive Vice President, Missouri Southern State University

Clif Smart – President, Missouri State University

Bob Vartabedian – President, Missouri Western State University

Cuba Plain – Assistant Vice President, Budget Planning and Development University of Missouri System

Paul Wagner – Executive Director, Council on Public Higher Education

Community Colleges

Hal Higdon – Chancellor, Ozarks Technical Community College

Jon Bauer – President, East Central College

Lenny Klaver – President, North Central Missouri College

Shelley Kneuvean – Vice Chancellor, Financial and Administrative Services, Metropolitan Community College

Kelli Burns – Director, Institutional Research and Planning, St. Louis Community College

Ann Brand – Missouri Community College Association

State Technical College

Rick Mihalevich – Director of Institutional Research and Planning

Legislative Staff

Trevor Foley – Senate Appropriations Staff

Kate Hangley – House Appropriations Staff

Kevin Gwaltney – Executive Director, Joint Committee on Education

Governor's Office

Drew Erdmann – Chief Operating Officer

Public Four-year Institution Performance Plan

Student Success and Progress

- Completions per student FTE
- Percent of students meeting or exceeding identified threshold on one of the following assessments (permanent selection based on past usage)
 - General Education Assessment
 - Major Field Assessment
 - Professional/Occupational Licensure Exam

Efficiency and Affordability

- Change in operating expenditures per FTE compared to CPI
 - FTE weighted by Pell eligibility
- Core expenditures (Instruction, Research, Public Service) as percent of total expenditures
- An affordability measure
 - The following list contains measures under consideration
 - Average debt load of graduates
 - Average net price (semester, AY, or degree?)
 - Cohort default rate
 - Cost of degree as percent of family income ("share of wallet")
 - Tuition and fee revenue compared to CPI (or wage growth)

Graduate Outcomes

- Administer the First Destination Survey developed by the National Association of Colleges and Employers (NACE). Students are counted as successful if employed full time, employed part time, participating in a volunteer or service program, serving in the military, or enrolled in continuing education in the six months following graduation.

Public Community College Performance Plan

Student Success and Progress

- Three-year completion rate for first-time, full-time entering students (including successful transfer to four-year institution)
- Percent of attempted credit hours successfully completed (by academic year)
- Percent of career/technical graduates who pass required licensure/certification exam

Efficiency and Affordability

- Instructional and academic support expenditures per completed credit hour
 - Discussion options include total expenditures or instructional expenditures
- Tuition and fee charges as percent of median family income (by service area)

Graduate Outcomes

- Percent of total degree and certificate completers attending a two- or four-year institution, competitively employed, serving in the military, or found in state wage records following graduation.

State Technical College Performance Plan

Student Success and Progress

- Three-year completion rate for FTFT entering students
- Freshman to sophomore retention rate
- Ratio of completions to student FTE

Efficiency and Affordability

- Measure in this area currently under review by institution

Graduate Outcomes

- Percent of students meeting or exceeding identified cut score on major field assessment
- Percent of students reported as employed based on 180 day follow-up

AGENDA ITEM SUMMARY

AGENDA ITEM

Budget Overview

Coordinating Board for Higher Education

September 14, 2017

DESCRIPTION

This item summarizes the department's budget requests for department operations, student financial assistance programs, institutions' operating budgets and initiatives, and capital funding. This item is informational only; more detailed information and requests for board action are provided in subsequent board items.

The Coordinating Board for Higher Education (CBHE) submits requests for funding for department operations, state student financial aid programs, institutions' operating budgets and initiatives, and capital projects each year. In addition, the CBHE may request supplemental funding for any program for which additional funds are needed to continue to operate a program for the fiscal year already underway. Decisions about request levels are made in close consultation with the Office of Administration's Division of Budget and Planning and the state budget director. Budget and Planning provides guidance to all agencies in their annual budget instructions. That guidance is based on strategic direction established by the governor's office, projected fiscal conditions, and other factors deemed relevant.

The [cover letter](#) from Dan Haug, Budget Director, that accompanied this year's budget instructions outlined continued financial challenges:

General revenue continues to remain tight. Fiscal Year 2017 general revenue collections grew by 2.6% compared to Fiscal Year 2016 collections, which increased 0.9% from Fiscal Year 2015. However, growth of 6.1% was needed to meet the budgeted revenue estimate. The most promising news from Fiscal Year 2017 was the 4.5% growth in gross individual withholding tax collections. Sales tax collections were moderate with 2.4% growth in net collections for the fiscal year and net corporate income tax collections declined by 1.7% in Fiscal Year 2017.

Missouri is similar to other states in seeing significant swings in revenue growth/decline. Capital gains and tax policy have driven some of that volatility with continued national policy and global economic challenges contributing to this situation. If Fiscal Year 2018 follows this pattern, growth in collections could again be modest. Net general revenue collections would need to grow by about 4.2% to meet the Fiscal Year 2018 budgeted revenue estimate.

Going forward, forecasters expect wages to accelerate as the labor market runs at or near full employment in 2017. As is typical, domestic and international financial concerns as well as geopolitical issues pose key risks to this outlook. Uncertainty about national policy, the Puerto Rico debt crisis, and the British exit from the European Union all pose downside risk to the U.S. and Missouri economies.

The Fiscal Year 2019 budget will also need to consider the implications of SB 509 (2014) as provisions of the bill reduce income tax collections, including taxes for pass-through businesses. The first reduction to the income tax rate and the first phase-in of pass-through business income will occur during tax year 2018. This will affect both FY 2018 and FY 2019 general revenue collections. In addition, growth in FY 2018 has the potential to trigger the second round of tax cuts from SB 509 (2014); further impacting FY 2019 collections.

The cover letter directs departments to request additional funding only for mandatory items and permits departments to submit preliminary proposals for new funding for high-priority, non-mandatory items.

A summary of MDHE staff recommendations is provided below, and additional detail is provided in the agenda items dedicated to these topics.

FY 2018

For the current fiscal year, increase debt offset spending authority community colleges and Missouri State University. Those institutions indicate that the amount of additional spending authority needed is \$250,000 and \$50,000, respectively.

In addition, although additional funds are not being requested at this time, staff are monitoring the Bright Flight program closely to determine whether a supplemental request will be needed to maintain full awards for students in the top tier of Bright Flight recipients.

FY 2019

MDHE Operations	Maintain flat funding for all programs other than a \$10,000 reduction in the department's other grants/donations spending authority.
Bright Flight	Increase funding by \$1 million over the FY 2018 core appropriation to maintain full award amounts for students in the top tier of Bright Flight recipients. The increase is necessitated by increasing numbers of students in the top 3% of test-takers.
Access Missouri	Increase funding by \$2 million over the FY 2018 core appropriation to maintain current award amounts. The increase is necessitated by exhaustion of one-time funds previously used to maintain award amounts.
A+	Increase funding by \$3.5 million over the FY 2018 core appropriation to maintain full award amounts. The increase is necessitated by a statutory change that allows students who graduate from private high schools to participate in the program.
Wartime Veterans Survivor Grant Program	Increase funding by \$60,000 over the FY 2018 core appropriation to fully fund the statutory maximum number of awards, which is 25.
Institutions' Operating Budgets	MDHE staff are developing recommendations regarding FY 2019 funding for institutions' operating budgets that reflect Governor Greitens' stated intent to make differential decisions about public colleges' and universities' funding and an increased emphasis throughout state government on funding programs based on performance measures. Those recommendations are not final as of the publication date for board materials. Any recommendations will be discussed with the Presidential Advisory Committee and board, with at least two weeks allowed for institutions to provide feedback before the board votes on the recommendations.
Tax Refund Offset	Carry forward the amounts requested in the FY 2018 supplemental: \$250,000 increase in community colleges' spending authority and \$50,000 increase in Missouri State University's spending authority.
Funding for Capital Projects	Department staff are reviewing institutions' requests for funding for capital projects and will present them to the board at a later meeting. At this time, department staff are only presenting projects that meet the statutory criteria to be certified as eligible for funding through the Higher Education Capital Fund, commonly referred to as 50/50 projects.

STATUTORY REFERENCE

Authority granted under Sections 173.005, RSMo, through 173.750

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Recommendations for Public Institutions' Appropriations
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

The intent of this agenda item is to provide recommendations about supplemental budget requests for the current fiscal year and about institutions' operating budgets, including performance funding, for the upcoming fiscal year.

Background

As indicated in the Budget Overview, MDHE staff work closely with the Office of Administration's Division of Budget and Planning in the development of their budget recommendations. Budget and Planning provides guidance to all agencies in their annual budget instructions. That guidance is based on strategic direction established by the governor's office, projected fiscal conditions, and other factors deemed relevant. This year, the cover letter that accompanied the budget instructions directs departments to request additional funding only for mandatory items and permits departments to submit preliminary proposals for new funding for high-priority, non-mandatory items.

Recommendations

FY 2018 Supplemental Budget Request: Tax Refund Offset

FY 2019 New Decision Item Request - \$250,000 (Community Colleges)
FY 2019 New Decision Item Request - \$50,000 (Missouri State University)

Section 143.781, RSMo, authorizes the MDHE and public institutions of higher education to make tax refund offsets against debts owed to institutions. For FY 2018, appropriation authority of \$2,556,000 was provided for purposes of payment of income tax refunds set off against debt owed to Missouri's public community colleges by taxpayers. For the same fiscal year, Missouri State University received appropriation authority of \$300,000 for that purpose. As institutions increase the use of this mechanism to recover unpaid debts, and in the absence of an estimated appropriation, increases in this item are necessary to ensure there is sufficient spending authority to continue reimbursements to the institutions.

FY 2019 Institutions' Operating Budgets and Performance Funding

MDHE staff are developing recommendations regarding FY 2019 funding for institutions' operating budgets that reflect Governor Greitens' stated intent to make differential decisions about public colleges' and universities' funding and an increased emphasis throughout state government on funding programs based on performance measures. Those recommendations are not final as of the publication date for board materials. Any recommendations will be discussed with the Presidential Advisory Committee and board, with at least two weeks allowed for institutions to provide feedback before the board votes on the recommendations.

Additional FY 2019 Request

Tax Refund Offset: Amounts requested in the FY 2018 supplemental: \$250,000 increase in community colleges' spending authority and \$50,000 increase in Missouri State University's spending authority.

Conclusion

The requests described above represent priorities to which the department is committed. MDHE staff will continue to develop a recommendation for institutions' core operating appropriations and performance funding.

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 approve the budget requests described above for submission to the Governor and General Assembly.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Recommendations for MDHE Operating and Student Financial Assistance Appropriations
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

Staff recommendations for the FY 2019 internal operating appropriation request for the Department of Higher Education and the state student financial assistance programs are included in this section.

A. Coordination

1. Administration

FY 2018 Core Appropriation	\$1,081,953	(20.61 FTE)
FY 2019 Core Request	\$1,081,953	(20.61 FTE)

The Missouri Department of Higher Education serves the state system of higher education through the public institutions, the independent colleges and universities, proprietary schools, and approximately 400,000 students. Primary responsibilities include statewide planning for postsecondary education, submission of a unified annual budget request, approval/review of new degree programs, administration of state student financial assistance programs and the Federal Family Education Loan Program, working collaboratively with K-12 and the Department of Economic Development, and administration of the proprietary school certification program.

This appropriation includes the Quality Improvement Revolving Fund that allows the collection of revenue on a cost-recovery basis from workshops and conferences sponsored by MDHE to be used to support future workshops and conferences. The fund may also be used for distribution of certain federal money to institutions.

The CBHE is authorized by HB 1042 (2012) to charge and collect fees from out-of-state public institutions desiring to operate within the state of Missouri. Included in the core item is spending authority for the fees collected from out-of-state public institutions.

2. Program Distribution

a. Midwest Higher Education Compact

FY 2018 Core Appropriation	\$115,000
FY 2019 Core Request	\$115,000

Section 173.700, RSMo, authorizes Missouri's membership in the Midwestern Higher Education Compact and names CBHE as the administrative agent. All of Missouri's public two-year and four-year institutions and numerous independent institutions use the services of MHEC, and some cost savings programs are also available to K-12 school districts. As a member, Missouri participates in the Midwest Student Exchange Program. This program allows Missouri residents to enroll at participating public out-of-state institutions at 150 percent of the in-state resident student tuition rates. Private institutions offer a 10 percent reduction on their tuition rates. Other cost-saving programs are available for property insurance, technology initiatives, student health insurance, and pharmacy benefits. Missouri, one of the original founding states of MHEC, has realized over \$82 million in savings since 1994. For academic year 2015-2016, Missouri institutions saved over \$7.8 million dollars as a result of MHEC membership.

b. Improving Teacher Quality Grant

FY 2018 Core Appropriation	\$1,248,806	(1.00 FTE)
FY 2019 Core Request	\$1,248,806	(1.00 FTE)

The core appropriation of \$1,248,806 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 in cooperation with eligible K-12 school districts to improve mathematics and science education in grades K-12.

c. Proprietary Schools Certification Fund

FY 2018 Core Appropriation	\$308,171	(5.0 FTE)
FY 2019 Core Request	\$308,171	(5.0 FTE)

A key responsibility of MDHE is to certify and monitor proprietary schools, including private out-of-state institutions that offer instruction, grant degrees or certificates, or recruit students in Missouri. The Proprietary School Certification Fund was created in HB 1042 (2012) as a fund into which fees collected from certified schools and those seeking certification or exemption are deposited. Proprietary School Certification administration expenses are paid from the Proprietary School Certification Fund.

d. Proprietary School Bond Fund

FY 2018 Core Appropriation	\$400,000
FY 2019 Core Request	\$400,000

Section 173.612, RSMo, requires each proprietary school to file a security deposit with MDHE 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. MDHE holds a security deposit from each proprietary school with a minimum of \$5,000 and maximum of \$100,000. This appropriation is necessary to ensure the use of those monies for indemnification purposes in cases of malfeasance by a proprietary school.

e. Federal and Donated Funds

FY 2018 Core Appropriation	\$1,000,000
FY 2019 Core Request	\$1,000,000

This appropriation provides MDHE with spending authority for federal grants received by the agency.

While the agency currently does not have any grant funding pending, we are always searching for new opportunities. Continuation of this appropriation at the current level would allow for immediate spending of any potential grants awarded during fiscal year 2019.

f. Other Grants/Donations

FY 2018 Core Appropriation	\$98,358	(1.0 FTE)
FY 2019 Core Request	\$88,358	(1.0 FTE)

This appropriation has historically provided MDHE with authority to spend funds received from the Multi-State Collaborative for Military Credit and the Multi-State Collaborative to Advance Learning Outcomes. The Multi-State Collaborative for Military Credit concluded in

FY 2018. This appropriation request would continue spending authority for the Collaborative to Advance Learning Outcomes.

g. College Prep Program

FY 2018 Core Appropriation	\$100,000
FY 2019 Core Request	\$100,000

Funding was appropriated in FY 2018 to establish a program to provide promising students from under-resourced backgrounds with academic enrichment, social support and life skills needed to succeed in colleges and careers. The FY 2018 appropriation was restricted by the Governor's office. This request is to continue funding of the initiative and authorizing the awarding of the funds through a competitive grant process to be administered by the MDHE.

B. Financial Assistance and Outreach

The department has identified additional needs in core and core transfer appropriations for the major scholarship programs it administers. The governor's office is still assessing the general revenue picture and availability of dollars, and believes it will have a better assessment of the numbers in December.

In addition to recommended increases for projected growth, the department is requesting a change in funding source for the Bright Flight and Access Missouri programs. During the 2017 legislative session, \$9.5 million of General Revenue funding was removed from these programs and replaced with the same amount from the MDHE Loan Operating Fund. Because of the long-term negative impact of ongoing appropriations at this level from that fund, the MDHE sought guidance regarding its replacement for FY 2019. The Budget and Planning office within the Office of Administration has approved the department requesting the replacement of the loan funds in those programs with General Revenue for FY 2019. Consequently, you will see an item titled "fund switch" for the corresponding amount in each program.

1. Program Distribution

a. Academic Scholarship Program (Bright Flight)

FY 2018 Core Transfer Appropriation	\$22,176,666
FY 2019 Core Transfer Request	\$22,176,666
FY 2019 Requested Increase	\$1,000,000
FY 2019 Fund Switch	\$4,000,000

The Missouri Higher Education Academic Scholarship Program (commonly known as Bright Flight) provides scholarships to students who have a composite score in the top five percent of all Missouri students taking the ACT or the SAT during their senior year of high school. The maximum scholarship award is \$3,000 per academic year for students in the top three percent of test takers, and \$1,000 for students in the top 4th and 5th percentiles. The top three percent must receive a full award (\$3,000) before students in the top 4th and 5th percentiles receive any award. Scholarships are renewable until the first bachelor's degree is received or ten semesters are attended, whichever occurs first.

A supplemental appropriation of both cash and spending authority could be needed in order to maintain awards at the \$3,000 level for FY 2018 for students in the top three percent of ACT/SAT test takers. While staff are not recommending a supplemental appropriation for this program at the present time, the department will continue to work with the Office of Budget and Planning throughout the budget process to determine if this supplemental funding will be needed.

For FY 2019, MDHE staff project that an additional \$1 million will be needed for students in the top tier to receive the full \$3,000 award amount. This increase is driven by continued growth in the number of students eligible to receive the scholarship. This growth is primarily

the result of the implementation of ACT “census” testing by the Department of Elementary and Secondary Education. Census testing refers to the fact that in the past two years, nearly all public high school juniors have taken the ACT. Where prior to census testing, approximately 70 percent of seniors had taken the ACT, now virtually 100 percent are taking the test. Since student eligibility is established as a percent of Missouri test takers (the top three percent), census testing has caused an expansion of the pool of eligible students. This additional funding is needed to keep pace with this expansion.

b. Access Missouri Financial Assistance Program

FY 2018 Core Transfer Appropriation	\$63,682,307
FY 2019 Core Transfer Request	\$63,682,307
FY 2019 Requested Increase	\$2,000,000
FY 2019 Fund Switch	\$5,500,000

The Access Missouri Financial Assistance Program provides assistance to students who demonstrate financial need based on an annual evaluation of the applicant’s expected family contribution, and meet the other statutory eligibility requirements for this grant. Access Missouri is the state’s primary need-based student assistance program. Maximum award levels changed for all three institutional sectors (public two-year, public four-year plus State Technical College of Missouri, and independent) in FY 2015. This change increased the maximum award for students attending public two-year institutions to \$1,300 and equalized the maximum award for students attending all other types of institutions at \$2,850.

Although the number of eligible applicants has declined over the past several years, that trend appears to have abated as the program experienced a two percent increase in eligible applicants for FY 2018. This program is estimated to serve more than 45,000 Missouri residents with the cost of postsecondary education during FY 2018. This broad eligibility base coupled with limited funding has eroded award amounts significantly from the high achieved in FY 2009. For FY 2017, the department was able to increase award levels to 79 percent of the maximum, primarily due to the Governor’s release of \$11 million in funds restricted during the prior year. For FY 2018, award levels have again declined, to 70 percent of the maximum, as a result of the exhaustion of those one-time funds.

The intent of the requested increase for FY 2019 is to maintain the FY 2018 award levels for this program.

In addition to the core transfer referenced above, Access Missouri also typically receives an additional \$5 million from gaming revenues, which are contained in HB 8.

c. A+ Schools Program

FY 2018 Core Transfer Appropriation	\$37,613,326
FY 2019 Core Transfer Request	\$37,613,326
FY 2019 Requested Increase	\$3,500,000

The A+ Scholarship program, which provided \$34 million to nearly 13,000 students in FY 2017, reimburses tuition and general fees at participating postsecondary institutions for students who attend A+ designated high schools for three years prior to graduation. While in high school, students must meet certain eligibility requirements, including maintenance of a 2.5 grade point average, a 95 percent attendance records, and performance of at least 50 hours of tutoring or mentoring. Upon high school graduation, eligible students have four years to utilize the A+ benefit at participating public community colleges, public vocational technical schools, or two year private vocational technical schools that meet the statutory criteria. Although FY 2018 is the first year eligible graduates of A+ designated private high schools will be eligible to participate in the scholarship component of the program, MDHE staff remain

confident the appropriation is sufficient to cover the anticipated growth in program recipients. It is important to note that A+ high school designation remains a responsibility of the Department of Elementary and Secondary Education.

Staff expect higher than normal growth to continue into FY 2019 as additional private high schools are designated and interest in the program grows. The requested amount will be sufficient to address the approximately four percent increase in participation, raising the number of participating students to nearly 14,000.

d. Advanced Placement Incentive Grant Program, Public Service Officer's Survivor Grant Program, Wartime Veteran's Survivor Grant Program and Marguerite Ross Barnett Scholarship Program

FY 2018 Total Core Appropriation	\$981,250
FY 2019 Core Request	\$981,250
FY 2019 Requested Increase	\$60,000

Beginning with the FY 2013 budget, the Advanced Placement Incentive Grant, the Public Service Survivor Grant Program, the Vietnam Veteran's Survivor Scholarship Program, and the Marguerite Ross Barnett Scholarship Program were combined into a single line item appropriation. This allows any unexpended funds from these programs, after awards are made to all eligible applicants, to be used in the Marguerite Ross Barnett Scholarship Program, which has had more applicants in recent years than available funding. The Vietnam Veteran's Survivor Scholarship Program sunset in December of 2015.

The Advanced Placement Incentive Grant was established in HB 223/231 during the 2011 legislative session. This is a nonrenewable grant of \$500 available to any student who receives an Access Missouri or A+ award and has received two grades of three or higher on advanced placement tests in mathematics or science while attending a Missouri public high school. In FY 2017, 26 students received grants through this program. Funding is provided through a donation from MOHELA.

The Public Service Officer's Survivor 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. Again in FY 2017, 21 students were served by this program. 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.

The Wartime Veteran's Survivor Grant was established by HB 1678 (2008) to provide scholarships to the spouses or children of veterans who were Missouri residents when first entering the military and at the time of their death/injury, and who (1) died as a result of combat action or of an illness contracted while serving in combat or (2) became at least 80 percent disabled as a result of injuries or accidents sustained in combat action. In FY 2017, 23 individuals received this grant. The law allows for a maximum of 25 awards of full tuition (the University of Missouri—Columbia rate is the maximum allowed), provides for up to a \$2,000 room and board allowance, and a \$500 book allowance per semester. The additional \$60,000 listed above will support full funding of the statutory maximum number of awards in this program. The core was originally sufficient to cover 25 students, but was reduced to provide more funding for the growing Public Safety Officer Survivor Grant program. Because of this situation, awards for FY 2018 were reduced in order to ensure expenditures remain within the appropriated funds. This request would restore the program to full funding, allowing the department to provide awards at the maximum level envisioned by the statute.

