

Coordinating Board for Higher Education

Agenda of Meeting

**9:00 AM
Thursday
February 7, 2008**

**Theory Room 7
ITT Technical Institute
Earth City**

COORDINATING BOARD FOR HIGHER EDUCATION

Kathryn F. Swan, Chair, Cape Girardeau

Gregory Upchurch, Vice Chair, St. Louis

Martha L. Boswell, Columbia

Doris J. Carter, Florissant

David Cole, Cassville

Lowell C. Kruse, St. Joseph

Jeanne Patterson, Kansas City

Duane Schreimann, Jefferson City

TIME: 9:00 AM
Thursday
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PLACE: Theory Room 7
ITT Technical Institute
Earth City

Schedule of Events – February 6 – 7, 2008

CBHE Work Session and Meeting

Wednesday, February 6, 2008

- 12:00 – 5:00 **CBHE Work Session**
Soulard Conference Room
Holiday Inn Airport West – Earth City
3400 Rider Trail South
St. Louis, MO 63045
- 6:00 **CBHE Dinner**
Charlie Gitto’s Restaurant
777 Casino Center Drive
Maryland Heights, MO 63043

Thursday, February 7, 2008

- 9:00 – 12:00 **CBHE / PAC Meeting**
Theory 7
ITT Technical Institute
3640 Corporate Trail Drive
Earth City, MO 63045
- 12:00 – 1:00 **Lunch**
Theory 4
ITT Technical Institute
- 1:00 - ?? **Continue CBHE Meeting if necessary**
- Upon adjournment
of CBHE meeting **Higher Education Funding (HEF) Task Force Meeting**
Theory 6
ITT Technical Institute

Executive Session

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

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

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

Individuals needing special accommodations relating to a disability should contact Laura Vedenhaupt, at the Missouri Department of Higher Education, 3515 Amazonas Drive, Jefferson City, MO 65109 or at (573) 751-2361, at least three working days prior to the meeting.

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

Representatives by Statute

Public Four-Year Universities

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

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

Dr. Bruce Speck
President
Missouri Southern State University
3950 East Newman Road
Joplin 64801

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

(COPHE President)

Dr. John Carney III
Chancellor
Missouri University of Science and Technology
206 Parker Hall
Rolla 65401-0249

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

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

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

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

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

Dr. Gordon Lamb
Interim President
University of Missouri
321 University Hall
Columbia 65211

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

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

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

Public Two-year Colleges

Dr. Alan Marble
President
Crowder College
601 Laclede Avenue
Neosho 64850

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

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

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

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

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

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

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

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

Dr. Zelema Harris
Chancellor
St. Louis Community College
300 South Broadway
St. Louis 63110

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

(MCCA President)

Dr. Larry Kimbrow
Acting President
Three Rivers Community College
Three Rivers Boulevard
Poplar Bluff 63901

Public Two-year Technical College

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

Independent Four-year Colleges and Universities

Dr. Mark Lombardi
President
Maryville University of St. Louis
13550 Conway Road
St. Louis 63131

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

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

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

Independent Two-year Colleges

Dr. Judy Robinson Rogers
President
Cotter College
1000 West Austin
Nevada 64772-1000

COORDINATING BOARD FOR HIGHER EDUCATION

TIME: 9:00 AM
Thursday
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PLACE: Theory 7
ITT Technical Institute
Earth City

AGENDA

	<u>Tab</u>	<u>Presentation by:</u>
I. Introduction		
A. Call to Order		Kathryn Swan, Chair
B. Confirm Quorum		Board Secretary
C. Committee Reports		
1. Audit Committee		Duane Schreimann, Chair
2. Student Loan/Financial Aid Committee		Martha Boswell, Chair
3. Strategic Planning Committee		Jeanne Patterson, Chair
D. Welcome from ITT Technical Institute		Karen Finkeneller, Director
II. Presidential Advisory Committee		
A. FY 2009 Budget Update - Governor's Recommendations	A	Paul Wagner, Deputy Commissioner
B. Coordinated Plan Update* *Action Item	B	Paul Wagner
C. Higher Education Funding (HEF) Task Force Update	C	Paul Wagner
D. Summary of Proposed Legislation Related to Higher Education	D	Zora AuBuchon, Assistant Commissioner and General Counsel
E. Omnibus Bill Update	E	Zora AuBuchon
F. Federal Default Fee	F	Leanne Cardwell, Assistant Commissioner
G. Access Missouri Financial Assistance Program	G	Leroy Wade, Assistant Commissioner
III. Action Items		
A. Minutes of the December 6, 2007 Meeting Minutes of the December 18, 2007 Conference Call		Kathryn Swan
B. CBHE Public Policies	H	Zora AuBuchon
C. Draft Policy on Penalties for Willful Disregard of CBHE Policy	I	Zora AuBuchon

	<u>Tab</u>	<u>Presentation by:</u>
IV. Consent Calendar		
A. Distribution of Community College Funds	J	Paul Wagner
B. Academic Program Actions	K	Paul Wagner
C. MDHE Improving Teacher Quality Grant Program	L	Paul Wagner
D. Proprietary School Certification Actions and Reviews	M	Leroy Wade
E. State Student Financial Aid Committee	N	Leroy Wade
F. College Goal Sunday	O	Leanne Cardwell
V. Items for Discussion, Consideration, and Possible Vote		
A. Homeland Security Advisory Council Update	P	Robert Stein
B. Distribution of Carl Perkins Vocational Funds	Q	Paul Wagner
C. P-20 Council Update		Kathryn Swan
D. Report of the Commissioner		Robert Stein

Executive Session

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**COORDINATING BOARD FOR HIGHER EDUCATION
MINUTES OF MEETING
December 6, 2007**

The Coordinating Board for Higher Education (CBHE) met at 8:00 a.m. on Thursday, December 6, 2007 at the Rickman Center in Jefferson City.

Chair Kathryn Swan called the meeting to order. A list of guests is included as an attachment. The presence of a quorum was established with the following roll call vote:

	Present	Absent
Martha Boswell		X
Doris Carter	X	
David Cole	X	
Lowell C. Kruse	X	
Jeanne Patterson		X
Duane Schreimann	X	
Kathryn Swan	X	
Gregory Upchurch	X	

Chair Swan welcomed the newest Coordinating Board member, Mrs. Doris J. Carter. Ms. Carter retired in June 2003 from the St. Louis Public School District after serving forty years as a classroom teacher, Instructional Coordinator, Assistant Principal, and Principal of Carver Elementary School. She co-owns a home-based travel agency business in Florissant and is an active member in the community.

Committee Reports

Audit Committee

Mr. Duane Schreimann reported that the BKD audit of the Missouri Student Loan Program found no problems and the minor adjustments recommended were being implemented. The State Auditors single audit began in October 2007; the committee expects to receive the audit results in late March or early April 2008. The department continues to implement the recommendations from the previous audit.

Ms. Zora AuBuchon reported that the department was tracking progress toward meeting audit obligations. The recommended upgrade of the FAMOUS system is on track for completion by the end of December 2007.

Student Loan / Financial Aid Committee

Mr. Leroy Wade stated that the committee had no business to report.

Strategic Planning Committee

Chair Swan stated that Mr. Paul Wagner will update the CBHE and the Presidential Advisory Committee on the status of the Coordinated Plan.

Presidential Advisory Committee

Coordinated Plan Update

Mr. Wagner said that the plan's framework, originally adopted at the October meeting, has since undergone revision based on extensive feedback from individuals and the CBHE's Strategic Planning Committee. The main areas of feedback included concern over the focus on undergraduate education and paid little attention to graduate and basic and applied research.

The new draft has been narrowed to three strategic areas: barriers to access, preparing an engaged citizenry to support a global workforce, and diversifying, increasing, and maximizing resources. In addition, the vision, mission, and value statements have been further fleshed out. A draft of the revised plan, in outline format, was distributed for review.

Mr. Wagner advised that the Strategic Planning Committee would continue to seek feedback and to work on fleshing out the remaining areas. The revised plan will be forward-thinking and will consider issues of preparation, all education levels, and employment. The plan will also actively promote collaboration and will emphasize the roles of technology and innovation in new initiatives related to higher education. The plan should also be responsive/anticipate the needs of future generations.

Dr. John McGuire expressed appreciation for the process the CBHE and MDHE has used in the development of the coordinated plan as well as development of the policies and rules to be discussed.

Commissioner Robert Stein stated that the timeframe for completion of the coordinated plan is being revised. First estimates had a deadline of January 1st, but in order to ensure full ownership throughout the committee and the higher education community, the planning committee intends to come forward with a draft by the February 2008 board meeting.

Dr. Gordon Lamb appreciated the changes made to the original draft plan and the direction of the new plan outline. Dr. Lamb was concerned about language regarding K-12 and "lack of rigor". Mr. Schreimann encouraged the committee to keep K-12 on the radar in further iterations. Higher education has to share the burden.

Dr. Brady Deaton added that the previous draft did seem to point the finger at K-12. Higher education is responsible for creating teachers, and we have our own challenges even when students are adequately prepared.

Commissioner Stein acknowledged that social issues may result in problems preventing access and that the plan needs to be an umbrella for best practices and innovative ideas. The Strategic Planning Committee and the MDHE will seek additional writing and revision assistance from a subgroup of institutional representatives over the next two months.

Higher Education Funding (HEF) Task Force Update

Mr. Wagner updated the board and PAC on the progress of the HEF task force. Since the October 2007 meeting, a technical advisory group (HEF-T) has been appointed to assist in identifying the likely funding needed to implement the ideas of the task force.

The task force has also identified a three-pronged funding plan based on strategic initiatives, performance funding, and equity/adequacy. The November HEF meeting focused on brainstorming strategic initiatives that would make sense for higher education to pursue: economic development, METS, access and success for at-risk students, and evolving market needs such as increasing the number of graduates from health related fields.

Dr. McGuire stated that feedback on the work of HEF shows a growing concern that the progress on a funding policy or policies is not adequate if the task force intends to present its recommendations by the deadline. Suggestions for increasing progress included HEF meeting more frequently, meeting more frequently with consultant Brenda Albright, and meeting with the consultant at a one- or two-day retreat. This concern will be on the agenda for discussion at the December HEF meeting. Rushing through the process will not best serve higher education.

Mr. Wagner said that the first piece of the policy – strategic initiatives – was near completion. The second piece – performance funding – would be addressed at the December meeting. The final piece – equity/adequacy – would be discussed at the January meeting. This issue was held for the end as that seems to be the most challenging to reach consensus.

Mr. Wagner added that it is important for institutions not to fight among themselves for funding or higher education will not receive additional support from the legislature. HEF must come forward with recommendations that work for the whole system.

Commissioner Stein advised that Brenda Albright was in town on December 3rd to address key policymakers. Dr. Albright also met with MCCA and COPHE. Representative Robb had advised that meeting Dr. Albright helped him to gain additional perspective on the issue of funding.

Chair Swan suggested holding a public meeting regarding higher education financing to give the public a better understanding of how it benefits the state. Mr. Wagner closed his update by saying the future of the state is dependent upon the investment made today in higher education.

Omnibus Bill Update

Ms. AuBuchon provided an update on the status of implementing elements of the omnibus higher education bill. Implementation continues fairly smoothly, and the department continues to update the matrix on the website.

The Curriculum Alignment Initiative (CAI) is moving very quickly; feedback on the entry-level competencies is being received and workgroups have started developing exit-level competencies, which are due in January 2008. There remains tension between K-12 and higher education, and the CAI Steering Committee as well as the MDHE will work to better explain the process and to re-engage K-12. Commissioner Stein stated that there is some discussion among lobbyists to change the law. The department has made it clear that K-12 is welcome to continue to join in the process. The underlying frustration among K-12 educators is that DESE has already developed assessments that will need to be retrofitted to meet the entry-level competencies.

The final draft on consumer information regulations was filed with the Secretary of State's office and published in the December 3rd *Missouri Register*. The regulations are in the public comment period. The department received information that the community colleges have developed a common survey for use in meeting the requirements regarding faculty evaluations.

Draft policies on waivers for tuition increases and dispute resolution and draft regulations on out-of-state public institutions will be discussed individually at this meeting.

The department is working on a draft policy on fining authority for the CBHE. Drafting has been delayed because the board's public policies are not clearly defined. The policy manual is being updated and will be reviewed at the February 2008 meeting.

Ms. AuBuchon asked for patience as policy and regulation development requires tremendous staff resources.

Dr. McGuire complimented the Commissioner and the MDHE staff on their efforts.

Chair Swan thanked the presidents and chancellors for their participation in the process and their commitment to positive change.

Action Items

Approval of Minutes

Mr. Greg Upchurch made a motion to approve the minutes of the October 11 and October 26, 2007 Coordinating Board meeting. Mr. Schreimann seconded the motion, and the motion carried unanimously.

Budget Supplemental – Bright Flight

Mr. Wagner reported that after the October meeting, the department became aware that the Bright Flight scholarship fund required an additional \$330,000 to meet expected obligations.

Conversations with the Office of Budget and Planning and the Office of the Governor indicate that the funds will be appropriated.

Mr. David Cole recommended that **the CBHE approve a supplemental appropriation request of \$330,000 for the FY 2008 Higher Education Academic Scholarship (Bright Flight) budget for submission to the Office of the Governor.**

The motion was seconded by Mr. Lowell Kruse, and the motion carried unanimously.

Mr. Kruse asked if funding for the Preparing to Care initiative would require a supplemental request as well.

Mr. Wagner replied that the administration had asked for higher education to develop proposals based on varying amounts of funding. The department continues to negotiate with the Office of the Governor and is ensuring that the governor has all the information needed in order to make their decision.

Mr. Schreimann expressed concern that the governor's office understand that the negotiating process remains open and that the initial Preparing to Care proposal was not an all-or-nothing prospect.

Mr. Wagner stated that in every venue in which the initiative has been discussed, the merits of the program have not come into question. There is a critical mass of funds where institutions can commit to produce a certain number of graduates. Below that, the integrity of the program is compromised.

Commissioner Stein suggested that the CBHE go on record with an additional message of support for the initiative.

Dr. Lamb said that the response to the initiative's Unity Tour has been overwhelmingly positive and that it would be important for the CBHE to make a statement.

After a brief recess, Mr. Wagner read the following draft CBHE resolution regarding funding for the Preparing to Care initiative:

The CBHE reaffirms its support for the Preparing to Care initiative and encourages the Governor to recommend funding for this important initiative at the highest level possible within the constraints of available resources. The unanimity among higher education institutions for this initiative will address current and future critical workforce needs in health care across the state.

Mr. Schreimann recommended that **the CBHE adopt the proposed resolution and submit the resolution to the Governor.** Mr. Cole seconded the motion, and the motion passed unanimously.

Proposed 2009 CBHE Meeting Dates and Locations

Mr. Kruse recommended that **the Coordinating Board for Higher Education adopt the proposed 2009 meeting dates and locations.** Mr. Upchurch seconded the motion, and the motion passed unanimously.

Proposed Change to CBHE By-Laws

Ms. AuBuchon advised that the by-laws in the board book are an older version. The most recent version is on the MDHE website, but the substance of the changes remains the same. The first recommended change is the date of officer elections and the second is to alter the number of terms served by board officers.

Mr. Upchurch stated that changing the date of elections to December rather than June would be helpful and would put the board more in sync with state government. He also agreed that increasing the number of terms a board member may serve as Chair would be helpful to the work of the CBHE and the department, but he would not support unlimited terms.

Mr. Schreimann moved to amend the changes to state that members may serve up to four consecutive terms in the same office. Mr. Upchurch seconded the motion.

Mr. Kruse stated that CBHE Chair is a very time-consuming role and additional terms should not be automatic but should be voted on by the board. Mr. Upchurch responded that the nominating committee should work with board officers to ensure the officer is willing and able to best represent the interests of higher education during their term.

After further discussion, the motion to amend the change passed unanimously.

Mr. Upchurch made a motion to **adopt the final draft of the revised by-laws as amended.** Ms. Carter seconded the motion, and the motion passed unanimously.

Draft Policy on Dispute Resolution

Ms. AuBuchon briefed the board on the proposed policy for dispute resolution and the general questions received from institutions. While the department has revised some segments of the policy based on feedback, the ultimate determination on the following five key concerns remains with the board.

- Which disputes are subject to this process?

Ms. AuBuchon stated that it did not make sense to arbitrate every dispute, so the draft was revised to narrow the CBHE's jurisdiction.

- Who can initiate this process?

MDHE staff believes that there may be situations where parties may not want to utilize the process. However, the best interests of the state may be served through the process.

Therefore, it was determined that the CBHE, the Commissioner of Higher Education, or any institution should have the ability to initiate dispute resolution.

- Who defines the scope of the dispute?

The scope of the dispute can best be determined through discussion between the CBHE and the parties to the dispute.

- At what point during a dispute will the process be initiated?

It was determined that the dispute resolution process would only be initiated in situations where all other avenues, including informal mediation, have failed to produce satisfactory results.

- Who will preside over the dispute?

Typically, the Commissioner of Higher Education will preside; however, the Commissioner's designee may also preside. The board discussed the option of a professionally trained external mediator due to shortages in both MDHE staff and time. However, disputes are likely to be work-intensive and therefore expensive. The MDHE has limited funding that will not cover an external mediator. While the statute does not allow the board to require institutions to pay mediator fees, dispute parties are not precluded from identifying and paying for the services of an agreed-upon mediator.

Mr. Schreimann asked if the policy provided a review process for the CBHE of the dispute arbiter's recommended resolution. Ms. AuBuchon advised that the review is not intended to be a re-hearing. The CBHE would be able to review and make a decision on the resolution based on the record of the dispute proceedings.

To clarify the policy, the MDHE will add language as follows:

The CBHE shall consider the record of the proceedings leading up to the appeal at its next regularly scheduled meeting. At such meeting, the CBHE may inquire and make a determination based on the record.

In addition, Item 7, Section 5 will include the following statement:

The meeting shall be recorded and the recording shall constitute the record.

Mr. Kruse asked if the Commissioner shall have the final determination. Ms. AuBuchon responded that the issue could be decided by all parties during mediation. The policy may need to be revised to clarify.

The policy currently states that the CBHE may inquire of any party to the dispute. Mr. Upchurch expressed concern that the board may only hear from one side. Ms. AuBuchon stated she did not feel that situation would occur; however, the policy's language could be revised to clarify.

Dr. McGuire asked if the policy would allow the contending parties to use agreed-upon colleagues as mediators rather than relying on certified professional arbitrators. Ms. AuBuchon replied that such actions are permitted under the current draft; mediation is voluntary, non-binding, and does not preclude the use of panels as mediation is intended to be an informal process to address problems prior to binding arbitration.

Commissioner Stein stated that there could be many different scenarios before the dispute resolution policy would be invoked. However, the process would be invoked if there is damage being done to higher education and informal processes are not resolving the issue.

Ms. AuBuchon advised that there is no one-size-fits-all scenario, so the policy needs to be flexible to allow response to each situation as they develop. Mr. Brian Long said that COPHE strongly endorses a provision for the use of a neutral external consultant / arbitrator. The organization does have concerns on other issues within the policy, particularly the “honesty clause” in Section 5, subparagraph 4.

After discussion, Mr. Schreimann moved to **amend the draft policy by eliminating subparagraph 4 of Section 5**. Mr. Kruse seconded the motion, and the motion carried unanimously.

Mr. Upchurch moved to **amend the draft policy by revising subparagraph 2 of Section 4 to state that the dispute resolution process will be initiated only after reasonable informal attempts to resolve the dispute have failed in the determination of the CBHE**. Ms. Carter seconded the motion, and the motion carried unanimously.

Mr. Cole moved to recommend that **the Coordinating Board for Higher Education approve the amended policy on dispute resolution**. Ms. Carter seconded the motion, and the motion carried unanimously.

Draft Policy on Waiver for Tuition Increases

Ms. AuBuchon briefed the board on the draft policy for waivers for tuition increases.

- There was general concern about the timeline for decision-making; the department is committed to processing waiver requests in a timely manner.
- After discussion and review of appropriate statutes by MDHE staff, the University of Missouri is being counted as one institution for computation of average tuition.
- The draft policy currently allows distance education, which is usually offered under a different tuition, to be included in the overall computation of average tuition.
- The draft policy currently provides a negotiation process whereby institutions that raise tuition beyond the authorized percentage are allowed to return to their governing boards for re-consideration. The institutions could reaffirm their commitment to the tuition increase and possibly incur a fine or they may revise the tuition increase to meet CPI.

Mr. Long thanked the CBHE and MDHE for the openness of the process in developing the policy and posed several concerns on behalf of COPHE:

- 1) COPHE does not feel that Linn State Technical College should be included in the four-year calculations of average tuition. If LSTC must be included, COPHE recommends that the institution be treated as a community college.