The Marguerite Ross Barnett Memorial Scholarship Program is the only state-funded scholarship available for part-time students. The scholarship is especially important for individuals already in the workplace seeking to upgrade skills. During FY 2017, 240 students were served by the program. The scholarship is need-based and is calculated using the Federal Needs Analysis Formula.

Funding was discontinued in FY 2018 for the Minority Teaching Student Scholarship program. As a program core cut and as a non-mandatory item, no new decision item is proposed for this program, which is currently being placed in wind-down mode.

e. The Kids' Chance Scholarship Program

FY 2018 Core Appropriation	\$15,000
FY 2019 Core Request	\$15,000

The Kids' Chance Scholarship Program, established by section 173.254, RSMo, authorizes the Coordinating Board for Higher Education to provide scholarships for the children of workers who were seriously injured or died in a work-related accident or occupational disease covered by workers' compensation and compensable pursuant to chapter 287, RSMo, to attend a college, university, or accredited vocational institution of their choice. In accordance with statute, the director of the division of workers' compensation deposits \$50,000 each year beginning in 1999 until 2018 into the Kids' Chance Scholarship Fund. Awards can only be made using the interest earnings in the fund. The requested amount is set based on the size of the fund and projected interest as the fund continues to grow. In FY 2017, two students received scholarships under this program.

f. Minority and Underrepresented Environmental Literacy Program

FY 2018 Core Appropriation	\$32,964
FY 2019 Core Request	\$32,964

This program provides scholarships to full-time minority and underrepresented students who pursue a bachelor's or master's degree in an environmental-related field of study at a Missouri college or university and meet certain academic standards. This program served 11 students in FY 2017.

g. Advantage Missouri Program

FY 2018 Core Appropriation	\$15,000
FY 2019 Core Request	\$15,000

This appropriation is required to occasionally make refunds to students who participated in the Advantage Missouri Loan and Loan Forgiveness Program, entered into repayment of the Advantage award and eventually overpaid their obligation.

C. Missouri Student Loan Program (Federal Funds)

1. Administration

FY 2018 Core Appropriation	\$6,031,955	(52.09 FTE)
FY 2019 Core Request	\$6,031,955	(52.09 FTE)

The Missouri Student Loan Program is a guaranty agency for the Federal Family Education Loan program. The program's primary function is to conduct major activities in the areas of collections on defaulted loans, contracts and compliance, early awareness and outreach, and marketing and customer service. The total of outstanding guaranteed loan balances is approximately \$1.4 billion.

The core request is from the Guaranty Agency Operating Fund. No general revenue funds are requested.

2. Guaranty Functions

a. Student Loan Revolving Fund

FY 2018 Core Appropriation	\$120,000,000
FY 2019 Core Request	\$120,000,000

Section 173.120, RSMo, establishes a revolving fund used solely to pay claims and administer the loan program. An appropriation granting authority to spend 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

FY 2018 Core Appropriation	\$8,000,000
FY 2019 Core Request	\$8,000,000

The department uses this appropriation to pay the portion of the contracted loan servicer's monthly invoice which is directly related to collection services. Continued authority in the amount of \$8,000,000 is needed for this purpose.

c. Federal 48-hour Rule Reimbursement

FY 2018 Core Appropriation	\$500,000
FY 2019 Core Request	\$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 this requirement.

d. Transfer Appropriations

From Federal Student Loan Reserve Fund to Guaranty Agency Operating Fund

FY 2018 Core Appropriation	\$15,000,000
FY 2019 Core Request	\$15,000,000

From Guaranty Agency Operating Fund to Federal Student Loan Reserve Fund

FY 2018 Core Appropriation	\$1,000,000
FY 2019 Core Request	\$1,000,000

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.

Spending authority for the transfer from the Federal Student Loan Reserve Fund to the Guaranty Agency Operating Fund was increased by the legislature in FY 2013 to account for the removal of the estimated appropriation designation previously used on this line.

e. Tax Refund Offsets

FY 2018 Core Appropriation	\$750,000
FY 2019 Core Request	\$750,000

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.

f. Statewide Student Web Portal

FY 2018 Core Appropriation	\$500,000
FY 2019 Core Request	\$500,000

As state and national attention has increasingly focused on preparing students to enter and complete postsecondary education, many states have established a single point of contact for students and families to access information about the higher education system. While Missouri has established a student portal focused on providing information to students about state student aid, Senate Bill 997 requires the portal to be expanded into other crucial areas. This request is for the second year of what staff anticipates will be a multi-year project to expand and enhance the information available from this one-stop site. Projected enhancements include incorporation of financial literacy information and resources, resources relating to course transfer (including reverse transfer and the course transfer library), college planning information, and providing students with an interactive tool to search for academic programs and opportunities for dual credit courses and distance learning available through Missouri's colleges and universities.

STATUTORY REFERENCE

Authority granted under Sections 173.005, RSMo, through 173.750

RECOMMENDED ACTION

It is recommended that the Coordinating Board approve the FY 2019 MDHE internal budget and student financial assistance appropriation request, as presented, for submission to the Governor and General Assembly.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

FY 2019 Higher Education Capital Fund Certifications
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

The purpose of this agenda item is to outline the parameters set forth for the Higher Education Capital Fund and to provide information regarding five projects submitted by institutions requesting matching funds from this source.

Background

Senate Bill 563 (2012) established the Higher Education Capital Fund, which is now codified in Section 173.480, RSMo. This matching fund provides one option the General Assembly may use to appropriate money for capital projects at public colleges and universities.

In order to be eligible to receive an appropriation through the matching fund, a public college or university must complete an application to the commissioner of higher education demonstrating that it has raised 50 percent of the project's cost from private donations or grants. Institutions are prohibited from using operating budget funds, tuition, fees, bond revenues, or state appropriations to produce their portion of the capital project's cost.

Process

As required by law, MDHE staff created an application, which was approved by the Coordinating Board during its February 2013 meeting. The purpose of the application is to enable a public college or university to provide a brief description of the project and certify that it has obtained 50 percent of the project's cost through private donations and/or grants.

MDHE staff review applications from institutions seeking to demonstrate that they meet the statutory criteria to be eligible for consideration for matching funds through the HECF, including documented assurances that the institution's 50 percent match requirement has been met in accord with the law.

Since the law also requires that any project funded through the HECF have a specific line item appropriation, there is no new or unique procedures outside of the regular appropriations process for these projects. To have a project considered for funding through the HECF, an institution must submit the matching fund application materials in addition to the regular forms and information provided as a part of the capital appropriations request process. Projects that are determined to meet the eligibility requirements for an appropriation from the fund will be noted as such on the request put forward by the Coordinating Board to the Governor and General Assembly.

Staff Recommendations

The department has received five applications demonstrating the commitment of private donations and/or grants and requesting a matching appropriation through the Higher Education Capital Fund. MDHE staff have received documented assurances from each institution that the 50 percent match has been met in accordance with provisions set forth in Section 173.480.3, RSMo, for the following projects:

- Ozarks Technical Community College – Site development on the Republic campus for a future education center. The total project cost is \$2,209,581, with a request for state funding of \$1,000,000.
- Missouri State University – Construction of the Ozarks Education Center at Bull Shoals. The total project cost is \$2,184,000, with a request for state funding of \$1,092,000.
- Missouri State University – Construction of a university student, faculty, staff, and alumni meeting center. The total project cost is \$4,000,000, with a request for state funding of \$2,000,000.

- Northwest Missouri State University – Planning and design for renovation of the R.T. Wright Farm. The total project cost is \$759,616, with a request for state funding of \$379,808.
- Northwest Missouri State University – Replacement of lightbulbs, Phase I, at the Ron Houston Center for the Performing Arts. The total project cost is \$100,000, with a request for state funding of \$50,000.

STATUTORY REFERENCE

Chapter 173.480, RSMo – Department of Higher Education, Higher Education Capital Fund

RECOMMENDED ACTION

It is recommended that the Coordinating Board approve the applications from Ozarks Technical Community College, Missouri State University, and Northwest Missouri State University to be eligible for consideration for matching funds totaling \$4,521,808, for submission to the Governor and General Assembly.

ATTACHMENT

Attachment A: Unfunded Higher Education Capital Fund Projects Certified by the CBHE

Unfunded Higher Education Capital Fund Projects Certified by the CBHE

FY Requested	Institution	Project	State Request	Non-State Match	Total Cost
FY17	Metropolitan Community College	MCC Student Success Center Initiative	\$1,350,000	\$1,350,000	\$2,700,000
FY18		MCC Workforce Transformation Center	\$3,000,000	\$3,000,000	\$6,000,000
FY19	Missouri State University	University student, faculty, staff, and alumni meeting center	\$2,000,000	\$2,000,000	\$4,000,000
FY19		Ozarks Education Center at Bull Shoals	\$1,092,000	\$1,092,000	\$2,184,000
FY18	Northwest Missouri State University	Center for Learning and Teaching	\$653,675	\$653,675	\$1,307,350
FY19		Ron Houston Center for the Performing Arts	\$50,000	\$50,000	\$100,000
FY19		Planning and design for renovation of the R.T. Wright Farm	\$379,808	\$379,808	\$759,616
FY19	Ozarks Technical Community College	Republic Campus Education Center	\$1,000,000	\$1,000,000	\$2,209,581
FY18	Southeast Missouri State University	Art Building Renovation	\$2,110,000	\$2,110,000	\$4,220,000
Totals			\$11,635,483	\$11,635,483	\$23,480,547

AGENDA ITEM SUMMARY

AGENDA ITEM

Certification of Institutional Eligibility to Participate in State Student Financial Assistance Programs
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

Institutions must be approved by the Coordinating Board for Higher Education (CBHE) in order to be eligible for participation in state assistance programs administered through the Missouri Department of Higher Education. Carthage Technical Center has submitted the required application materials to participate in the Access Missouri Financial Assistance Program.

Staff has determined this institution meets the statutory requirements to be approved to participate in the Access Missouri Financial Assistance Program as a public two-year (professional/technical) institution. Upon approval, Carthage Technical Center will be able to disburse funds for the above cited program to eligible applicants beginning with the 2018-2019 academic year.

Although the normal approval is for three years, you will note this approval expires in September of 2019. This shorter approval period is consistent with past practice and is necessary in order to place Carthage Technical Center on a consistent renewal schedule with all other approved institutions.

STATUTORY REFERENCE

Sections 173.1101-173.1108, RSMo – Access Missouri Financial Assistance Program
Section 173.1102(3), RSMo – Eligibility provisions for Missouri public institutions to participate in the state student financial assistance programs

RECOMMENDED ACTION

It is recommended that the Coordinating Board for Higher Education approve Carthage Technical Center to participate in the Access Missouri Financial Assistance Program administered by the Coordinating Board for Higher Education until recertification of institutional eligibility occurs in September of 2019.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Rescission of the Missouri Prospective Teacher Loan Program
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

In compliance with Section 536.175.1, RSMo, the Missouri Department of Higher Education is required to review all of its administrative rules every five years. The first required review was completed June 30, 2016. Since that time, the department has continued to follow up on the actions outlined in the final report, including the rescission of the administrative rule for the Missouri Prospective Teacher Loan Program. The department determined rescission of this rule was necessary as House Bill 1608 repealed the Missouri Prospective Teacher Loan Program in statute in 2012.

STATUTORY REFERENCE

Sections 168.550-168.595, RSMo, Repealed – Missouri Prospective Teacher Loan Program

RECOMMENDED ACTION

It is recommended that the Coordinating Board for Higher Education direct the Commissioner of Higher Education to take all actions necessary to ensure the Missouri Prospective Teacher Loan Program administrative rule is rescinded as soon as possible.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Missouri Student Loan Program Update
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

The purpose of this agenda item is to summarize recent events relating to the MDHE guaranty agency.

Federal Update

In July, the U.S. House Appropriations Committee approved the 2018 Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill. Of particular interest to Federal Family Education Loan Program guaranty agencies is a one-year extension of the Account Maintenance Fee that the federal government pays guarantors for maintaining outstanding loan portfolios. In recent years, a number of budget proposals have included cutting funding for Account Maintenance Fees. In 2017, MDHE received approximately \$990,000 in Account Maintenance Fees. The bill now awaits action by the full House.

Default Prevention

MDHE recently awarded Default Prevention Grants of more than \$489,000 to 18 Missouri postsecondary institutions. The MDHE Default Prevention Grant Program is in its seventeenth year and was created to encourage postsecondary institutions to implement campus-based default prevention and financial literacy programs. The MDHE Default Prevention Grant Program is one of MDHE's efforts to help students make smart borrowing decisions and develop healthy financial habits.

Missouri's student loan cohort default rate has stayed relatively stable over the past two years with a current rate of 11.5 percent compared to last year's rate of 11.3 percent. A list of the 2017-2018 Default Prevention Grant recipients is attached.

STATUTORY REFERENCE

H.R.3358 – Departments of Labor, Health and Human Services, and Education Appropriations Bill
34 CFR 682.401(e) – Guaranty agency financial literacy and debt management requirements

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

Attachment A: 2017-2018 Default Prevention Grant Recipients

2017-2018 Default Prevention Grant Recipients

Bryan University

Columbia College

Cottey College

Harris-Stowe State University

Jefferson College

Lincoln University

Mineral Area College

Missouri Southern State University

Missouri University of Science & Technology

Moberly Area Community College

North Central Missouri College

St. Louis College of Health Careers

State Fair Community College

State Technical College of Missouri

Stephens College

University of Missouri-Columbia

University of Missouri-St. Louis

Webster University

AGENDA ITEM SUMMARY

AGENDA ITEM

Journey to College
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

The purpose of this agenda item is to present information about 2017-2018 MDHE college outreach programs.

Background

The CBHE coordinated plan, *Preparing Missourians to Succeed: A Blueprint for Higher Education*, lists increasing postsecondary attainment as its first goal. One strategy the *Blueprint* recommends for moving toward that goal is to “increase efforts to assist students in completing college admissions and financial aid applications.” The MDHE employs this strategy by working each year to encourage more Missouri high schools to participate in its Journey to College programs. The Journey to College suite of programs includes Apply Missouri, FAFSA Frenzy, and Decision Day, which help high school students complete college applications, submit the Free Application for Federal Student Aid, and celebrate postsecondary plans.

Registration for the 2017-2018 Journey to College programs closed at the end of August and preliminary registration numbers indicate an average 30 percent growth in the number of high schools participating in each program. The number of high schools registered to host all three programs has grown by 80 percent.

The following table includes 2017-2018 preliminary registrations compared to program sites that reported data for 2016-2017

Program	2017-2018 Registrations	2016-2017 Reporting Sites	Percent Increase
Apply Missouri	115	85	35 %
FAFSA Frenzy	153	123	24 %
Decision Day	116	88	32 %
Average Growth			30 %
Sites in all 3 programs	99	55	80 %

2017-2018 Apply Missouri events will be held across the state during September and October. FAFSA Frenzy dates will range from October 1 through January 31. Decision Day celebrations will occur in April or May of 2018.

STATUTORY REFERENCE

34 CFR 682.401(d) – College access initiative

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Five-Year Provisional Program Review
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

This board item recommends board action on provisionally-approved academic programs.

Background

On July 1, 2011, the CBHE began giving provisional approval to all new academic programs proposed by public institutions, with subsequent review in five years. On September 8, 2016, the CBHE approved the specific criteria to be used by MDHE staff to review provisionally-approved programs. Upon completion of the five-year review, MDHE staff will make one of three recommendations:

- Full approval;
- Disapproval and termination of the program; or
- Continued provisional status with a follow-up review in two years.

Programs Currently Under Review. The programs presented in the table below were provisionally approved June 2012 and are recommended for the following action:

Institution	Program Name and Delivery Site	Program CIP Code	Recommended Action
Jefferson College	AAS, Biomedical Electronics Technician	150401	Recommend termination
Missouri Western State University	BGS, Applied General Studies (for delivery main, Northlands campus, online)	309999	Recommend full approval
Northwest Missouri State University	MA, English (Pedagogy emphasis)	230101	Inactivated by institution
Northwest Missouri State University	MME, Music Education	131205	Deleted by institution
Ozarks Technical Community College	AS, Bio-Clinical Sciences	519999	Recommend full approval
State Fair Community College	C2, Medical Coding	510707	Recommend full approval
State Fair Community College	AAS, Diagnostic Medical Sonography	510910	Recommend follow-up in two years
Three Rivers College	C1, Practical Nursing Program	513901	Recommend full approval
Three Rivers College	AS, Pre-Pharmacy	511103	Recommend follow-up in two years
University of Central Missouri	EDSp, Human Services (Education Technology emphasis)	139999	Recommend full approval

STATUTORY REFERENCE

Section 173.005(1), RSMo – CBHE statutory authority to approve proposed new degree programs to be offered by the state institutions of higher education . . .

Section 173.005(8), RSMo – CBHE statutory authority to collect the necessary information and develop comparable data for all institutions of higher education in the state . . .

Section 173.030(1), RSMo – CBHE statutory authority to request the governing boards of all state-supported institutions of higher education and of major private institutions to submit . . . proposed policy changes . . . and make pertinent recommendations relating thereto . . .

Section 173.030(2), RSMo – CBHE statutory authority to recommend to the governing board of any institution of higher education in the state the development, consolidation or elimination of programs, degree offerings, physical facilities or policy changes where that action is deemed . . . in the best interests of the institutions . . .

RECOMMENDED ACTION

It is recommended that the Coordinating Board for Higher Education approve the actions listed in the Five-Year Provisional Review Summary of Recommendations table contained in this board item.

ATTACHMENT(S)

None.

AGENDA ITEM SUMMARY

AGENDA ITEM

Academic Program Actions
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

In June 2017, the Coordinating Board for Higher Education approved a three-tiered framework for the review of new academic program proposals and program actions, effective July 1, 2017. The revised process animates three levels of review: staff, routine, and comprehensive. New programs and program actions falling within the staff and routine review levels received by the first of each month may be processed, reviewed, and, in most cases, reported back to institutions by the end of that same month. MDHE staff will follow the schedule below to report routine and staff review actions to the CBHE.

Requests received:	Will be reported at the CBHE meeting in:
May 2-August 1	September
August 2-November 1	December
November 2-February 1	March
February 2-May 1	June

This agenda item reports all proposals reviewed at the routine and staff levels by the Missouri Department of Higher Education since the June 8, 2017, board meeting and approved by the commissioner of higher education. This summary of program actions is submitted to the Coordinating Board for Higher Education for information.

The following tables provide a summary of the proposed program actions submitted to the CBHE. The complete list of proposed program actions can be found in the attachment to this agenda item.

Public Institution Update

	Certificates	Associate	Baccalaureate	Graduate	Total
Deleted	20	6	0	4	30
Inactivated	4	1	0	0	5
Other Program Changes*	5	4	8	9	26
New	9	2	3	3	17
Off-Site	5	4	1	0	10
Programs Withdrawn	0	0	0	0	0

*includes options inactivated/deleted, options added, titles changed, programs combined, and coursework revised

Comments for Public Institutions. None received.

Independent Institution Update

	Certificates	Associate	Baccalaureate	Graduate	Total
Deleted	0	0	0	0	0
Inactivated	0	0	0	0	0
Other Program Changes*	0	0	1	0	1
New	1	0	6	0	7
Off-Site	1	0	0	9	10
Programs Withdrawn	0	0	0	0	0

*includes options inactivated/deleted, options added, titles changed, programs combined, and coursework revised

Comments for Independent Institutions. None received.

Other

The University of Central Missouri submitted a program in Software Engineering, which is currently under review.

Off-Site Location Status Updates

New Locations.

- Lindenwood University, for delivery at Ozarks Technical Community College-Table Rock, 10698 Historic Highway 165, Hollister, MO 65672.
- Lindenwood University, for delivery at Webb City School District Administrative Offices, 411 N. Madison, Webb City, MO 64870.
- Lindenwood University, for delivery at State Fair Community College, 3201 W. 16th Street, Sedalia, MO 65301.
- North Central Missouri College, for delivery at 6503 North Belt Highway, Country Club, MO 64506

Closed Locations.

- Columbia College-Lexington, 1880 Washington Avenue, Lexington, MO 64067
- Moberly Area Community College, Jim Sears Northeast Technical Center, 55701 MO-6, Edina, MO 63537

Change of Address. None received

STATUTORY REFERENCE

Sections 173.005.2(1), 173.005.2(8), 173.005.11, 173.030(1), and 173.030(2), RSMo – Statutory requirements regarding CBHE approval of new degree programs

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

Attachment A: Academic Program Actions

ACADEMIC PROGRAM ACTIONS

Academic Program Changes (Public Institutions)

Jefferson College

- 1) Current Program:
AAS, Business Information Technology-Medical Professional, CIP 510716.

Proposed Change:
Delete program

Program as Changed:
~~AAS, Business Information Technology-Medical Professional, CIP 510716~~ (delete program)
- 2) Current Program:
AAS, Business Information Technology, CIP 520401.

Proposed Change:
Delete program

Program as Changed:
~~AAS, Business Information Technology, CIP 520401~~ (delete program)
- 3) Current Program:
C1, Nurse Assistant, CIP 513902

Proposed Change:
Delete program

Program as Changed:
~~C1, Nurse Assistant, CIP 513902~~ (delete program)
- 4) Current Program:
C1, Medication Technician, CIP 512601

Proposed Change:
Delete program

Program as Changed:
~~C1, Medication Technician, CIP 512601~~ (delete program)
- 5) Current Program:
AAS, Business Information Technology-Legal Professional, CIP 220301

Proposed Change:
Delete program

Program as Changed:
~~AAS, Business Information Technology-Legal Professional, CIP 220301~~ (delete program)

Lincoln University

- 1) Current Program:
BSEd, Special Education, CIP 131099

Proposed Change:
Add option to existing program

Program as Changed:
BSEd, Special Education, CIP 131099
Non-certification (add option)

- 2) Current Program:
BSEd, Elementary Education, CIP 131202

Proposed Change:
Option added to existing program

Program as Changed:
BSEd, Elementary Education, CIP 131202
Non-certification (add option)

- 3) Current Program:
MEd, Guidance and Counseling, CIP 131101

Proposed Change:
Title change only

Program as Changed:
MEd, Counseling, CIP 131101 (title change)

Missouri State University

- 1) Current Program:
BAS, Hospitality and Restaurant Administration, CIP 520901

Proposed Change:
Title change only

Program as Changed:
BAS, Hospitality Leadership, CP 520901 (title change)

- 2) Current Program:
BS, Hospitality and Restaurant Administration, CIP 520901
Club Management
Food and Beverage
General Operations
Lodging
Senior Living Management
Tourism

Proposed Change:
Title change

Program as Changed:
BS, Hospitality Leadership, CIP 520901 (title change)
Club Management
Food and Beverage
General Operations
Lodging
Senior Living Management
Tourism

- 3) Current Program:
BS, Planning, CIP 400301

Proposed Change:
Addition of certificate program from approved existing parent degree

Program as Changed:
GRCT, Planning and Development, CIP 400699 (add certificate)

- 4) Current Program:
BS, Hospitality Leadership, CIP 520901

Proposed Change:
Addition of certificate program from approved existing parent degree

Program as Changed:
C0, Food and Beverage Operations, CIP 520901 (add certificate)

- 5) Current Program:
MSEd, Speech and Theatre Education, CIP 131205

Proposed Change:
Delete option

Program as Changed:
~~MSEd, Speech and Theatre Education, CIP 131205~~ (delete option)

Missouri University of Science and Technology

- 1) Current Program:
MS, Computer Science, CIP 110101

Proposed Change:
Addition of certificate program developed from approved existing parent degree

Program as Changed:
MS, Computer Science, CIP 110101
GRCT, Cyber Security, CIP 430116 (add certificate)

- 2) Current Program:
MS, Information Science & Technology, CIP 110103

Proposed Change:
Addition of certificate program developed from approved existing parent degree

Program as Changed:
MS, Information Science & Technology, CIP 110103
GRCT, Cybersecurity and Information Assurance Management, CIP 430116

Moberly Area Community College

- 1) Current Program:
C0, Emergency Medical Technician, CIP 510810

Proposed Change:
Delete program

Program as Changed:
~~C0, Emergency Medical Technician, CIP 510810~~ (delete program)

- 2) Current Program:
C0, Phlebotomy, CIP 511009

Proposed Change:
Delete program

Program as Changed:
~~C0, Phlebotomy, CIP 511009~~ (delete program)

North Central Missouri College

- 1) Current Program:
AAS, Computer Science and Information Systems, CIP 110103

Proposed Change:
Change CIP Code

Program as Changed:
AAS, Computer Science and Information Systems, CIP 110101 (CIP change)

- 2) Current Program:
C1, Business Management Certificate, CIP 520201

Proposed Change:
Title Change, CIP Code Change

Program as Changed:
C1, Business Management Essentials Certificate, CIP 520407 (title change, CIP change)

- 3) Current Program:
C1, Business Technology Certificate, CIP 520201

Proposed Change:
Title Change, CIP Code Change

Program as Changed:
C1, Business Technology Essentials Certificate, CIP 520407 (title change, CIP change)

- 4) Current Program:
C1, Professional Accounting, CIP 520302

Proposed Change:
Inactivate program

Program as Changed:
~~C1, Professional Accounting, CIP 520302~~ (inactivate program)

- 5) Current Program:
AAS, Paraprofessional & Substitute Teaching, CIP 131501

Proposed Change:
Inactivate program

Program as Changed:
~~AAS, Professional Accounting, CIP 520302~~ (inactivate program)

Northwest Missouri State University

- 1) Current Program:
Bachelor of Technology, CIP 150699

Proposed Change:
Title Change

Program as Changed:
Bachelor of Applied Science, CIP 150699 (title change)
- 2) Current Program:
MME, Music Education, CIP 131205

Proposed Change:
Delete program

Program as Changed:
~~MME, Music Education, CIP 131205~~ (delete program)
- 3) Current Program:
GRCT, ETeaching, CIP 131299

Proposed Change:
Delete program

Program as Changed:
~~GRCT, ETeaching, CIP 131299~~ (delete program)

Ozarks Technical Community College

- 1) Current Program:
AAS, Early Childhood Development, CIP 190709

Proposed Change:
Add options to existing program

Program as Changed:
AAS, Early Childhood Development, CIP 190709
Early Childhood Development (add option)
Special Needs (add option)
- 2) Current Program:
AAS, Culinary Arts, CIP 120503

Proposed Change:
Addition of certificate program from approved existing parent degree

Program as Changed:
AAS, Culinary Arts, CIP 120503
C0, Culinary Arts Certificate of Specialization (add certificate)
- 3) Current Program:
C1, Certified Nurse Aide, CIP 513902

Proposed Change:
Delete program

Program as Changed:

~~C1, Certified Nurse Aide, CIP 513902~~ (delete program)

4) Current Program:

AAS, Occupational Education (Collab, UCM, SEMO), CIP 131319

Proposed Change:

Delete program

Program as Changed:

~~AAS, Occupational Education (Collab, UCM, SEMO), CIP 131319~~ (delete program)

5) Current Program:

AAS, Printing/Graphics Technology, CIP 100305

Proposed Change:

Delete Program

Program as Changed:

~~AAS, Printing/Graphics Technology, CIP 100305~~ (delete program)

6) Current Program:

C1, Machine Tool Specialist, CIP 480501

Proposed Change:

Delete program

Program as Changed:

~~C1, Machine Tool Specialist, CIP 480501~~ (delete program)

Southeast Missouri State University

1) Current Program:

GRCT, School Psychological Examiner, CIP 421901

Proposed Change:

Change CIP Code

Program as Changed:

GRCT, School Psychological Examiner, CIP 422708 (CIP change)

2) Current Program:

BS, Human Environmental Studies, CIP 521902
Fashion Merchandising

Proposed Change:

Title Change

Program as Changed:

BS, Human Environmental Studies, CIP 521902
Fashion and Consumer Studies (title change)

3) Current Program:

MA, Career Counseling, CIP 131101

Proposed Change:

Delete program

Program as Changed:

~~MA, Career Counseling, CIP 131101 (delete program)~~

4) Current Program:

MA, Applied Behavior Analysis, in the Department of Elementary, Early and Special Education,
CIP 422814

Proposed Change:

Title Change, department change

Program as Changed:

MA, Applied Behavior Analysis, Department of Educational Leadership, Counseling and Applied
Behavior Analysis, CIP 422814 (departmental move, departmental title change)

St. Charles Community College

1) AAS, Business Administration, CIP 521899

Accounting
Finance
Management
Marketing

Proposed Change:

CIP change, add option to existing program

Program as Changed:

AAS, Business Administration, CIP 521401 (CIP change)

Accounting
Finance
Management
Marketing
General Business (add option)

2) Current Program:

C1, Business Administration, CIP 521899

Accounting
Finance
Management
Marketing

Proposed Change

CIP Change, Add option to existing certificate

Program as Changed:

C1, Business Administration, CIP 521401 (CIP change)

Accounting
Finance
Management
Marketing
General Business (add option)

St. Louis Community College

- 1) Current Program:
AFA, Graphic Communications, CIP 500409

Proposed Change:
CIP change

Program as Changed:
AFA, Graphic Communications, CIP 240101 (CIP change)
- 2) Current Program:
C1, Building Inspection and Code Enforcement Technology, CIP 460403
Housing Inspection Option

Proposed Change:
Delete program

Program as Changed:
~~C1, Building Inspection and Code Enforcement Technology, CIP 460403~~
~~Housing Inspection Option (delete program)~~
- 3) Current Program:
C0, Digital Media: Animation, CIP 500102

Proposed Change:
Delete program

Program as Changed:
~~Digital Media: Animation, CIP 500102 (delete program)~~
- 4) Current Program:
C1, AAS, Information Reporting Technology: Judicial, CIP 220303

Proposed Change:
Delete program

Program as Changed:
~~C1, AAS, Information Reporting Technology: Judicial, CIP 220303 (program deleted)~~
- 5) Current Program:
C1, Landscape Design, CIP 010601

Proposed Change:
Delete program

Program as Changed:
~~C1, Landscape Design, CIP 010601 (delete program)~~
- 6) Current Program:
C0, Telecommunications Engineering Technology: Basic Electronics, CIP 150305

Proposed Change:
Delete program

Program as Changed:

~~C0, Telecommunications Engineering Technology: Basic Electronics, CIP 150305~~ (delete program)

Three Rivers College

- 1) Current Program:
C1, Surgical Technology, CIP 510909

Proposed Change:
Delete program

Program as Changed:

~~C1, Surgical Technology, CIP 510909~~ (delete program)

- 2) Current Program:
C1, Enhanced Education, CIP 240101

Proposed Change:
Delete program

Program as Changed:

~~C1, Enhanced Education, CIP 240101~~ (delete program)

- 3) Current Program:
C0, Machine Shop, CIP 480503

Proposed Change:
Delete Program

Program as Changed:

~~C0, Machine Shop, CIP 480503~~ (delete program)

- 4) Current Program:
AAS, Applied Technology, CIP 150612

Proposed Change:
Delete program

Program as Changed:

~~AAS, Applied Technology, CIP 150612~~ (delete program)

- 5) Current Program:
C0, Fire Science, CIP 430203

Proposed Change:
Delete program

Program as Changed:

~~C0, Fire Science, CIP 430203~~ (delete program)

Truman State University

- 1) Current Program:
GRCT, Data Science, CIP 110499

Proposed Change:
Curriculum reorganization (*no change to program inventory*)

Program as Changed:
GRCT, Data Science, CIP 110499

University of Central Missouri

- 1) Current Program:
BS, Biology, CIP 260101

Proposed Change:
Addition of Certificate program from approved existing parent degree

Program as Changed:
BS, Biology, CIP 260101
C1, Plant Identification

- 2) Current Program:
GRCT, Geographic Information Sciences, CIP 450702

Proposed Change:
Place on inactive status

Program as Changed:
~~GRCT, Geographic Information Sciences, CIP 450702~~ (inactivate program)

University of Missouri-Columbia

- 1) Current Program:
MS, Food Science, CIP 011001

Proposed Change:
Title Change

Program as Changed:
MS, Food & Hospitality Systems, CIP 011001 (title change)

- 2) Current Program:
MS, Pathology, CIP 260910

Proposed Change:
Title change

Program as Changed:
MS, Pathology and Anatomical Sciences, CIP 260910 (title change)

- 3) Current Program:
PhD, Food Science, CIP 011001

Proposed Change:
Title change

Program as Changed:
PhD, Food & Hospitality Systems, CIP 011001 (title change)

- 4) Current Program:
MS, Nursing, CIP 513801
Adult Health Clinical Nurse Specialist
Adult Mental Health Nurse Practitioner
Advanced Public Health Nurse

Advanced Public Health/School Nurse Practitioner
Family Nurse Practitioner
Leadership in Nursing and Health Care Systems
Nurse Educator
Pediatric Clinical Nurse Specialist
Pediatric Nurse Practitioner

Proposed Change:
Delete options

Program as Changed:

MS, Nursing, CIP 513801

~~Adult Health Clinical Nurse Specialist (delete option)~~
~~Adult Mental Health Nurse Practitioner (delete option)~~
~~Advanced Public Health Nurse (delete option)~~
~~Advanced Public Health/School Nurse Practitioner (delete option)~~
~~Family Nurse Practitioner (delete option)~~
Leadership in Nursing and Health Care Systems
Nurse Educator
~~Pediatric Clinical Nurse Specialist (delete option)~~
~~Pediatric Nurse Practitioner (delete option)~~

- 5) Current Program:
MA, EdSp, Information Science & Learning Technologies, CIP 130301

Proposed Change:
Addition of free-standing single-semester certificate program

Program as Changed:
GRCT, User Experience and Usability, CIP 303101 (add certificate)

- 6) Current Program:
MA, Information Science & Learning Technologies, CIP 130301

Proposed Change:
Addition of free-standing single-semester certificate program

Program as Changed:
GRCT, Digital Humanities, CIP 303101 (add certificate)

- 7) Current Program:
GRCT, Nuclear Engineering, CIP 142301

Proposed Change:
Delete program

Program as Changed:
~~GRCT, Nuclear Engineering, CIP 142301 (delete program)~~

- 8) Current Program:
GRCT, Analysis of Institutes and Organizations, CIP 451101

Proposed Change:
Delete program

Program as Changed:

~~GRCT, Analysis of Institutes and Organizations, CIP 451101 (delete program)~~

- 9) Current Program:
EdD, Career and Technical Education, CIP 131301

Proposed Change:
Delete program

Program as Changed:
~~EdD, Career and Technical Education, CIP 131301 (delete program)~~

- 10) Current Program:
GRCT, European Union Studies, CIP 050106

Proposed Change:
Delete program

Program as Changed:
~~GRCT, European Union Studies, CIP 050106 (delete program)~~

- 11) Current Program:
GRCT, Autism and Neurodevelopmental Disorders, CIP 511201

Proposed Change:
Delete program

Program as Changed:
~~GRCT, Autism and Neurodevelopmental Disorders, CIP 511201 (delete program)~~

- 12) Current Program:
MS, Clinical and Translational Science, CIP 260102

Proposed Change:
Delete program

Program as Changed:
~~MA, Clinical and Translational Science, CIP 260102 (delete program)~~

- 13) Current Program:
MA, Information Science and Learning Technologies, CIP 130301
Library Media Specialist Certification
Library Science

Proposed Change:
CIP change, delete option

Program as Changed:
MA, Information Science and Learning Technologies, CIP 250101
Library Media Specialist Certification
~~Library Science (delete option)~~

- 14) Current Program:
MS, Nursing, CIP 513801
Adult Health Clinical Nurse Specialist
Adult Mental Health Nurse Practitioner
Advanced Public Health Nurse

Advanced Public Health/School Health Nurse
Family Mental Health Nurse Practitioner
Leadership in Nursing & Health Care Systems
Nurse Educator
Pediatric Clinical Nurse Specialist
Pediatric Nurse Practitioner

Proposed Change:
Add option

Program as Changed:
MS, Nursing, CIP 513801
Adult Health Clinical Nurse Specialist
Adult Mental Health Nurse Practitioner
Advanced Public Health Nurse
Advanced Public Health/School Health Nurse
Family Mental Health Nurse Practitioner
Leadership in Nursing & Health Care Systems
Nurse Educator, Pediatric Clinical Nurse Specialist
Pediatric Nurse Practitioner
Accelerated Master's Program (AMP), Nurse Educator, (add option)

University of Missouri-Kansas City

- 1) Current Program:
BA, Communication Studies, CIP 090101
Film and Media Arts
Interpersonal & Public Communication
Journalism & Mass Communication

Proposed Change:
Title change

Program as Changed:
BA, Communication Studies, CIP 090101
Film and Media Studies (title change)
Interpersonal & Public Communication
Journalism & Mass Communication

- 2) Current Program:
GRCT, Teaching of Writing, CIP 231302

Proposed Change:
Place program on inactive status

Program as Changed:
~~GRCT, Teaching of Writing, CIP 231302~~ (inactive status)

- 3) Current Program:
GRCT, Waste Management, CIP 030201

Proposed Change:
Place program on inactive status

Program as Changed:
~~GRCT, Waste Management, CIP 030201~~ (place on inactive status)

University of Missouri-St. Louis

- 1) Current Program:
BS, Business Administration, CIP 520101
Finance
International Business
Logistics and Operations Management
Management
Marketing

Proposed Change:
Title change

Program as Changed:
BS, Business Administration, CIP 520101, with options in:
Finance
International Business
Supply Chain Management (title change)
Management
Marketing

Received and Reviewed Changes in Programs (Independent Colleges and Universities; includes Discontinued Programs and Programs Placed on Inactive Status)**Lindenwood University**

- 1) Current Program:
BA, Spanish, CIP 160905

Proposed Change:
Addition of certificate program from approved existing parent degree

Program as Changed:
BA, Spanish, CIP 160905
C0, Spanish, CIP 160905 (add certificate)

Stephens College

- 1) Current Program:
BFA, Theatre Arts, CIP 500501

Proposed Change:
Option added to existing program

Program as Changed:
BFA, Theatre Arts, CIP 500501
Theatre for Young Audiences (option added)

Program Changes Requested and Not Approved

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

New Programs Recommended for Provisional Approval (Public Institutions)**Missouri State University**

- 1) BS, English, with options in Creative Writing and Literature, CIP 230101
- 2) BSEd, Elementary Education, (*for delivery at Camdenton via ITV, 35 College Street, Camdenton, MO 65020, from existing off-site location in Lebanon*) CIP 131202
- 3) MAT, Master of Athletic Training, CIP 510913
- 4) BS, Agricultural Communications, CIP 010000

Missouri Western State University

- 1) AAS, Manufacturing Engineering Technology, CIP 150613

North Central Missouri College

- 1) AAS, Industrial Energy Systems Technology (*for delivery at 6503 North Belt Highway, Country Club, MO 64506*), CIP 150503
- 2) C1, Industrial Maintenance, (*for delivery at 6503 North Belt Highway, Country Club, MO 64506*), CIP 150503
- 3) C0, Industrial Maintenance Skills, (*for delivery at 6503 North Belt Highway, Country Club, MO 64506*), CIP 150503
- 4) C0, Manufacturing Skills, (*for delivery at 6503 North Belt Highway, Country Club, MO 64506*), CIP 150503
- 5) AAS, Early Childhood Development, (*for delivery at 6503 North Belt Highway, Country Club, MO 64506*), CIP 190708
- 6) AAS, Behavioral Health Support, (*for delivery at 6503 North Belt Highway, Country Club, MO 64506*), CIP 511502

Southeast Missouri State University

- 1) GRCT, Special Reading K-12, Special Reading Licensure Certificate, for delivery online, CIP 131315

St. Louis Community College

- 1) AAS, Behavioral Health Support, CIP 512212

Three Rivers College

- 1) C1, Manufacturing Welding, (*for delivery at TRCC@Dexter, 515A West Market, Dexter MO, 63841*), CIP 150000
- 2) C1, Maintenance Welding, (*for delivery at TRCC@Dexter, 515A West Market, Dexter MO, 63841*) CIP 150000
- 3) AAS, Engineering Technology-Welding Option, (*for delivery at TRCC@Dexter, 515A West Market, Dexter, MO, 63841*), CIP 150000

University of Missouri-Columbia

- 1) MS, Finance, with options in Financial Management, Investments and Real Estate, (*for delivery at the main campus and online*), CIP 520801

University of Central Missouri

- 1) BSBA, Risk Management and Insurance, CIP 521701
- 2) MS, Athletic Training, CIP 510913

New Residence Sites Recommended for Provisional Approval

None.

New Programs Received and Reviewed (Independent Colleges and Universities)**Lindenwood University**

- 1) MA, Education, (*for delivery at Ozarks Technical Community College-Table Rock, 10698 Historic Highway 165, Hollister, MO 65672*), CIP 139999
- 2) MA, School Administration, (*for delivery at Ozarks Technical Community College-Table Rock, 10698 Historic Highway 165, Hollister, MO 65672*), CIP 130499
- 3) MA, School Counseling, (*for delivery at Ozarks Technical Community College-Table Rock, 10698 Historic Highway 165, Hollister, MO 65672*), CIP 511508

- 4) EdD, Educational Administration, (*for delivery at Webb City School District Administrative Offices, 411 N. Madison, Webb City, MO 64870-1238*), CIP 130409
- 5) EdD, Instructional Leadership, (*for delivery at Webb City School District Administrative Offices, 411 N. Madison, Webb City, MO 64870-1238*), CIP 130404
- 6) EDSp, EdD, Education Administration, (*for delivery at State Fair Community College, 3201 W. 16th Street, Sedalia, MO 65301-2188*), CIP 130409
- 7) EDSp, EdD, Instructional Leadership, (*for delivery at State Fair Community College, 3201 W. 16th Street, Sedalia, MO 65301-2188*), CIP130404
- 8) C1, Psychological Examiner Certification, (*for delivery at State Fair Community College, 3201 W. 16th Street, Sedalia, MO 65301-2188*), CIP 429999

Cottey College

- 1) BA, Organizational Leadership, CIP 520213
- 2) BA, Women, Gender, and Sexuality Studies, CIP 050299
- 3) BA, BS, Criminology, CIP 450401

Rockhurst University

- 1) BS, Health Sciences, CIP 510001
- 2) BS, Analytics and Technology, CIP 521301

AGENDA ITEM SUMMARY

AGENDA ITEM

Statewide Review of Existing Academic Programs
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

In February 2017, pursuant to Sections 173.005(1), 173.005(8), 173.030(1), and 173.030(2), RSMo, the MDHE began a statewide review of all academic programs (except those approved provisionally) for Missouri's public two- and four-year institutions. This board item provides information on the progress of this review.

Background

In February 2017, the Coordinating Board for Higher Education directed MDHE staff to review all academic programs (except those provisionally approved) at each of the two-year and four-year public institutions, similar to the one conducted in 2010. As with the 2010 review, MDHE staff analyzed completions from the Enhanced Missouri Student Achievement Study (EMSAS) for all academic programs and flagged for further review those programs that did not meet certain completions thresholds.

In the first phase of the review, MDHE analyzed all academic programs (excluding provisionally approved programs) at all degree levels at each public institution using graduation data reported through EMSAS. The 6-digit Classification of Instructional Program (CIP) code assigned to each program as listed in the state's official academic program inventory and the degree level served as the identifying data for each program.

Once MDHE compiled a list of each institution's programs and completions, the department sent the list to each public institution, which reviewed the list to verify the accuracy of the data. MDHE staff worked with the institutions to reconcile the data to obtain an accurate list of programs and completions.

After the program list was reconciled and the accuracy of the data was affirmed, MDHE staff sent each institution an official list of "flagged" programs that fall below the CBHE-recommended completions threshold and that require further review by the institution. Following CBHE policy for program productivity, the completion thresholds, based on three-year averages, were designated as follows:

- At least ten graduates for undergraduate certificates and degrees (associate and baccalaureate), with certificates belonging to a parent associate degree counted with that associate degree;
- At least five graduates for master's degrees and graduate certificates; and
- At least three graduates at the doctoral degree level.

Each institution reviewed, or is in the process of reviewing, the programs on its list and will report to the MDHE the results of its review, including any action the institution intends to take and the justifications for that action.

Current Status

MDHE staff are currently reviewing all programs justifications submitted by the institutions. Of approximately 1,830 non-provisional programs, 910 programs (about 50 percent) across all public institutions fell below the productivity thresholds and were flagged for further review.

To date, MDHE have received feedback and justifications for 677 programs (roughly 74 percent of all programs flagged for review), from 13 two-year colleges and eight four-year universities. Because a large portion of the justification process occurred during the summer, several institutions requested additional time to confer with faculty when they return for the fall semester about specific programs.