Ms. AuBuchon responded that the department is implementing the law as written. Linn State is not excluded in the statute, which does not specify only four-year institutions. Additionally, Linn State is not a community college and receives funding directly from the state in a manner similar to that of the four-year institutions.

- 2) COPHE recommends striking the section defining online / distance education courses from the policy. The definition and calculations require great precision that would be difficult to attain due to the nature of student movement in and out of courses and programs.

Ms. AuBuchon agreed that this was a reasonable suggestion; however, students could end up being charged much higher tuition for distance education and that would not be visible in the process.

- 3) COPHE held extensive discussions about defining UM as one or four institutions for computing average tuition. COPHE could not reach consensus and had no recommendations for the CBHE.

- 4) COPHE recommends preserving the institutions' ability to negotiate tuition increases with the Commissioner.

Mr. Schreimann expressed concern that such negotiation may result in the Commissioner of Higher Education setting tuition for institutions.

- 5) As with the dispute resolution policy, COPHE recommends removing the honesty clause from this policy.

- 6) COPHE recommends striking everything after the first sentence in Section 6, subparagraph 1, which defines state appropriations.

Ms. AuBuchon responded that the definition is taken from the statute.

After discussion, Mr. Schreimann recommended that the CBHE table a vote on this item in order to allow institutions additional time to review and discuss these issues; the CBHE will hold a conference call to finalize the policy after receiving comments from the institutions. Commissioner Stein advised that institutions are even now considering tuition increases, so the board needs a policy in place for consistency and uniformity. The department will commit to having a meeting to finalize the policy before January.

Dr. Marsha Drennon asked that the draft policy be sent electronically along with a breakdown of the lingering issues. Mr. Schreimann asked that presidents and chancellors send all comments to the MDHE in writing.

Dr. Barbara Dixon expressed appreciation for the time to review the most recent draft and to consider the comments from today's meeting.

Draft Rule on Out-of-State Public Institutions

Mr. Leroy Wade reported that the initial draft has undergone a vetting process with stakeholder groups and garnered no comments or recommendations for changes. The intent and function of the rule is to ensure the program approval requirements for out-of-state public institutions are as rigorous as the requirements applied to Missouri's public institutions. As a result, the proposed rule requires the application of the same standards with the exception of the section relating to public funding. In addition, the statute authorizes the department to approve individual courses offered by out-of-state public institutions. Because the MDHE does not require course approval of Missouri public institutions, the rule includes a set of detailed requirements for the approval of courses to be delivered in Missouri by out-of-state public institutions.

Mr. Kruse moved to recommend **that the Coordinating Board direct the Commissioner of Higher Education to take all actions necessary to ensure the attached Proposed Rulemaking become effective as administrative rules as soon as possible.** Mr. Upchurch seconded the motion, and the motion carried unanimously.

Consent Calendar

Mr. Cole moved to **approve the items on the Consent Calendar.** Ms. Carter seconded the motion, and the motion carried unanimously.

Recess

The CBHE meeting was recessed for the joint meeting with the board of the Missouri Higher Education Loan Authority (MOHELA).

Reconvene the CBHE Meeting

Chair Swan reconvened the meeting of the Coordinating Board at 2:00 p.m.

Commissioner Stein advised the board that during the recess he had spoken with the Office of the Governor regarding the Preparing to Care initiative. The administration was firm that a \$19 million proposal was beyond their ability to fund at this time; therefore a two-year phase-in of the proposal is not a possibility at this time.

There was a misperception in the original request for additional information; rather than seeking revised proposals for \$3 million, \$5 million, and \$10 million, the administration intended to seek

revised proposals for a three, five, or ten year initiative. Commissioner Stein reported that issues of accountability and performance measures were also of concern to the administration.

The potential funding for the initiative is quickly disappearing. The Governor wants to announce some higher education issues and his budget commitments and intends to make a decision about the Preparing to Care initiative within the next twenty-four hours. The governor's office is interested in keeping the dialogue on this initiative open but that it would be important to get a response as soon as possible concerning what higher education institutions believe is viable along with what results can reasonably be expected.

Dr. Marsha Drennon expressed concern that it would be difficult to coordinate consensus among the institutions within the Governor's timeframe. A three-year plan may be workable, but all of the presidents and chancellors would need an opportunity to weigh in on this issue.

Commissioner Stein stated that the department would contact the institutions this afternoon and attempt to reach a consensus that could be shared with the Governor.

Update on Needs Analysis on Cape Girardeau County and the Surrounding Region

Mr. Wagner updated the board on the activities of the Cape Girardeau Needs Analysis Coalition, which has raised \$68,500 from 11 organizations. The Coalition met on November 29th to discuss next steps, parameters for analysis, identification of deliverables, and adoption of a process for choosing a firm to conduct the needs analysis.

Update on Community College Service Regions

The MDHE received several letters from Cape Girardeau area superintendents requesting a change to the voluntary community college service regions. The superintendents recommended that Cape Girardeau County become part of the Mineral Area College service region rather than the Three Rivers Community College service region. The MDHE shared the letters and the recommendation with the Missouri Community College Association (MCCA). The MCCA was unanimous in its decision not to adjust the service regions at this time.

Mr. Schreimann asked if the community colleges had a written agreement regarding service regions. Commissioner Stein stated that no signed agreement had been created. However, the CBHE approved the service region recommendations of the community colleges at the March 1993 meeting, and the meeting minutes may be used for reference.

Commissioner Stein advised that representatives from TRCC and Mineral Area College are committed to entering into collaborative agreements on current and future educational needs in the region.

New Legislative Session Logistics

Ms. AuBuchon advised the board that the format for legislative updates on the MDHE website had been revised to be more user-friendly. The department encourages feedback regarding the format as it can easily be changed prior to the beginning of the legislative session.

The department's primary legislative topic for this session will be the revised statutes for proprietary certification. Pre-filed bills that may affect higher education include topics such as illegal immigrants receiving in-state tuition, changes to the Bright Flight statute to clarify eligibility standards, home school programs and GEDs, and intellectual diversity.

P-20 Council Update

Chair Swan reported that the Workforce 2025 report is expected to be released in the next few days. The Office of the Governor intends to identify regional leaders in the report's seven geographic areas for workgroups; METS initiatives will be the main focus of the workgroups.

Report of the Commissioner

Commissioner Stein reported that the Governor's State of the State address is scheduled for January 15, 2008.

The Commissioner thanked the board for a substantive two days of meetings and expressed his appreciation for the member's commitment and engagement. The Commissioner acknowledged the efforts of the MDHE staff and expressed appreciation for their continued efforts.

Adjournment

Mr. Schreimann made a motion **to adjourn the meeting**. Ms. Carter seconded the motion, and the motion carried unanimously.

The CBHE meeting adjourned at 3:00 p.m.

**COORDINATING BOARD FOR HIGHER EDUCATION
and the
MISSOURI HIGHER EDUCATION LOAN AUTHORITY**

**MINUTES OF MEETING
December 6, 2007**

The Coordinating Board for Higher Education (CBHE) met with the board of the Missouri Higher Education Loan Authority (MOHELA) at 11:45 a.m. on Thursday, December 6, 2007 at the Rickman Center in Jefferson City.

The following members of the Coordinating Board were present:

<u>Present</u>	<u>Absent</u>
Doris Carter	Martha Boswell
David Cole	Jeanne Patterson
Lowell C. Kruse	
Duane Schreimann	
Kathryn Swan	
Gregory Upchurch	

The following members of the MOHELA Board were present:

<u>Present</u>	<u>Absent</u>
Randy Etter	W. Thomas Reeves
John Smith	
Robert Spence	
Robert Stein	
Gregory Upchurch	

CBHE Chair Kathryn Swan called the meeting to order and thanked the Members for their patience in the delay of today's meeting.

Roles and Responsibilities of CBHE, MDHE, and MOHELA

Mr. Wagner provided an overview of the responsibilities of the Coordinating Board, which include the review and approval of academic programs, the establishment of guidelines for admission and credit transfer; the review of institutional missions, and the development of a coordinated plan for higher education.

Mr. Wagner explained that the MDHE is the administrative arm of the Coordinating Board and provided an overview of the department's responsibilities, which include:

- identification of statewide needs for postsecondary education
- submission of a unified annual budget request for public higher education
- operation of the Missouri Student Loan Program as a state-designated guaranty agency
- collaboration with K-12 and the Department of Economic Development on P-20 initiatives
- policy-setting for and administration of state and federal financial assistance programs
- review of institutional tuition decisions
- potentially setting fines
- design of new policies and/or regulations due to changes in law
- administration of the Proprietary School Certification Program

Statutory Relationship between CBHE/MDHE and MOHELA

Dr. Jim Matchefts provided an overview of MOHELA, explained its role as a secondary market and as a servicer of student loans, and briefed the boards on the processes by which MOHELA raises capital. Dr. Matchefts also described the statutory relationship between the Coordinating Board, the MDHE, and MOHELA.

Board members discussed MOHELA's operations, the utilization of services by higher education institutions in the state, and MOHELA's competition in the marketplace. In addition, the two boards discussed MOHELA's role in funding some initiatives on behalf of the MDHE. Dr. John Smith recommended, and both boards agreed, that an annual meeting of the two boards would be mutually beneficial. The board directed staff to develop an agenda, time, and location for such meetings.

Life of a Loan (FFEL Program)

Ms. Leanne Cardwell provided a description of the Family Federal Education Loan Program (the "FFEL Program") process from a student's perspective. The boards discussed the MDHE's role in default prevention grant programs, the factors colleges and universities consider when selecting either the FFEL Program or the Direct Lending Program, and the reasons behind the fierce competition for student loan volume in Missouri. Mr. Ray Bayer suggested that the wide variety of schools (e.g., medical and law schools, chiropractic institutions) in the state offered many market niches.

Identification of Key Groups Involved in Choosing a Loan Servicer / Guaranty Agency

While students should become more involved in decisions regarding their loan servicer and guaranty agency, an institution's financial aid office is the primary group involved due to the nature of the loan application process. Students as well as financial aid personnel should be better informed as to the consequences and benefits of the loan servicer / guaranty agency decision.

The boards discussed developing relationships with high school guidance counselors, the role of the financial aid office in selecting either the FFEL Program or the Direct Lending Program, and the need to broaden awareness of utilization of the services and benefits of MOHELA and MDHE to include the leadership and boards of higher education institutions in the state. It was decided that the boards should take time to craft a positive, proactive statement about such benefits.

Market Share Report

Mr. William Shaffner presented the market share report for MOHELA and highlighted the fact that MOHELA's market share closely aligns with MDHE's market share. Ms. Julie Meyer pointed out that the total FFEL Program market share is defined differently by MOHELA and the MDHE, resulting in slightly different statewide totals for each entity. The boards discussed the school as lender program and the conversion of the University of Missouri – Rolla from the Direct Lending Program to the FFEL Program.

Benefits from MOHELA / MDHE Loans

Mr. Shaffner presented information on the financial benefits to students who obtain FFEL Program loans with MDHE as guarantor and MOHELA as the servicer. The boards discussed the need to publicize these benefits to prospective students and their parents as well as to the leadership of higher education institutions in the state. Two staff members, Ms. Meyer and Ms. Wendy Baker, were designated as MDHE contacts for this project.

Kindergarten Program

Mr. Quentin Wilson provided an overview of MOHELA's borrower benefit programs and early access and awareness programs, including the Career & College Club. He also briefed the boards on MOHELA's efforts in the development of a "Kindergarten to College" program and the program's goals.

Chair Swan stated that this was a highly productive meeting of the two boards and gave a summary of next steps:

- Coordinate an annual meeting of the Coordinating Board and the MOHELA board
- Commit to partner on higher education issues
- Coordinate a public relations campaign
- Educate higher education institutions' board members about the benefits of FFEL Program loans utilizing MDHE as guarantor and MOHELA as servicer
- Develop levers to encourage and increase borrower choice

Mr. Greg Upchurch moved to adjourn the meeting. Ms. Doris Carter seconded the motion, and the motion carried unanimously. The meeting adjourned at approximately 2:00 p.m.

**Roster of Guests
Coordinating Board for Higher Education
December 6, 2007**

Name	Affiliation
Zora AuBuchon	Missouri Department of Higher Education
Wendy Baker	Missouri Department of Higher Education
Leanne Cardwell	Missouri Department of Higher Education
Jeanie Crain	Missouri Western State University
Annette Digby	Lincoln University
Marsha Drennon	State Fair Community College
Trevor Foley	Senate
Angela Hake	Missouri Department of Higher Education
Jillian Harris	Southeast Missouri State University
Evelyn Jorgenson	Moberly Area Community College
James Kellerman	Missouri Community College Association
Paul Kincaid	Missouri State University
Adam Koenigsfeld	Missouri Department of Higher Education
Brian Long	Council on Public Higher Education
Michael McManis	Truman State University
Julie Meyer	Missouri Department of Higher Education
David Murphy	Ozarks Technical Community College
Robbie Myers	Three Rivers Community College
Scott Northway	Missouri Department of Higher Education
Marty Oetting	University of Missouri
Ann Pearce	University of Central Missouri
Diane Riley	Bill Shoehigh, Lobbyist
David Russell	University of Missouri
Vicki Schwinke	Linn State Technical College
Cara Thompson	Southeast Missouri State University
Laura Vedenhaupt	Missouri Department of Higher Education
Leroy Wade	Missouri Department of Higher Education
Paul Wagner	Missouri Department of Higher Education

**COORDINATING BOARD FOR HIGHER EDUCATION
MINUTES OF CONFERENCE CALL
December 18, 2007**

The Coordinating Board for Higher Education (CBHE) met at 9:30 a.m. on Tuesday, December 18, 2007 via conference call. The call originated at the MDHE offices in Jefferson City.

Chair Kathryn Swan called the meeting to order. The presence of a quorum was established with the following roll call vote:

	Present	Absent
Martha Boswell		X
Doris Carter	X	
David Cole	X	
Lowell C. Kruse	X	
Jeanne Patterson	X	
Duane Schreimann	X	
Kathryn Swan	X	
Gregory Upchurch <i>(joined at 9:50 am)</i>	X	

Representatives from the two- and four-year institutions, the Missouri Community College Association (MCCA), the Council on Public Higher Education (COPHE), and the MIZZOU Flagship Council were present on the call.

Policy on Waivers for Tuition Increases

Ms. Zora AuBuchon briefed the members on the draft policy as well as the feedback received both during and after the December 6, 2007 CBHE meeting. Ms. AuBuchon will outline each pending issue within the policy and the concerns raised by staff and institutions. At that point, the board and audience would be invited to discuss the issues, which will then be followed by a vote of the CBHE. Ms. AuBuchon requested that individuals identify themselves before providing comments.

Issue 1 – Include Off-Site and Distance Education Programs in Tuition Calculation

Ms. AuBuchon reported that inclusion of these programs in the calculation would be overly cumbersome and that the data collected was unlikely to have a significant effect on average tuition or to affect a critical mass of students.

In response to a question from the board, Dr. Hal Higdon advised that distance education programs are currently more expensive for institutions to offer than traditional classes.

Mr. Duane Schreimann moved that **the draft policy be amended to eliminate Sections 3(O)(a) and (b)**. Ms. Doris Carter seconded the motion, and the motion carried with the following votes: Doris Carter – aye; David Cole – aye; Lowell Kruse – aye; Jeanne Patterson – abstain; Duane Schreimann – aye; Kathy Swan – aye.

Ms. Patterson moved that **the draft policy be amended to direct the MDHE to annually collect data on the number of students enrolled in off-site and distance education programs as well as the tuition and fees charged. The CBHE will review the data at a future meeting to determine if there is a need to revise the policy.** Mr. Schreimann seconded the motion, and the motion carried with the following votes: Doris Carter – aye; David Cole – aye; Lowell Kruse – aye; Jeanne Patterson – aye; Duane Schreimann – aye; Kathy Swan – aye.

Issue 2 – Negotiation with the Commissioner Prior to Official Notification of Tuition Change

Mr. Greg Upchurch joined the call.

Ms. AuBuchon reported that the staff opinion was that such negotiation would create a scenario whereby the Commissioner of Higher Education would be setting tuition for institutions. Feedback from institutions states that the colleges and universities would prefer the Commissioner to review an initial draft of an institution's tuition decision before an official submission. However, the current draft policy does not preclude institutions from discussing tuition issues with the Commissioner.

Dr. Nikki Krawitz advised that “negotiation” was probably not the right word for what the institutions would like to see with this section of the policy. Dr. Krawitz stated that there could be multiple reasons that could merit tuition increases above CPI and that governing board decisions could be based on “extraordinary circumstances”, as noted in Section 173.1003.5. RSMo. However, there is no definition of “extraordinary circumstances” in the policy.

Ms. AuBuchon acknowledged that as this is a policy and not a regulation that implementation would be problematic. It would be nearly impossible for the CBHE and MDHE to develop a catalog of circumstances that could be considered extraordinary under the law. Depending upon the circumstances noted in the notice of tuition change, however, the Commissioner may elect not to fine an institution at all.

Mr. Lowell Kruse stated that higher education must work together on funding and tuition and encourage responsible trusteeship. The board and the department should be seen as partners, not gatekeepers.

The CBHE did not make a motion regarding this issue.

Issue 3 – Return to CPI If Tuition Increase Not Sufficiently Justified

Ms. AuBuchon reported that there was a lack of consensus among MDHE staff regarding this issue. There is concern that such a policy will eliminate any disincentive to institutions to submitting a notice of tuition change that exceeds CPI and that may or may not be sufficiently

justified. Staff concerns include the time and expense required to review each notice and justification and to determine an appropriate fine.

Dr. Michael Nietzel stated that he supported the option of returning to the increase level permitted by law. Dr. Barbara Dixon agreed and stated that there needs to be a degree of trust that the institutions will not abuse the policy.

Mr. Upchurch asked if the statute requires such an option. Ms. AuBuchon responded that such an option does not go against the statute but may be seen as inconsistent with the intent of the legislature. If the option becomes problematic, the CBHE may revise the policy.

Dr. Nietzel asked if an institution, whose initial notice of tuition change was deemed not sufficiently justified, could propose a revised tuition increase that is lower than the initial notice yet higher than CPI.

Ms. AuBuchon stated that the policy would not support that as it would set up a negotiating mechanism whereby the Commissioner would be setting tuition.

Dr. Krawitz asked if a notice of tuition increase was deemed not sufficiently justified, would the Commissioner provide the reason why the increase was not warranted. Ms. AuBuchon acknowledged that the department would provide rationale as to why a notice was not deemed sufficiently justified.

Mr. Schreimann asked if it would create an undue burden to consider revised proposals. Commissioner Robert Stein stated that it would be difficult to determine the burden at this time. It would likely bury the department if there is an option to return to the level of CPI because institutions would have nothing to lose by submitting a revised proposal.

Commissioner Stein reiterated that this is a policy and not a rule; therefore, the policy can be revised if deemed necessary by the board.

Dr. Jeanie Crain stated that inequity in the system may develop if some institutions submit a request for a waiver while others do not.

Mr. Paul Wagner stated that decisions to award waivers for tuition increases are clear cut in some cases but not in others. Commissioner Stein reminded the board that institutions are beginning to make tuition decisions and a policy needs to be in place for guidance.

Mr. Schreimann moved that **the policy be amended to include a provision whereby an institution whose notice of tuition change has been deemed not sufficiently justified by the Commissioner will have the right to resubmit a reduced request or revert to CPI.**

Ms. AuBuchon stated that the notice of tuition change should include language that the notice reflects the decision of the institution's governing board.

Commissioner Stein advised that the motion would add another layer onto this process and the timeline for reviews and responses would need adjustment.

Mr. Schreimann amended his motion to **include a ten day window for institutions to submit a revised proposal. The timeline in the current draft policy for an initial submission will be repeated for the revised proposal.** Mr. Kruse seconded the motion, and the motion carried with the following votes: Doris Carter – aye; David Cole – aye; Lowell Kruse – aye; Jeanne Patterson – aye; Duane Schreimann – aye; Kathy Swan – aye; Greg Upchurch - aye.

Mr. Kruse stated that it would be important to hold a public hearing on tuition issues to include information on the funding problems facing students and institutions, why Missouri's tuition is often higher than peer states, and to identify what board members should know in order to make informed decisions regarding tuition. Commissioner Stein agreed that it would be wise to hold a seminar with experts to help everyone better understand Missouri in a national context of tuition and state support.

Issue 4 – University of Missouri

Ms. AuBuchon reported that the way the statute is written, the four campuses are considered as one institution. Mr. Schreimann stated that the statute has decided the issue for the board.

The CBHE did not make a motion regarding this issue.