Additionally, the University of Missouri—Columbia, Missouri University of Science & Technology, Southeast Missouri State University, and the University of Central Missouri have requested to undertake their own, more in-depth comprehensive review of all programs, regardless of approval status or productivity. MDHE staff reviewed the institutions' methodology to ensure that it is no less rigorous, identifies at a minimum the same number of programs, and generally follows the same timeline as the MDHE review. This will permit MDHE staff to report to the CBHE at the December board meeting.

For those programs for which MDHE have received feedback and justifications, 195 will voluntarily be terminated. This is approximately 29 percent of all programs for which we have received feedback, and nearly 21 percent of all low-completing programs.

Next Steps

After MDHE staff have reviewed and assessed the institutions' justifications and actions for the intended programs, the department will provide a preliminary report of the initial review of each institution's proposed action, along with departmental recommendations of the programs. The institutions will have an opportunity to respond to this report and, if requested, provide additional data, documentation, and information to the MDHE for review.

MDHE staff will prepare a draft report and send it to the chief academic officer at each public institution for review and comment. Based on this feedback, the draft will be revised as needed and as is appropriate. MDHE staff will present the final report to the Coordinating Board at its December meeting.

Conclusion

MDHE staff will continue working with the institutions to complete the statewide academic review of all programs, and make recommendations for low-performing programs. A full report will be presented to the CBHE at the December 14, 2017, meeting.

STATUTORY REFERENCES

Section 173.005(1), RSMo – CBHE statutory authority to approve proposed new degree programs to be offered by the state institutions of higher education.

Section 173.005(8), RSMo – CBHE statutory authority to collect the necessary information and develop comparable data for all institutions of higher education in the state . . .

Section 173.030(1), RSMo – CBHE statutory authority to request the governing boards of all state-supported institutions of higher education and of major private institutions to submit . . . proposed policy changes . . . and make pertinent recommendations relating thereto . . .

Section 173.030(2), RSMo – CBHE statutory authority to recommend to the governing board of any institution of higher education in the state the development, consolidation or elimination of programs, degree offerings, physical facilities or policy changes where that action is deemed . . . in the best interests of the institutions . . .

RECOMMENDED ACTION

This is an information item only.

ATTACHEMENT

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Missouri Math Pathways Initiative
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

HB 1042 requires institutions in Missouri “to replicate best practices in remedial education.” One best practice is the alignment of “gateway” courses such as College Algebra or English Composition with a student’s intended program of study. Beginning in October 2014, the Missouri Department of Higher Education has worked closely with the Missouri Mathematics Pathways Taskforce (MMPT) to explore options to increase student success in gateway mathematics courses. As a result, the Taskforce has developed mathematics pathways and co-requisite mathematical models of education for those students who require remedial education or extra assistance to successfully complete their gateway mathematics course. This agenda item reports on the MMPT’s work and the status of the initiative.

Background

In September 2014, Missouri was chosen as one of six states to participate in a Mathematics Pathways Initiative, with the intent to increase student success in mathematics gateway courses – which best align with the students’ programs of study – and ultimately increase degree completion. Beginning in October 2014, the MDHE and the MMPT, under the guidance of HB 1042 and in partnership with Complete College America and the Charles A. Dana Center, have worked to develop plans and release recommendations to achieve the goals of the Mathematics Pathways Initiative. This work includes the formation of the MMPT, holding two statewide Missouri Mathematics Summits, publishing the Missouri Mathematics Pathways Reports, the development of alternative mathematics pathways, and hosting regional math symposia around the state of Missouri.

In March of 2017, after over a year of deliberation and debate, the faculty members who comprise the MMPT finalized the student learning outcomes (SLOs) for three Mathematics pathways. The first, *Statistical Reasoning*, is recommended for students whose college and career paths require knowledge of the fundamentals of the collection, analysis, and interpretation of data. The second, *Pre-Calculus*, is intended for students in the STEM fields or career trajectories requiring a high level of algebraic reasoning or Calculus. The third pathway, *Mathematical Reasoning and Modeling*, is designed for students whose field of study and future career choices do not require in-depth statistical or algebraic reasoning or calculus. At least two of these pathways will be offered at every public two- and four-year institution beginning in the fall of 2017, with the exception of Truman State University and the State Technical College of Missouri.

Additionally, the MMPT has drafted a fourth pathway, *Elementary Education*, for students pursuing a career in an education-related field. Currently, discussions around this pathway have been placed on hold until the MDHE and the MMPT can get input and gain insight from school boards, deans of education and education faculty, and the Missouri Department of Elementary and Secondary Education (DESE).

Current Status

To facilitate the full implementation of the alternative pathways in 2017, MDHE and the MMPT are hosting regional meetings around the state of Missouri. The purpose of these meetings is to offer information about and guidance on the implementation of the Missouri Mathematics Pathways Initiative. The organizers of each regional meeting have invited department chairs, counselors and advisors at the secondary and postsecondary levels, faculty, and the general public to participate in the meetings. The MDHE has created a website for the regional symposia, has publicized the meetings through direct communication with various campus groups, and is assisting the host institutions with registering attendees. The complete schedule is listed below:

- Kansas City, September 8 – Metropolitan Community College, Penn Valley Campus

- Springfield, September 22 – Ozarks Technical College, Richwood Valley Campus
- Central Missouri, September 29 – Moberly Area Community College
- Cape Girardeau, October 9 – Southeast Missouri State University
- St. Louis, October 13 – St. Louis Community College, Wildwood Campus

Additionally, in order to measure success and implementation of the initiative, MDHE and the MMPT have partnered with the Community College Research Center and the Charles A. Dana Center to collect data from institutions in order to measure the successful implementation, and to collect baseline data measurements from which to measure the effect, of the initiative. This will allow MDHE to evaluate the efficacy of the Missouri Mathematics Pathways Initiative and the co-requisite model of education.

Next Steps

In order to solidify support from the institutions around the implementation of the Math Pathways, the MDHE have sent out MOUs to each Chief Academic Officer to review and sign. The MOUs commit the institution to adopting at least two mathematics pathways that meet general education requirements and transfer seamlessly to other public institutions, as well as provide appropriate supports to underprepared students. Additionally, the MDHE is in the process of collecting data on which Math Pathways each institution is planning on implementing this fall, along with the corresponding course names and numbers. This list will be provided once all the data are collected.

Further, the MDHE have identified areas on which the MMPT must focus for this most recent academic year to facilitate seamless implementation. The first is to identify what supports faculty and institutions need – professional and/or curriculum development – in order to facilitate Math Pathways implementation. Second, identify ways in which the MMPT can work more closely with the Corequisite-at-Scale Task Force to ensure that students are not only being placed in the correct gateway math course but are also receiving additional supports if needed. Third, outline ways in which the MMPT and MDHE can work with DESE and with educator preparation programs to complete the Education pathway. Finally, the MDHE and MMPT are developing a communication and engagement plan to ensure all relevant parties have accurate information concerning the Math Pathways initiatives and its implementation.

Conclusion

As public two- and four-year institutions prepare for the implementation of the Math Pathways initiative, after many years of planning and discussion, there is still much work left to be done to ensure successful and smooth implementation. This work includes the Regional Math Pathways Symposia, data collections, and focus areas for the MMPT meetings.

STATUTORY REFERENCES

Section 173.005.2(6), RSMo – Statutory requirements regarding CBHE's responsibility to identify best practices in remediation and provide oversight of the replication of these best practices by public institutions.

RECOMMENDED ACTION

This is an information item only.

ATTACHEMENTS

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Proprietary School Certification Actions and Reviews
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

The Missouri Department of Higher Education's Proprietary School Certification Program provides oversight of certain types of Missouri-based and out-of-state private, postsecondary education providers. This board item provides an update on current issues regarding the Proprietary School Certification Program as well as a summary of recent program actions.

Recent Program Actions

All program actions that have occurred since the June 8, 2017, Coordinating Board meeting are reported in the attachment to this item. The report includes information concerning anticipated actions on applications to establish new postsecondary education institutions, exemptions from the department's certification requirements, and school closures.

STATUTORY REFERENCE

Sections 173.600-173.619, RSMo – Regulation of proprietary schools

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

Attachment A: 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)

Centriq Training
St. Louis, Missouri

This for-profit institution offers non-degree programs in web development and systems and security administration. The school is not accredited.

Florida Institute of Technology
Whiteman AFB, Missouri

This not-for-profit institution offers a baccalaureate degree completion in Logistics Management and graduate degrees in Business, Computer Information Systems, Human Resources Management, and Project Management. The school is accredited by the Southern Association of Colleges and Schools Commission on Colleges.

The Tallgrass School
Kansas City, Missouri

This for-profit institution offers a non-degree program in web development. The school is not accredited.

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

None

Exemptions Granted

Crossfire Christian College
St. Charles, Missouri

This institution was granted exemption as “a non-profit school, owned, controlled, and operated by a bona fide religious or denominational organization that offers no programs or degrees and grants no degrees or certificates other than those specifically designated as religious degrees or programs.” The school offers undergraduate and graduate programs in biblical studies, ministry, divinity, and theology. The school is not accredited.

University of Nemenhah
Stockton, Missouri

This institution was granted exemption as “a non-profit school, owned, controlled, and operated by a bona fide religious or denominational organization that offers no programs or degrees and grants no degrees or certificates other than those specifically designated as religious degrees or programs.” The school offers degrees from the associate through doctoral levels in Nemenhah Ministerial Studies. This school is not accredited.

Applications Pending Approval (Authorization for Instructional Delivery)

Accelerate Tech Learning
Kansas City, Missouri

This for-profit institution seeks to offer a non-degree program in computer coding using the “bootcamp” type delivery structure. The mission of the school is to prepare students for

immediate employment with a focus on increasing the number of women and minorities in the tech industry. The school is not accredited.

Golden Paws Pet Styling Academy
Osage Beach, Missouri

This for-profit institution seeks to offer non-degree programs in dog grooming. The mission of the school is to equip students with a strong foundation in pet grooming that will enable them to pursue a career in the dog styling profession. The school is not accredited.

St. Louis Institute of Technology
St. Louis, Missouri

This for-profit institution seeks to offer non-degree programs in building trade skills such as construction, carpentry, and painting. The mission of the school is to prepare students to become gainfully employed and contributing members of society." The school is not accredited.

The Ahsbahs Academy of Dog Training
Potosi, Missouri

This for-profit institution seeks to offer non-degree programs in dog training. The mission of the school is to provide well rounded dog trainers capable of instructing in fields associated with service dogs, police dogs, search and rescue dogs, and therapy animals. The school is not accredited.

Applications Pending Approval (Authorization Only to Recruit Students)

None

Schools Closed

Everest College - Springfield
Springfield, Missouri

Everest College - Springfield, accredited by the Accrediting Council for Independent Colleges and Schools (ACICS), was approved to offer certificate and undergraduate programs in business and allied health fields. The school's owners made the decision to cease new enrollment at the Springfield location and submitted an approved teach out plan to allow currently enrolled students to complete their programs of instruction. The school permanently closed June 20, 2017. Department staff monitored the closure process and verified the appropriate storage of all student-related records, as required by Missouri statutes.

Westwind CDL Training Center
Cuba, Missouri

Westwind CDL Training Center was approved to offer certificate programs in truck driver training. The school's owners made the decision to cease new enrollment and submitted an approved teach out plan to allow currently enrolled students to complete their program of instruction. The school permanently closed June 30, 2017. Department staff monitored the closure process and verified the appropriate storage of all student-related records, as required by Missouri statutes.

Certifications Denied

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Regulatory Review “No MO Red Tape” Initiative
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

On January 10, 2017, Governor Eric Greitens signed [Executive Order 17-03](#), which requires Missouri agencies to conduct a review of all existing and proposed regulations. The initiative, nicknamed “No MO Red Tape,” represents an effort by state agencies to identify regulations that are considered to be ineffective, unnecessary, or unduly burdensome on the citizens and businesses. This board item provides information on the department’s progress toward fulfilling the governor’s executive order.

Background

Executive Order 17-03 outlines the requirements that each agency should follow in this special review:

- Accept written public comments for at least a 60-day period;
- Hold at least two public hearings to allow citizens and businesses to provide comment on regulations;
- Affirm in a report submitted by May 31, 2018, that each existing or proposed regulation is essential to the health, safety, or welfare of Missouri residents; costs of the regulation do not outweigh the benefits; a process and schedule exists to measure the effectiveness of the regulation; less restrictive alternatives have been considered; the regulation is based on sound, reasonably available scientific, technical, or economic information; and the regulation does not unduly or adversely affect Missouri citizens or customers of the state; and
- Repeal or cease rulemaking for any regulation that does not meet the above affirmations by June 30, 2018.

The governor’s office partnered with George Mason University’s Mercatus Center to review the regulatory language contained in all of Missouri’s Code of State Regulations. Mercatus found that the Missouri CSR contains over 113,000 restrictions, as measured by words and phrases such as “shall,” “must,” “may not,” “prohibited,” and “required.” As part of this initiative, each agency has been asked to collect public comments and reduce the number of restrictions found in the CSR. According to data provided by Mercatus, MDHE currently has 1,423 total restrictive words in the CSR.

Progress

MDHE created an [administrative rule page](#) with a form for the public to submit comments July 1-November 30, 2017, on the MDHE website. This exceeds the required timeframe for accepting public comments by three months. MDHE also completed its first public hearing by setting up a comment booth along with ten other state agencies at the Missouri State Fair in August 2017. Additional public hearings are scheduled for September 13, 2017, 5:00-6:00 p.m., and September 14, 2017, 8:30-9:00 a.m., in Jefferson City. Press releases, social media, and e-distribution messages announcing the rule review process and website, the Missouri State Fair public hearing, and the public hearings in September were issued in July, August, and September, respectively. Additional announcements are forthcoming in December 2017, March 2018, and May 2018 to coincide with releases of the draft and final reports.

Abbreviated reports are provided to the governor’s office monthly providing the number and nature of comments received. To date, MDHE has received 12 comments as a result of this effort. One-third of comments received are regarding concerns about removing the mandatory tuition break for out-of-state residents’ Missouri tax payments, which was formerly codified at 10 CSR 6-3.010. The remaining comments were concerned with funding for higher education; changing section 173.091, RSMo, to allow for free, for-credit courses for senior citizens; support for free speech and legal protest on college

campuses; families being required to complete the Federal Application for Free Student Aid; desire to have free higher education; and cuts to Bright Flight.

Each unit within MDHE is reviewing their respective rules and categorizing those that need to be retained as-is, amended, or rescinded. As the final report is due to the governor's office May 2018, MDHE staff will complete the review and submit a final report to the CBHE at its meeting in March 2018 for approval.

Conclusion

The CBHE and MDHE strive to deliver a coordinated postsecondary education system that provides accessible, affordable, and innovative education that supports economic growth, enhances civic engagement, and improves the quality of life for all Missourians. Hearing from higher education stakeholders and constituents regarding what is working, or is not working in higher education, and ensuring that rules and regulations reflect current practice is one key toward meeting that goal.

STATUTORY REFERENCE

Executive Order 17-03

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

Attachment A: Executive Order 17-03

Attachment B: Policy Brief, *A Snapshot of Missouri Regulation in 2017*

EXECUTIVE ORDER
17-03

JAN 10 2017

SECRETARY OF STATE
COMMISSIONS DIVISION

WHEREAS, Missouri's state government has proposed and codified an excessive amount of regulations; and

WHEREAS, the Missouri Register, a publication that includes proposed and final regulations, has published more than 40,000 pages since 2000; and

WHEREAS, Missourians and Missouri businesses deserve efficient, effective, and necessary regulations; and

WHEREAS, regulations should not reduce jobs, stifle entrepreneurship, limit innovation, or impose costs far in excess of their benefits; and

WHEREAS, regulations that are ineffective, unnecessary, or unduly burdensome must be repealed; and

WHEREAS, removing needless and burdensome regulations will make Missouri more attractive to businesses and encourage job growth.

NOW THEREFORE, I, ERIC R. GREITENS, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by the Constitution and laws of the State of Missouri, do hereby order:

1. Every State Agency shall immediately suspend all rulemaking.
 - a. This suspension shall remain in effect until February 28, 2017.
 - b. Any proposed regulation that affects health, safety, or welfare, or is otherwise time sensitive or required by law, should be submitted to the Office of the Governor prior to February 28, 2017.
2. No State Agency shall release proposed regulations for notice and comment, amend existing regulations, or adopt new regulations at any time until approved by the Office of the Governor.
3. Every State Agency shall undertake a review of every regulation under its jurisdiction within the Code of State Regulations.
 - a. As part of its review, every State Agency shall (i) accept written public comments for at least a 60-day period; (ii) hold at least two public hearings to allow citizens and businesses to identify regulations that are ineffective, unnecessary, or unduly burdensome; (iii) solicit and incorporate comments and advice from private citizens, stakeholders, regulated entities, and other interested parties; and (iv) complete the review by May 31, 2018.
 - b. Every State Agency shall designate an individual to oversee the review.
 - c. For each existing regulation, and any future proposed regulation, every State Agency shall affirm in a report submitted to the Office of the Governor by May 31, 2018:
 - i. The regulation is essential to the health, safety, or welfare of Missouri residents;
 - ii. The costs of the regulation do not outweigh their benefits, based on a cost-benefit analysis;
 - iii. A process and schedule exist to measure the effectiveness of the regulation;

- iv. Less restrictive alternatives have been considered and found less desirable than the regulation;
 - v. The regulation is based on sound, reasonably available scientific, technical, economic, and other relevant information; and
 - vi. The regulation does not unduly and adversely affect Missouri citizens or customers of the State, or the competitive environment in Missouri.
- d. By June 30, 2018, every State Agency shall take any action necessary to repeal or to cease rulemaking for any regulation that does not meet any criteria in Section 3(c) of this Order.
4. This Order does not modify any State Agency's obligations under Section 536.175, RSMo. Any State Agency that has already completed the review required by Section 536.175, RSMo. may include any applicable results of that review when responding to this Order. Any State Agency that has not already completed the review required by Section 536.175, RSMo. shall do so in the manner and on the schedule required by statute.
5. "State Agency" shall have the definition provided in Section 536.010(8), RSMo.
6. This Order shall supersede any previous executive order that is inconsistent with the terms contained herein.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 10th day of January, 2017.

A handwritten signature in black ink, appearing to read "Eric R. Greitens", written over a horizontal line.

Eric R. Greitens
Governor

A handwritten signature in black ink, appearing to read "John R. Ashcroft", written over a horizontal line.

John R. Ashcroft
Secretary of State



A Snapshot of Missouri Regulation in 2017

113,112 Restrictions, 7.5 Million Words, and 10 Weeks to Read

by James Broughel, Oliver Sherouse, and Daniel Francis

July 2017

It would take an ordinary person more than three years to read the entire *US Code of Federal Regulations* (CFR), which contained more than 112 million words in 2017.¹ The sheer size of the CFR poses a problem not just for the individuals and businesses that want to stay in compliance with the law, but also for anyone interested in understanding the consequences of this massive system of rules. States also have sizable regulatory codes, which add an additional layer to the enormous body of federal regulation. A prime example is the 2017 Missouri regulatory code, known as the *Missouri Code of State Regulations* (CSR).²

A tool known as State RegData³—a platform for analyzing and quantifying state regulatory text—was developed by researchers at the Mercatus Center at George Mason University. State RegData in minutes captures information that an ordinary person would take hours, weeks, or even years to obtain. For example, the tool allows researchers to identify the industries most targeted by regulation by connecting keywords relevant to those industries with counts of words known as regulatory restrictions. These are words and phrases like “shall,” “must,” “may not,” “prohibited,” and “required” that can signify legal constraints and obligations.⁴ As shown in figure 1, the three industries with the highest estimates of industry-relevant restrictions in the 2017 Missouri CSR are utilities, ambulatory healthcare services, and chemical manufacturing.

State RegData also reveals that the Missouri CSR contains 113,112 restrictions and more than 7.5 million words. It would take an individual 418 hours—or more than 10 weeks—to read the entire CSR. That’s assuming the reader spends 40 hours per week reading and reads at a rate

1. “The QuantGov Regulatory Clock,” QuantGov, accessed July 7, 2017.

2. *Missouri Code of State Regulations*, accessed July 4, 2017.

3. State RegData forms a part of a broader project called QuantGov, which seeks to quantify legal text. See Patrick A. McLaughlin and Oliver Sherouse, “QuantGov—A Policy Analytics Platform,” QuantGov, October 31, 2016.

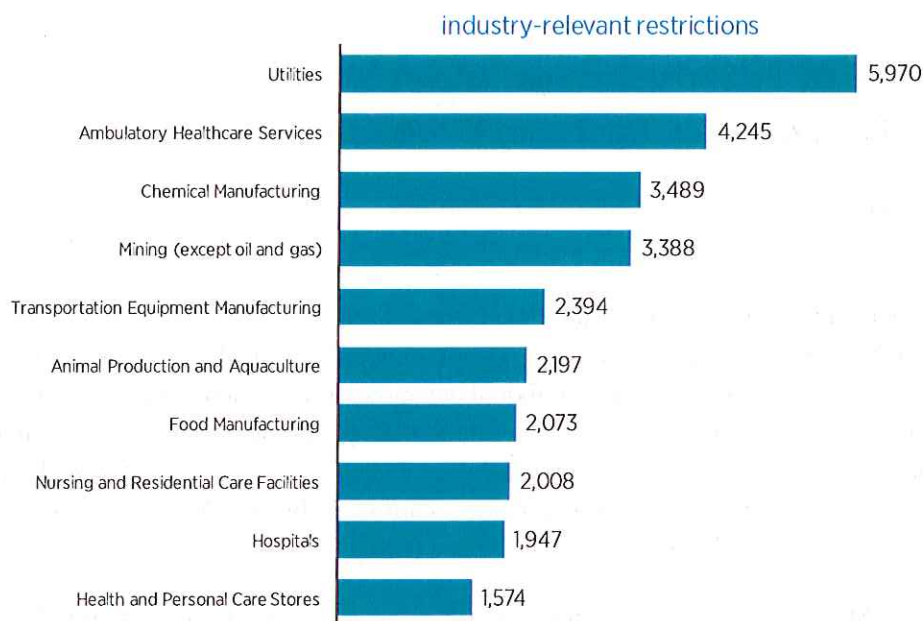
4. Restrictions can also occur in legal text for other purposes, such as for definitional purposes. Furthermore, restrictions may at times relate to government employees rather than the public.