Mr. Schreimann moved that **the Coordinating Board adopt the Policy on Higher Education Student Funding Act Implementation as amended.** Mr. Kruse seconded the motion, and the motion carried with the following votes: Doris Carter – aye; David Cole – aye; Lowell Kruse – aye; Jeanne Patterson – aye; Duane Schreimann – aye; Kathy Swan – aye; Greg Upchurch - aye.

Commissioner Stein expressed his appreciation for the work of the MDHE staff, presidents and chancellors, and the CBHE. The Commissioner vowed the department would give its best efforts in implementing the policy.

Mr. Paul Wagner advised that the information on average tuition would be distributed to the institutions and that the CPI information would be provided by January 15, 2008.

Other

Mr. Wagner advised that the Governor has announced his support for the second third of the three year operating budget increase for institutions. The department has not seen the exact dollar figures, but the numbers should match 4.4%.

The Governor is also recommending support of \$13.4 million for the Preparing to Care Initiative. Mr. Wagner stated that the unification of institutions behind this initiative was key to winning the support of the governor's office.

Support is also being provided for additional Access Missouri funds. Should funding be approved by the legislature and signed by the Governor, awards may be able to be funded for the maximum amounts permitted in statute.

Although the Governor is supporting a three percent pay increase for state employees, the governor's office has not provided information regarding the department's operating budget request.

Chair Swan asked if the board should make a statement in response to the Governor's recommendations. Mr. Wagner stated that it would be appropriate and provided language that may be used in the statement.

Ms. Patterson moved **that the Coordinating Board direct the Commissioner of Higher Education to send the Governor the following message of support:**

The CBHE expresses its deep appreciation to Governor Blunt for his FY 2009 budget commitment to increase institutional operating budgets by \$40 million dollars to rebuild institutional core budgets, to add an additional \$27.5 million for Access Missouri to make full awards possible, and for recommending \$13.4 million to support the Preparing to Care initiative, which will result in an increased number of graduates for health care professions. The commitment of the governor for these crucial initiatives in addition to his ongoing support of capital construction through the Lewis and Clark Discovery Initiative demonstrate the governor's leadership and vision for a quality higher education system that will grow and thrive.

Ms. Carter seconded the motion, and the motion carried with the following votes: Doris Carter – aye; David Cole – aye; Lowell Kruse – aye; Jeanne Patterson – aye; Duane Schreimann – aye; Kathy Swan – aye; Greg Upchurch - aye.

Mr. Schreimann moved **to adjourn the conference call.** Ms. Patterson seconded the motion, and the motion carried with the following votes: Doris Carter – aye; David Cole – aye; Lowell Kruse – aye; Jeanne Patterson – aye; Duane Schreimann – aye; Kathy Swan – aye; Greg Upchurch - aye.

The meeting adjourned at 10:30 am.

AGENDA ITEM SUMMARY

AGENDA ITEM

FY 2009 Budget Update Governor's Recommendations
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

The purpose of this item is to update the Board on the Governor's recommendations for the supplemental operating and capital budgets for FY 2008 and the operating and capital budgets for FY 2009.

Department Budget

The Governor recommended the CBHE request for the transfer of 5.5 FTE out of the expired GEAR UP grant administrative appropriation to support critical priority issues and statutory responsibilities elsewhere in the department. The recommendation is for 4.0 FTE to be reallocated to add personnel to, among other things, enhance data collection and analysis, increase efforts to reduce the number of diploma mills operating in Missouri, help increase collaboration among institutions, begin administration of the Missouri Teaching Fellows Program, and support mission review. The additional general revenue support recommended is \$497,657 and includes salaries and equipment for the 4.0 FTE and \$300,000 to outsource and contract for additional services. The recommendation also includes the reallocation of 1.5 GEAR UP FTE to Loan Program administration to improve service and marketing, ensure compliance with state and federal laws, and maintain market share in a competitive financial environment. No additional dollar appropriation authority is required to support the reallocated FTE for the Loan Program.

The Governor's recommendation also includes a 3% pay increase for department employees.

Student Financial Assistance Programs

The Governor recommended the continuation of the \$25,000,000 appropriated to the Access Missouri program in the FY 2007 supplemental into the continuing core for FY 2009. He further recommended an additional \$27,896,564 in order to fund the statutory maximum awards for Access Missouri in FY 2009. This would bring the total spending in Access Missouri to \$100 million for FY 2009.

The Governor also recommended the CBHE request for an increase of \$8,000 for the Public Service Officer's Survivor Grant Program in the FY 2008 supplemental and \$23,000 in the FY 2009 core to fund additional qualifying students. Because of the identification of additional eligible students, the Department has notified the Governor's Office and the House and Senate that an additional \$8,000 will be needed in the FY 2008 supplemental for this program.

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Because of some additional eligible students and late certifications, the Department has notified the Governor's Office and the House and Senate that in the FY 2008 supplemental an additional \$300,000 will be needed for the Bright Flight program. It is anticipated that the Governor will submit amendments accordingly for both of these programs.

College and University Operating Budgets

The Governor recommended the second year installment of a commitment to increase the base operating budgets of public institutions. The recommended increase is for a total of \$40.1 million, which represents, in total, a 4.4% increase over the FY 2008 base budget.

The Governor also recommended a portion of the "Preparing to Care" initiative designed to increase the number of graduates in professional health fields from Missouri public institutions of higher education. The recommendation is for a total of \$13.4 million, roughly a third of the total CBHE request, to increase the number of graduates for these professions.

The Governor also recommended for Missouri Southern State University an additional \$600,000 for the distance dental hygiene program. Additional recommendations in other House Bills included \$2,000,000 for a student safety project in HB 8 and \$500,000 in HB 2 to support Advanced Placement summer institutes at Southeast Missouri State University and Truman State University.

Capital Improvements

In a special FY 2008 supplemental appropriations bill (HB 2019) the Governor recommended out of the Lewis and Clark Discovery Fund, \$31,182,000 for the Ellis Fischel Cancer Center at the University of Missouri-Columbia, and \$15,000,000 for the Pharmacy and Nursing Building at the University of Missouri-Kansas City.

In the regular FY 2008 capital improvements supplemental bill (HB 2020), the Governor recommended \$500,000 each for the University of Missouri and Missouri State University for the cooperative engineering program. However, the House did not include these items in the introduced bill and passed the bill out of the Budget Committee without adding the funding.

In the FY 2009 capital improvements bill, the Governor made the following recommendations impacting higher education institutions:

- \$10,000,000 for the Vehicle and Power Center at Linn State Technical College;
- \$750,000 for expansion study planning for the University of Missouri-Kansas City Dental School; and
- \$5,000,000 for the Thompson Center for Autism and Neurodevelopmental Disorders on the University of Missouri-Columbia campus.

Other Items

The Governor made the following additional recommendations for FY 2009 operating increases in House Bill 2003:

- \$5,000 to cover increased dues for the Midwest Higher Education Compact;
- \$437,640 for the Missouri Telehealth Network; and
- \$100,000 for the State Historical Society.

STATUTORY REFERENCE

Sections 173.005(2), 173.030(7) RSMo

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Coordinated Plan Update
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

Missouri law assigns responsibility to the CBHE for developing a coordinated plan for higher education in the state. The intent of this agenda item is to provide an update on the board's fulfillment of this requirement.

Background

Since its October 11 board meeting at North Central Missouri College when the CBHE formally adopted a draft coordinated plan as the foundation for future work, MDHE staff has received welcomed guidance on the development of the plan from many sources. These sources include the Coordinated Plan Advisory Committee, institutional Chief Academic Officers, the CBHE strategic planning committee, and other stakeholders. Due in large part to this input from throughout the higher education community, the MDHE staff has made significant progress on the development of a new Coordinated Plan for higher education in Missouri.

Imperatives for Change: Building a Higher Education System for the 21st Century, included as Attachment A, was distributed to all Missouri presidents and chancellors for review and constructive comment on January 30, 2008. *Imperatives for Change* is a document whose target audience is the lay public, and as such it has been crafted to clearly and concisely communicate a vision, set of values, three major strategic issues, and related action steps. Included with the plan is a companion document (see Attachment B) that provides background and rationale for the Plan and the three strategic issues.

Imperatives for Change will serve for the next three- (3) to five- (5) years as a guide for prioritizing goals, justifying an increased resource base, allocating resources, and implementing strategies that will result in an improved higher education system. To be a viable plan, however, the CBHE, the MDHE, and each sector must have a role to play as we focus attention on opportunities available to move higher education in Missouri forward. The CBHE is very interested in hearing from presidents and chancellors with regard to the current draft so that input can be incorporated and the process moved forward.

The important work of identifying agreed-upon measures, setting target goals and dates, and assigning responsibility will occur after the February CBHE meeting. It has already been communicated to MDHE staff that the development of these operational elements should be reflect the importance of setting ambitious goals for the system that are not preemptively limited by the current financial situation.

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Conclusion

At the upcoming CBHE meeting on February 7, 2008 the MDHE staff will present the current draft of *Imperatives for Change* along with the rationale for changes since the December CBHE meeting. Presidents and chancellors and members of the academic community are encouraged to discuss its structure and content with CBHE members.

STATUTORY REFERENCE

Section 173.020 (4), RSMo. Responsibilities of the coordinating board to identify higher education need in the state and design a coordinated plan for higher education.

RECOMMENDED ACTION

It is recommended that the Coordinating Board evaluate the feedback of presidents and chancellors during the Presidential Advisory discussion of the coordinated plan. Unless the board believes substantive issues remain it is further recommended that the board replace the draft coordinated plan approved in October 2007 with *Imperatives for Change* as a foundation for further work in establishing a fully developed coordinated plan.

It is further recommended that the Coordinating Board reaffirm its directive to the Commissioner of Higher Education to continue working with the CBHE Strategic Planning Committee and with the presidents and chancellors of Missouri's colleges and universities in the development of draft operational measures, baseline data, target goals, timelines, and assigned responsibilities to be reported to the board at its April 2008 meeting for review and action.

ATTACHMENT(S)

Attachment A: *Imperatives for Change: Building a Higher Education System for the 21st Century*

Attachment B: Background and Rationale on *Imperatives for Change*

***Imperatives for Change:
Building a Higher Education System for the 21st Century***

**A Coordinated Plan
for Missouri Higher Education**

February, 2008

Mission Statement for Missouri Higher Education System:

The Coordinating Board for Higher Education, the Missouri Department of Higher Education, and the state's institutions of higher education will work collaboratively to support a diverse system of affordable, accessible, high-quality educational institutions that demonstrate student learning and development, encourage and support innovation, foster civic engagement, enhance the cultural life of Missourians, and contribute to economic growth.

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Imperatives for Change: Building a Higher Education System for the 21st Century

Introduction

The rapidly changing social and economic environment presents profound challenges to all states and nations. More than ever, in the knowledge-based economy of the 21st century, higher education is the gateway to an improved standard of living for Missouri's citizens. The imperative for change is clear: those educational systems that adapt to the new environment will be positioned to lead their states to succeed in a globally competitive world.

The collective challenge to the higher education system is to understand the key components of the environment and to devise effective strategies that will capitalize on strengths while addressing weaknesses in challenging financial times. Providing the vision, the stable and sufficient resources, and the collective action to support a higher education system that ensures the future prosperity of Missouri citizens, the state of Missouri, and the nation is necessary to address the most important challenges of the day.

Imperatives for Change provides a vision that has been developed collaboratively by Missouri's higher education institutions and the Coordinating Board for Higher Education. This plan will serve for the next three (3) to five (5) years as a foundation for prioritizing goals, justifying an increased resource base, allocating resources, and implementing dynamic strategies to provide Missouri citizens with the educational opportunities they need to be competitive on a global scale.

Vision Statement

Missouri's higher education will be an innovative and coordinated system of diverse postsecondary institutions that equips all Missouri citizens for personal and professional success in the 21st century and that is moving towards becoming one of the best in the nation.

Basic Values

Missouri's higher education community is united in its commitment to the following core values.

- ❖ Higher education in Missouri serves many purposes and clientele, but first and foremost the system is focused on students, learning, and each individual's realization of their full educational potential.
- ❖ The system of higher education must be accessible to all so students may attend the institution best suited to their goals and needs.
- ❖ Access without success is an empty promise, so Missouri's higher education institutions are dedicated to providing nationally and internationally competitive educational programs, research, and extension services to ensure its students have the knowledge and skills necessary for success in the 21st century, including the ability to think critically, communicate effectively, and to be life-long learners.
- ❖ Diversity of institutional missions is a strength of the system that must be preserved.
- ❖ Higher education is a public good as well as a private benefit, and Missouri's institutions are dedicated to fostering economic development for the state and encouraging civic engagement by its citizens.
- ❖ Basic and applied research, the creation of knowledge, and the application of information to solve problems are basic functions of the higher education system that must be recognized and supported.

- ❖ The higher education community is dedicated to using decision-making processes based on reliable and transparent data.
- ❖ The higher education community values the appropriate use of technology to enhance programs, services, research, and administration.
- ❖ Public accountability for learning outcomes and stewardship of public funds are priorities for Missouri's higher education institutions.
- ❖ Ensuring the continued affordability and effectiveness of Missouri's higher education system requires a partnership among the institutions, the state, and other stakeholders.

Strategic Issues and Action Steps

Strategic Issue #1: *Increase Educational Attainment*

OVERARCHING GOAL: Missouri's higher education system will improve educational attainment, including certificate and degree production at all levels, to enhance the quality of Missouri's workforce and the quality of life of its citizens.

Strategy #1.1: Increase Certificate and Degree Production at All Levels

These action steps will be taken and assessed:

- ✓ Raise the aspirations of those who do not see postsecondary education within their reach;
- ✓ Increase postsecondary access for, and success of, historically under-represented groups;
- ✓ Develop incentives and rewards for institutions that increase degree production and retention rates while demonstrably sustaining quality within programs;
- ✓ Expand opportunities for non-traditional learners through course redesign, alternative methods of program delivery, and better coordination of distance education; and
- ✓ Create incentives and standards for seamless student transitions between educational institutions.

Strategy #1.2: Improve Financial Access

These action steps will be taken and assessed:

- ✓ Implement the Higher Education Student Funding Act;
- ✓ Support the growth of the Access Missouri Student Financial Assistance Program;
- ✓ Carry out a sustained statewide public information campaign on the value of higher education and the steps prospective students must take to prepare academically and financially; and
- ✓ Increase state funding and external funding sufficient to enable institutions to minimize tuition increases and maintain quality undergraduate and graduate programs and services.

Strategy #1.3: Improve Academic Access

These action steps will be taken and assessed:

- ✓ Implement appropriate early intervention strategies at the school district level;
- ✓ Implement the Curriculum Alignment Project;
- ✓ Support the activities of the P-20 Coalition;
- ✓ Support incentives for the recruitment of new teachers in high need areas; and
- ✓ Establish specialized programs to attract experienced teachers to shortage areas or qualify them to teach in shortage fields.

Strategy #1.4: Improve Geographic Access

These action steps will be taken and assessed:

- ✓ Provide incentives for attracting adult students, particularly in underserved regions;
- ✓ Provide incentives for the delivery of degrees (especially graduate degrees) in underserved geographic areas;
- ✓ Provide institutional support for the additional costs associated with non-traditional course delivery methods; and
- ✓ Review and, if necessary, strengthen CBHE oversight to assure the effectiveness of non-traditional programming.

Strategic Issue #2

Develop a 21st Century Society and Global Economy

OVERARCHING GOAL: Missouri's higher education system will contribute to a dynamic, information-based, globally competitive society and economy by collaborating with government and business to create a well-prepared, world-class workforce; by advancing human knowledge; and by enriching the state's culture.

Strategy #2.1: Improve the Responsiveness of Higher Education to Evolving Workforce Needs

These action steps will be taken and assessed:

- ✓ Develop corporate links to access training and learning opportunities;
- ✓ Expand customized education and training opportunities where the business community and higher education institutions work together;
- ✓ Offer more access for place-bound or time-bound learners; and
- ✓ Establish employer-based feedback mechanisms to evaluate the quality and preparedness of the graduates of postsecondary programs.

Strategy #2.2: Enhance METS and Health-related Fields

These action steps will be taken and assessed:

- ✓ Work with elementary and secondary schools to increase student interest in mathematics and science while improving overall educational preparation in mathematics and science;
- ✓ Invest in increased institutional capacity in health-related and technology programs;
- ✓ Increase the number of postsecondary students completing courses in METS-related fields; and
- ✓ Offer funding incentives to institutions for increasing graduates in METS and health-related fields while demonstrating sustained quality programs.

Strategy #2.3: Improve access to strengthened graduate and professional programs as well as continuing professional development opportunities

These action steps will be taken and assessed:

- ✓ Foster increased access to graduate and professional programs for historically underserved populations;
- ✓ Provide incentives to expand access to graduate and professional programs in underserved areas using cooperative arrangements, resource sharing, and technology whenever possible; and
- ✓ Expand access to high-quality continuing professional development opportunities in underserved areas using cooperative arrangements, resource sharing, and technology whenever possible.

Strategy #2.4: Enhance Basic and Applied Research and Development

These action steps will be taken and assessed:

- ✓ Develop public relations efforts to inform the public about the benefits of research activities;
- ✓ Establish competitive grant programs to expand research capacity in higher education institutions;
- ✓ Establish competitive grant programs for collaborative research projects;
- ✓ Improve cooperation between the Department of Economic Development and higher education institutions;
- ✓ Establish and utilize a state-supported data inventory for identifying expertise and opportunities that result from research and development activities on campuses;
- ✓ Provide extension programs and innovation centers with technical guidance to encourage the development of new companies, economy clusters, and partnerships;
- ✓ Provide incentives to institutions that transfer new technologies to the marketplace.

Strategy #2.5: Enhance Intellectual Development and Foster Civic Engagement in All Students.

These action steps will be taken and assessed:

- ✓ Encourage and reward institutions to emphasize and assess student gains in critical thinking, creative problem solving, and effective communication in all academic programs;
- ✓ Provide incentives to institutions to provide their students increased access to “high-impact” learning opportunities like internships, study abroad, student-faculty research, and service learning that foster increased intellectual growth and social engagement;
- ✓ Use technology and alternative delivery mechanisms to increase opportunities for lifelong learning by all Missouri citizens;
- ✓ Foster increased cultural literacy, international understanding, and appreciation for diversity in all students through appropriate learning opportunities; and
- ✓ Establish learning communities within institutions that encourage the development of engaged citizens among students, faculty, staff, and the surrounding community.

Strategic Issue #3:

Enhance Resources through Increased Investment, Stewardship, and Responsibility

OVERARCHING GOAL: Missouri’s public institutions of higher education will increase external financial support for higher education by clearly demonstrating its value to key stakeholders and public policy-makers while providing a globally competitive workforce, creating valuable new knowledge and products, and enriching the quality of life of all Missourians.

Strategy #3.1: Improve the efficiency, effectiveness, and accountability of Missouri’s higher education system.

These action steps will be taken and assessed:

- ✓ Use appropriate technology to improve the delivery of instruction, the sharing of knowledge, and the accomplishment of managerial tasks;
- ✓ Incorporate considerations of institutional efficiency in the implementation of the Higher Education Student Funding Act;
- ✓ Provide incentives to and recognize institutions for maintaining distinctive missions;
- ✓ Provide consistent, comparable, and transparent information on the student experience to key higher education stakeholders, including prospective students and their families, public policy makers, and campus faculty and staff;

- ✓ Provide consistent, illustrative, and transparent information on research activities and accomplishments to key higher education stakeholders, public policy makers, and the general public;
- ✓ Pursue continuous improvement and demonstrate accountability for student learning and development; and
- ✓ Facilitate inter-institutional partnerships that increase revenues and decrease expenses.

Strategy #3.2: Garner sufficient resources for Missouri's higher education system to maintain its physical assets and compete for the best available human resources.

These action steps will be taken and assessed:

- ✓ Develop new coherent, complementary and coordinated policy-driven funding strategies for increased public support that will help ensure national competitiveness;
- ✓ Measure progress in achieving strategic initiatives;
- ✓ Maximize non-state resource development through increased external grants, additional contracts for services, expanded development activities, and additional entrepreneurial activities; and
- ✓ Reward institutions for innovations in efficiency and demonstrated improvement in delivering quality educational programs and services.

Strategy #3.3: Foster Increased Targeted State Investment in Missouri's Higher Education System to Create National Centers of Excellence

These action steps will be taken and assessed:

- ✓ Identify key investment opportunities consistent with this plan and state needs that have a high potential rate of return on investment; and
- ✓ Provide incentive funding to institutions to attain specific outcomes related to these targeted investments.
- ✓ Establish cooperative alliances with appropriate business and industries to help assure success; and
- ✓ Develop the infrastructure necessary to commercialize the outputs of the projects.