For more information, contact

Bryce Chinault, Outreach Associate, 703-993-8148, bchinault@mercatus.gmu.edu
Mercatus Center at George Mason University, 3434 Washington Blvd., 4th Floor, Arlington, VA 22201

of 300 words per minute. For comparison, in 2017 there were more than 1.15 million additional restrictions in the federal code.⁵ Individuals and businesses in Missouri must navigate all these restrictions to remain in compliance.

Figure 1. The Top 10 Industries Targeted by Missouri State Regulation in 2017



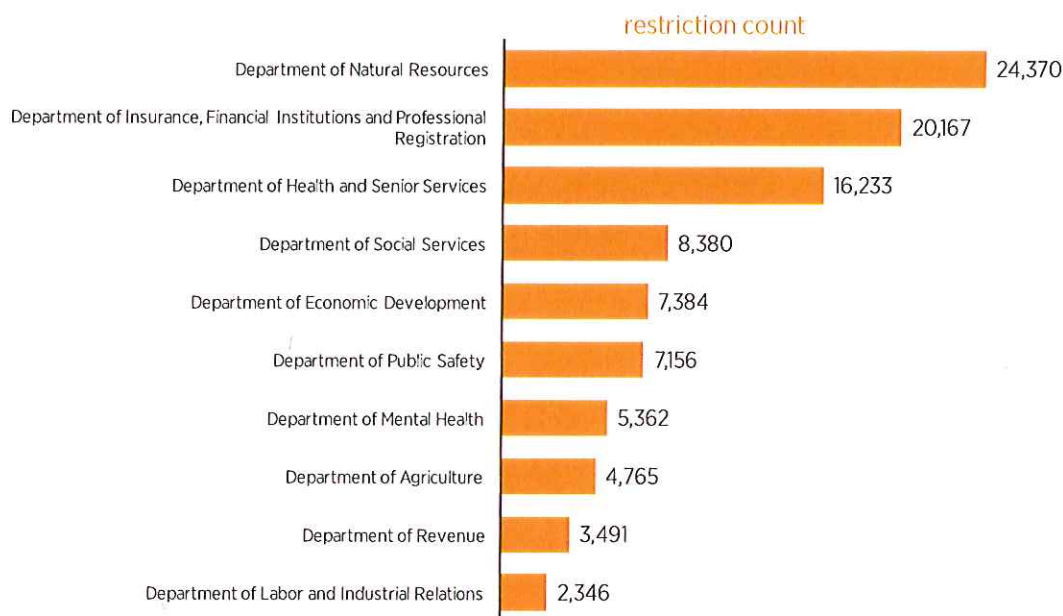
Source: "State Administrative Codes—Missouri," <http://quantgov.org/data/>.

The titles of the CSR are organized based on the regulatory department that writes the rules housed within those titles. Figure 2 shows that in 2017, rules from the Department of Natural Resources, which are found in title 10, contained more than 24,000 restrictions. By this measure, the Department of Natural Resources is the biggest regulator in Missouri. Coming in second is the Department of Insurance, Financial Institutions and Professional Registration, whose rules can be found in title 20. This title contains more than 20,000 restrictions.

Federal regulation tends to attract the most headlines, but it is important to remember that the more than 112 million words and 1.15 million restrictions in the federal code are just the tip of the iceberg when it comes to the true scope of regulation in the United States. States like Missouri write millions of additional words of regulation and hundreds of thousands of additional restrictions. State-level requirements carry the force of law to restrict individuals and businesses just as federal ones do.

5. "The QuantGov Regulatory Clock," QuantGov.

Figure 2. The Top 10 Regulators in Missouri in 2017



Source: "State Administrative Codes—Missouri," <http://quantgov.org/data/>.

Researchers are only beginning to understand the consequences of the massive and growing federal regulatory system on economic growth and well-being in the United States.⁶ Meanwhile, the effects of state regulation remain largely unknown. If this snapshot of Missouri regulation in 2017 is a good indicator, then the states are also active regulators, suggesting the true impact of regulation on society is far greater than that of federal regulation alone.

6. See, for example, Bentley Coffey, Patrick A. McLaughlin, and Pietro Peretto, "The Cumulative Cost of Regulations" (Mercatus Working Paper, Mercatus Center at George Mason University, Arlington, VA, 2016).

ABOUT THE AUTHORS

James Broughel is a research fellow for the State and Local Policy Project at the Mercatus Center at George Mason University. Broughel has a PhD in economics from George Mason University. He is also an adjunct professor of law at the Antonin Scalia Law School.

Oliver Sherouse is the research analyst for the Program for Economic Research on Regulation at the Mercatus Center at George Mason University. He studied history and computer science at Duke University and received his MPP from Georgetown University.

Daniel Francis is a research programmer at the Mercatus Center. He received his BS in economics and mathematics from Florida State University.

ABOUT THE MERCATUS CENTER

The Mercatus Center at George Mason University is the world's premier university source for market-oriented ideas—bridging the gap between academic ideas and real-world problems.

A university-based research center, Mercatus advances knowledge about how markets work to improve people's lives by training graduate students, conducting research, and applying economics to offer solutions to society's most pressing problems.

Our mission is to generate knowledge and understanding of the institutions that affect the freedom to prosper and to find sustainable solutions that overcome the barriers preventing individuals from living free, prosperous, and peaceful lives.

Founded in 1980, the Mercatus Center is located on George Mason University's Arlington and Fairfax campuses. www.mercatus.org

AGENDA ITEM SUMMARY

AGENDA ITEM

Administrative Cost Work Group Reports
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

The Commissioner of Higher Education launched two administrative cost work groups in April 2017. This agenda item presents a summary of the work groups' progress to date and includes the reports produced by the work groups.

Background

Governor Eric Greitens asked the Department of Higher Education to examine opportunities for administrative cost savings on March 7, 2017. Commissioner of Higher Education Zora Mulligan asked the Missouri Community College Association (MCCA) and Council on Public Higher Education (COPHE) to establish work groups to address the issue on March 17, 2017, outlining the following purpose, charge, and timeline:

Purpose. The Coordinating Board for Higher Education is establishing work groups to address administrative costs at Missouri's public colleges and universities. The work groups will complement individual institutions' efforts to identify cost-savings measures that will allow them to invest in core mission activities and enhance public confidence in the fiscal discipline of public higher education.

Charge

1. **Shared services and procurement.** Identify opportunities for significant cost savings that can be achieved by providing common essential services through a cross-institutional shared services model and by changing procurement practices, including:
 - a. Estimated savings;
 - b. Identification of the regulatory, policy, and cultural changes needed at the statewide and institutional level to achieve savings;
 - c. A detailed implementation plan; and
 - d. A plan for evaluating implementation of the changes.
2. **Regulatory relief.** Identify state regulatory and statutory requirements that (1) constitute a significant burden to implement at the institutional level and that are not justified by advancing a meaningful public good, and/or (2) if eliminated, would allow the institution to operate more efficiently, and make recommendations regarding changes to or rescission of those requirements. Include estimated savings associated with each recommended change.
3. **Employee benefits.** Analyze current retirement and health insurance benefits, make recommendations regarding changes that would reduce the cost of those benefits while still providing substantial and competitive benefits to employees, and estimated savings associated with the recommendations.

Timeline

- **Thursday, April 6:** CBHE approves charge and timeline.
- **TBD.** Work groups prepare for and schedule initial meetings. In preparation for initial meetings, co-chairs and commissioner decide what data need to be reviewed at initial meeting and ask institutions to provide. Initial meetings should include the commissioner, be a data-based

conversation, provide an opportunity to brainstorm and identify focus areas for each prong of the charge, and conclude by identifying homework and additional data needed to finalize the work group's direction.

- **Monday, May 15:** Work groups provide commissioner with preliminary scan of *regulations/statutory requirements* to be evaluated, scope of *employee benefits* to be reviewed, and initial perspective regarding the areas of greatest opportunity for *shared services and procurement* savings and data on which that perspective is based. Follow-up conversation with association EDs to identify any issues that cut across both sectors and could potentially be addressed together.
- **Thursday, June 8:** Work groups provide Coordinating Board with detailed report of progress in each area, including (1) areas of opportunity for shared services and procurement that will be seriously pursued; (2) estimated cost savings associated with each; and (3) identification of barriers and strategies to overcome barriers.
- **Friday, July 14:** Work groups provide commissioner with detailed report of progress in each area, including updated estimated cost savings and progress on eliminating barriers, and a preliminary implementation plan.
- **Tuesday, August 15:** Work groups provide final recommendations and establish a timeline for issues that will take longer to address.

Current Status

The CBHE approved the charge and timeline at their April 6, 2017, meeting. The work groups have met regularly and have developed preliminary scans of regulations/statutory requirements to be evaluated, scope of employee benefits to be reviewed, and initial perspective regarding the areas of greatest opportunity for shared services and procurement savings and data on which that perspective is based. MCCA and COPHE provided the CBHE with detailed progress reports at the June 8, 2017, meeting, and provided final reports in advance of the September 2017 board meeting. Those reports are attached.

Next Steps

MDHE staff will work with institutions to follow through on those recommendations.

Conclusion

The process described above is clearly a major undertaking by the Coordinating Board, MDHE staff, and the higher education community in Missouri. Given the rapid changes in the higher education environment, both from a state and national perspective, it is essential that we begin this process now if we are to ensure the efficient and responsive higher education system needed to make Missouri a national leader in providing high-quality, affordable postsecondary education that will equip Missourians with the personal and professional skills to succeed in the twenty-first century.

STATUTORY REFERENCE

Section 173.020 – Responsibilities of the Coordinating Board

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

Attachment A: MCCA Administrative Cost Workgroup Report

Attachment B: COPHE Administrative Cost Workgroup Report



200 E. McCarty, #100
Jefferson City, MO 65101

August 11, 2017

Ms. Zora Mulligan, Commissioner of Higher Education
Missouri Department of Higher Education
205 Jefferson Street
P.O. Box 1469
Jefferson City, MO 65102-1469

Dear Commissioner Mulligan:

On behalf of the Missouri Community College Association and all twelve of Missouri's community colleges, please accept the following final report from our Task Force on Administrative Cost Review.

In the following pages, we have provided you with a progress report from each area we identified in our initial report of May 12 and subsequent reports on June 8 and July 14. This progress report includes updates on areas of opportunity for shared services and procurement that will be seriously pursued, estimated cost savings, and identification of barriers and strategies to overcome barriers.

As with our previous report, we have organized the document below around our four working subcommittees.

- Shared Services and Procurement
- Employee Benefits
- Regulatory Relief
- Data and Benchmarks

Please do not hesitate to let us know if you would like to discuss this report in greater detail. We look forward to hearing your feedback.

Sincerely,

[Electronically Signed]

Dr. Jeff Lashley, President – Moberly Area Community College, and
Ms. Marla Moody, Vice Chancellor for Finance – Ozarks Technical Community College

– Co-Chairs, MCCA Task Force on Administrative Cost Review

Shared Services and Procurement

Policy and Governance

Procurement by the community colleges is governed by RsMO Section 34.040, which requires competitive bidding for goods and services in excess of \$3,000 and award to the lowest and best bid (with the exception of those items that must be purchased as a sole source). Competition in the procurement process generally ensures the lowest possible pricing which is critical with limited resources.

As each community college has its own independently elected board of trustees, there is also local governance. Each college has its own purchasing policy in place to govern the purchasing process, generally approved by each respective board of trustees, and which may require more stringent bidding procedures, i.e. a lower required bidding threshold than those required by state statutes.

Missouri community colleges have a strong collaborative network of leaders including administrators, instruction, finance, and IT, among others. This network will facilitate the sharing of common goals and the successful completion of a shared services and cooperative purchasing model.

Additionally, MCCA colleges consistently partner to bring about innovations and effect change that results in impact that goes far beyond cost savings. The most transformative project in recent years was the U.S. Department of Labor's Trade Adjustment Assistance Community College Career Training (TAACCCT) grants. These consortium grants brought \$55 million in federal funding to the state of Missouri for workforce training. Not only have more than 10,000 Missourians received workforce training as a result of TAACCCT, but MCCA colleges have collaborated in unprecedented ways to change the way we approach student success.

One of the most impactful innovations to come out of the TAACCCT grants was the introduction of guided career pathways. This concept utilizes an enhanced student support model to guide community college students into programs of study that lead to careers in high-demand fields such as Healthcare, Manufacturing, and Information Technology. These pathways feature stackable credentials and hinge on navigation support from college faculty and staff, Workforce Development Boards, Job Centers, and community resources.

Under the umbrella of TAACCCT, MCCA colleges have worked together to find solutions to issues like financial aid barriers in competency-based education and adopted a statewide Credit for Prior Learning policy. These efforts have improved retention and completion rates at MCCA colleges and grant-borne innovations will be scaled throughout the system with the newly-instituted Community College Workforce Development Network.

Task One Update:

The Procurement and Shared Services Subcommittee is utilizing the Community College Business Officer SharePoint site to collect and compare current purchasing and procurement policies. A number of opportunities have been identified for collaboration on these policies which will provide an overall strengthening of the policies. These opportunities include adding language concerning cooperative purchasing in the individual college purchasing policies if not already included, expanding language

concerning construction purchasing, and adding language into individual bids and contracts allowing other institutions to piggyback on the pricing from the bid.

We will continue to explore other opportunities for collaborative language in these policies.

Task Two Update: Specific Target Areas

As noted previously, fifteen (15) items, including Learning Management Systems, have been identified for further exploration for potential cost savings. This list includes services, equipment, and supplies. The updated annual spend of these 15 items is as follows:

Item Type	Community College Combined Annual Contract Amounts
Athletic Transportation	\$847,720
Athletic Uniforms	\$376,617
Athletic Equipment	\$188,477
Property/Liability Insurance	\$3,850,626
Computer Purchases	\$9,908,384
Printers/Copiers	\$1,783,309
Instructional Supplies	\$3,215,916
Phone Bill/Utility Bill Audits	\$16,948,889
Student Accounts Default Management	\$628,242
Bookstore Services	\$2,741,000
Merchant Services Fees	\$2,086,320
Custodial Services	\$1,709,669
Landscaping Services	\$335,720
Cafeteria Services	\$1,698,000
Learning Management Systems	\$1,468,586
Total	\$47,787,675

The highlighted items above represent the three areas which we are recommending we proceed with initially; Phone Bill/Utility Bill Audits, Student Accounts Default Management, and Merchant Services Fees. The reasons for selecting these three areas include the following:

1. The spend on these three items of \$19,663,451 represents a significant percentage, approximately 41% of the total spend on the 15 identified items.
2. Potential for savings is as follows:
 - a. Based on past experience that some schools have had with phone and utility bill audits, we estimate a potential savings of 10%, or approximately \$1.6Million. The amount of savings will depend upon how accurately different providers are currently billing and how well the individual schools have already managed this effort.
 - b. Assuming a standard percentage of 30%, some may be paying more, some less, we are estimating that we might be able to save an additional 5% of the current annual spend on collection fees, or approximately \$30,000. The savings, therefore, are not significant, but we believe this is low-hanging fruit.

- c. Based on discussions with credit card processors, we believe a consortium could yield potential savings of 10% or a total of approximately \$200,000.
 - d. In summary, we believe the total potential savings from the first round of purchase consolidations could yield savings of between \$1.6Million and \$1.8Million.
- 3. The items are minimally hindered by the previously identified barriers to success:
 - a. No impact on existing jobs or employee status at the institution
 - b. No long-term contracts or ability to phase in as other contracts end
 - c. Little to no standardization required
 - d. Little to no impact on local businesses

Task Three: Implementation Plan

Phone Bill/Utility Bill Audits

A Request for Proposal (RFP) has been drafted and reviewed by the Procurement and Shared Services Subcommittee. Our plan is to request proposals from interested parties the week of 8/7, to be received by late August. The bids would then be analyzed and presented to the subcommittee for review and recommendations would then be presented to our respective Boards of Trustees by October.

Student Account Default Management

Our goal is to complete an RFP for this work to be completed by mid-December with bids due by mid-January. The bids would then be analyzed and presented to the subcommittee for review and a recommendation and would be presented to our respective Boards of Trustees by March 2018.

Merchant Services Fees

We believe an RFP for this work can be completed by March, 2018, with bids due in April, 2018. The bids would then be analyzed and presented to the subcommittee for review and a recommendation and would be presented to our respective Boards of Trustees by June. Merchant card fees will be much more complicated to complete than the first two issues due to varying fee structures that are proposed by different banks. We are also considering, as an alternative to a new bid proposal, “piggybacking” on contracts recently awarded by other schools to see if there are quick savings available through that process.

Task Four: Implementation

Beyond the specific items, efforts will be underway to advance efforts in this area to continue to identify new opportunities and to track progress.

Next areas for consideration from the above-referenced list include Computer Purchases, Printer and Copier Management, and Property/Liability Insurance. The total annual spend on these items is \$17,010,905 (approximately 36% of the total annual spend). Other possible opportunities that have been proposed include the potential of a state- wide contract with a hotel chain for athletic team or employee travel. We will continue to supplement this list as opportunities present themselves.

It is much too early to identify potential savings on these items; however we will continue exploring these opportunities throughout FY18 or FY19.

Employee Benefits

The subcommittee completed an extensive review of employee benefits at each of the twelve community colleges, placing a larger focus on health insurance benefits. Because of the complexity of plan years, varying sizes of institutions, and past efforts of colleges to collaborate in this area, it was determined that combining employee benefits across all twelve colleges is not a viable solution.

The ever-changing health insurance market and annual increases to medical and pharmacy benefit costs have required institutions to continually analyze programs to seek savings or make changes to plan design to reduce or avoid annual increases in costs. Discussion of this topic has revealed that all schools have made changes in the past several years, including such options as changing health providers, joining other available consortiums, changing from fully-insured to self-insured, and plan design changes, which have included reductions to employee benefits.

Institutions have reported the effectiveness of annual reviews and changes to health insurance to be significant year-over-year as they continue to address cost factors. For example, changes to the health plan administrator at St. Louis Community College in 2017 is estimated to result in savings of nearly \$985,000. Similarly, in 2017 Jefferson College reported saving nearly \$300,000 in annual medical costs by changing health program administrator. In 2017, St. Charles Community College saved an estimated \$260,000 by changing health insurance providers and reducing benefits to their employee groups.

Three Community Colleges (Moberly Area Community College, State Fair Community College, & Three Rivers College) have joined a fully insured consortium with K-12 schools to reduce costs. In the case of Moberly Area Community College, this will result in annual savings of approximately \$750,000. Three Rivers and State Fair expect significant cost savings as well. The plan change also resulted in increased co-payments, higher deductibles, and out-of-pocket costs to health insurance plan participants.

Some schools have moved from a fully insured model to a self-insured model. One example of this change occurred at Jefferson College with estimated savings between \$1.4 - \$2.1 million throughout the 2012-2015 time period. St. Louis Community College also reduced its overall health insurance cost by an estimated \$2.2 million in 2014-2015 moving to a self-insured program. Three other community colleges are currently using a self-insured model to reduce institutional costs.

The charge to the benefits subcommittee has resulted in fruitful conversation and review of this topic with the community colleges. The review has revealed great efforts across the sector to continue to address the challenging cost of health insurance while striving to provide a level of employee benefits that will attract and retain high quality faculty and staff. The discussion has also illustrated that changes to reduce or avoid additional costs in health insurance programs usually results in increased medical costs for employees and plan participants. The subcommittee recommends that each institution continue to analyze benefits each year to ensure we are providing this critical benefit at the lowest possible institutional cost.

Regulatory Relief

This subcommittee identified state regulatory and statutory requirements that constitute a significant burden and cost to implement at the institutional level and that are not justified by advancing a

meaningful public good. Additionally, the subcommittee identified state regulatory and statutory requirements that, if eliminated, would allow institutions to operate more efficiently.

Regulatory burdens were examined in the following areas:

1. Data Collection/Surveys
 - a. Performance Indicator Survey
 - b. Remediation Survey
 - c. Complete College America
 - d. EMSAS
2. Post-Secondary Common Criteria and Quality Indicators (PSCC&QI) – DESE
3. Program Inventories – Maintenance/Updating
4. Post-Secondary/Adult Perkins Core Data (Perkins report) – DESE
5. Dual Credit
6. Governance Change from DESE to MDHE
7. Head Start – DHSS – Child Care Services

In addition to an examination of the regulatory burden, this document also provides, where it is able, estimated cost or time savings. Cost Savings with all of these initiatives all revolved around saving time and eliminating duplication rather than money. However, if time equals money, community colleges could focus on other important initiatives rather than those of a bureaucratic nature with such regulatory requirements. Finally, the report concludes with a list of recommendations for future work.

1) Eliminate, Combine, or Revise Data Collection/Surveys

As surveys and data collections have continued to increase, many existing surveys and data collections have become obsolete or need revisions to avoid duplication and unnecessary work. The following collections should be considered:

- Performance Indicator Survey – much of the survey is duplicated in newer collections and has outlived its intended purpose.
- Remediation Survey – a new collection that may not be ongoing.
- Complete College America – consideration for intended use and benefit of participation
- EMSAS - requirements have increased without efforts to deprecate obsolete fields.

Performance Indicator Survey

A possible barrier would be if the MDHE has justification for using one or more aspects of the collection, though in past conversations this barrier may not exist. Each institution would have savings associated with staff time for compilation of the survey. This would vary by college. Additional savings would be for MDHE's research staff in coordinating and soliciting the input from the colleges and compiling results. The MDHE should review the survey and determine if it's needed then deprecate the survey or revise the requirements as appropriate.

Remediation Survey

One member of the committee reported that survey was not instituted as a permanent (continuing) collection required by MDHE. A barrier could be if the MDHE has requirements for the use of these data. Each institution would have savings associated with staff time for compilation of the survey. This would vary by college. Additional savings would be for the MDHE's research staff in coordinating and soliciting the input from the colleges and compiling results – unknown amount based on staff time. The MDHE should review the requirement and possible redundant collection (see CCA) and discontinue the collection or revise the requirements as appropriate.

Complete College America Survey

There would likely be extensive barriers for elimination of this survey; however, it is important that the state consider a cost-benefit analysis of continuation. Barriers would include: legislative support, MDHE efforts based on the survey, and possible public opinion/accountability/ transparency. The savings would include substantial time at the MDHE for the research staff to extract and transform data for the collection. Additional savings for each institution would be for research/IT staff to validate data produced by the MDHE and for addition of data that the MDHE is unable to supply. This savings would vary by college; however, the collection is fairly intensive. The MDHE and colleges should discuss the merits of continuation with participation in CCA to understand the return on our investment of time and effort.