***Background and Rationale Document for the
Coordinated Plan for Missouri Higher Education***

***Imperatives for Change:
Building a Higher Education System for the 21st Century***

**A Coordinated Plan
for Missouri Higher Education**

February, 2008

Mission Statement for Missouri Higher Education System:

The Coordinating Board for Higher Education, the Missouri Department of Higher Education, and the state's institutions of higher education will work collaboratively to support a diverse system of affordable, accessible, high-quality educational institutions that demonstrate student learning and development, encourage and support innovation, foster civic engagement, enhance the cultural life of Missourians, and contribute to economic growth.

Coordinating Board for Higher Education
February 7, 2008

Imperatives for Change: Building a Higher Education System for the 21st Century

Introduction

The rapidly changing social and economic environment presents profound challenges to all states and nations. More than ever, in the knowledge-based economy of the 21st century, higher education is the gateway to an improved standard of living for Missouri's citizens. The imperative for change is clear: those educational systems that adapt to the new environment will be positioned to lead their states to succeed in a globally competitive world.

The collective challenge to the higher education system is to understand the key components of the environment and to devise effective strategies that will capitalize on strengths while addressing weaknesses in challenging financial times. Providing the vision, the stable and sufficient resources, and the collective action to support a higher education system that ensures the future prosperity of Missouri citizens, the state of Missouri, and the nation is necessary to address the most important challenges of the day.

This coordinated plan provides a vision that has been developed collaboratively by Missouri's higher education institutions and the Coordinating Board for Higher Education. This plan will serve for the next three (3) to five (5) years as a foundation for prioritizing goals, justifying an increased resource base, allocating resources, and implementing dynamic strategies to provide Missouri citizens with the educational opportunities they need to be competitive on a global scale.

Vision Statement

Missouri's higher education will be an innovative and coordinated system of diverse postsecondary institutions that equips all Missouri citizens for personal and professional success in the 21st century and that is moving towards becoming one of the best in the nation.

Basic Values

Missouri's higher education community is very diverse; the plurality of institutional missions is one of our key strengths, as it enables us to serve a diverse population and a wide range of needs well. We are united, however, in our shared commitment to the following core values.

- ❖ Higher education in Missouri serves many purposes and clientele, but first and foremost the system is focused on students, learning, and each individual's realization of their full educational potential.
- ❖ The system of higher education must be accessible to all so students may attend the institution best suited to their goals and needs.
- ❖ Access without success is an empty promise, so Missouri's higher education institutions are dedicated to providing nationally and internationally competitive educational programs, research, and extension services to ensure its students have the knowledge and skills necessary for success in the 21st century, including the ability to think critically, communicate effectively, and to be life-long learners.
- ❖ Diversity of institutional missions is a strength of the system that must be preserved.
- ❖ Higher education is a public good as well as a private benefit, and Missouri's institutions are dedicated to fostering economic development for the state and encouraging civic engagement by its citizens.

- ❖ Basic and applied research, the creation of knowledge, and the application of information to solve problems are basic functions of the higher education system that must be recognized and supported.
- ❖ The higher education community is dedicated to using decision-making processes based on reliable and transparent data.
- ❖ The higher education community values the appropriate use of technology to enhance programs, services, research, and administration.
- ❖ Public accountability for learning outcomes and stewardship of public funds are priorities for Missouri's higher education institutions.
- ❖ Ensuring the continued affordability and effectiveness of Missouri's higher education system requires a partnership among the institutions, the state, and other stakeholders.

Looking to the Future: Opportunities and Challenges

By turning our challenges into opportunities, we will be able to realize our ambitious vision for the future. The following is a partial list of these environmental challenges as well as a sampling of the strengths and weaknesses of our system as we move forward.

- ❖ Missouri has a very diverse system of two-year and four-year public, independent, and proprietary institutions – a number of which are nationally recognized for excellence overall or in specialized fields – that have the capacity to serve the state's diverse citizenry very well. This diversity is a strength that should be preserved, but at the same time it places a premium on coordination and collaboration between institutions and sectors.
- ❖ Missouri's public two-year and four-year institutions have a long tradition of public accountability for performance that dates back to the 1980's and the administration of Governor John Ashcroft. Missouri's higher education institutions understand and continue to support the need for the good stewardship of public resources and transparency.
- ❖ Missouri has several strong research universities in both the public and private sectors that have significantly increased external research support in the last 10 years to over \$663 million and that have the potential for further growth. The state and the institutions must, however, build on this strong foundation through further public and private investment to achieve their full potential.
- ❖ State financial support for higher education has lagged national trends, and the public institutions are not expected to attain FY 2002 funding levels until FY 2010. As one consequence, tuition levels exceed national averages, and the institutions still struggle to offer competitive educational experiences. Recent legislation limiting tuition increases will slow tuition growth, but will likely constrain institutional efforts to offer nationally competitive programming. While institutions have responded to these challenges with increased instructional efficiencies, internal reallocations, innovative management initiatives, creative uses of technology, and expanded private fund-raising efforts, realization of our vision for the future will require the development of a new compact and a renewed partnership among the institutions, the state, and the public.
- ❖ The state of Missouri has tripled its investment in need-based financial aid in the past year and is poised to increase that investment to provide increased financial access. In addition, Missouri's public and independent institutions provide significant amounts of merit- and need-based financial aid. Notwithstanding these efforts, financial access remains an issue in a state where tuition is above average, state and local support is below average, and personal family incomes are below average.

- ❖ Missouri's higher education system does a good job of serving the students who enter our institutions as evidenced by a completion rate that is above the national average. However, this achievement is tempered by an overall participation rate that is below average and a large number of students who require remedial work to be successful at the collegiate level. In addition, educational attainment levels among the adult population in the 25+ age range are below the national average in a majority of counties and result in an undereducated workforce for a 21st century economy.
- ❖ The state's ability to develop a 21st century economy is limited by shortages in degree productivity in science, mathematics, engineering and technology, allied health professions, and various teacher education specialties. These shortages are the result of multiple factors, including limits on institutional capacity, lack of student interest, and lack of job opportunities in the existing economy.
- ❖ Missouri's demographics over the next 10 years will complicate the higher education system's ability to move the state forward. The population as a whole will age and the number of traditional college age students will decline; within the traditional college-going age group, the proportion of underrepresented and minority students will increase. These trends have the potential to exacerbate some of the aforementioned limitations, and will require extra effort and creative approaches.

Given these environmental constraints – and competitive advantages – Missouri's higher education institutions and the Coordinating Board for Higher Education have collaboratively developed the following strategic planning initiatives and goals. We see this plan as guiding our efforts and priorities for the next 3 to 5 years as we try to position Missouri's institutions to provide our citizens with the educational opportunities they will need to be competitive on a global scale.

Strategic Issues and Action Steps

Strategic Issue #1:

Increase Educational Attainment

OVERARCHING GOAL: Missouri's higher education system will improve educational attainment, including certificate and degree production at all levels, to enhance the quality of Missouri's workforce and the quality of life of its citizens.

Strategy #1.1: Increase Certificate and Degree Production at All Levels

Current Conditions:

To compete in the international marketplace Missouri must create a truly educated citizenry – citizens who possess the skills and knowledge necessary to provide a world-class workforce. This will require citizens who can think critically, who can solve complex problems in the workplace and in their communities, and who will continue to learn throughout their lives. Citizens such as these will enrich the quality of life for all Missourians.

Challenges related to increasing postsecondary educational attainment include:

1. Demographic trends project a decrease in the traditional undergraduate population of high school graduates;
2. Many counties and regions in Missouri have very low educational attainment with high levels of high school dropouts and low college-going rates;
3. Adults have limited access to higher education in some geographical areas and in certain specialties and graduate programs;
4. Higher education, state and federal governments, and business and industry have not developed sufficient integrated systems in order to maintain a world-class workforce; and

5. Graduation and retention rates for minorities and underserved populations lag the less than satisfactory rates of majority students.

To address these challenges Missouri will have to:

- Increase the number of students completing appropriate skills training and certificate programs as well as associates, bachelor's, and graduate degrees;
- Increase the number of minority students entering college and successfully completing certificate programs and undergraduate and graduate degrees;
- Increase the number of working adults participating in higher education; and
- Increase the overall access and availability of full undergraduate and graduate programs

These action steps will be taken and assessed:

- ✓ Raise the aspirations of those who do not see postsecondary education within their reach;
- ✓ Increase postsecondary access for, and success of, historically under-represented groups;
- ✓ Develop incentives and rewards for institutions that increase degree production and retention rates while demonstrably sustaining quality within programs;
- ✓ Expand opportunities for non-traditional learners through course redesign, alternative methods of program delivery, and better coordination of distance education; and
- ✓ Create incentives and standards for seamless transitions among educational institutions.

Strategy #1.2: Improve Financial Access

Current Conditions:

Historically, Missouri's funding strategy for higher education was what policy analysts describe as the "Low Tuition, Low State Aid" model. Although minimal financial aid was available, access was facilitated by relatively low tuition. However, in the 1980s as competition for the state's resources increased and as the state's constitutional revenue limits were implemented, the Coordinating Board and the state adopted an explicit policy of cost sharing that had the effect of increasing tuition over time. However, the state did not undertake a commensurate increase in state needed-based financial aid.

Although institutions maintained significant financial aid programs at the local level and the federal government continued its focus on need-based financial assistance, over time the state gradually evolved into a funding model best described as "High Tuition, Low State Aid". This public policy approach particularly impacted middle income students who did not qualify for either significant federal aid or institutional aid. Significant progress in addressing this situation has been made with the establishment of the Access Missouri financial aid program, but more work needs to be accomplished.

Challenges related to financial access include:

1. Comparatively high tuition and fees;
2. Comparatively high percentage of family income required to meet costs;
3. Misunderstandings related to the cost of education; and
4. Inadequate availability/access of need-based scholarships.

To address these challenges Missouri will have to:

- Maintain more adequate state support in order to minimize tuition and fee increases;
- Promote improved understanding about college costs and financial aid opportunities; and
- Increase the availability of need-based scholarships.

These action steps will be taken and assessed:

- ✓ Implement the Higher Education Student Funding Act;

- ✓ Support the growth of the Access Missouri Student Financial Assistance Program;
- ✓ Carry out a sustained statewide public information campaign on the value of higher education and the steps prospective students must take to prepare academically and financially; and
- ✓ Increase state funding and external funding sufficient to enable institutions to minimize tuition increases and maintain quality undergraduate and graduate programs and services.

Strategy #1.3: Improve Academic Access

Current Conditions:

Overall educational attainment rates in Missouri must be improved if the citizens of the state are to enjoy the benefits of an information-based, 21st century economy. In recent decades Missouri competed successfully for low skill manufacturing and production jobs through a lower cost of labor and a strong work ethic. With the increased integration of the world economy, these advantages are no longer sufficient. Too many Missouri youngsters are dropping out of high school and too many graduates lack proficiency in basic educational skills. Sadly, the attainment gap for minority and first-generation students is wider than it is for majority students. More students must finish high school successfully – prepared for postsecondary education opportunities they will need to be competitive in the economy.

Challenges related to academic success include:

1. High secondary school drop out rates, including wide variations among school districts;
2. High percentages of high school graduates requiring remedial coursework when entering higher education;
3. Large numbers of poorly educated adults needing job skill development; and
4. Critical shortages of teachers in high-need areas which leads to too many teachers teaching outside of their area of certification

To address these challenges Missouri will have to:

- Support and expand early intervention programs at the Middle School and High School levels that encourage students and parents to see postsecondary education as a realistic option;
- Partner with Department of Elementary and Secondary Education to align high school exit competencies with higher education entrance standards;
- Set clear expectations for required competencies for all students regardless of age or background and provide opportunities for students to identify and remedy their weaknesses as early as possible;
- Encourage higher education institutions to maintain diverse institutional missions to better and more efficiently serve wide ranges of student abilities and interests;
- Increase the recruitment of adult students who need additional education; and
- Increase the number of teachers available in high need areas.

These action steps will be taken and assessed:

- ✓ Implement appropriate early intervention strategies at the school district level;
- ✓ Implement the Curriculum Alignment Project;
- ✓ Support the activities of the P-20 Coalition;
- ✓ Support incentives for the recruitment of new teachers in high need areas; and
- ✓ Establish specialized programs to attract experienced teachers to shortage areas or qualify them to teach in shortage fields.

Strategy #1.4: Improve Geographic Access

Current Conditions:

In terms of geographic access, more than 80 percent of Missouri’s population has relatively convenient access to a two-year or four-year institution and great improvements have been made in the last 10 years using extended learning sites, community college service areas, and telecommunication community resource centers (TCRC’s). However, there remain pockets of place-bound citizens in rural areas of the state who can only be served using innovative programs and instructional technologies such as web-based instruction. Access to these modalities is complicated by lack of high-speed internet services in many rural areas and lack of technological “savvy” by some non-traditional students.

Challenges related to improved geographic success include:

1. High numbers of place bound and undereducated students, particularly adults;
2. Pockets of resistance within higher education to non-traditional educational delivery methods and difficulty of adapting certain instructional modes and models to virtual environments;
3. Technology barriers limiting student access, availability of computer equipment, and range of students abilities to navigate in a technological world; and
4. Few incentives to stimulate faculty experimentation with new delivery methods or to foster increased collaboration between postsecondary institutions.

To address these challenges Missouri will have to:

- Offer more options for place-bound students;
- Develop incentives to stimulate appropriate use of distance learning;
- Ensure all educational sectors use established “best practices” in the delivery of non-traditional programming and conduct appropriate assessments to verify mission-appropriate learning outcomes; and
- Foster a culture of increased collaboration between postsecondary institutions

These action steps will be taken and assessed:

- ✓ Provide incentives for attracting adult students, particularly in underserved regions;
- ✓ Provide incentives for the delivery of degrees (especially graduate degrees) in underserved geographic areas;
- ✓ Provide institutional support for the additional costs associated with non-traditional course delivery methods; and
- ✓ Review and, if necessary, strengthen CBHE oversight to assure the effectiveness of non-traditional programming.

Strategic Issue #2

Develop a 21st Century Society and Global Economy

OVERARCHING GOAL: Missouri’s higher education system will contribute to a dynamic, information-based, globally competitive society and economy by collaborating with government and business to create a well-prepared, world-class workforce; by advancing human knowledge; and by enriching the state’s culture.

Strategy #2.1: Improve the Responsiveness of Higher Education to Evolving Workforce Needs

Current Conditions:

The rapid evolution of workforce skills in the marketplace creates a serious challenge for everyone involved – business, employees, and educational institutions. It is commonly estimated that the half-life of a professional engineer’s knowledge is five years. In this environment it is difficult for any employee to stay current whether she is a skilled technician or a highly trained professional. Furthermore, many

employment specialists note that some of the highest demand jobs today, *e.g.*, web designers, did not exist a decade ago. The same dynamic is certain to continue into the future.

In these circumstances it is very difficult for educational institutions to anticipate market needs and demands or even to recruit appropriate instructors. Furthermore, the cost of developing and maintaining appropriately equipped facilities is extremely difficult. These challenges are compounded when the delivery site is in rural areas even though the need is often greatest there. In order to better meet the needs of employers and employees in the future, educational institutions must develop partnerships with both business and industry and labor organizations to ensure access to the timely and relevant information, resources, and the effectiveness of the training provided.

Challenges related to improving the responsiveness of higher education to evolving workforce needs include:

1. Rapidly changing workplace environment;
2. Rapid obsolescence of workplace skills and the equally rapid development of new skill requirements;
3. Lack of timely information regarding employer and worker needs;
4. Shortages of resources for training equipment and experienced instructors; and
5. Need for stronger partnerships with business, industry, and labor organizations.

To address these challenges Missouri will have to:

- Increase cooperation between higher education institutions, business and industry, and labor organizations;
- Devise improved methods for financing and delivering cooperative educational experiences in the workplace, particularly in rural areas of the state where the need is great; and
- Develop stronger advisory relationships between higher education institutions and the consumers of their industrial training services.

These action steps will be taken and assessed:

- ✓ Develop corporate links to access training and learning opportunities;
- ✓ Expand customized education and training opportunities where the business community and higher education institutions work together;
- ✓ Offer more access for place-bound or time-bound learners; and
- ✓ Establish employer-based feedback mechanisms to evaluate the quality and preparedness of the graduates of postsecondary programs.

Strategy #2.2: Enhance METS and Health-related Fields

Current Conditions:

Missouri, like almost all regions of the country, does not educate adequate numbers of students in mathematics, science and technology, or engineering to compete in the new world economy. The United States produces only a fraction of the total number of engineers, scientists, and technicians that are being educated in India and China and other countries today. It often competes poorly against other countries when comparing educational attainment in math, science, and technology fields.

Missouri's public institutions educate over 4,000 nurses, physicians, dentists, pharmacists and an array of other health care providers to attend to the health of its citizens. Yet, there are critical shortages estimated as high as 20% in many of these fields. The state should invest in health care professional education to increase the number of practitioners to address the emerging health needs in the state.

There is also a significant need for highly skilled technicians in high-demand fields. These highly skilled technicians are needed in manufacturing, construction, civil, electrical engineering, and transportation industries. Educational institutions are relied upon to produce technicians that will help meet the workforce demands of Missouri's global economy.

Challenges related to enhancing METS and health-related fields include:

1. Low numbers of teachers in mathematics, science, and technology;
2. Few middle school/high school students preparing themselves for METS fields;
3. Stagnant college enrollment and graduation numbers in mathematics, science, and technology;
4. Demographic trends indicating acute and chronic shortages of health care professionals in the near future accompanied by shortages of workers in many health related fields; and
5. Limited institutional capacity to increase enrollments in health-related and technical fields

To address these challenges Missouri will have to:

- Increase the number of secondary teachers prepared for licensure in mathematics and science and upgrade those currently working in the field;
- Increase the percentage of students enrolled in science, technology, engineering, or mathematics courses including those in non-science and non-technical fields;
- Increase the number of degree holders in mathematics, engineering, science and technology areas fields at all degree levels;
- Increase the number of graduates in health-related fields at all degree levels; and
- Increase the number of graduates in technology fields at all degree levels.

These action steps will be taken and assessed:

- ✓ Work with elementary and secondary schools to increase student interest in mathematics and science while improving overall educational preparation in mathematics and science;
- ✓ Invest in increased institutional capacity in health-related and technology programs;
- ✓ Increase the number of postsecondary students completing courses in METS-related fields; and
- ✓ Offer funding incentives to institutions for increasing graduates in METS and health-related fields while demonstrating sustained quality programs.

Strategy #2.3: Improve access to strengthened graduate and professional programs as well as continuing professional development opportunities

Current Conditions:

While postsecondary education beyond high school is virtually essential for anyone to obtain a well-paying job, advanced graduate and professional school education will play an increasingly major role in the 21st century society and economy. This emerging, complex society and rapidly evolving economy will place a premium on higher order intellectual skills and training that enable a person to synthesize known facts into new information; to analyze and understand unique, emergent situations and develop appropriate responses; and to navigate rapidly evolving social structures that reach literally around the globe. Furthermore, graduate education is inextricably linked to the basic and applied research that will provide the fuel for this knowledge intensive world.

Higher education institutions will be deeply challenged by this demanding environment to continue to provide high-quality experiences for their students. The knowledge expectations for practitioners in many fields will increase. The demand for teaching talent and researchers will be intense. As Missouri succeeds in its effort to educate more students at the undergraduate level, more students will seek

advanced training at the graduate level. Our institutions will also need to find ways to facilitate the successful participation of historically underserved minorities in graduate and professional education. Finally, this expanding cohort of graduate and professionally trained students will need access to continuing professional development to remain current in their fields in this very dynamic environment.

Challenges related to improving access to strengthened graduate and professional programs include:

1. Ensuring our graduate and professional schools can compete successfully for talented instructors and provide students with appropriately equipped facilities;
2. Providing students with nationally competitive learning opportunities that will equip them to serve their future clientele effectively;
3. Successfully recruiting historically underserved populations into these advanced experiences; and
4. Extending access to both programs and continuing education opportunities to underserved areas of the state.

To address these challenges Missouri will have to:

- Continue to support graduate and professional education as a priority essential for the continued development of the state;
- Develop early training experiences and research opportunities at the undergraduate level to expand the pool of historically underserved populations interested in graduate and professional education;
- Develop cooperative arrangements among educational providers to expand opportunities to programs and professional development opportunities while controlling costs.

These action steps will be taken and assessed:

- ✓ Foster increased access to graduate and professional programs for historically underserved populations;
- ✓ Provide incentives to expand access to graduate and professional programs in underserved areas using cooperative arrangements, resource sharing, and technology whenever possible; and
- ✓ Expand access to high-quality continuing professional development opportunities in underserved areas using cooperative arrangements, resource sharing, and technology whenever possible.

Strategy #2.4: Enhance Basic and Applied Research and Development

Current Conditions:

To be competitive in a global marketplace today requires specialized knowledge and the creation of new knowledge to foster new discoveries to solve society's needs and foster economic development. Colleges and universities are constantly challenged in order to provide the equipment, facilities, and the intellectual capital necessary to make breakthrough discoveries and create new knowledge. This knowledge can produce intellectual property, new products, and enhanced technologies that transfer to business and industry that improve the quality of life for our state's citizens.

The benefits of these knowledge gains from basic research are not always readily apparent and can be criticized. If this intellectual property is left to find its' own market niche without direct intervention, the probability that new knowledge derived from research will offer advancements in the market is remote at best.

Challenges related to enhancing basic and applied research and development include:

1. Lack of tradition or culture of state support for research and commercialization of intellectual property;
2. Lack of consensus to support selected types of research;

3. Despite recent dramatic improvements, there are significant limits to the state's ability to attract federal research support;
4. Lack of coordination between state government, federal government, higher education, and business and industry regarding research activities;
5. Common misperceptions regarding the impact of basic and applied research on economic development;
6. Current infrastructure deficiencies that facilitate the ability of businesses to take advantages of discoveries in the physical, biological and social science laboratories or in the arts and humanities fields and translate them into start-up or existing businesses; and
7. A need for more applied and translational research.

To address these challenges Missouri will have to:

- Increase federal, state, and private funding of research and development to Missouri universities and colleges;
- Increase collaboration among institutions in research and commercialization activities;
- Increase funding for commercialization infrastructure;
- Strive to educate the public regarding sensitive and controversial areas of research; and
- Increase funding for applied and basic research.

These action steps will be taken and assessed:

- ✓ Develop public relations efforts to inform the public about the benefits of research activities;
- ✓ Establish competitive grant programs to expand research capacity in higher education institutions;
- ✓ Establish competitive grant programs for collaborative research projects;
- ✓ Improve cooperation between the Department of Economic Development and higher education institutions;
- ✓ Establish and utilize a state-supported data inventory for identifying expertise and opportunities that result from research and development activities on campuses;
- ✓ Provide extension programs and innovation centers with technical guidance to encourage the development of new companies, economy clusters, and partnerships;
- ✓ Provide incentives to institutions that transfer new technologies to the marketplace.

Strategy #2.5: Enhance Intellectual Development and Foster Civic Engagement in All Students.

Current Conditions:

As this plan acknowledges at the beginning of the "Basic Values" section, Missouri's higher education system serves numerous purposes and constituencies, but students and student learning are at the core of our purposes. Furthermore, as essential institutions in a free and democratic society, our institutions play a key role in equipping our students to become engaged citizens who are comfortable in an increasingly diverse world and who are capable of assuming leadership roles in our society.

Essential to achieving these lofty goals is the collective ability of our institutions to provide our students with the educational opportunities necessary for them to develop their critical thinking skills, to learn to solve problems creatively, and to communicate effectively. Research shows that student learning is the most robust when students have the opportunity to apply their learning in situations outside the classroom – whether that is in a laboratory or a business or in a nonprofit community organization. Furthermore, a world-class education requires that our students have access to intercultural experiences so they are comfortable with peoples and cultures different from their own.

Challenges related to enhancing intellectual development and fostering civic engagement include:

1. Providing effective instruction that facilitates the development of critical thinking, creative problem solving, and effective communication is resource intensive in terms of faculty time and effort;
2. Leadership training and service learning experiences can be difficult to incorporate into the curriculum;
3. Providing access to “high-impact” experiences for non-traditional students and working adults is a special challenge and can involve extra cost for both the student and the institution; and
4. Providing intercultural experiences for time- and place-bound students requires creativity.

To address these challenges Missouri will have to:

- Place a high priority on intensive, high-value undergraduate experiences;
- Extend the traditional concept of public service in higher education to include students and structured educational experiences that prepare students for future leadership experiences; and
- Creatively use technology and alternative delivery methods to create affordable intercultural experiences.

These action steps will be taken and assessed:

- ✓ Encourage and reward institutions to emphasize and assess student gains in critical thinking, creative problem solving, and effective communication in all academic programs;
- ✓ Provide incentives to institutions to provide their students increased access to “high-impact” learning opportunities like internships, study abroad, student-faculty research, and service learning that foster increased intellectual growth and social engagement;
- ✓ Use technology and alternative delivery mechanisms to increase opportunities for lifelong learning by all Missouri citizens;
- ✓ Foster increased cultural literacy, international understanding, and appreciation for diversity in all students through appropriate learning opportunities; and
- ✓ Establish learning communities within institutions that encourage the development of engaged citizens among students, faculty, staff, and the surrounding community.

Strategic Issue #3:

***Enhance Resources through Increased Investment,
Stewardship, and Responsibility***

OVERARCHING GOAL: Missouri’s public institutions of higher education will increase external financial support for higher education by clearly demonstrating its value to key stakeholders and public policy-makers while providing a globally competitive workforce, creating valuable new knowledge and products, and enriching the quality of life of all Missourians.

Strategy #3.1: Improve the efficiency, effectiveness, and accountability of Missouri’s higher education system.

Current Conditions:

As a state Missouri is not wealthy – but neither is it poor. Most measures of relative wealth place Missouri at or slightly below state averages nationally. Missouri is challenged, however, by widespread differences in the relative wealth of its citizens and different regions of the state. While the state as a whole is “on average” comparable to the national mean in terms of wealth, many Missourians are on a limited income and the age structure of our population has a relatively large proportion of senior citizens. Combining these factors with a conservative political culture that features a healthy skepticism about the role of government and governmental agencies has resulted in relatively low levels of public funding for

higher education. Furthermore, given these limitations, Missouri's future capacity to fund public services such as higher education will be limited without reform of the state's tax system.

The state's long term practice of limited funding for most public services – including higher education – has meant that our institutions have had to be as efficient as possible. At the same time, the higher education system is very effective relative to its funding – for example, producing graduates at a rate higher than the national average. Missouri is also noted for its success in establishing inter-institutional cooperative arrangements like MOREnet and MOBIUS that provide effective services at a reduced cost.

Missouri's higher education institutions have historically been national leaders in the public accountability movement, developing and adopting their first accountability systems in the 1980's at the request of then-Governor John Ashcroft. The Coordinating Board and the public institutions also embraced a variety of performance measures as part of the "Critical Choices" report of the early 1990's that were publicly reported beginning then and continue to be so today. Missouri was also a national leader in the development of performance funding measures that were active until the economic crisis that occurred in 2001-2002.

Notwithstanding a long and successful record of working toward greater efficiency, effectiveness, and accountability, Missouri's institutions continue to receive calls to improve their performance on these issues. Consequently, more work remains to be accomplished.

Challenges related to improving efficiency, effectiveness, and accountability include:

1. The popular definition of "accountability" seems to have evolved from performance related issues to an almost exclusive emphasis on fiscal measures;
2. Institutional efficiency and effectiveness can be enhanced if institutions can maintain distinctive missions that focus their energies particular programmatic strengths and clientele;
3. In the past successful collaborations such as MOREnet and MOBIUS have resulted in reduced support to institutions rather than rewards; and
4. Missouri's tax capacity continues to erode due to declining public support for public services; absent tax reform, the state's ability to significantly increase funds will be limited.

To address these challenges Missouri will have to:

- Better explain the essential linkage between long-term performance and adequate funding;
- Make expanded use of technology and resource sharing arrangements to achieve additional efficiencies;
- Continue to maintain distinctive institutional missions and encourage public policies that support this outcome; and
- Make a concerted effort to persuade the public that funding higher education is an investment in the future rather than an expense.

These action steps will be taken and assessed:

- ✓ Use appropriate technology to improve the delivery of instruction, the sharing of knowledge, and the accomplishment of managerial tasks;
- ✓ Incorporate considerations of institutional efficiency in the implementation of the Higher Education Student Funding Act;
- ✓ Provide incentives to and recognize institutions for maintaining distinctive missions;
- ✓ Provide consistent, comparable, and transparent information on the student experience to key higher education stakeholders, including prospective students and their families, public policy makers, and campus faculty and staff;

- ✓ Provide consistent, illustrative, and transparent information on research activities and accomplishments to key higher education stakeholders, public policy makers, and the general public;
- ✓ Pursue continuous improvement and demonstrate accountability for student learning and development; and
- ✓ Facilitate inter-institutional partnerships that increase revenues and decrease expenses.

Strategy #3.2: Garner sufficient resources for Missouri's higher education system to maintain its physical assets and compete for the best available human resources.

Current Conditions:

If current legislative intent is realized, Missouri's public universities will receive core funding in FY 2010 that will equal the previous high appropriation level attained in FY 2002 – without an allowance for inflation. As a consequence of this funding limitation, student fees have increased significantly as institutions have reallocated resources, deferred maintenance, and expanded efforts to raise funds from private sources. The consequence of these actions has been a significant reduction in the proportion of state resources available to support our institutions. While increased private support and more aggressive grant seeking activities can help provide a margin of excellence for selected activities, it is difficult to envision such initiatives replacing core state support. As a consequence, Missouri and its higher education institutions need to converge around a renewed covenant of mutual support and purpose if the state is to be competitive as the 21st century unfolds.

Challenges related to garnering sufficient resources include:

1. State investment in higher education that ranks Missouri in the bottom quartile nationally;
2. Appropriations to higher education that for the past six years have been below the funding levels of 2001-2002;
3. Missouri lacks a mutually acceptable funding policy supported by all major stakeholders;
4. Limitations on tuition increases could reduce institutional quality in unstable economic times; and
5. Levels of external grants and private support for higher education that should be improved.

To address these challenges Missouri will have to:

- Provide greater public funding to higher education;
- Increase institutional support from private sources;
- Maximize available resources by realizing greater efficiencies in operations, consistent with best practices in the delivery of high quality education; and
- Facilitate more public/private partnerships and collaboration.

These action steps will be taken and assessed:

- ✓ Develop new coherent, complementary and coordinated policy-driven funding strategies for increased public support that will help ensure national competitiveness;
- ✓ Measure progress in achieving strategic initiatives;
- ✓ Maximize non-state resource development through increased external grants, additional contracts for services, expanded development activities, and additional entrepreneurial activities; and
- ✓ Reward institutions for innovations in efficiency and demonstrated improvement in delivering quality educational programs and services.

Strategy #3.3: Foster Increased Targeted State Investment in Missouri's Higher Education System to Create National Centers of Excellence

Current Conditions:

Numerous states across the nation are making substantial targeted investments in their higher education systems to support targeted investments in potentially high growth areas of research and development. The most prominent example is the decision by California to devote \$3.0 billion for ten years to stem cell research. While Missouri cannot hope to match such an effort, the state should give serious consideration to identifying targeted investment areas and devoting designated resources to establish nationally competitive centers of excellence with the prospect of a high rate of return on investment.

Challenges related to fostering increased targeted state investments include:

1. Identifying viable options in areas where Missouri institutions can realistically compete;
2. Devoting sufficient investment funds to achieve national excellence; and
3. Developing the institutional and state economic development infrastructure capacity to realistically commercialize the outcomes of the targeted research investment.

To address these challenges Missouri will have to:

- Overcome opposition to a major, high-risk investment opportunity with the promise of significant commercialization options;
- Identify suitable private sector partners to help assure success; and
- Identify a continuing, reliable funding source.

These action steps will be taken and assessed:

- ✓ Identify key investment opportunities consistent with this plan and state needs that have a high potential rate of return on investment;
- ✓ Provide incentive funding to institutions to attain specific outcomes related to these targeted investments that are nationally competitive;
- ✓ Establish cooperative alliances with appropriate business and industries to help assure success; and
- ✓ Develop the infrastructure necessary to commercialize the outputs of the projects.

AGENDA ITEM SUMMARY

AGENDA ITEM

Higher Education Funding (HEF) Task Force Update
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

The Coordinating Board for Higher Education (CBHE) is committed to developing new funding policies that will be used to request appropriations for Missouri's public colleges and universities during the annual legislative budget process. This board item is intended as an update on this important initiative.

Background

Since the establishment of the Coordinating Board, there have been several different funding models used to request operating appropriations for public institutions of higher education.

Through the 1980s, funding policy was primarily driven by the number of full time equivalent (FTE) students at a particular institution. In part because of an anticipated leveling of overall enrollment in the system, and also to move away from rewarding growth as an end itself, a transition occurred during the middle 1980s (public four-year) and the early 1990s (public two-year) to a system based on planned expenditures. Also during the 1990s, new strategies for funding requests were developed in addition to the planned expenditures that included mission enhancement and Funding for Results.

In retrospect, this transition away from an enrollment-driven policy was prescient as enrollments were largely stagnant both at the institutional level and the overall system level for the decade of the 1990s. Had the CBHE funding policy been an enrollment-driven formula through the 1990s, it is highly unlikely that most higher education institutions or the system as a whole would have realized the significant appropriation increases that occurred during that decade.

However, beginning in FY 2001, severe financial hardship hit state government at the same time that enrollments started to steadily climb. Financially, FY 2001 through FY 2006 were marked by mid-year withholdings, core reductions, and flat appropriations while more institutions and the system as a whole began showing steady enrollment increases after many years of remaining level.

By the time the state's financial situation began to improve, Missouri higher education had gone several years (since at least 2001) without having much of a reason to contemplate policy factors underlying funding requests. During that period there were many changes within the state itself, the political environment, and the higher education community. Significant changes since the turn of the century include:

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- the continued shift to a knowledge-based economy,
- new demographic and technological trends that are directly impacting the state's workforce needs,
- enrollment growth at several institutions and in the system as a whole,
- no effort by the state to replace funding that was withheld from institutional budgets,
- sharp increases in tuition and fees,
- the implementation of term limits that have served to severely reduce the institutional memory and limit the long-term vision of the Missouri General Assembly, and
- renewed political and societal demands for accountability and measurement of performance tied to the commitment of public funds.

Any new funding policy must be cognizant of these changes.

Status

After thoroughly discussing the changes that have taken place over recent years, and the financial challenges facing the state and the higher education community today, the HEF Task Force has adopted the case statement in Attachment A and has developed a framework for an overall funding policy that contains three main components – 1) strategic initiatives, 2) performance funding, and 3) base adequacy funding. The base adequacy component could include equity between institutions and sectors as well as sufficient funds to meet the demand for deliverables desired by the state.

The December 2007 and January 2008 HEF meetings focused on potential strategic initiatives and the group has used HEF-T (a technical support committee composed of budget experts) to develop specifics on six initiatives. The HEF Task Force has reaffirmed its support for the **Preparing to Care** initiative and has indicated that a second phase of that initiative is critical and should be included in any future funding request if the Preparing to Care initiative is not fully funded in FY 2009. The other five potential strategic initiatives are:

- **Access to Success**, designed to improve the participation and academic success of “at risk students”
- **Teachers for the Future**, designed to improve K-12 student learning outcomes
- **Research and Service**, designed to support and incent basic and applied research activities and community service activities
- **METS**, designed to develop the critical mass of human talent needed to support strategic industries key to Missouri's future regional and global competitiveness
- **Protecting Investments**, designed to retain the value of the physical assets in public higher education and improve teaching and learning environments

Detailed overviews on these five initiatives are located in Attachment B.

The HEF Task Force's vision for strategic initiatives is to use a “menu” approach that would present several options for strategic initiatives to policy-makers rather than having them prioritized prior to movement up the budgetary ladder.

The Task Force also began a discussion of performance funding at its January meeting. HEF-T will develop several options for performance funding that will comprise a substantial portion of the February Task Force meeting.

Including perspectives about performance funding, there are several major issues that still need to be addressed by the Task Force, including:

- 1) Base Budgets – The Task Force has had some preliminary discussions regarding the adequacy of base funding and what adjustments to current base budgets might need to be recommended. There are several sub-components to this issue that have been put on the table and will need to be addressed. These include:
 - What is the basis of evaluating an appropriate distribution between the community colleges as a sector and the universities and Linn State as sectors?
 - If any imbalances are found to exist among the sectors how would those be addressed or remedied?
 - If any cross-sector imbalances are identified, how should they be addressed?
 - If inflationary or some other type of base increase is provided by sector (community colleges, four-year and Linn State), how should the relevant amounts be distributed among institutions within each sector?
 - What is the most compelling case that can be developed that will win political support for additional funding to adequately fund core institutional operations?
- 2) Performance Funding – Several substantive issues were raised at the January meeting regarding performance funding that also need to be addressed. These include:
 - Do the “statewide measures” mentioned in SB 389 imply the measurement of the system as a whole, or a similar measurement shared by all institutions?
 - Should performance funding be tied to both statewide (however defined) and institution-specific measures?
 - How should a new performance funding plan be linked to the emerging Voluntary System of Accountability (VSA) project?
 - Should the amount of funding linked to performance be limited? If yes, what should be the maximum?
 - How should institutions that have achieved maximum results be treated? Should maintenance of a major accomplishment in future years, e.g., a 97 percent placement rates be rewarded if maintained?
- 3) Overall
 - How should future budget requests be divided between strategic initiatives, performance funding, and base issues?
 - How should any proposed division be reflective of potentially incompatible factors such as the essential needs of institutions and the system, budgetary realities, and likely political receptivity?

There may also be additional issues of importance to Presidents and Chancellors or the Coordinating Board that have yet to be raised. The Task Force’s next meeting will be on February 7, 2008 following the Coordinating Board meeting.

STATUTORY REFERENCE

Chapter 173, RSMo, Chapter 33.210 – 33.290, Chapter 163.191, RSMo

RECOMMENDED ACTION

This is an information item only.

ATTACHMENTS

Attachment A: HEF Task Force Case Statement

Attachment B: Overview on Strategic Initiative Options

Higher Education Funding Task Force Case Statement

Invest in public higher education today,

Assure the success of Missouri tomorrow

Missouri public higher education institutions ...

Educate Missourians to compete and succeed in the 21st century

Missouri's public colleges and universities promote access, affordability, and accountability. They educate citizens of all ages to compete in today's international knowledge-based economy. This is especially true in such critical areas as mathematics, engineering, technology, and science.

Make Missouri an even better place to live now and in the future

Public higher education promotes personal growth and citizenship. Missouri's graduates strengthen our democracy. They are more productively employed, economically independent, and likely to volunteer, vote, and stay healthy. Further, Missouri's public colleges and universities add to the quality of life of our communities through the arts, entertainment, and other cultural initiatives.

Fuel the state's economic engine for the benefit of all Missourians

Public higher education meets statewide needs and generates economic development. Our public colleges and universities make vital contributions to Missouri's economic growth through investments in education, research, job training, and service. Public higher education also serves as a catalyst to attract and retain high paying jobs created by business and industry.

Access to Success

WHAT IS ACCESS TO SUCCESS?

Access to Success is a strategic initiative to improve the participation and academic success of “at-risk students” attending Missouri’s colleges and universities. The desired outcomes of this initiative are:

- Increased participation in higher education of traditionally underserved populations
- Increased retention rates of “at-risk students” from the first to the second year of college
- Improved competencies and mastery of basic verbal, quantitative, and analytical skills
- Increased associate and baccalaureate degree completions of “at-risk students”

“At-risk students” are defined as those students with a lower chance of succeeding academically in colleges due to inadequate preparation and mastery of basic numerical and verbal skills. For purpose of allocating Access to Success funds to four-year institutions, an “at-risk student” is defined as any student with ACT/SAT sub-score(s) in mathematics, or reading, or English below college readiness benchmarks indicating a low probability of academic success without appropriate remediation. For purpose of allocating Access to Success funds to two-year institutions, an “at-risk student” is defined as any student with ASSET sub-score(s) in numerical, or writing, or reading skills indicating a low probability of academic success without appropriate remediation.

WHY ACCESS TO SUCCESS?

- To close the educational gap between underserved populations and those traditionally served by higher education.
- To incentivize colleges and universities to provide programming support to assist “at-risk students”, so they can persist and complete their degrees.
- To ensure that undergraduates possess the requisite skills and abilities to be effective workers and engaged citizens.
- To incentivize colleges and universities to help undergraduate students complete their degree in a timely fashion.

HOW THE ALLOCATION OF FUNDS FOR ACCESS TO SUCCESS WORKS?

- Each four-year institution receives a portion of the Access to Success funds based on its proportionate share of academically “at-risk students” as determined by ACT college readiness benchmarks in Reading (score 21) or English (score 18).
- Each two-year institution receives a portion of the Access to Success funds based on its proportionate share of academically “at-risk students” as determined by ASSET sub-scores indicating a deficiency in one of the following basic skills: writing or reading.
- Each two-year institution receives a portion of the Access to Success funds based on its proportionate share of “at-risk students” completing the academic year with at least 12 credit hours and a grade point average of at least 2.0.
- Each four-year institution receives a portion of the Access to Success funds based on its proportionate share of “at-risk” first-time degree-seeking freshmen completing the academic year with at least 24 credit hours and a grade point average of at least 2.0.