EMSAS

Barrier would be staffing. The MDHE staff time to convene a group to review definitions and fields in the EMSAS collection. In the past this group was called "HEDAC" (Higher Education Data Advisory Committee) that hasn't met since 2012. Additionally, there is cost associated with revising the fields that are collected. The burden of the collection would be on MDHE. Potential savings include time associated with extract and manipulation of data for the collection and provisioning of data that could provide additional resources for the state to address research questions without setting up a separate collection/survey. The MDHE research staff should call the HEDAC group to review EMSAS and make recommendations for changes.

2) Post-Secondary Common Criteria and Quality Indicators (PSCC&QI) – DESE

Efforts to implement this proposed annual process should be stopped, as it would duplicate the CTE program review processes that all institutions have in place. A committee of CTE administrators at the post-secondary level was convened to adapt it to post-secondary standards, and it developed a 17-page document that would need to be filled out annually and documentation would need to be kept for every CTE student in the state.

One barrier is overcoming DESE's desire to collect these reports. Savings at each institution would appear to be extensive time and effort to comply with the demands. The MDHE could assist the colleges working with DESE to advocate for repealing the requirement.

Cost Savings is difficult to determine as each institution varies with the potential savings due to the number of hours required. Many colleges have moved forward with substantial hours designing and implementing their respective PSCC&QI into their respective data collection programs.

3) Program Inventories – Maintenance/Updating

There should be one academic program inventory portal that can serve the three purposes listed below. Currently, institutions must review and update four different program inventories, on different calendars, and with different implications.

- ETPS (initially for CTE programs, now for all programs with Scorecard)
- MDHE (main inventory by program and location)
- DOE (for financial aid – certificates for Gainful Employment)
- HLC inventory, although it is not public.

There may be specific data and or technical requirements that may prohibit community colleges from utilizing one inventory portal to report for ETPS, MDHE, DOE, and HLC.

Cost savings will be less time associated with the tasks especially with familiarizing and adapting to every type of system. It is difficult to determine due to the complexity and differences among the four systems.

4) Post-Secondary/Adult Perkins Core Data (Perkins report) - DESE

MDHE and DESE should consider convening a group to review the Perkins report to determine whether/how it can be simplified and still meet federal requirements.

Barrier would be the time and effort to review the requirements and work through a revision. While this would be burdensome, the return on investment of the effort to revise the requirements could be **long term gains** in staff time at colleges. The time and effort to produce the student tracking data and the 180-day follow-up is substantial. A challenge will be ensuring that colleges are able to receive an appropriate funding level from Perkins under simplified reporting requirements. A member of the subcommittee reported that the design of the collection was made to ensure that colleges had the highest representation possible of participation in CTE programming.

Additional Information Regarding Regulatory Relief Estimated Time Savings (in labor hours) for Recommendations 1-4

The CAOs of the twelve community colleges were asked to estimate the labor hours saved as a result of the implementation of cost saving items #1, #2, #3, and #4. There are two caveats with the reporting of potential labor savings:

1. The recommendations have the potential to affect change in a wide range – from minor adjustments to complete elimination of a requirement. Without knowing how the recommendation is implemented, there is very little ability to estimate the effect on labor hours. In fact, a review of any one of these areas could result in an increase in labor hours – if, for example, the review identified a deficiency in a collection of information.

2. Community Colleges all report that labor hours saved would be used to address our missions rather than as justification for elimination of jobs.

Cost Saving Item	#1	#2	#3	#4
Statistical average	149	91	97	312
Range	14-480	0-346	30-360	0-2000
Median	119	50	73	110
Estimated total across 12 CCs	~1800	~1000	~900	~3100

5) Dual Credit

MDHE dual credit policy should be revised, including instructor credentials, due to strengthening of HLC Policy and five-year waivers for credentials.

HLC has permitted colleges and universities a five-year waiver period to allow institutions some type of flexibility as they move forward with the new standards. There are a few public two-year and four-year colleges that requested this waiver from HLC. At the conclusion of this time period, the MDHE should reassess HLC involvement with dual credit and determine if it is the State's best interest to continue monitoring (such as peer review and membership in NACEP).

Cost savings will be minimal as HLC is requiring additional requirements for dual credit. NACEP membership and indirect costs are approximately about \$1,000-\$1,500 per year for each community college.

6) Governance Change from DESE to MDHE

Governance of programs delivered by community colleges and universities, including post-secondary Perkins, Teacher Education and Adult Education and Literacy, should be moved from DESE to MDHE. The current, inefficient system, resulting in different, conflicting and overlapping rules, definitions, processes, and timelines between DESE and MDHE could be resolved with this consolidation.

There would be significant benefit to the state. DESE specializes in K-12 education and their systems and process are built for K-12. Their systems and processes are not designed for adult education. One suggestion is to evaluate the work from DESE for adult education delivered through K-12 districts. Though difficult to quantify, applying those systems and process to Higher Education results in significant inefficiency and waste. Perkins funded staff with DESE would have to be reassigned to DHE to administer that program.

To change the requirements from the DESE to the MDHE may overburden the MDHE office with no provision for increasing staff. This barrier may not be easily overcome; however, it may be that these issues could be resolved by increasing the collaboration of the MDHE and the DESE offices.

This governance change will require a very challenging paradigm shift. This recommendation will be most likely objected by the major supporters of the K-12 system such as MSBA, MSTA, MRTA, etc. There are parts of the state that are not entirely serviced by higher education, so there will need to be more involvement with the colleges in those areas not typically served.

Cost savings is difficult to determine due to the complexity of this issue. Savings would result from integrating systems and processes related to technical training into existing DHE processes.

7) Head Start – DHSS – Child Care Services:

Consistency is needed among licensing representatives regarding regulation interpretation and personal priorities, including fire code regulations. Unfunded mandates in these areas should be eliminated.

There is a new mandate for every individual within a program that receives Child Care Subsidy money from DSS to obtain overview training covering almost every aspect of working with young children. This mandate came down from the federal government to the states who rushed to pull training together that covered the plethora of material. Two requests: that licensed centers be exempt from this additional re-training (as licensed staff have this already) and that if you have a contract to receive Child Care Subsidy from multiple states, that the training you receive in your state (where you practice) be valid for your contract with neighboring states. The same consistency among Fire and Sanitation inspectors would also be an asset.

The cost savings vary according to how the training is delivered. There are some free training offerings, but most training ranges from \$2-\$25 per hour, and the state requires 12 hours per year per staff member for licensing. The staff also have to be compensated for their time or overtime, as trainings happen on the weekends or necessitate someone else to cover the classroom. This training completed averages to about \$300 per year per employee per center (if local travel, not conducted outside of work hours, through a reasonable center). If outside speakers are brought in to reduce travel, the cost ranges from \$200-\$1000 per hour and still requires staff to be compensated for time. Sending someone to a quality national conference where all 12 hours of training can occur averages \$2000.00 to \$2500.00, not including the cost of time.

Recommendations

1. Require the MCCA Institutional Research Council to meet with the Missouri Department of Higher Education staff to evaluate the effectiveness of the annual required data collection activities of community colleges. The goal of the evaluation is to simplify the annual data collection process, including eliminating obsolete data surveys and streamlining activities to avoid duplication and unnecessary use of labor by the community colleges.
2. Task the Missouri Department of Elementary and Secondary Education to allow community colleges the option to substitute successful documentation of HLC required program approval

process in place for regional accreditation purposes in lieu of the Post-Secondary Common Criterion and Quality Indicators (PSCC&QI).

3. The Missouri Department of Higher Education should explore options to procure and utilize consistently one program inventory software program.
4. Require both the Missouri Department of Higher Education and Missouri Department of Elementary and Secondary Education to convene a working group to review the current annual Perkins reporting process with the goal of simplification, taking into consideration federal reporting requirements.
5. Task the MDHE Dual Credit Committee to reevaluate dual credit policy after the conclusion of the Higher Learning Commission's five-year waiver period for dual credit credentials.
6. Respectfully request the Joint Committee on Education to conduct a review of the effectiveness of vocational programs (both K-12 and community colleges), teacher education, and adult education and literacy programs with a governance recommendation as a conclusion.
7. Mandate an effectiveness report of a working group of the Head Start programs across the state with the goal of providing consistency regarding regulation interpretation and personnel priorities, including fire code regulation.

Benchmarks, Data, and Efficiency Measures

In light of budget cuts, increased workforce training demands and enrollment challenges, Missouri's 12 community college systems continually seek solutions to contain costs while not compromising the quality of academic programs or the support needed by our students to be successful. Directed by locally elected boards of trustees, community colleges have implemented multiple efficiency and cost saving measures to ensure balanced budgets while remaining the lowest cost option for students seeking workforce preparation and degree attainment.

Over the last three years, community colleges in Missouri have saved nearly \$33 million by making tough decisions while being responsive to community and service region needs. Major savings and efficiencies have been achieved through: personnel cuts, hiring and salary freezes, budget reductions to all departments, outreach center closings, consolidation of athletics, delayed technology implementations, deferred maintenance, outsourced services, energy efficiency installations of LED lighting and/or solar panels, health care savings through consortiums or plan reductions, and cutbacks to travel and professional development.

These savings are outlined in Attachment 1, Administrative Cost Review Taskforce – Recent Efficiencies/Savings Completed. This data is evidence of community colleges' commitment to seeking out cost savings and finding ways to serve our students and communities in the most efficient manner possible.

Next Steps

This task force will continue to pursue administrative cost reduction at individual institutions, as well as collectively as a consortium. Over the coming months, the group will jointly procure services for Phone Bill/Utility Bill Audits, Student Accounts Default Management, and Merchant Services Fees. This pilot venture will then be evaluated to determine true cost savings and administrative reductions. From there, the group will decide on the next round of consolidated purchases and will develop appropriate requests for proposals.

Attachment 1 - Administrative Cost Review Taskforce - Recent Efficiencies/Savings Completed

Community College	Facility/Site/Campus Closures	Academic Program Reductions	Payroll/Personnel Reductions	Benefit Savings (health ins. chgs.)	Equipment	Other OR (Non-Payroll)	TOTAL
Crowder College	\$110,000	\$80,000	\$864,000	\$107,520		\$295,700	\$1,457,220
East Central College	\$190,734		\$382,857	\$98,206			\$671,797
Jefferson College			\$594,000			\$437,000	\$1,031,000
Metropolitan Community College	\$200,000		\$3,200,000			\$8,000,000	\$11,400,000
Mineral Area College			\$796,000			\$275,000	\$1,071,000
Moberly Area Community College	\$50,000		\$606,500	\$220,000			\$876,500
North Central Missouri College		\$50,000	\$410,000			\$40,000	\$500,000
Ozarks Technical Community College	\$15,000		\$1,066,690	\$100,000	\$387,700	\$123,000	\$1,692,390
St. Charles Community College			\$477,424	\$83,281		\$526,099	\$1,086,804
St. Louis Community College			\$5,669,189	\$2,408,581	\$266,500	\$3,598,231	\$11,942,501
State Fair Community College				\$113,810	\$300,000	\$96,339	\$510,149
Three Rivers Community College	\$50,000		\$512,000	\$100,000	\$10,000	\$22,250	\$694,250
TOTAL							\$32,933,611



Council on Public Higher Education in the State of Missouri

Charles Ambrose
President
University of Central Missouri
Warrensburg, MO 64093
COPHE Chair

Mun Choi
President
University of Missouri System
Columbia, MO 65211
COPHE Vice Chair

John Jasinski
President
Northwest Missouri State University
Maryville, MO 64468

Michael A. Middleton
Interim President
Lincoln University
Jefferson City, MO 65101

Susan L. Thomas
President
Truman State University
Kirksville, MO 63501

Carlos Vargas
President
Southeast Missouri State University
Cape Girardeau, MO 63701

Dwaun Warmack
President
Harris-Stowe State University
St. Louis, MO 63103

Clif Smart
President
Missouri State University
Springfield, MO 65897

Robert Vartabedian
President
Missouri Western State University
St. Joseph, MO 64507

Alan Marble
President
Missouri Southern State University
Joplin, MO 64801

Andrew Cartwright
Chancellor
University of Missouri- Columbia
Columbia, MO 65211

Barbara Bichelmeyer
Interim Chancellor
University of Missouri – Kansas City
Kansas City, MO 64110

Christopher Maples
Interim Chancellor
Missouri S&T
Rolla, MO 65409

Thomas F. George
Chancellor
University of Missouri-St. Louis
St. Louis, MO 63121

September 11, 2017

Commissioner Zora Mulligan
Department of Higher Education
205 Jefferson Street
Jefferson City, MO 65101-1469

Dear Commissioner Mulligan:

Attached you will find a report from the COPHE work group that was established to examine administrative costs at Missouri's public universities with the goal of identifying areas of potential cost-savings.

The report has five areas of focus – administrative effectiveness; procurement – including cooperative purchasing, statutory restrictions, and MissouriBUYS; health care; prevailing wage; and libraries.

As you know, the work represented in this report is just one aspect of the information gathering and analysis that has taken place over the past few months. There have also been information requests from the governor's office, legislative committees, and other agencies that are both substantive in nature and related in content to the items discussed in this report. This has been a very valuable exercise for COPHE institutions and we are eager to continue pushing forward on these and related issues.

We are very thankful for your leadership and the leadership of the Coordinating Board as we confront the many challenges and opportunities in public higher education.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Paul Wagner'.

Paul Wagner, Executive Director

REPORT OF THE COPHE WORK GROUP ON ADMINISTRATIVE COSTS

ADMINISTRATIVE EFFECTIVENESS

Spans and Layers

Every COPHE institution has conducted a spans and layers exercise to analyze their administrative structure and function. According to Bain and Company, there are four main purposes to conducting this exercise:

Cost cutting: The exercise can be used to focus attention on inefficiencies that have grown (spans that have narrowed and layers that have built up) within an organization with the goal of trimming payroll costs.

Organizational effectiveness: Spans and layers exercises can be conducive with efforts to eliminate low-value-added or duplicative activities such as excessive data tracking, frequent re-forecasting and ad hoc reporting.

Decision effectiveness: Spans and layers can be an important part of addressing slow and inefficient decision making by streamlining management ranks and clarifying accountability.

Holistic organization simplification: When organizations become complex over time, a more comprehensive approach is needed to design leaner functions and prioritize key areas.

Each institution has conducted their analysis and presented that information to the Commissioner of Higher Education. Each institution is now analyzing the data and will develop actions plan to become more efficient and effective.

PROCUREMENT

Cooperative purchasing through existing contracts

COPHE institutions leverage a wide variety of state, national, regional, and local contracts and collective purchasing arrangements and consortia to reduce administrative costs. The search for opportunities to further leverage purchasing power is constant and has been ongoing for many years. Indeed, there are few, if any, areas where a university spends money that has not been scrutinized with the purpose of seeking out a group purchasing contract (given statutory limitations – see below).

To illustrate the thoroughness with which universities have leveraged purchasing contracts, below is a list of the primary goods and services that are purchased through leveraged buying off of collaborative contracts:

- Athletic equipment
- Audio/Visual services and equipment
- Background investigation services
- Chiller maintenance
- Computer hardware/software
- Computer server support
- Computer user support
- Copiers and copier maintenance
- Custodial services
- Data services - MORENET
- Dining, catering, other food services
- Elevator maintenance
- Emergency dispatch services
- Emergency telephones
- Financial services
- Furniture
- Hazardous waste disposal
- Insurance - vehicles, property, physical damage
- Long distance telephone services
- Networking services
- Mechanical services
- Medical/nursing supplies
- Mental health services
- Motor fuel
- Moving services
- Office supplies
- Paper and paper shredding
- Procurement cards
- Publications, library materials - MOBIUS
- Rental cars/fleet management
- Scientific services
- Security cameras

Software licenses
Student health services
Telecommunications equipment
Temporary employment services
Trash hauling/recycling

Statutory restrictions on efficient and competitive purchasing

While all public universities can and do utilize State of Missouri contracts as part of their contract purchasing, the greater opportunity for efficiency is further contract consolidation among universities because they purchase like items. State contracts already provide opportunities for purchasing power for items such as paper products and janitorial supplies, items that many state agencies utilize. Universities, unlike many other state agencies, purchase large quantities of equipment or consumable supplies needed for academic instruction or research like microscopes and chemistry kits.

Yet out of the thirteen COPHE institutions, five remain subject to regulatory restrictions under Chapter 34 of the Missouri Revised Statutes for purchasing authority. These institutions are Harris Stowe State University, Missouri Southern State University, Missouri Western University, Northwest Missouri State University and Southeast Missouri State University.

Over time, as other institutions have had legislative action for name change, mission change, etc., that legislative action has included a transition of purchasing authority from Chapter 34 compliance to that of the purchasing authority of the University of Missouri System. This allows for the establishment of different dollar thresholds for requiring quotes and sealed bids and allows for negotiation with bidders, which Chapter 34 does not.

These more restrictive bid requirements of Chapter 34 put an unnecessary administrative burden on these five institutions. For example, under the University of Missouri System, bids are not required for purchases less than \$5,000 and may not be required for purchases between \$5,000 and \$10,000 if it is determined that no additional savings or benefit would result from a solicitation of bid. Chapter 34 requires at least three bids be obtained for any purchase over \$3,000. In addition to the increased administrative burden that comes with having to obtain multiple bids on a much larger range of purchases, this inconsistency of bid thresholds, as mandated by state statute, is a significant factor that limits the ability of all the higher education institutions to share contracts and fully capitalize on their purchasing power.

In addition, Chapter 34 also restricts these five institutions from seeking competitive bids on furniture, which is frequently purchased and sometimes expensive. Chapter 34 requires that these five institutions purchase furniture from Missouri Vocational Enterprises (MVE), unless the type of furniture needed is not available through MVE. Even this requires a waiver process, which is long and cumbersome. Each of these institutions believe that they would realize savings if they had the same freedom to purchase furniture from MVE as well as a wide range of other vendors like the other institutions do.

To realize the true purchasing power of all thirteen public four-year universities and see the full potential reduction in costs by contracting together for commonly purchased items, COPHE recommends that legislative action be taken to place all public four-year institutions under the same purchasing authority.

MissouriBUYS

The State of Missouri is in the process of launching a new statewide eProcurement system that will be called MissouriBUYS.

There is a provision with the statewide eProcurement system contractor that will allow Missouri universities and local governments/political subdivisions to be able to use MissouriBUYS and its functionality at no cost. They anticipate beginning the rollout of MissouriBUYS to universities and local governments and political subdivisions as soon as the state's implementation is complete (toward the end of calendar 2018).

One of the benefits of MissouriBUYS is for purchasing entities to post bids electronically and receive vendor responses electronically. It is anticipated that many vendors will take advantage of the online bidding functionality, which could reduce costs.

In addition to online bidding, following are other benefits for universities and local governments/political subdivisions in using MissouriBUYS:

- Post bid opportunities on the public Bid Board in MissouriBUYS.
- Notify vendors of bid opportunities through automatic email notices for the commodity/service codes for which they register.
- Increased visibility and potential competition for local government's/political subdivision's bids to the State of Missouri's registered vendors who may not have previously sought out those entity's bids.
- Allow vendors to submit online bid responses to the local entity (paper bids also allowed).

- Easily access/view statewide contract catalogs and place online orders similar to retail environment.
- Local governments and universities can use eProcurement functionality in a variety of valuable ways without having to invest in additional eProcurement technology.

In the short term, COPHE has met with the MissouriBUYs team to discuss all of our contracts and our current utilization of a number of the state purchasing contracts. We also worked to identify any current areas that we could improve upon. Other than reexamining some contracts for office supplies, there was nothing that was identified.

On a long term basis, will be working with the state procurement office on the feasibility of participating in the MissouriBUYs program, the integration into universities' ERP software systems, as well as assisting the Office of Procurement in establishing a cost effective eProcurement system as the state expands the capability of the system.

******As with existing state contracts, in order to realize the full potential of an eProcurement system, the public universities need to be under the same purchasing authority so all institutions can participate in the same contracts.

HEALTH CARE

Employee health care costs are always a significant cost driver in personnel-heavy organizations like universities. As such, COPHE institutions have given serious consideration of joining the Missouri Consolidated Health Care Plan (MCHCP) in order to reduce costs for employee health insurance programs.

Missouri Western State University and Lincoln University took the lead in exploring alternatives in this area. Attachment 1 is a comparison spreadsheet that shows what Missouri Western's costs would have been per member under the MCHCP and under their current plans. It also includes a brief outline of pertinent benefits – deductible, out of pocket maximum, co-insurance rates, and co-pays for the three plans that are comparable to Missouri Western's.

The key finding of this effort was that if participation levels by Western's plans remained stable and they moved from their plans to the MCHCP they would be facing an annual cost increase of over \$1.69 million.

In addition, the employee costs for dependent coverage (spouse, children, and family) are considerably lower under MCHCP than what Western's employees currently pay and are also drastically higher than what Western contributes currently for those same

plans. Therefore, it is highly likely that there would also be an influx of additional dependent coverage given the low-cost to employees and the institution would anticipate their costs going up even more.

The investigation by Lincoln produced very similar results.

In summary, COPHE institutions are realizing savings well into the millions of dollars by negotiating with providers and developing health insurance options for their employees on the open market based upon their geography markets. They will continue with this strategy.

PREVAILING WAGE ON SMALL PROJECTS

The Missouri prevailing wage statute focuses on large public projects such as roads and bridges, buildings, and similarly high-dollar projects expending public funds.

Descriptions of prevailing wage regulations on the Department of Labor website refer to “construction work” and “public construction projects”. However, prevailing wage has been applied to work including maintenance work on existing facilities such as painting, replacing or repairing roofs, replacing carpet, replacing a furnace, installing fiber optic line, repairing an air conditioner, etc. The current interpretation is that if the repair means that equipment will work again, it is “construction”.

There are specific procedures utilized for collecting prevailing wage data, and detailed records must be submitted by the contractor for each employee with the public entity also maintaining a copy of these records. As a result, many smaller companies refuse to give bids or quote prices on publicly funded work. This coupled with the application of the statute to smaller and smaller projects has driven costs for some universities much higher for regular maintenance and small repair projects.

COPHE suggests that in order to more effectively utilize public funds, the Department of Labor consider interpreting the statute to exclude smaller projects that are largely routine maintenance and upkeep of existing public buildings and facilities.