- Each two-year and four-year institution receives a portion of the Access to Success funds in proportion to its share of total statewide associate or baccalaureate degrees awarded to “at-risk students”.

HOW ARE ACCESS TO SUCCESS FUNDS USED?

- Access to Success funds may be used at the discretion of each institution to improve support service for “at-risk students”.
-

Teachers for the Future

WHAT IS TEACHERS FOR THE FUTURE

The Teachers for the Future initiative is a program to improve K-12 student learning outcomes. The initiative seeks to accomplish this outcome by stimulating the development of teacher education programs of excellence at selected universities; in turn, these programs would become exemplars for other institutions and would offer lessons learned about best practices, thus improving the quality of teacher graduates produced by a broad range of universities. This program will:

- Produce teacher education graduates with higher levels of mastery of subject matter and pedagogical content knowledge that will allow them to teach more imaginatively and productively.
- Ensure that teacher candidates acquire and demonstrate mastery of literacy and numeracy skills, and that they are prepared to teach them, irrespective of the level at which they will be teaching.
- Ensure that elementary school teachers learn the core structure of multiple disciplines and are prepared to teach content knowledge in a variety of subjects.
- Provide teacher candidates with skills and abilities to evaluate and use new technologies to facilitate teaching and learning.
- Educate teacher candidates on the significance of cultural diversity and its impact on effective teaching.
- Provide an integrated clinical-practice and a two-year residency mentoring induction experience for all graduates of teacher education programs.
- Establish strong partnerships between K-12 schools and university teacher education programs.

WHY TEACHERS FOR THE FUTURE?

A well-educated workforce and citizenry begins with having well-educated and trained teachers in the public school system. Without highly qualified teachers expertly trained in their subject matter field, the likelihood of improving the educational level and workforce readiness of future generations is questionable. According to a recent report from the Carnegie Corporation:¹

... recent research based upon thousands of pupil records in many different cities and states establishes beyond doubt that the quality of the teacher is the most important cause of pupil

¹ Carnegie Corporation of New York, “Teachers for a New Era Prospectus,” *The Corporation’s Program*, n.d. (http://www.carnegie.org/sub/program/teachers_prospectus.html. 2004.

achievement. Excellent teachers can bring about remarkable increases in pupil learning even in the face of server economic or social disadvantage. Such new knowledge puts teacher education squarely at the focus of efforts to improve the intellectual capacity of school children in the United States. More than ever, the nation needs assurance that colleges and universities are educating prospective teachers of the highest quality possible.

In Missouri:

- Two-thirds of 7th to 12th graders are taught by qualified teachers, while among top-performing states 80% are taught by qualified teachers.
- Eighth graders perform poorly on national assessments in reading, writing, mathematics and science relative to top-performing states.
- A very small percentage of 11th and 12th graders score well on Advanced Placement tests.
- One-fourth of 9th graders do not graduate from high school.
- A significant percentage of “at-risk” elementary and secondary students fail to complete their public school education.

HOW THE ALLOCATION OF FUNDS FOR TEACHERS FOR THE FUTURE WORKS?

- Each teacher education program in a four-year institution receives a percentage of the Teachers for the Future funds based proportionately on the number of undergraduate teacher education graduates scoring above minimal qualifying exam scores on Praxis Series for teacher licensure and certification.
- Each two-year institution receives a percentage of Teachers for the Future funds based proportionately on the number of graduates who successfully obtain an AAT degree, or for students who transfer with 42 credit hours and are admitted to a participating four-year teaching program.
- Each teacher education program in a four-year institution receives funds to develop and provide a three-year mentoring program for new undergraduate teacher education graduates to increase the retention rate of teachers in the classroom.
- To remain eligible for Teachers for the Future funds, participating programs must be reviewed and re-accredited by the Department of Elementary and Secondary Education.

HOW ARE TEACHERS FOR THE FUTURE FUNDS USED?

- Teacher education programs use these funds to implement innovative changes in the teacher training curriculum corresponding to current best practices in the profession, e.g., Teachers for a New Era initiative sponsored by the Carnegie Corporation.
- Teacher education programs use these funds to develop partnerships with K-12 public schools; to support expanded clinical practice experiences; and to establish residency mentoring support for new teacher education graduates for the first two years of their teaching experience.
- Funds are used to support ongoing research and evaluation of learning outcomes of teacher education graduates and to continue improvement and make relevant teacher preparation curriculums.

Promoting Economic Development and Fostering Vibrant Communities: Research and Service

WHAT IS THE RESEARCH AND SERVICE INITIATIVE?

The Research and Service Initiative is a program of targeted investments in basic and applied research and service activities that enhance the economic viability of the state and that address “real life” issues facing people and their communities. Desired outcomes include:

- Creation of new products and services for commercialization; increases in patents; and establishment of spin-off companies.
- Revitalization of business districts, support for small business entrepreneurs, and enhanced tech transfer.
- Safe healthy communities and civic renewal and engagement by citizens in community-based institutions and organizations.
- Improved environmental conditions (i.e., infrastructure, energy conservation, renewable resources, etc.).
- Improved health for Missouri citizens through the creation of new therapeutic regimes and diagnostic procedures.

WHY RESEARCH AND SERVICE INITIATIVE?

- The state’s economic growth is directly linked to the amount of research and development spending in the state.
- The results of basic and applied research are directly tied to the commercialization of intellectual property (i.e., patents) which frequently attracts venture capitalists and leads to the creation of new spin off companies.
- Breakthroughs in life science research produce new delivery modes and treatments for some of our major health issues of the day.
- Applied research, particularly in the social and behavioral sciences, bring practical solutions to issues facing communities (e.g., crime, poverty, substance abuse, neighborhood revitalization, teenage pregnancy, and literacy).
- Basic and applied research provides the solutions to significant infrastructure issues such as homeland security, utilities and telecommunications, and transportation.
- The outcomes of university research contributions to: objective information to inform economic and public policy; technology transfer of newly developed knowledge to industry; support of new entrepreneurial futures; technical advisory assistance to small businesses; and establishment of joint university-private enterprises.

HOW THE ALLOCATION OF FUNDS FOR THE RESEARCH AND SERVICE INITIATIVE WORKS?

- Institutions receive 2% of their actual restricted direct expenditures for externally sponsored research in the prior fiscal year.
- Institutions receive 2% of their actual restricted direct expenditures for externally sponsored public service activities in the prior fiscal year, including those for economic development and community outreach purposes. Excluded are direct federal appropriations for cooperative extension and agricultural experiment stations.
- The balance of the Research and Service Initiative funds will be distributed on the basis of competitive applications for projects supporting economic development and community service priorities of the state. Proposals are subject to a peer review process.

Workforce Needs for Regional and Global Competitiveness: METS Initiative

WHAT IS METS?

The METS Initiative is a program designed to develop the critical mass of human talent needed to support strategic industries key to Missouri's future regional and global competitiveness. The METS Initiative:

- Meets future workforce needs in occupational fields requiring education, training, and skills development in science and technology (i.e., mathematics, engineering, technology, and science)
- Provides support for employers needing focused workforce training programs
- Supports economic growth in cluster industries essential to Missouri's future
- Helps attract, develop, and retain new businesses strategically important to the state's economy
- Ensures Missouri's economic competitiveness, regionally and globally.

WHY METS?

- Missouri's P-20 Council has identified improvement in science and technology (METS) competencies as critical to meeting the workforce demands in occupational areas linked to key industries in the state.
- Sustained growth and innovation are keys to maintaining competitiveness in the global economy and require integrated investments in science and technology (METS).
- The state's abilities to remaining economically viable in the long-term requires investing in workforce training systems that provide workers the opportunity to improve technical skills and abilities to compete in the 21st century.
- The ability of the state to attract new businesses and support entrepreneurial ventures is dependent on the availability of a highly educated workforce equipped with technology expertise and skills that enable them to be productive in a fast-paced knowledge oriented economy.
- There is a growing gap between degree completions in science and technology fields and projected employment needs in Missouri.
- A technical skills gap exists in the state's incumbent workforce relative to skills required to meet the needs of targeted emerging industries in the state.

HOW THE ALLOCATION OF FUNDS FOR METS WORKS?

- Each two-year and four-year institution receives a portion of the METS Initiative funds based on its proportionate share of students with declared majors in METS fields of study. In addition, each participating institution also receives a portion of METS funds based on its proportionate share of total degrees and certificates awarded (i.e., certifications, associate, baccalaureate, and graduate degrees) in METS fields of study (i.e., mathematics, engineering, technology, and science, including degrees in math and science education).
- A portion of the METS Initiative funds are distributed through incentive grants as a match for revenue provided by third party entities for specialized workforce training and development programs.

- A portion of the METS Initiative funds are distributed through competitive grants that support collaborative partnerships between higher education, public schools and the business sector that will increase the number of students graduating in METS fields of study or spawn the development of entrepreneurial ventures, innovation, and technology transfer applications.
-

Protecting Investments: Maintenance and Repair

WHAT IS PROTECTING INVESTMENTS?

Protecting Investments is a strategic initiative to retain the value of the physical assets in public higher education, and improve the teaching and learning environment for students, faculty, and staff at Missouri's colleges and universities.

The desired outcomes of this initiative are:

- Updated facilities to address critical safety and accessibility issues
- Increased usage of environmentally friendly and efficient utility systems
- Increased support for the preservation of facilities to prevent early deterioration and more costly replacement

WHY PROTECTING INVESTMENTS?

- To preserve facilities, so they may be more effectively used in educational and research pursuits.
- To remain competitive in attracting and retaining students by providing high quality facilities and equipment.
- To provide an environment that supports enhanced teaching, learning, and research.
- To replace aged equipment that may limit the research capabilities in public higher education institutions.

HOW THE ALLOCATION OF FUNDS FOR PROTECTING INVESTMENTS WORKS?

- Each two-year and four-year institution receives on-going funding equal to 1.0 to 1.5% of the replacement value of its education and general facilities for annual maintenance and repair.
- To receive state funding, institutions are required to provide matching funds equal to the state's investment.

HOW ARE PROTECTING INVESTMENT FUNDS USED?

- Protecting investment funds are used for maintenance and repair projects that extend the useful life of educational and general facilities for their current purposes, and represent investments above the normal annual up-keep of facilities. Examples include, but are not limited to, roof repair/replacement, repair/replacement of building environment systems (HVAC), repair/replacement of core building infrastructure, etc. Protecting investment funds are not used for renovation, modernization, adaptation for new use or code compliance.

AGENDA ITEM SUMMARY

AGENDA ITEM

Summary of Proposed Legislation Related to Higher Education
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

The new legislative session convened on January 9, 2008. This item provides general information about some trends emerging in higher education-related legislation this year. More detailed information about higher education-related legislation is provided in the attachment.

Discussion

Many legislators have filed bills focusing on illegal immigration. Several of these bills would have implications for higher education institutions. [SB 858](#) and [HB 1463](#) would prohibit public colleges and universities from admitting illegal immigrants. Other bills would make it illegal to give certain “public benefits,” including higher education and financial aid, to illegal immigrants (See, for example, [HB 1655](#) and [SB 751](#)).

Many legislators have also filed bills that would change or create grants, scholarships, or tuition waivers, including:

- [HB 1762](#), which would create a broad new state-funded scholarship called the Twenty-First Century Scholars Program. Under the program, eighth graders who qualify for free or reduced lunch would sign agreements promising to abide by certain academic and character requirements. The students could use the scholarships to attend public or private institutions.
- [HB 1693](#) would create the Missouri Education Promise Program. The program would provide scholarships to A+ Scholarship recipients who complete the 42-hour block and go on to a four-year institution. Other bills would create programs that would provide similar scholarships to the same group of students.
- [SB 830](#), which would require colleges and universities to charge certain veterans only \$50 per credit hour, and [HB 1307](#), which would require colleges and universities to charge certain combat veterans only 25% of their current tuition rate or \$100 per credit hour, whichever is lower.

Finally, two bills that would create the Emily Brooker Higher Education Sunshine Act have been filed. [HB 1315](#) is a narrower version of last year’s bill; it would require institutions to report on measures taken to ensure intellectual diversity, but it does not describe measures institutions must take. [SB 983](#) is identical to HB 1315.

Coordinating Board for Higher Education
February 7, 2008

STATUTORY REFERENCE

Chapter 173, RSMo

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT

Summary of Higher Education-Related Legislation



Legislative Update
Week of January 21-25, 2008

Activity this week?	Bill Number	Sponsor (party)	Category: <i>Subcategory</i> <i>Official description.</i> Additional comments. Actions on bill.
	HB 1307	Day (R)	Scholarships: <i>Veterans</i> <i>Requires higher education institutions which receive state funds to limit the amount charged for tuition to certain combat veterans.</i> Institutions would be required to charge qualifying veterans no more than 25% of their current tuition or \$100 per credit hour, whichever is lower. Prefiled 12/3/07. Referred to the House Special Committee on Veterans 1/10/08.
	HB 1315	Cunningham, J. (R)	Intellectual Diversity <i>Establishes the Emily Brooker Higher Education Sunshine Act, which defines intellectual diversity for reporting purposes at public higher education institutions.</i> This bill is similar to one filed last year. This version requires public institutions of higher education to provide the CBHE with a report about steps taken to ensure "intellectual diversity" and the free exchange of ideas. The reports would be made annually, and the CBHE would provide the reports to the General Assembly. Prefiled 12/3/07. Referred to the House Higher Education Committee 1/10/08.
*	HB 1320	Brown, M. (D)	Polytechnic Institutes <i>Authorizes community improvement districts that are political subdivisions to sponsor and operate a polytechnic institute for science and technology within the authorizing city or county.</i> "Polytechnic institute" is not defined in the bill, but the bill's sponsor indicated in public testimony that such an institute would operate in connection with the Kansas City Public School District, under the supervision of DESE, and would offer hands-on training to prepare students for jobs. Funding would be provided by a local sales tax and bonds. Prefiled 12/3/07. Referred to the House Special Committee on Urban Education Reform 1/10/08; Public Hearing Completed; Executive Session Completed; Voted Do Pass - Consent 1/23/08.
	HB 1322	Thomson (R)	Governance: <i>NWMSU</i> <i>Specifies requirements for membership on the Northwest Missouri State University Board of Regents.</i> Withdrawn 12/5/07.
	HB 1335	Salva (D)	Public Facilities: <i>Leases</i> <i>Specifies that lease or rental agreements made for public buildings or facilities are public records.</i> Prefiled 12/3/07. First read on the House floor 1/9/08; second read 1/10/08.

HB 1346 * Portwood (R)	Immigration <i>Establishes the Missouri Taxpayer and Citizen Protection Act regarding illegal aliens in the state.</i> This bill addresses a wide range of immigration issues, including generally requiring colleges and universities to obtain proof of legal citizenship status before issuing student or employee identification cards; requiring all public employers to use the federal Basic Pilot Program to confirm that new employees' citizenship status makes them eligible for legal employment; and prohibiting those who are not lawfully in the U.S. from receiving scholarships or financial aid, or in-state tuition. Prefiled 12/3/07. First read on the House floor 1/9/08; second read 1/10/08. Referred to the House Ways and Means Committee 1/24/08.
HB 1351 Cunningham, M. (R)	Public Institutions: Traditional Holiday Names <i>Requires state agencies, public schools and colleges, and political subdivisions to use the traditional names of holidays.</i> Prefiled 12/4/07. First read on the House floor 1/9/08; second read 1/10/08.
HB 1352 Page (D)	Student Housing: Sex Offender Registry <i>Requires public institutions of higher education to check the sexual offender registry prior to making student housing assignments and prohibits housing to anyone required to register as a sexual offender.</i> This bill is similar to one filed relatively late last session by Rep. Page. The bill was voted out of committee but did not make further progress. Prefiled 12/4/07. Referred to the House Crime Prevention and Public Safety Committee 1/10/08.
HB 1362 Cunningham, M. (R)	Scholarships: Veterans <i>Establishes a tuition grant program for survivors of war veterans.</i> The scholarship would be state-funded. Introduced 12/5/07. Withdrawn 12/20/07.
HB 1368 Thomson (R)	Governance: NWMSU <i>Clarifies requirements for membership on the Northwest Missouri State University Board of Regents.</i> Prefiled 12/5/07. Referred to the House Higher Education Committee 1/10/08.
HB 1373 Day (R)	Public Facilities: Flag Display <i>Requires flags flown over state buildings to be made in the United States of America.</i> Prefiled 12/7/07. Referred to the House Corrections and Public Institutions Committee 1/10/08.
* HB 1381 Kraus (R)	Immigration: Employment <i>Prohibits the employment of an unauthorized alien in Missouri.</i> Prefiled 12/11/07. First read on the House floor 1/9/08; second read 1/10/08. Referred to the House Special Committee on Immigration 1/24/08.

<p>* HB 1463 Nolte (R)</p>	<p>Immigration: Admissions <i>Prohibits the admission of unlawfully present aliens to public institutions of higher education.</i> Prefiled 12/18/07. Referred to the House Special Committee on Immigration 1/10/08. Prefiled 12/18/07. Referred to the House Special Committee on Immigration 1/10/08. The public hearing was conducted 1/23/08. At the hearing, the bill's sponsor indicated that he believes that most of the illegal immigrants who attend public colleges and universities pay out-of-state tuition and pointed to a report by the State Auditor indicating that Missouri institutions' relatively low out-of-state tuition is too low to cover the actual cost of educating a student -- and so Missouri taxpayers are subsidizing some portion of the cost of educating non-residents and illegal immigrants. On another point, a witness suggested that the bill should be limited so that only actually enrolled students' immigration status would have to be verified -- rather than all students who are admitted. The rest of the discussion at the hearing focused on moral issues associated with immigration.</p>
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<p>HB 1479 Cunningham, J. (R)</p>	<p>Governance: Roll Call Voting <i>Requires governing boards at public colleges and universities, community college districts, and school districts to take roll-call votes on school policy matters.</i> Prefiled 12/18/07. Referred to the House Higher Education Committee 1/10/08.</p>
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<p>HB 1518 Cunningham, M. (R)</p>	<p>Scholarships: Veterans <i>Establishes a tuition grant program for survivors of war veterans.</i> The bill would create a new state-funded scholarship available to up to 25 recipients per year. Recipients could use the scholarship to attend public or private institutions and would receive funds to cover all or part of their tuition and an allowance for books and living expenses. Prefiled 1/3/08. Referred to the House Special Committee on Veterans 1/10/08.</p>
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<p>HB 1544 Jones (R)</p>	<p>Instructional Materials <i>Requires publishers of instructional materials to provide electronic copies of such materials for specialized uses.</i> Prefiled 1/7/08. Referred to the House Special Committee on Student Achievement 1/10/08.</p>
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<p>HB 1577 Schneider (R)</p>	<p>Scholarships: A+ and Completer <i>Adds two-year public and private vocational or technical schools to the A+ Schools Program and creates the "Community College Associate Degree Transfer Incentive Scholarship Program."</i> Introduced and first read on the House floor 1/09/08; second read 1/10/08.</p>
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<p>HB 1596 May (R)</p>	<p>Institution-Specific: UM <i>Specifies additional requirements for proposed land use changes on land owned by the University of Missouri.</i> Introduced and first read on the House floor 1/10/08; second read 1/14/08.</p>
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<p>HB 1604 Bringer (D)</p>	<p>Scholarships: Foster Children <i>Allows eligible foster children to receive a waiver of tuition and fees at state-funded colleges or universities.</i> Introduced and first read on the House floor 1/10/08; second read 1/14/08.</p>

* HJR 43 Portwood (R)	Hancock Amendment <i>Proposes a constitutional amendment altering the rollback requirement for the Hancock amendment.</i> Prefiled 12/5/07. Referred to the House Ways and Means Committee 1/17/08. Public hearing completed 1/24/08.
HJR 45 Flook (R)	Appropriations <i>Proposes a constitutional amendment reducing the number of state representatives, limits action on appropriation bills to even-numbered years, requires zero-based budgeting, and changes adjournment dates.</i> Prefiled 12/05/07. Read for the first time on the House floor 1/09/08. Second read 1/10/08. Referred to the House Elections Committee 1/17/08.
HR 134 Faith (R)	Student Government <i>Grants the Student Governments of the Missouri Community College Associations permission to use the House Chamber on February 25, 2008, to conduct a mock session.</i> Offered 1/16/08.
* SB 1010 Nodler (R)	Institution-Specific: <i>MSSU</i> <i>Authorizes the Governor to convey state property in Jasper County to Missouri Southern State University.</i> First read on the Senate floor 1/24/08.
SB 719 Kennedy (D)	Instructional Materials <i>Requires publishers of instructional materials to provide electronic copies of such materials for specialized uses.</i> Prefiled 12/1/07. Referred to the Senate Education Committee 1/10/08.
SB 751 Crowell (R)	Immigration <i>Requires applicants to prove citizenship, permanent residence, or lawful presence in order to receive state or local public benefits.</i> The bill specifies that "public benefits" includes higher education and grants. Prefiled 12/1/07. Referred to the Senate Pensions, Veterans' Affairs, and General Laws Committee 1/10/08.
* SB 806 Engler (R)	State Facilities: <i>Flag Display</i> <i>Requires all government buildings to fly the U.S. and Missouri flags at half-staff when any Missouri resident is killed in combat.</i> Prefiled 12/1/07. Referred to the Senate Pensions, Veterans' Affairs and General Laws Committee 1/10/08. Hearing conducted 1/23/08.

SB 815

Goodman
(R)

Higher Education Curriculum

Creates the Farm Mentoring and Education Authority to administer agricultural education programs to incubate new farms. The Authority would be housed within the UM Extension Service and would provide educational programming aimed at helping individuals plan and begin sustainable farm enterprises. This bill is similar to a bill filed last year by Sen. Goodman, which was passed by the Senate but never assigned to or heard by a House committee.
Prefiled 12/1/07. First read on the Senate floor 1/9/08. Second read and referred to the Senate Agriculture, Conservation, Parks, & Natural Resources Committee 1/14/08.

* **SB 830**

Coleman
(D)

Scholarships: Veterans

Limits the tuition that may be charged by a higher education institution to certain combat veterans. All Missouri higher education institutions that receive any state funds whatsoever would be required to charge certain veterans no more than \$50 per credit hour.
Prefiled 12/1/07. First read on the Senate floor 1/9/08. Second read and referred to the Senate Pensions, Veterans' Affairs and General Laws Committee 1/14/08. Public hearing conducted 1/23/08.

SB 846

Rupp
(R)

Scholarships: A+ and Completer

Modifies the laws relating to higher education scholarships. The bill would expand the A+ Schools program to include students who attend public or private 2-year institutions. It would also create the "Community College Associate Degree Transfer Incentive Program," which has been called the "completer scholarship" in the past. This bill is similar to a bill filed by Sen. Rupp in 2007, which was voted out of committee but never taken up on the Senate floor.
Prefiled 12/1/07. Referred to the Senate Education Committee 1/14/08.

SB 858

Rupp
(R)

Illegal Immigration

Modifies the law relating to illegal immigrants. This bill would prohibit public colleges and universities from admitting illegal immigrants; the registrar of each institution would have to certify that the institution had not knowingly admitted illegal immigrants to the House and Senate each year. The bill would also prohibit the distribution of any state grants to illegal immigrants. Finally, the bill identifies penalties that may be imposed on employers who hire illegal immigrants.
Prefiled 12/1/07. Referred to the Senate Pensions, Veterans' Affairs, and General Laws Committee 1/14/08.

SB 863

Rupp
(R)

MOST: Tax Deduction

Allows married taxpayers filing joint returns to deduct a portion of contributions to the Missouri Higher Education Savings Program from income.
Prefiled 12/1/07. Referred to the Senate Ways & Means Committee 1/15/08.

SB 871

Bray
(D)

Public Institutions: Appropriations

Removes language preventing appropriation of money to public colleges and universities that knowingly employ a professor or instructor who is a registered sex offender.
Prefiled 12/5/07. Referred to the Senate Education Committee 1/15/08.

SB 873

Graham
(D)

Governance: UM, MSU, Truman

Adds voting student members to governing boards of certain higher education institutions.
Prefiled 12/12/07. Referred to the Senate Education Committee 1/15/08.

[SB 894](#)
Green
(D)

Higher Education Tax Deduction

Creates an income tax deduction for higher education expenses. Families could take deductions for expenses incurred for public or private higher education.
Prefiled 12/18/07. Referred to the Senate Ways & Means Committee 1/15/08.

* [SB 965](#)
Crowell

Higher Education Curriculum

Requires completion of American history and literature classes in order to graduate from a public higher education institution.

First read on the Senate floor 1/16/08. Second read and referred to the Senate Education Committee 1/22/08.

* [SB 967](#)
Mayer
(R)

MOHELA

Allows Missouri Higher Education Loan Authority to originate federally guaranteed student loans.

First read on the Senate floor 1/16/08. Second read and referred to the Senate Education Committee 1/22/08.

* [SB 983](#)
Purgason
(R)

Intellectual Diversity

Requires public higher education institutions to annually report on steps taken to ensure intellectual diversity.

First read on the Senate floor 1/22/08. Second read and referred to the Senate Education Committee 1/24/08.

* [SB 984](#)
Shoemyer
(D)

Scholarships: *Bright Flight*

Modifies provisions of the Bright Flight Scholarship Program.

First read on the Senate floor 1/22/08. Second read and referred to the Senate Education Committee 1/24/08.

[SJR 36](#)
Graham
(D)

Appropriations

Requires that all appropriations by the general assembly cannot exceed the official estimate of state revenues.

Prefiled 12/12/07. Referred to the Senate Governmental Accountability & Fiscal Oversight Committee 1/16/08.

[SJR 37](#)
Graham
(D)

Appropriations

Requires the state treasurer to provide an estimate of available state revenues each fiscal year.

Prefiled 12/12/07. Referred to the Senate Governmental Accountability & Fiscal Oversight Committee 1/16/08.

[SJR 38](#)
Clemens
(R)

Appropriations

Creates a 2-year budget cycle.

Prefiled 12/12/07. Referred to the Senate Governmental Accountability & Fiscal Oversight Committee 1/16/08.

AGENDA ITEM SUMMARY

AGENDA ITEM

Omnibus Bill Update
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

This item provides an update on the MDHE's progress in implementing the provisions of SB 389, which became law August 28, 2007.

Discussion

As indicated on the Omnibus Bill Implementation Matrix (see attachment), MDHE staff have made significant progress in implementing the provisions of SB 389. Since the December board meeting:

- Staff have continued to develop entry- and exit-level competencies for beginning collegiate-level courses in key disciplines. Participants in the Curriculum Alignment Initiative ("CAI") have identified entry-level competencies, which are currently being evaluated by the CAI Steering Committee and discipline work groups. Discipline work groups are developing exit-level competencies.
- MDHE staff developed a draft policy to implement the provisions of the new law that allow the CBHE to fine institutions that fail to abide by CBHE policy. Stakeholders have provided feedback and the final draft policy, located under Tab I, will be presented for possible board approval at the February 7 CBHE meeting.
- At least two MDHE initiatives are facilitating the development of performance measures, as required by the new law. Both the HEF Task Force and the Strategic Planning Work Group have discussed performance measures extensively and have begun to identify some that would be useful for each sector and for the system as a whole.
- MDHE staff provided institutions with information about the change in the Consumer Price Index during 2007 pursuant to the newly adopted policy to implement the Higher Education Student Funding Act. The days on which institutions may notify the Commissioner about their tuition for the 2008-09 academic year are February 1, March 1, May 1, and July 1.

Coordinating Board for Higher Education
February 7, 2008

STATUTORY REFERENCE

Section 173.005.2(7)(10), RSMo, Curriculum Alignment, Fines
Section 173.125, RSMo, Dispute Resolution
Section 173.360.2, RSMo, Lewis and Clark Discovery Fund
Section 173.1003.5, Tuition Stabilization
Section 173.1004, RSMo, Website Information
Section 173.1101-1107, RSMo, Access Missouri
Chapter 173, RSMo; Section 33.210-290, RSMo; Section 163.191, RSMo; Higher Education
Funding Task Force

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT

Omnibus Higher Education Bill Implementation Matrix

SENATE BILL 389
IMPLEMENTATION MATRIX

Program	Description	Implementation Timeline		MDHE Unit(s) Assigned	Current Status
Joint Committee on Education ("JCE")	The JCE's scope is expanded to include several components associated with higher education.	Immediate	MDHE will begin reporting to JCE on higher education issues	Commissioner	There are no current requests for information from the JCE.
		August 28, 2010	MDHE report on the impact of tuition stabilization to the JCE		
Missouri Teaching Fellows Program	Creates the Missouri Teaching Fellows Program, which will offer loan forgiveness and stipends to individuals who teach in unaccredited school districts. The program will be administered by the MDHE with appropriations not to exceed \$1 million a year (CPI adjusted). The MDHE is responsible for recruitment of high school seniors to participate in the program, development of an agreement for participants to sign upon entry into the program, and development of regulations and contracts. The law requires the MDHE to maintain a Missouri Teaching Fellows Program coordinator position.	2007-08	First participants must be recruited	Financial Assistance, Outreach, & Proprietary Certification and Fiscal Affairs	Senior staff is reviewing how to fulfill this obligation to publicize and recruit students into the program for fiscal year 2008 without the assignment of additional FTE or funding sources. The FY 2009 budget request includes funds to address this new position and additional outreach activities.
		2013-2014	First loan forgiveness payments/stipends must be paid		
		September 1, 2014	Program sunsets (unless reauthorized)		
Transfer and articulation	Public institutions must work with the MDHE to establish agreed-upon competencies for all entry-level collegiate courses in key disciplines. The CBHE must establish policies to ensure transferability of core course credits.	2008-09 academic year	Competencies and guidelines must be implemented	Academic Affairs	Draft entry-level competencies have been completed and public comments are currently under consideration by the Steering Committee and the workgroups. The Steering Committee will meet in February to evaluate entry competencies and feedback. Discipline workgroups will deliver draft exit competencies to the MDHE on February 1.
Fines for non-compliance with CBHE rules and policies	Public institutions that willfully disregard CBHE policy can be fined up to 1% of their state appropriation. Rules, regulations and waiver procedures must be developed.	August 28, 2007	Statute becomes effective	General Counsel and Fiscal Affairs	The policy on fining institutions that willfully disregard CBHE policy will be presented at the February 2008 board meeting.
Out-of-state public institution standards	Out-of-state public institutions must be held to the same standards as Missouri institutions for program approval, data collection, cooperation,	July 1, 2008	Rules must be promulgated	Financial Assistance, Outreach, & Proprietary	Out-of-state public institutions will be exempt from proprietary school certification effective on July 1,

Program	Description	Implementation Timeline		MDHE Unit(s) Assigned	Current Status
	and resolution of disputes. The CBHE must promulgate rules.			Certification and Academic Affairs	2008. Out-of- state publics will not be required to seek recertification for the 2008-09 certification year and their certificates of approval will be allowed to lapse on June 30, 2008. Notification of out-of-state public institutions currently approved as proprietary schools has begun. In addition, a proposed rule on this subject has been filed with the Secretary of State.
"No better than free"	No student shall receive need-based assistance that exceeds the student's cost of attendance. This does not include loans or merit-based aid.	August 28, 2007	Statute becomes effective	Financial Assistance, Outreach, and Proprietary Certification	Staff has provided ongoing guidance and technical assistance to institutional staff concerning the impact of this provision on Access Missouri awards. This has been accomplished through responses to individual inquiries, periodic electronic and regular mail contact, fall workshops, and presentations at financial assistance meetings.
Binding dispute resolution	In order to receive state funds, public institutions must agree to submit to binding dispute resolution to address grievances about jurisdictional boundaries or the use or expenditure of state resources. The Commissioner of Higher Education will be the arbitrator. The CBHE and MDHE must develop rules and waiver procedures.	August 28, 2007	Statute becomes effective	General Counsel	The board adopted a policy on this subject at its December 2007 meeting. That policy is now in effect.
Higher Education Academic Scholarship Program ("Bright Flight")	The existing Bright Flight scholarship is revised to include students whose ACT/SAT scores are in the top 3% to 5% of all Missouri test-takers. Scholarships awards are increased to \$3,000 for those in the top 3 % and established at \$1,000 for the 3% to 5% range. The MDHE's FAMOUS system must be reprogrammed and rules must be revised.	January 1, 2010	FAMOUS system changes must be completed	Financial Assistance, Outreach, & Proprietary Certification and Fiscal Affairs	Public materials (website and publications, etc.) have been revised to notify students of changes associated with the Bright Flight program. Although the process of developing a model for estimating the fiscal impact of this change has begun, the recent changes in score distributions and increases in the
		June/July 2009	Appropriation request for FY 2011 must be developed to include updated scholarship amounts		
		July 2010	Rule changes must be complete		

Program	Description	Implementation Timeline		MDHE Unit(s) Assigned	Current Status
		August 2010	New scholarship award amounts become effective		number of students taking the test has made this process particularly challenging. Analysis of whether an appropriation request will be needed to make the necessary changes to the FAMOUS system is under review. Work on rule changes and additional appropriation for program distribution has not yet begun.
Lewis & Clark Discovery Initiative ("LCDI")	Creates a fund into which MOHELA distributions will be deposited. LCDI may only be used for capital projects at public institutions or to support the Missouri Technology Corporation. Institutions that knowingly employ professors or instructors found guilty of certain crimes are ineligible to receive money through the LCDI.	August 28, 2007	Statute becomes effective	MDHE will assist the Office of Administration in managing disbursements from the LCDI	<p>MOHELA has made scheduled transfers totaling \$235 million. Institutions may request reimbursement for expenses incurred on approved projects on a monthly basis.</p> <p>According to the cash flow management schedule developed by the MDHE and the division of budget and planning, all projects under \$5 million may receive up to 100% reimbursement for FY 2008. For all other projects, reimbursements may total up to 80% of total appropriations between FY 2008 and FY 2009 combined, with an additional 10% available in FY 2011. Reimbursement payments totaling \$57.9 million have been made as of December 31, for a total of 24 projects.</p>
Higher Education Student Funding Act (also known as tuition stabilization)	Establishes limits on tuition increases based on each public institution's tuition in relation to the statewide average and CPI. Institutions exceeding the limits can be fined up to 5% of their state appropriation unless a waiver is sought and approved by the Commissioner of Higher Education. Community colleges are not subject to these limits unless their average tuition for out-of-district students exceeds the state average. The MDHE must develop rules and waiver procedures.	2008-09 academic year and each academic year in the future	CBHE must review data submitted by institutions about tuition changes and make determinations about any waivers sought	Deputy Commissioner, Academic Affairs, and Fiscal Affairs	<p>The Higher Education Funding (HEF) Task Force's discussions have included the identification of goals for the amount of resources needed to deliver high quality education to students. This segment of a new funding policy will have direct implications for granting waivers to tuition limitations.</p> <p>In addition, the board approved a</p>

Program	Description	Implementation Timeline		MDHE Unit(s) Assigned	Current Status
					<p>policy to implement this portion of the law during a December 2007 meeting. That policy is now in effect.</p> <p>MDHE staff notified institutions that the percent change in the CPI during 2007 was 4.1%. The days on which institutions may notify the Commissioner what their tuition for the 2008-09 academic year is are February 1, March 1, May 1, and July 1.</p>
Consumer information	The CBHE must promulgate rules and regulations to ensure that public institutions post on their websites academic credentials of all faculty (adjunct, part-time, and full-time); course schedules; faculty assignments; and, where feasible, instructor ratings by students; as well as which instructors are teaching assistants.	August 28, 2007	Statute becomes effective	General Counsel	<p>The board approved the filing of an administrative rule to implement these provisions of the new law at its October 11, 2007, meeting. The rule has been filed.</p> <p>The rule requires that institutions post general course information by August 1, 2008, and that institutions post faculty evaluations to inform students registering for fall 2009 classes.</p>
Performance measures	Institutions and the MDHE must develop institutional and statewide performance measures. The MDHE must report on progress developing statewide measures to the Joint Committee on Education at least twice a year. The MDHE must develop a procedure for reporting the effects of performance measures to the Joint Committee on Education in an appropriate timeframe for consideration in the appropriation process.	July 1, 2008	Performance measures must be established	Deputy Commissioner, Academic Affairs, and Fiscal Affairs	The HEF Task Force will make recommendations on performance funding, which will have direct implications for performance measures. This task force has retained the services of nationally recognized higher education finance expert Brenda Albright. All sectors (Linn State, public two-year, and public four-year) have submitted initial draft recommendations of the types of elements to be included as performance measures. Work on procedures for reporting the effects of performance has not yet begun.

Program	Description	Implementation Timeline		MDHE Unit(s) Assigned	Current Status
<p>Access Missouri Financial Assistance Program</p>	<p>Establishes Access Missouri as the state's single need-based financial assistance program, to be administered by CBHE. Award ranges vary by institutional sector and expected family contribution ("EFC"). No student who is found or pleads guilty to certain criminal offenses while receiving financial aid is eligible for renewed assistance. In the event of budget shortfalls, the maximum award will be reduced across sectors; for surplus, the maximum EFC allowed will be raised. The CBHE must promulgate regulations for administering the Access Missouri program. Assistance provided to all applicants from any other student aid program, public or private, must be reported to the CBHE by the institution and the recipient.</p>	<p>September 2007</p>	<p>Program must be administered and students will receive Access Missouri financial assistance</p>	<p>Financial Assistance, Outreach, & Proprietary Certification</p>	<p>Distribution of funds under the new Access Missouri program began on September 4, 2007. MDHE information materials about student financial assistance have been revised to include information about Access Missouri. The emergency administrative rule pertaining to Access Missouri is now in effect. A final rule has been filed using the standard promulgation process. Staff have begun the process to develop benchmark and performance measures intended to inform the periodic adjustment of award amounts and sunset processes.</p>
		<p>August 2009 and every 3 years thereafter. Program will sunset at the end of FY 2013, unless reauthorized.</p>	<p>Award amounts may be adjusted to reflect inflation indicated by the CPI</p>		

AGENDA ITEM SUMMARY

AGENDA ITEM

Federal Default Fee
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

As the landscape changes for the Federal Family Education Loan Program (FFELP), an increasing number of lenders are announcing an end to up-front borrower benefits. As a protection to borrowers, on January 29, 2008, the MDHE announced that it will subsidize the federal default fee for its Missouri borrowers during the 2008-2009 academic year. This item provides additional information regarding the federal default fee.

Discussion

The Deficit Reduction Act of 2005 (Public Law 109-171), enacted on February 8, 2006, requires guarantors to deposit a federal default fee of one percent of loans guaranteed and disbursed on or after July 1, 2006, into the federal fund. The federal fund is owned by the federal government and covers its risk associated with student loan default. The default fee must be either collected by reducing the proceeds of the loan or by payment from other non-federal sources. Until recently, most loans guaranteed by the MDHE were eligible for lender subsidized default fees. However, with recent cuts to lender subsidies and an uncertain marketplace, many lenders have announced the discontinuation of default fee subsidies.

After careful consideration, the MDHE decided it will cover the cost of the default fee for its Missouri borrowers during the 2008-2009 academic year. This decision will result in savings of approximately seven million dollars for Missouri students and families.

The subsidy will apply to Stafford and PLUS loans guaranteed by the MDHE on or after July 1, 2008, for attendance at a Missouri postsecondary institution.

STATUTORY REFERENCE

Public Law 109-171, Deficit Reduction Act of 2005

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None

Coordinating Board for Higher Education
February 7, 2008

AGENDA ITEM SUMMARY

AGENDA ITEM

Access Missouri Financial Assistance Program
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

On August 28, 2007, the Access Missouri Financial Assistance Program, established by Senate Bill 389, was implemented by the MDHE. The intent of this board item is to update the board on the current status of this program and describe some of the challenges faced during this first year of operation.

Current Status

As of January 29, 2008, 37,694 students had received Access Missouri financial aid awards. Over \$46 million has been distributed. It is anticipated that as spring certification of eligibility is completed, the funds allocated for this program (\$72 million) will be expended. This compares with the previous two state need-based programs (Charles Gallagher and College Guarantee) that delivered approximately \$25 million to 16,367 students for the entire 2006-2007 academic year.

Approximately 48 percent of the dollars have been awarded to students at public institutions compared to 39 percent under the previous two programs. In terms of student numbers, approximately 73 percent of the students receiving Access Missouri awards are attending public institutions, compared to 32 percent under the previous programs.

In fulfillment of one of the primary goals of the new program, funds are being directed toward the students from the most challenging financial backgrounds, regardless of what type of institution they attend. Approximately one in three students that receive an Access Missouri award have an Expected Family Contribution (EFC) of \$500 or less, indicating a median adjusted gross income below \$15,000 for the student. Nearly two out of three students have an EFC that makes them eligible for an award under the federal Pell Grant program, the primary federal need-based financial assistance program. Finally, more than 80 percent of the recipients have an EFC of \$7,000 or less, equating roughly to an adjusted gross income of \$53,000.

Challenges

In part due to the rapid implementation, this first year of operation has seen considerable turmoil. Because schools were unfamiliar with the program and unsure of some eligibility provisions, the number of certification errors has been higher than normal, resulting in a larger than expected amount of refunds to the department. This has contributed to the volatility of the program and made financial projections for the remainder of this fiscal year and for FY 2009 more difficult. This situation was complicated by the fact that several schools have also implemented new

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computer software systems on their campuses, resulting in additional confusion and delays in certifying the eligibility of students.