LIBRARIES

COPHE institutions have convened a working group of head librarians to discuss and explore new ways to reduce current expenditures on library materials. It is being led by Tom Peters at Missouri State, and Barbara Glackin at Southeast Missouri State. In the coming weeks they will report back to COPHE on their recommendations in this area.

MWSU vs. MCHP

HIGH DEDUCTIBLE HSA PLAN

	MCHP High Ded Plan		MWSU High Ded Plan		Cost Savings for	MWSU Additional
	EE cost/mo	MWSU cost/mo	EE cost/mo	MWSU cost/mo	Employee/Mo	Cost/Participant/Mo
EE	\$25.00	\$517.00	\$0.00	\$576.77	\$25.00	(\$59.77)
EE+SP	\$98.00	\$1,219.00	\$468.76	\$576.77	(\$370.76)	\$642.23
EE+CH	\$48.00	\$1,088.00	\$326.10	\$576.77	(\$278.10)	\$511.23
EE+FAM	\$121.00	\$1,765.00	\$743.90	\$576.77	(\$622.90)	\$1,188.23
	Benefits		Benefits			
DED	\$1,650		\$2,600			
OOP	\$3,300		\$3,500			
Co-Ins	80/20		80/20			
Office CP	Deductible		Deductible			
RX	after ded: 10%/20%		after ded: \$10/\$50/\$70		Generic/Brand/Specialty	
H.S.A	No MWSU Contribution		\$67.24/mo incl in premium			

BASE PLAN

	MCHP PPO 600 Plan		MWSU Base Plan		Cost Savings for	MWSU Additional
	EE cost/mo	MWSU cost/mo	EE cost/mo	MWSU cost/mo	Employee/Mo	Cost/Participant/Mo
EE	\$66.00	\$600.00	\$0.00	\$576.77	\$66.00	\$23.23
EE+SP	\$266.00	\$1,432.00	\$530.64	\$576.77	(\$264.64)	\$855.23
EE+CH	\$134.00	\$1,243.00	\$369.14	\$576.77	(\$235.14)	\$666.23
EE+FAM	\$334.00	\$2,075.00	\$842.09	\$576.77	(\$508.09)	\$1,498.23
	Benefits		Benefits			
DED	\$600		\$2,000			
OOP	\$1,500		\$5,400			
Co-Ins	90/10		80/20			
Office CP	Deductible		Deductible			
RX	\$8/\$35/\$100		\$10/\$50/\$70		Generic/Brand/Specialty	

BUY-UP PLAN

	MCHP PPO 300 Plan		MWSU Buy-Up Plan		Cost Savings for	MWSU Additional
	EE cost/mo	MWSU cost/mo	EE cost/mo	MWSU cost/mo	Employee/Mo	Cost/Participant/Mo
EE	\$95.00	\$627.00	\$98.98	\$576.77	(\$3.98)	\$50.23
EE+SP	\$339.00	\$1,498.00	\$720.67	\$576.77	(\$381.67)	\$921.23
EE+CH	\$197.00	\$1,301.00	\$531.47	\$576.77	(\$334.47)	\$724.23
EE+FAM	\$441.00	\$2,172.00	\$1,085.47	\$576.77	(\$644.47)	\$1,595.23
	Benefits		Benefits			
DED	\$300		\$1,500			
OOP	\$1,500		\$4,200			
Co-Ins	90/10		85/15			
Office CP	\$25/\$40/\$50		\$30/\$60/\$60		Primary/Specialist/Urgent Care	
RX CP	\$8/\$35/\$100		\$10/\$50/\$70		Generic/Brand/Specialty	

AGENDA ITEM SUMMARY

AGENDA ITEM

Blueprint for Higher Education Quarterly Update
Coordinating Board for Higher Education
September 14, 2017

DESCRIPTION

This agenda item provides the Blueprint for Higher Education Quarterly Update.

Background

The Coordinating Board for Higher Education is required by statute to develop a coordinated plan for higher education in Missouri. In January 2016, the Coordinating Board approved a new coordinated plan, *Preparing Missourians to Succeed: A Blueprint for Higher Education*. The plan includes five goals and numerous strategies to support each goal.

- Goal 1: Attainment – Missouri will increase the proportion of working-age adults with high-quality, affordable postsecondary credentials to 60 percent by 2025.
- Goal 2: Affordability – Missouri will rank among the 10 most affordable states in which to obtain a postsecondary degree or certificate by 2025.
- Goal 3: Quality – Missouri will produce graduates with high-quality postsecondary degree and certificates that are valuable and relevant to individuals, employers, communities, and the state.
- Goal 4: Research and Innovation – Missouri will be a top 10 state for investment in academic research by 2025.
- Goal 5: Investment, Advocacy, and Partnerships – Missouri will promote greater investment in a culture of postsecondary education through increased advocacy and powerful partnerships with education, business, government, and communities.

Quarterly Update

To monitor the implementation of the plan, the Coordinating Board directed MDHE staff to provide quarterly updates on progress toward achieving the plan's goals.

Attached to this agenda item is the fourth Blueprint for Higher Education Quarterly Update for 2017. The update reflects MDHE's work within the plan's goal and strategy framework that is currently underway or anticipated in the near future.

MDHE will provide a more comprehensive summary of the programs and initiatives as well as progress being made toward accomplishing the plan's overarching goals in its Annual Report.

STATUTORY REFERENCE

Section 173.020(4), RSMo – Responsibilities of the Coordinating Board

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT

Attachment A: Blueprint for Higher Education Quarterly Update

Preparing Missourians to Succeed

A Blueprint for Higher Education

Quarterly Report – September 14, 2017
New information is highlighted

Goal 1: Attainment

Missouri will increase the proportion of working-age adults with high-quality, affordable postsecondary credentials to 60 percent by 2025.

Strategy	Action	Target Dates	Responsibility
1.1 Expand agreements to support the seamless transfer of academic credits.	<ul style="list-style-type: none"> Senate Bill 997 and House Bill 2003 – develop student portal to provide one-stop access to higher education information including transfer of credit. 	Phase I of portal development – July 1, 2017 (A \$500,000 state appropriation to fund development of portal was restricted by the governor to balance the Fiscal Year 2017 budget. MDHE will continue to work on this initiative but will be constrained by the funding restriction.)	Agency-wide
	<ul style="list-style-type: none"> In the absence of funding for the development of a student portal, MDHE has begun work on a new student-focused website that will provide information about degree completion, including information about the transfer of credit 	Website to be launched in August 2017 journeytocollege.mo.gov launched Aug. 25, 2017	Communications
	<ul style="list-style-type: none"> A \$500,000 appropriation for Fiscal Year 2018. MDHE staff met with state IT developers to begin planning for the portal. 	Fiscal Year 2018	Communications/agency wide
	<ul style="list-style-type: none"> Student portal projects have been determined: <ul style="list-style-type: none"> Enhanced College and Degree Search Credit Transfer Portal (new) Enhanced Student Financial Aid Portal Student Work Space (new). 	Student portal projects will be added to the Journey to College website as they are completed during Fiscal Year 2018	

	<p>IT is finalizing information to solicit bids from vendors for the projects.</p> <ul style="list-style-type: none"> • Senate Bill 997 – Missouri Higher Education Core Curriculum Transfer Act. - A Core Curriculum Advisory Committee has been assembled and met in December 2016 and January 2017 to begin work on developing a recommended lower division core curriculum of 42 semester credit hours and common course numbering equivalency matrix to aid in the transfer of credit. - Core Curriculum Advisory Committee met in March 2017 and approved a draft recommended 42-hour lower division core curriculum. Committee is accepting comments on the draft through April 21, 2017. - The Core Curriculum Advisory Committee is reviewing feedback on the first draft and revising the core curriculum. 	By Jan. 1, 2018, for implementation in 2018-2019	Academic Affairs
1.1 Expand alternative modes of delivery, including early-college, online, credit for prior learning and competency-based education programs.	<ul style="list-style-type: none"> • Dual Credit Policy (revised) – establishment of Early College Advisory Board (ECAB) • Senate Bill 997 – Dual credit certification, establishes a process for the CBHE to certify dual credit providers - Dual credit policy workgroup was established in October 2016 to create processes and reporting instruments for annual and quality reporting, updates on status, and appeals of approval status. The workgroup has met twice and is in the process of creating a 	ECAB meetings throughout 2016 to assist in establishing reporting instruments, methods and processes; ongoing implementation	Academic Affairs Academic Affairs

	timeline and milestones.		
1.1 Organize an information campaign to encourage students to seek full-time enrollment (defined here as 15 credit hours a semester).	<ul style="list-style-type: none"> • Senate Bill 997 – develop policies to promote students' on-time completion by taking 15 credit hours a semester. A 15 to Finish Forum will be held Oct. 12, 2016, in Springfield. - More than 150 administrators and staff from 25 colleges and universities attended the 15 to Finish Forum and Statewide kickoff Oct. 12, 2016, in Springfield. - Missouri was selected by Complete College America to participate in its national 15 to Finish scale initiative. - Presented a session about the 15 to Finish initiative at the Conference on Transfer and Articulation in February 2017. - Conducted three webinars about the 15 to Finish initiative in March 2017. Participants included high school counselors, college and university admissions counselors, academic and financial aid administrators and advisors and staff from several college access organizations. - Missouri High School Graduates Performance Report indicates an increase of nearly 2 credit hours in the average number of credit hours completed by freshman at public colleges and universities since 2013. - Presented a session about 15 to Finish at Default Prevention Day in May 2017. 		<p>Communications and Student Access and Success</p> <p>Communications</p> <p>Research and Data</p> <p>Communications</p>
1.1 Develop clear and lower-cost pathways to degrees and certificates	<ul style="list-style-type: none"> • Senate Bill 997 – Guided Pathways to Success Act - Pilot project underway will provide students with information that specifies clear curricular paths to a 	Pilot project 2017-2020	Academic Affairs

	<p>degree, reducing the accumulation of unnecessary credits, the time it takes to earn a degree and the overall cost of obtaining a degree. Five colleges and universities have submitted proposals to participate in the pilot project:</p> <ul style="list-style-type: none"> • Metropolitan Community College • North Central Missouri College • Ozarks Technical Community College • Southeast Missouri State University • University of Missouri-Kansas City 		
	<ul style="list-style-type: none"> • Senate Bill 997 – Concurrent Enrollment - Pilot project underway will allow students to be admitted to a two-year and a four-year institution concurrently as long as they meet the admission requirements of both institutions. This will provide students with a broader range of academic student support services while streamlining the path to degree completion. Seven colleges and universities have submitted proposals to participate in the pilot project: <ul style="list-style-type: none"> • Missouri University of Science & Technology and East Central College • Northwest Missouri State University and Metropolitan Community College • Southeast Missouri State University, Jefferson College, and Three Rivers College - Southeast Missouri State University, Jefferson College, and Three Rivers College have launched the 	Pilot project 2017-2020	Academic Affairs

	<p>“Transfer Mentor Program,” which provides community college students with access to academic advising at Southeast and Southeast’s degree management system.</p> <ul style="list-style-type: none"> - Northwest Missouri State University and Metropolitan Community College have launched FastTracks, an accelerated program open to students wanting to earn an associate and a bachelor’s degree in four years. • Create “math pathways,” which provide students with alternative options for earning the math credit they need to complete their degree. The courses are designed to align more closely with students’ specific field of study. - Most Missouri public colleges roll out “math pathway” courses. - Six Math Pathways Regional Symposiums are planned for Fall 2017 to provide information and guidance about math pathways implementation. 	<p>Ongoing</p> <p>Fall 2017 semester</p> <p>Sept. 8, Kansas City Sept. 22, Springfield Sept. 29, Moberly Oct. 9, Cape Girardeau Oct. 13, St. Louis</p>	<p>Academic Affairs</p>
1.3 Increase efforts to assist students in completing college admissions and financial aid applications.	<ul style="list-style-type: none"> • Journey to College Day 2016 will provide training to high schools and college outreach organizations planning to host Journey to College outreach events – Apply Missouri, FAFSA Frenzy and Decision Day – for 2016-2017. Information provided to high school administrators during the Department of Elementary and Secondary Education (DESE) annual conference for school administrators in July 2016. • 96 Missouri high schools 	<p>July 26, 2016</p> <p>Baseline year – promote programs and provide training, increase participation. Approximately 65 schools have registered to participate in all three outreach programs; approximately 75 additional schools and college access organizations have registered to participate in at least one of the programs. September and</p> <p>October 2016</p>	<p>Student Access and Success and Communications</p> <p>Student Access and</p>

	<p>participated in Apply Missouri events.</p> <ul style="list-style-type: none"> FAFSA Completion Project-Information provided to high school administrators during DESE's annual conference for school administrators in July 2016. Website revamped to improve functionality. 154 Missouri high schools have registered to participate in the FAFSA Completion Project. Approximately 130 high schools, colleges and other organizations hosted FAFSA Frenzy events to assist students and their parents with completing the FAFSA. Journey to College Day 2017 will provide training to high schools and college access organizations planning to host Journey to College outreach events – Apply Missouri, FAFSA Frenzy and Decision Day – for the 2017-2018 academic year. 93 Missouri high schools hosted Decision Day events. 	<p>Ongoing</p> <p>October 2016 through January 2017</p> <p>April 13, 2017</p> <p>April-May 2017</p>	<p>Success</p> <p>Financial Assistance</p> <p>Student Access and Success</p> <p>Student Access and Success and Communications</p> <p>Student Access and Success</p>
1.4 Seek participation in flexible educational programs by adult students, including veterans; individuals seeking new job skills; and those with some college but no degree.	<ul style="list-style-type: none"> Multi-State Collaborative on Military Credit – survey of Missouri institutions about military credit policies, practices and outreach. 	Ongoing initiative	Academic Affairs

Goal 2: Affordability

Missouri will rank among the 10 most affordable states in which to obtain a postsecondary degree or certificate by 2025.

Strategy	Action	Target Dates	Responsibility
2.2 Form a robust state-level work-study program designed to provide real-world experience and promote skill	<ul style="list-style-type: none"> Capitalize on legislative interest, including research into similar efforts in other states. Will meet with career 	Dependent upon legislative action/interest	Legislative Affairs

development, including “essential skills” that are highly sought after in the workplace and in life.	<p>services professionals from Missouri’s higher education institutions to discuss best practices for internships that contribute to the development of specific job-related skills and “soft skills.” Gather information to facilitate communication about preparing college graduates for the workforce.</p> <ul style="list-style-type: none"> Met with career services professionals from 16 colleges and universities and discussed student internship opportunities and the development of soft skills. 	April 10, 2017	Commissioner
2.5 Implement a web-based student portal that will serve as a one-stop shop for information about higher education, including applications, FAFSA rules, state student aid eligibility, transfer policies, reverse transfer, transfer-course library, and other information to help students plan for higher education and complete a degree in less time and at less cost.	<ul style="list-style-type: none"> Senate Bill 997 and House 2003 – develop student portal to provide one-stop access to higher education information including transfer. In the absence of funding in 2016 for the development of a student portal, MDHE has begun work on a new student-focused website that will provide information about planning and paying for college and completing a degree or certificate. \$500,000 for development of the student portal has been included in the department’s budget for Fiscal Year 2018. MDHE has met with state IT staff to begin planning for the portal. Student portal projects have been determined: 	<p>Phase I of portal develop – July 1, 2017 (A \$500,000 state appropriation to fund the development of portal was restricted by the governor to balance the Fiscal Year 2017 budget. MDHE will continue to work on this initiative but will be constrained by the funding restriction.)</p> <p>Website to be launched in August 2017</p> <p>New website - journeytocollege.mo.gov Launched Aug. 25, 2017</p> <p>Fiscal Year 2018</p> <p>Student portal projects will be added to the Journey to College website as they are</p>	<p>Agency-wide</p> <p>Communications</p> <p>Agency-wide</p>

	<ul style="list-style-type: none"> Enhanced College and Degree Search Credit Transfer Portal (new) Enhanced Student Financial Aid Portal Student Work Space (new). <p>IT is finalizing information to solicit bids from vendors for the projects.</p>	completed during Fiscal Year 2018.	
2.6 Support initiatives to fund public higher education sufficiently to move “per full-time-equivalent student” funding to the national average.	<ul style="list-style-type: none"> Fiscal Year 17 state appropriations – Four percent increase through performance funding. (Performance funding was included in budget restrictions in January 2017) Piloting 6th performance funding measure on student outcomes (employment/education) Fiscal Year 2017 state appropriations for student financial aid <ul style="list-style-type: none"> A+ Scholarship Program – \$2.5 million increase. Bright Flight Scholarship Program – \$500,000 increase. The scholarship will be fully funded at \$3,000 for the 2016-17 academic year for students scoring in top 3 percent on ACT and SAT. Access Missouri Grant Program – \$4 million increase. Maximum grant amounts will increase for the 2016-17 academic year by more than 21 percent to \$1,030 for community college students and \$2,250 for four-year public, State Tech and private schools. Fiscal Year 2018 state appropriations for student financial aid 	<p>Fiscal Year 2017</p> <p>Fiscal Year 2018/FY2019</p> <p>2016-17</p> <p>2017-18</p>	<p>Legislative Affairs</p> <p>Legislative Affairs/Research and Data</p> <p>Financial Assistance</p>

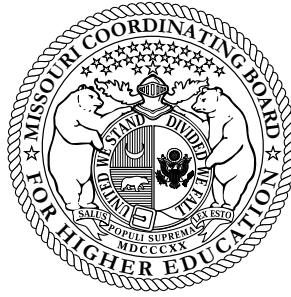
	<ul style="list-style-type: none"> - A+ Scholarship Program – same funding level as Fiscal Year 2017 (\$39.5 million) - Bright Flight Scholarship Program – \$4 million increase (nearly \$24.7 million) The scholarship will be fully funded at \$3,000 for the 2016-17 academic year for students scoring in top 3 percent on ACT and SAT. - Access Missouri Grant Program – same funding level as Fiscal Year 2017 (\$76.5 million). Maximum grant amounts will decrease for the 2017-18 academic year by ?? percent to \$910 for community college students and \$2,000 for four-year public, State Tech and private schools. 		
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Goal 3: Quality

Missouri will produce graduates with high-quality postsecondary degree and certificates that are valuable and relevant to individuals, employers, communities and the state.

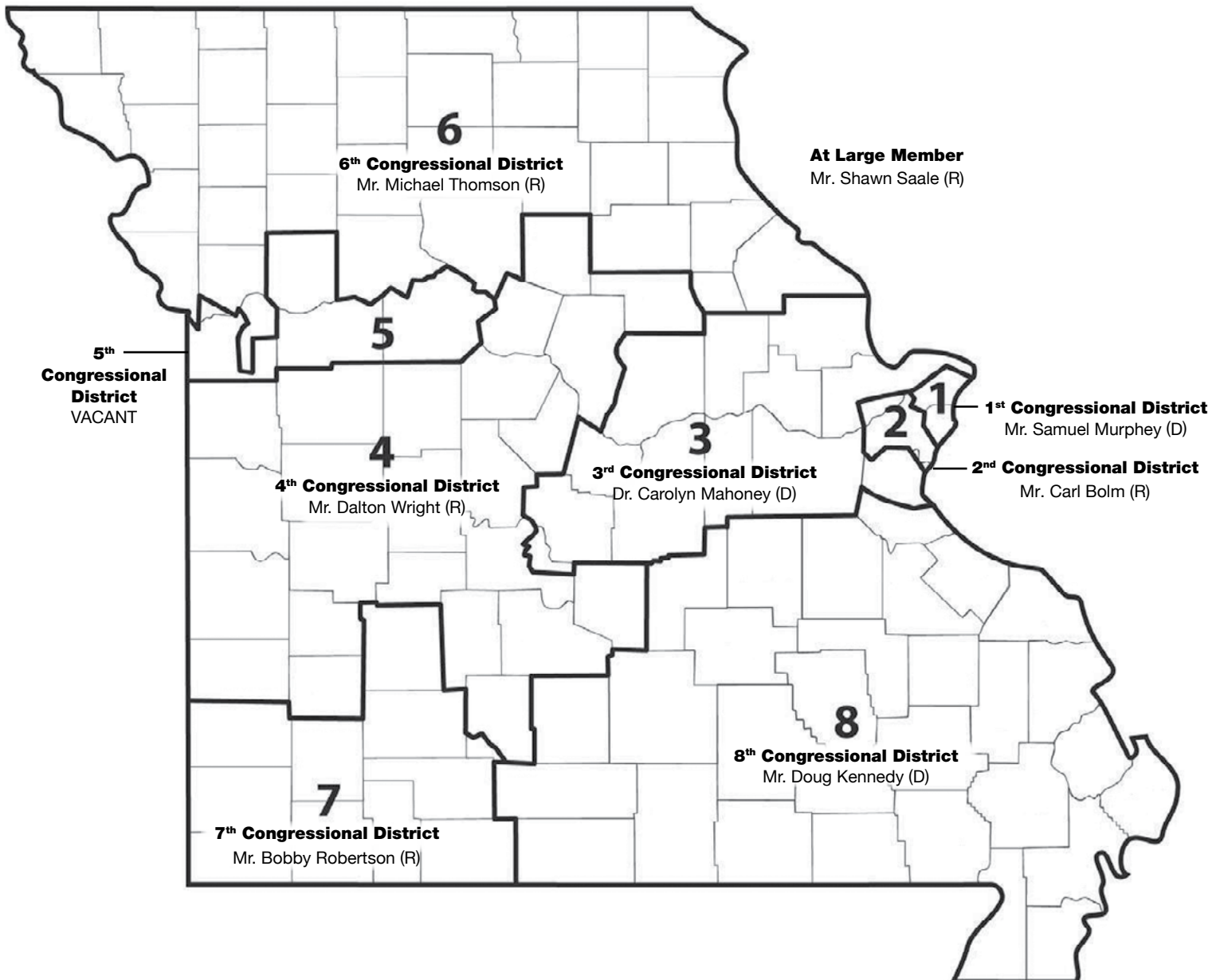
Strategy	Action	Target Dates	Responsibility
3.3 Review Missouri's postsecondary education system – including governance and regulatory structures, efficiency, missions, adequacy of funding, and selectivity policy, to assess how effectively the system is meeting the needs of stakeholders and make recommendations as appropriate.	<ul style="list-style-type: none"> • A 14-member Higher Education System Review Task Force – comprised of representatives from each public higher education sector – met in July 2016 to begin work on the review. MDHE contracted with the National Center for Higher Education Management Systems (NCHMS) to assist with the review. - The task force met in September, October and November 2016 to continue work on the review. The task force developed recommendations for the academic program approval process. A comprehensive mission review is underway. More information at dhe.mo.gov/initiatives/systemreview.php. - Interim report was approved by the 	Interim report – December 2016 Final report – July 2017	Academic Affairs

	<p>CBHE in December 2016. The task force continues to work on ongoing issues.</p> <ul style="list-style-type: none"> Initiated a statewide review of degree programs in February 2017 to identify programs that are not meeting their goals. <ul style="list-style-type: none"> List of programs and completions sent to institutions for review to verify accuracy. List of programs flagged for low- completion sent to institutions for response and planned course of action. Working with higher education institutions on developing and implementing planned course of action for degree programs that do not meet the CBHE-recommended completions threshold. Established administrative cost work groups comprised of institution presidents and chief financial officers in March 2017 to study efficiency opportunities and make recommendations. <ul style="list-style-type: none"> Work groups will submit an interim report containing recommendations for reducing administrative costs at Missouri's public colleges and universities to the CBHE. Work group reports submitted to MDHE for review. 2017 Performance Funding Task Force established in June 2017 to review Missouri's Performance Funding Task Force Model to recommend improvements to the model, including data integrity and verification, peer group selection, and other measures. 	<p>Final report – December 2017</p> <p>March</p> <p>April - December</p> <p>August 2017</p> <p>August 2017</p> <p>Task force meeting throughout Summer 2017. Recommendations to be presented at September 2017 CBHE meeting</p>	<p>Academic Affairs</p> <p>Commissioner</p> <p>Commissioner, Deputy Commissioner, Data and Research</p>
3.6 Participate in a comprehensive review of Missouri's current system of career and technical education to affirm strengths and identify areas to improve efficiency and effectiveness.	<ul style="list-style-type: none"> Participating in DESE Ad Hoc Career and Technical Education (CTE) Funding Committee Participating in DESE Postsecondary CTE Workgroup 	<p>Ongoing</p> <p>Ongoing</p>	<p>Academic Affairs</p> <p>Academic Affairs</p>



Coordinating Board for Higher Education

Members by Congressional District





Coordinating Board for Higher Education Members by Congressional District

Term expirations for Coordinating Board for Higher Education Members:

1st District: Mr. Samuel Murphey - 5/5/2016 to 6/27/2020

2nd District: Mr. Carl Bolm - 8/23/2017 to 6/27/2020

3rd District: Dr. Carolyn Mahoney - 2/12/2013 to 6/27/2018

4th District: Mr. Dalton Wright - 2/16/2011 to 6/27/2014

5th District: VACANT

6th District: Mr. Michael Thomson - 5/5/2016 to 6/27/2016

7th District: Mr. Bobby Robertson - 8/23/2017 to 6/27/2018

8th District: Mr. Douglas Kennedy - 11/5/2015 to 6/27/2020

At Large Member: Mr. Shawn Saale - 8/23/2017 to 6/27/2018

District	Description of boundary	Population
1	St. Louis County (part of), St. Louis City	736,055
2	Counties of Jefferson (part of), St. Charles (part of), St. Louis County (part of)	767,531
3	Counties of Jefferson (part of), Franklin, Gasconade, Maries, Osage, Cole, Callaway, Montgomery, Warren, Lincoln (part of), St. Charles (part of), Miller, Camden (part of)	774,899
4	Counties of Audrain (part of), Randolph, Boone, Howard, Moniteau, Cooper, Morgan, Camden (part of), Hickory, Benton, Pettis, Johnson, Henry, St. Clair, Cedar, Dade, Barton, Vernon, Bates, Cass, Dallas, Laclede, Pulaski, Webster (part of)	762,763
5	Counties of Jackson (part of), Ray, Lafayette, Saline, Clay (part of)	757,920
6	Counties of Lincoln (part of), Audrain (part of), Ralls, Marion, Shelby, Lewis, Monroe, Knox, Clark, Scotland, Schuyler, Adair, Macon, Chariton, Linn, Sullivan, Putnam, Mercer, Grundy, Livingston, Carroll, Caldwell, Daviess, Harrison, Worth, Gentry, DeKalb, Clinton, Clay (part of), Jackson (part of), Platte, Buchanan, Andrew, Nodaway, Holt, Atchison	765,667
7	Counties of Jasper, Newton, McDonald, Lawrence, Barry, Stone, Taney, Christian, Greene, Polk, Webster (part of)	770,073
8	Counties of Ozark, Douglas, Wright, Texas, Howell, Oregon, Shannon, Dent, Phelps, Crawford, Washington, Jefferson (part of), Iron, Reynolds, Carter, Ripley, Butler, Wayne, Madison, St. Francois, Ste. Genevieve, Perry, Bollinger, Cape Girardeau, Scott, Stoddard, Mississippi, New Madrid, Pemiscot, Dunklin	748,764

9/07/2017



ORGANIZATIONAL INFORMATION: DEPARTMENT DUTIES

The CBHE (CBHE) and its administrative arm, the Missouri Department of Higher Education (MDHE), have a varied portfolio of duties. The following provides a high-level summary of those duties.

Planning is one of the MDHE's core functions. The department is responsible for developing and overseeing implementation of a coordinated plan for higher education for the state and its subregions (§ 173.020(4)), identifying the state's higher education and workforce needs (§ 173.020(2)), and delineating each institution's areas of competence (§ 173.005.2(9)). The department reviews each public college's and university's mission periodically (§ 173.030(7)) and has authority to approve applications from institutions seeking to establish a statewide mission (§ 173.030(8)). The department collects data to use in its decision-making processes and makes those data available in the Statistical Summary of Missouri Higher Education published on the MDHE website.

Academic program approval and review are closely linked to the department's planning function. The department reviews new degree program proposals offered by public colleges and universities (§ 173.005.2(1)) and has authority to make recommendations to institutions' governing boards regarding the development, consolidation, or elimination of programs, degree offerings, and facilities (§ 173.030(2)).

The department is also tasked with fostering **institutional relationships** that serve the state's higher education needs. Specific responsibilities in this area include encouraging the development of cooperative agreements for the offering of graduate degrees, as well as developing arrangements for more effective and economical specialization among institutions, and for more effective coordination and mutual support among institutions in the use of facilities, faculty, and other resources (§ 173.020(3)).

The department coordinates public colleges' and universities' core operating and capital projects **budget requests** by establishing guidelines for public universities' requests (§ 173.005.2(3)), approving a community college funding model (§ 163.191.1), and submitting a unified budget request for community colleges (§ 163.191.1). Requests for operating appropriations are made based on the

performance funding model the department adopted in 2008 (§ 173.1006.1).

The department also develops budget requests for and oversees the state's **student financial aid** programs, the largest of which are Access Missouri (§ 173.1103.1); the Higher Education Academic Scholarship Program, commonly referred to as "Bright Flight" (§ 173.250.3); and the A+ Scholarship Program (assigned to the department by Executive Order 10-16).

Also in the affordability category, the department administers the Higher Education Student Funding Act, commonly referred to as SB 389, which provides that a public university that increases tuition and some fees more than the rate of inflation will be subject to a fine of 5% of the institution's state appropriation (§ 173.1003.5). The law also includes a provision that allow institutions ask the commissioner of higher education for a waiver of all or part of the fine (§ 173.1003.5).

Proprietary school certification is another of the department's important responsibilities. The department licenses and oversees *for-profit* proprietary schools like the University of Phoenix and some *not-for-profit* proprietary schools like Victory Trade School, a religiously affiliated institution in Springfield with a mission of preparing homeless individuals for work in the culinary arts (§§ 173.604.1 & 173.616.1).

Finally, the department offers resources that help students **plan for** and **complete** postsecondary programs. The MDHE's Journey to College programs support high school students as they apply for college admission and financial aid, and celebrate students' choices about attending college and participating in military service.

The department has a long history of working with colleges and universities to develop guidelines that promote **transfer** between institutions; a statewide library of core courses that transfer from one institution to another; and a policy fostering

“reverse transfer,” which allows a student who transfers from a community college before earning enough credits to receive an associate degree to be awarded an associate degree when he or she earns the remaining needed credits at the university to which they have transferred (§ 173.005.2(8)).

Senate Bill 997, a higher education omnibus bill that became law on August 28, 2016, gives the department significant additional responsibilities, many of which strengthen the department’s role in promoting transfer. The department is tasked with working with an advisory committee – the majority of which must be faculty members – to develop a core curriculum that is guaranteed to transfer to another institution and a common course numbering equivalency matrix (§ 178.780.2(10)). These provisions essentially make mandatory practices that have been voluntary in the past. The new law also requires the department to evaluate and maintain data on each institution’s transfer practices (§ 178.788.1) and to resolve disputes about transfer (§ 178.788.2).

Senate Bill 997 requires the department to develop programs designed to promote **on-time completion**, including “15 to Finish” (§ 173.2510) and guided pathways (§ 173.2515); to establish a pilot program for “concurrent enrollment,” which allows community college students to enroll in a public university, take select university classes, and use the university’s facilities (§ 173.2520); and to create a website that provides information about academic programs available at each institution, financial aid, and transfer of course credit (§ 173.035).

In addition, the new law establishes a dual credit scholarship for high school students who meet certain academic standards and demonstrate financial need. The MDHE has

indicated that it will cost approximately \$4.5 million to launch the scholarship program. That information is included in the department’s high-priority budget recommendation, which accompanies the department’s actual budget request and is intended to provide information about important funding needs that do not fit within the parameters of the Office of Administration’s budget instructions.

The department has served as the **state-designated student loan guaranty agency** in the Federal Family Education Loan Program (FFELP) since 1979, making it possible for generations of students, regardless of personal resources, to receive loans because of protection against defaults.

As a FFELP guaranty agency, the MDHE receives servicing fees from the U.S. Department of Education and retains a portion of defaulted student loan collections. These revenues are used to fund loan administration functions and other financial aid-related activities. In addition, the MDHE purchases defaulted student loans from lending institutions and is reimbursed for loan purchases by USDE (20 U.S.C. §1072a).

As Missouri’s guaranty agency, the MDHE helps students and families pay for a college education by:

- Providing information on postsecondary opportunities and financial aid directly to students and families (20 U.S.C. § 1072b);
- Creating financial literacy materials and programs for students, families, and schools to help them better manage finances (§ 165.275); and
- Helping borrowers resolve problems repaying their loans and restore their credit if they default (20 U.S.C. § 1072b).

CURRENT STATUTORY FUNCTIONS

The summary provided above does not include all of the department's current statutory functions. Those functions are listed below. Many of the items listed here are referred to in the summary above.

Fiscal

- Establish guidelines for appropriation requests by public four-year institutions (§173.005.2(3))
- Approve a community college funding model developed in cooperation with the community colleges (§ 163.191.1)
- Submit an aggregated community college budget request (§ 163.191.1)
- Oversee implementation of the Higher Education Student Funding Act (commonly referred to as Senate Bill 389), including the adjudication of waiver requests submitted by institutions proposing to raise tuition at a rate that exceeds the statutory guideline (§ 173.1003.5)
- Recommend to governing boards of state-supported institutions, including community colleges, formulas to be employed in specifying plans for general operations, development and expansion and requests for appropriations from the general assembly (§ 173.030(3))
- Promulgate rules to include selected off-campus instruction in public colleges' and universities' appropriation requests where prior need has been established in areas designated by the CBHE (§ 173.030(4))

Planning

- Conduct studies of population and enrollment trends affecting institutions of higher education in the state (§ 173.020(1))
- Identify higher education needs in the state in terms of requirements and potential of young people and labor force requirements (§ 173.020(2))
- Develop arrangements for more effective and economical specialization among institutions in types of education programs offered and students served, and for more effective coordination and mutual support among institutions in the utilization of facilities, faculty and other resources (§ 173.020(3))
- Design a coordinated plan for higher education for the state and its subregions (§ 173.020(4))
- Collect information and develop comparable data for all institutions of higher education in the state and use it to delineate areas of competence of each of these institutions and for any other purposes the CBHE deems appropriate (§ 173.005.2(9))
- Establish state- and institution-specific performance measures (§ 173.1006.1)
- Conduct institutional mission reviews every five years (§ 173.030(7))
- Review and approve applications from institutions for statewide missions (§ 173.030(8))
- Issue annual report to the governor and general assembly (§ 173.040)
- Report to Joint Committee on Education (§ 173.1006.2)

Academic Programs

- Approve proposed new degree programs to be offered by the state institutions of higher education (§ 173.005.2(1))
- Approve degree programs offered by out-of-state institutions, in a manner similar to Missouri public higher education institutions (§ 173.005.2(13)(b))
- Recommend to governing boards the development, consolidation or elimination of programs, degree offerings, physical facilities or policy changes deemed in the best interests of the institutions or the state (§ 173.030(2))
- Approve out-of-district courses offered by community colleges (§ 163.191.4)
- Establish competencies for entry-level courses associated with an institution's general education core curriculum (§ 173.005.2(7))
- Approve dual credit programs offered by postsecondary institutions to high school students (§ 173.2500).
- Develop policies that promote on-time completion of degree programs (§ 173.2510)
- Develop a "guided pathways to success" pilot program designed to provide students with clear pathways to degree completion (§ 173.2515)
- Establish a concurrent enrollment pilot program to coordinate students' simultaneous enrollment at four- and two-year institutions (§ 173.2520)
- Determine to what extent courses of instruction in the Constitution of the U.S., and of the state of Missouri, and in American History should be required by colleges and universities (§ 170.011.1)
- Establish guidelines to facilitate transfer (§ 173.005.2(7))
- Administer the Studies in Energy Conservation Fund in collaboration with the Department of Natural Resources and, subject to appropriations, establish full professorships of energy efficiency and conservation (§ 640.219.1)
- Promulgate rules to ensure faculty credentials and student evaluations are posted on institutional websites (§ 173.1004)
- Cooperate with the Department of Corrections to develop a plan of instruction for the education of offenders (§ 217.355)
- Establish guidelines to promote and facilitate the transfer of students between institutions of higher education within the state (§ 173.005.2(8))
- Develop a recommended lower division core curriculum of 42 credit hours, which shall be transferable among all public institutions; develop criteria to evaluate public institutions' transfer practices; and administer a transfer dispute resolution process (§§ 178.780(10) & 178.785-789)
- Require all public two- and four-year higher education institutions to create a statewide core transfer library of at least twenty-five lower division courses across all

institutions that are transferable among all public higher education institutions (§ 173.005.2(8))

- Develop a policy to foster reverse transfer for any student who has accumulated enough hours by meeting specific statutory requirements to be awarded an associate degree (§ 173.005.2(8))
- Require all public two- and four-year higher education institutions to replicate best practices in remediation (§ 173.005.2(6))
- Require all public institutions to award educational credit for courses that are equivalent in content and experience to a student's prior military training or service (§ 173.1158)

Institutional Relationships

- Promote and encourage the development of cooperative agreements between Missouri public four-year institutions of higher education which do not offer graduate degrees and Missouri public four-year institutions of higher education which do offer graduate degrees for the purpose of offering graduate degree programs on campuses of those public four-year institutions of higher education which do not otherwise offer graduate degrees (§ 173.005(2))
- Coordinate reciprocal agreements between or among institutions at the request of one or more of the parties (§ 173.030(5))
- Enter and administer interstate reciprocal agreements for delivery of postsecondary distance education, including approval of applications to participate and development of consumer protection and complaint policies (§ 173.030(6))
- Approve new state-supported senior colleges or residence centers (§ 173.005.2(4))
- Establish admission guidelines consistent with institutional missions (§ 173.005.2(5))
- Establish guidelines to help institutions with decisions relating to residence status of students (§ 173.005.2(7))
- Conduct binding dispute resolution for disputes between public institutions that involve jurisdictional boundaries, or the use or expenditure or any state resources (§ 173.125)
- Receive biennial reports from all public institutions on the number and language background of all teaching assistants, including a copy of the institution's current policy for selection of graduate teaching assistants (§ 170.012.4)
- Promulgate model conflict of interest policy that is used to govern all public institutions of higher education that did not have a similar measure in place (§ 173.735)
- Enforce provisions of the Missouri Returning Heroes Education Act, which limits the amount of tuition public institutions can charge combat veterans (§ 173.900.4)
- Promulgate rules for the refund of all tuition and incidental fees or the awarding of a grade of "incomplete" for students called into active military service, voluntarily or involuntarily, prior to the completion of the semester (§ 41.948.5)
- Provide an annual report to the Department of Elementary and Secondary Education on the performance of graduates of public high schools in the state during the students' initial year in the public colleges and universities of the state (§ 173.750.1)

- Promulgate instructions and recommendations for implementing eye safety in college and university laboratories (§ 173.009)
- Exercise oversight of State Technical College (§ 178.638)
- Establish standards for the organization of community colleges (§ 178.770)
- Approve establishment of community college subdistricts and redistricting (§ 178.820)
- Supervise community colleges (§ 178.780), including:
 - Establishing their role in the state
 - Setting up surveys to be used for local jurisdictions when determining need and potential for a community college
 - Administering the state financial support program
 - Formulating and putting into effect uniform policies as to budgeting, record keeping and student accounting
 - Establishing uniform minimum entrance requirements and uniform curricular offerings
 - Make a continuing study of community college education in the state
 - Being responsible for their accreditation, annually or as often as deemed advisable, and in accordance with established rules

Note: Section 173.005.7 transfers to the CBHE the duties of the State Board of Education relating to community college state aid, supervision and formation specified in Chapters 163 and 178, RSMo.

Financial Aid¹

- Administer the Access Missouri Financial Assistance Program (§ 173.1103.1)
- Administer Higher Education Academic Scholarship Program ("Bright Flight") (§ 173.250.3)
- Administer the A+ Scholarship Program (Executive Order 10-16, January 29, 2010)
- Administer the Advanced Placement Incentive Grant (§ 173.1350)
- Administer the Kids' Chance Scholarship Program for children of workers who were seriously injured or killed as result of a workmen's compensation-related event (need based) (§ 173.256.1)
- Administer the Public Safety Officer or Employee Grant Program for certain public employees and their families if the employee is killed or permanently and totally disabled in the line of duty (§ 173.260.2 & .4)
- Administer the Marguerite Ross Barnett Competitiveness Scholarship Program for students who are employed 20 hours or more per week while attending school part time (§ 173.262.3)
- *Administer the Missouri Teaching Fellows Program for educational loan repayments, to include maintaining a program coordinator position to identify, recruit, and select potential applicants for the program (§ 168.700)*
- Administer the Minority Teaching Scholarship Program (§ 161.415)

¹ Entries in italics historically have not had funds appropriated to them by the General Assembly and so require no ongoing activity by the department.

- Administer the Minority and Underrepresented Environmental Literacy Program (§ 173.240)
- Administer the Dual Credit Scholarship for students from low-income families enrolling dual credit courses (§ 173.2505)
- Administer the Advantage Missouri Trust Fund, which provided loans and a loan forgiveness program for students in approved educational programs who become employed in occupational areas of high demand in the state (§§ 173.775.2 & 173.781)
- Make provisions for institutions to award tuition and fee waivers to certain students who have been in foster care or other residential care under the Department of Social Services (§ 173.270.1)
- May request information from public or private institutions to determine compliance with the requirement that no student receiving state need-based financial assistance receive financial assistance that exceeds the student's cost of attendance (§ 173.093)
- Develop, maintain, and operate a website with, at minimum, information on Missouri postsecondary institutions' academic programs, financial aid, and course transferability (§ 173.035)
- Receive annual certification from all postsecondary institutions that they have not knowingly awarded financial aid to a student who is unlawfully present in the U.S. (§ 173.1110.3)
- Promulgate rules to ensure individuals serving in the Missouri National Guard, Armed Forces Reserves, and those in the process of separating from the U.S. military may readily obtain in-state residency status for purposes of tuition and admission (§§ 173.1150 & 1153)

State Guaranty Agency under the Federal Family Education Loan Program²

- Administer Missouri Student Loan Program (§§ 173.100 to .120 & .130 & .150 to .187; also Title IV, Part B of the Higher Education Act of 1965, as amended (20 U.S.C. §§ 1071 to 1087-2), and its implementing regulations in 34 C.F.R. §§ 433A, 485D & 682). Responsibilities include:
 - Establishing standards for determining eligible institutions, eligible lenders and eligible borrowers
 - Processing applications
 - Loan disbursement
 - Enrollment and repayment status management
 - Default awareness activities
 - Collecting on defaulted borrowers
 - School and lender training
 - Financial literacy activities
 - Providing information to students and families on college planning, career preparation, and paying for college
 - Administering claims
 - Compliance

² As a result of provisions in the recently enacted Healthcare and Education Affordability Reconciliation Act, no new FFELP loans will be issued after June 30, 2010. However, the Guaranty Agency's statutory and regulatory obligations will continue as to loans still outstanding and guaranteed before that date.

- Provide information on types of financial assistance available to pursue a postsecondary education (§ 167.278)
- Act as a lender of last resort for students or schools that cannot otherwise secure loans (§ 173.110.3)
- Enter into agreements with and receive grants from U.S. government in connection with federal programs of assistance (§173.141)

Proprietary Schools

- License and oversee all for-profit Missouri certificate or degree granting schools (§ 173.604.1)
- License and oversee some not-for-profit Missouri certificate or degree granting schools (§§ 173.604.1 & 173.616.1)
- License and oversee out-of-state higher education institutions offering instruction in Missouri (public out-of-state are exempt but go through program approval similar to in-state publics) (§§ 173.602 & 173.005.2(11)(b))
- License and oversee certain types of student recruitment by non-Missouri institutions (§ 173.602)
- Require annual recertification, or recertification every two years if certain conditions are met (§ 173.606.1 & 173.606.2)
- Establish appropriate administrative fees to operate the certification program (§ 173.608.2)

Grants for Institutions/Faculty

- Administer the Nurse Education Incentive Program (§ 335.203)
- Apply for, receive and utilize funds which may be available from private nonprofit foundations and from federal sources for research on higher education needs and problems in the state (§ 173.050(2))
- Serve as the official state agency to plan for, define, and recommend policies concerning the allocation of federal funds where such funds, according to provisions of federal legislation, are to be received and allocated through an official state agency (§ 173.050(1))

Enforcement

- Compliance with requests from the coordinating board is a prerequisite to the receipt of any funds which the coordinating board is responsible for administering (§ 173.005.2(10))
- Institutions that willfully disregard CBHE policy may be subject to penalties including inability to receive students who participate in student financial aid programs and the withholding of any funds the CBHE is charged with disbursing (§ 173.005.2(11))