The establishment of maximum annual award amounts has also been an issue. Because Access Missouri establishes eligibility in a very different manner than previous programs and serves large numbers of students that had been unfunded under previous programs, the MDHE staff had limited background and trend data upon which to base this decision. In late August, when the initial award amounts needed to be set, data indicated a larger than expected pool of eligible students and, based on experience with previous programs, MDHE staff approached the task of establishing the maximum award amounts conservatively, in order to avoid overspending the appropriation.

In early December, staff reassessed the remaining amount of the appropriation and data about the number of students receiving awards under the program. While attendance patterns were similar to preliminary predictions, utilization rates (the percent of eligible students that receive and award) was lower than the conservative initial estimates, particularly for students in the lowest EFC category. As a result, it was determined it would be necessary to increase the award amounts in order to reasonably expect to spend the entire \$72 million appropriation during this fiscal year. The department announced the decision to increase the maximum annual award amounts by approximately 15 percent during the first week of January. The following table displays the impact of this change.

Maximum Annual Award Amount by Sector			
	Public Two-year	Public Four-year	Independent
Original	\$700	\$1,500	\$3,200
Revised (1-4-08)	\$850	\$1,850	\$3,900

The impact of this decision on individual student awards varies based on the student's EFC and type of institution attended. The decision also had the effect of changing award amount for both the fall and spring semesters. While this change has generally been well received, there has been some criticism of this action because of the disruption it caused in students' financial aid packaging for the fall semester.

Conclusion

While Access Missouri has yet to be operational for a full academic year, the positive impact in terms of the number and financial need of students served has been overwhelming. As with all new and different programs, there have been challenges but MDHE staff and student financial aid professionals are working together to address issues as they have arisen. In addition, MDHE staff has begun initial conversations to include analysis of Access Missouri as part of the department's research agenda, a move that will improve the program's predictability and provide sound evidence of the value of this program.

STATUTORY REFERENCE

Section 173.1101, RSMo, Access Missouri Financial Assistance Program

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

CBHE Public Policies
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

MDHE staff have reviewed all policies adopted by the CBHE to determine which reflect current practices and realities and which are outdated and should be eliminated or updated. This item provides a summary of the conclusions of that review.

Discussion

The vast majority of CBHE-approved policies remain relevant. These policies are contained in the *CBHE Public Policies Manual*, which is available on the MDHE website (<http://www.dhe.mo.gov/cbheindex.shtml>). The table of contents of the *CBHE Public Policies Manual* is provided as Attachment A. Some policies in the manual are in need of revision including the coordinated plan framework, the policy on the CBHE's relationship with Missouri's independent colleges and universities, quality goals related to mission, and each institution's mission statement. These policies are still relevant and will not be eliminated until new policies are developed and adopted by the board.

A few policies, however, are entirely outdated and should be eliminated. These policies include:

- Blueprint for Statewide Planning
- Blueprint for the Future of Missouri Higher Education
- Mission Review Schedule
- Second Five-Year Mission Review Schedule
- Establishment of the Missouri Commission on the Affordability of Higher Education
- Bootheel Educational Consortium
- Sikeston Area Higher Education Center
- Missouri K-16 Coalition
- Funding for Results
- Funding Mission Performance
- Funding Formula
- Linn State Technical College Five-Year Master Plan
- Postsecondary Technical Education Accountability Measures

A table listing each policy to be eliminated or updated, the dates each policy was adopted, and the rationale for eliminating or updating each policy is provided as Attachment B. The full text of each policy to be eliminated or updated is also included in Attachment B.

Coordinating Board for Higher Education
February 7, 2008

STATUTORY REFERENCE

Chapter 173, RSMo

RECOMMENDED ACTION

It is recommended that the Coordinating Board rescind the policies listed on the attached Proposal to Eliminate and Update Policies and direct MDHE staff to update the remaining policies as needed for review and adoption by the board at future CBHE meetings.

ATTACHMENTS

Attachment A: *CBHE Public Policies Manual* Table of Contents

Attachment B: Proposal to Eliminate and Update Policies

CBHE PUBLIC POLICIES MANUAL
Table of Contents

I. EDUCATION

- A. Bylaws of the Missouri Coordinating Board for Higher Education**
- B. Coordinated Plan Framework**
- C. Relationship with Missouri’s Independent Colleges and Universities**
- D. Model for Higher Education Conflict of Interest Policy**
- E. Compliance with Missouri’s Open Meetings and Records Management Statute**
- F. Guidelines for Recycling and Waste Management – Missouri Public Higher Education Institutions**

II. STATEWIDE PLANNING FOR HIGHER EDUCATION

A. Institutional Mission Review

- 1. Mission Review Components
- 2. Institutions’ Mission Statements
- 3. Quality Goals Related to Mission
 - a. Mission Differentiation by Admissions Guidelines
 - b. Satisfactory Academic Progress – Success Rates
 - c. Graduation and Time-to-Completion Rates
 - d. Remediation
 - e. Faculty Workload
 - f. Students Below Thirty-Third Percentile
 - g. Transfers
 - h. Highly Qualified Teachers
 - i. Minority Participation
 - j. Critical Skills and Disciplines
 - k. Mission Enhancement Accountability Measures

B. Institutional Nomenclature

C. Information and Data Collection and Reporting

- 1. Accountability Report
- 2. Performance of Missouri’s Public High School Graduates Report

D. Off-Campus and Out-of-District Instruction

- 1. Clarification of the Operations and Funding of 1456 Sites Established by the General Assembly
- 2. Collaboration Among Proposed 1456 Sites and Existing Institutions
- 3. Lack of Compelling Need for Additional 1456 Sites
- 4. 1456 Sites in the Lake of the Ozarks Area

E. Community Colleges

- 1. Community College Subdistricting Plans
- 2. Community Colleges’ Mission, Role, and Scope Statements

F. Postsecondary Technical Education

- 1. Vocational Education
- 2. Access to Vocational Technical Programs

3. State Plan for Postsecondary Technical Education
4. State Planning and Coordination for Postsecondary Technical Education
5. Approval of Fiscal Year Appropriation Requests and Distribution of Technical Funds Under the State Plan for Postsecondary Technical Education
6. Refined State Plan for Postsecondary Technical Education

G. Out-of-State Public Institutions that Offer Instruction in Missouri

III. ACADEMIC AFFAIRS

A. College Admissions

1. High School Student Preparation: CBHE-Recommended High School Core Curriculum Guidelines
 - a. Old Guidelines
 - b. New Guidelines
2. Advanced Credit Opportunities
 - a. Advanced Placement
 - b. Dual-Credit Policy
 - c. Principles of Good Practice for Dual Credit Courses
3. Selectivity and Missions for Public Institutions
4. Remediation
5. Highly Qualified Teacher

B. Certificate / Degree Programs

1. Statewide Academic Program Inventory
2. Academic Programs Review Policies
 - a. New/Off-Site Program Review
 - b. Existing Program Review
 1. State Level Review
 2. Campus-Based Reviews
 3. Criteria for Degree programs
 4. Doctoral Programs
3. External Course Delivery
 - a. Procedures for the Delivery of Courses at External Sites
 - b. Plus-Two Programs for Public-Private Institutions
 - c. Public Policy Guidelines on Lower Division Coursework, Lower Division Certificate, and Associate Degree Delivery

C. Transfer/Articulation Issues

1. Credit Transfer Guidelines
2. Principles of Good Practice
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4. Site Survey Policy

D. Consumer Information

IV. BUDGET AND FINANCE

A. General Recommendations for Funding

- B. Higher Education Funding Policies Task Force**
- C. Commitment to Modern Equipment**
- D. Controlling Administrative/Noninstructional Funding Growth Rates**
- E. Student Fees**
- F. Guidelines for Selecting Priorities for Capital Improvement Projects**
- G. Appropriation Levels for Off-Campus and Out-of-District Sites**
- H. Implementation of the Higher Education Student Funding Act**

V. INSTRUCTIONAL TECHNOLOGY AND TELECOMMUNICATIONS

- A. Telecommunications-Based Delivery System Policies**
- B. State Plan for a Telecommunications-Based System**
- C. Guiding Principles for a Telecommunications-Based Delivery System**
- D. Role of the CBHE in Supporting a Telecommunications-Based Delivery System**
- E. Implementation of a Telecommunications-Based Delivery System**
- F. Eligibility Criteria for Proprietary Schools to be Considered to Access MOREnet Services**
- G. Common Library Platform – MOBIUS**
- H. Appointment of the CBHE Advisory Committee on Technology and Instruction**
- I. Missouri Learner’s network**
- J. Principles of Good Practice for Distance Learning/Web-Based Courses**

VI. CONTRACTING FOR EDUCATIONAL SERVICES

- A. Reciprocal Agreement: Missouri/Kansas Reciprocal Agreement for Architecture, Dentistry, and Optometry**
- B. Midwestern Higher Education Commission: Midwest Student Exchange Program Participation Agreement**

VII. STUDENT FINANCIAL ASSISTANCE

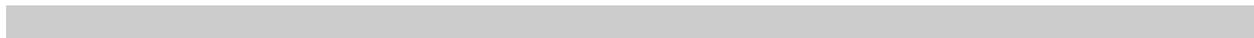
- A. Access Missouri**

CBHE Public Policies to Eliminate or Update

MDHE staff have indicated that the following CBHE policies do not reflect current practice and should be eliminated and/or replaced by more current policies.

Policy	Page #	Date Adopted	Rationale
Blueprint for Statewide Planning	3	Varied	The new coordinated plan will take the place of this document. For the time being, this policy has been replaced by the coordinated plan framework adopted by the board in October 2007.
Blueprint for the Future of Missouri Higher Education	6	October 12, 1995 (revised October 9, 1997)	The new coordinated plan will take the place of this document.
Mission Review Schedule (note, however, that the mission review components adopted by the board in April 2001 are still relevant and are therefore included in the updated public policies book)	8	June 15, 1995 (revised April 18, 1996)	Outdated.
Second Five-Year Mission Review Schedule	9	April 15, 1999 (reaffirmation adopted April 12, 2001)	Outdated.
Establishment of Missouri Commission on the Affordability of Higher Education	11	October 8, 1998	Outdated.
Bootheel Educational Consortium	12	June 17, 1988	The Bootheel Educational Consortium policy has been replaced with the site survey policy, which requires annual reports from Three Rivers and SEMO for all external sites, including those in the Bootheel.
Sikeston Area Higher Education Center	13	October 12, 2000	The fact that Sikeston has been designated as a 1456 site is reflected elsewhere in the updated public policies book. The rest of this policy has been replaced with the site survey policy, which requires annual reports from Three Rivers and SEMO for all external sites, including those in Sikeston.
Missouri K-16 Coalition	14	December 11, 1997	Outdated -- an updated policy should be developed.
Funding for Results	15	Varied	Funding for Results has not been operative since 2002. The policy developed by HEF and the performance measures developed pursuant to the requirements of SB 389 and as part of the new coordinated plan will take the place of this document.

Funding Mission Performance	17	December 10, 1992 (reaffirmed April 18, 1996)	The policy developed by HEF and the performance measures developed pursuant to the requirements of SB 389 and as part of the new coordinated plan will take the place of this document.
Funding Formula	18	June 7, 2001	The policy developed by HEF and the performance measures developed pursuant to the requirements of SB 389 and as part of the new coordinated plan will take the place of this document. For the time being, this item has been replaced by the general funding recommendations adopted by the board in October 2006 and the board's directive to establish HEF, issued in April 2007.
Linn State Technical College Five-Year Master Plan	19	June 13, 1996	Linn State's Five-Year Master Plan was adopted as a separate CBHE policy when the college was first established as a state-supported two-year institution. Now that it is fully accredited by the Higher Learning Commission, it is treated similarly to other public institutions.
Postsecondary Technical Education Accountability Measures	20	April 15, 1999	The policy developed by HEF and the performance measures developed pursuant to the requirements of SB 389 will take the place of this document.



Blueprint for Statewide Planning

Blueprint for Statewide Planning

Applicable Revised Statutes of Missouri

Section 173

Vision Statement (*December 10, 1995 – Reaffirmed April 18, 1996*)

Missouri citizens shall be encouraged to pursue postsecondary educational opportunities that will maximize their intellectual, cultural, professional, occupational, and physical capacities. Toward that end, the state of Missouri shall provide a system of postsecondary public and independent colleges and universities and private vocational and career schools that is distinguished by the following characteristics:

- higher education and vocational training services of the highest quality that are truly competitive on a national and international level;
- a coordinated, balanced, and cost-effective delivery system;
- a range of vocational, academic, and professional programs that are affordable and accessible to all citizens with the preparation and ability to benefit from the programs; and
- systematic demonstration of institutional performance and accountability through appropriate assessment efforts.

Mission Statement (*July 1, 1997*)

The mission of the Coordinating Board for Higher Education and its staff at the Department of Higher Education is to be an advocate for the citizens' interest in higher education as well as to empower and encourage the state's system of higher education to meet Missourians' needs for beyond high school instruction and training, basic and applied research, and public service.

To accomplish its mission, the Coordinating Board exercises leadership and fosters a public policy framework that achieves a seamless, integrated, and articulated system of public, independent, and private higher education.

The board's values and strategic initiatives combine to ensure that all Missourians have access to appropriate, affordable, and high-quality training, teaching, research, and public services through the state's system of higher education.

Value Statements (*July 1, 1997*)

The Coordinating Board values access (financial, geographic, programmatic, and access to academic success), quality (of teaching, learning, research, and service), and

efficiency (that is performance based, maximizes the impact of funding, minimizes unnecessary duplication, and maximizes the sharing of resources) which guide the board's public policy framework and the strategic initiatives, strategies, and outcomes included in the *Integrated Strategic Plan* for the Department of Higher Education and the state's system of higher education.

Every Missourian should have the opportunity to reach his or her full potential through education and training opportunities beyond high school that are student-centered and focused on learning needs through a seamless system of educational opportunity from the 10th grade in high school through the 14th year of education and beyond.

The Coordinating Board for Higher Education values a diverse system of public and private schools, colleges, and universities that provide access to affordable, quality, and cost-effective postsecondary education and job training for all the state's citizens.

The board values a public policy framework for Missouri higher education that promotes institutional goals and aspirations while fostering the sharing of resources and building of partnerships within the context of the state's needs and responds to its statutory powers, duties, and responsibilities.

Finally, the Coordinating Board values the lay leadership of the Missouri citizens who serve on the governing boards of the state's schools, colleges, and universities as well as the institutional leaders who assist the board through cooperation, collaboration, and support as the entire system of higher education works together to achieve the goals in this strategic plan.

Statewide Needs (*December 10, 1992 – Reaffirmed April 18, 1996*)

For Missouri higher education to assist in helping secure Missouri's future, its system of public, independent, and private postsecondary education needs:

- to raise aspirations and expectations for high academic achievement and for the quality of instruction and learning;
- to remove barriers for economically and educationally disadvantaged students, particularly minorities and citizens in rural areas;
- to assist and encourage improvement in the quality and effectiveness of elementary and secondary education and to enhance continually the quality and preparation of new teachers;
- to improve the quality and effectiveness of undergraduate education, particularly in general education;
- to strengthen graduate education and research;

- to strengthen the delivery of postsecondary vocational programs;
 - to encourage the delivery system in raising the level of adult literacy, recognizing that the system needs to be better coordinated and adequately funded;
 - to implement administrative and structural reforms to make higher education more efficient and accountable;
 - to demonstrate accountability by providing evidence that institutions are successful in meeting statewide needs;
 - to develop funding policies which are fair, rational, and predictable, including rewards for demonstrated quality and performance; and
 - to provide educational opportunities for learning disabled students in higher education.
- 

Blueprint for the Future of Missouri Higher Education

Blueprint for the Future of Missouri Higher Education

Strategic Initiatives (*October 12, 1995*)

The Coordinating Board adopted a higher education blueprint for the future that describes a well-balanced, coherent, and integrated system of postsecondary education, training, and services. The four themes the plan addressed are:

- Designing a comprehensive plan for postsecondary technical/vocational education. This design should include a comprehensive analysis of the needs and requirements for a highly skilled workforce. The development of Linn State Technical College will be a part of this design. (*See Section VI. Postsecondary Technical Education*)
- Developing and coordinating an effective telecommunication delivery system including residence center sites to ensure geographic access to postsecondary educational opportunity to a larger number of citizens of Missouri. Exploration of new configurations of coordinating among institutions will be a priority in this area. (*See Section VII. Telecommunications and Distance Education/Information Technology*)
- Continued review of institutional missions to assure comprehensive access and clarity of mission differentiation with the goal of creating a more focused, balanced, cost-effective, and coordinated higher education system characterized by many programs of high quality. (*See following Part C. Institutional Mission Review*)
- Review of the higher education public policy framework. Extensive study will provide a review and update of the policy framework adopted by the CBHE in 1992 in response to recommendations made by the Task Force for Critical Choices in Higher Education. In addition, other administrative rules and public policies will be reviewed for their relevance to the development of a responsive, quality system characterized by performance measures and a culture of continuous improvement. (*See Section III. Academic Affairs C. Funding for Results*)

The fifth theme was added on October 9, 1997.

- Organizing the board's federal and state student financial aid programs under one administrative unit and developing/coordinating financial assistance policies to assure access to 13th/14th year. (*See Section IX. MOSTARS*)

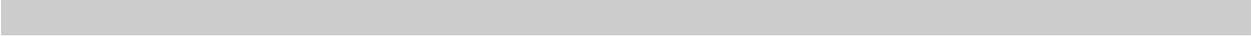
Reviewing the past to improve the future. In addressing the five themes, the blueprint for the future of higher education's delivery system will identify state priorities by reviewing past studies and by evaluating past policies and performance measures within the

framework of the proposed system. Commitment to a limited set of significant indicators will ensure accountability of the system.

Articulation among all educational institutions. The blueprint should specify the ways the state's community and technical schools and colleges, and collegiate institutions can best contribute to meeting the state's collective current and future needs. It is essential that the state's public higher education institutions work in conjunction with independent collegiate institutions, the state's elementary and secondary schools, area vocational schools, and private career schools so that genuine partnerships are formed for meeting the state's overall goals. New and different relationships among different levels and types of institutions will be encouraged.

The board's guiding principle for the Blueprint for the Future of Missouri Higher Education is that colleges and universities must simultaneously become more nearly interchangeable nodes on an expanding educational network, and, as individual institutions, they must become more distinctive and discernable from one another. (Policy Perspective Pew Charitable Trust, April 1995.)

Together, these initiatives promote the values of access, quality, and efficiency for the state's system of higher education. The board officially approved the strategic initiatives included in the Blueprint on October 12, 1995 reaffirmed June 13, 1996.



Mission Review Schedule

Mission Review Schedule (Adopted by the board on June 15, 1995 – Revised on April 18, 1996)

Phase I Institutions	Fiscal Year								
	Oct. '95	'97	'98	'99	'00	'01	'02	'03	
Southwest Western Southern Linn State Community Colleges	↑ Mission Review ↓	←—————→ Funding Mission Enhancement Plan				↑ Results ↓			
Phase II Institutions	Fiscal Year								
	Oct. '96	'98	'99	'00	'01	'02	'03		
Central Northwest Southeast	↑ Mission Review ↓	←—————→ Funding Mission Enhancement Plan				↑ Results ↓			
Phase III Institutions	Fiscal Year								
	Oct. '97	'99	'00	'01	'02	'03			
Univ. of Missouri Lincoln Cycle 2 Harris-Stowe Truman State	↑ Mission Review ↓	←—————→ Funding Mission Enhancement Plan				↑ Results ↓			



Second Five-Year Mission Review Schedule

(Adopted by the board on April 15, 1999)

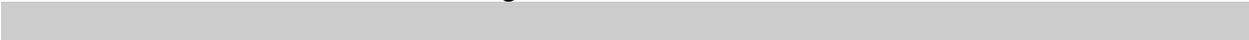
The following schedule is proposed for Cycle II for the five-year mission review of Southwest Missouri State University, Missouri Southern State College, Missouri Western State College, and the state's public community colleges, as required by 173.030 (7) and (8) RSMo.

- May to December 1999, review and discussion of the success each four-year institution has had in achieving the results of their respective Mission Enhancement Accountability Measures adopted by the board on June 11, 1998 as well as those goals established during the first phase of mission review.
- May to December 1999, review the state's investment in the community college system and the progress made in achieving those mission accountability measures associated with the community colleges' role in implementing the State Plan for Postsecondary Technical Education and included as part of the Coordinating Board's April 15, 1999 meeting Agenda Item Q.
- January to August 2000, discussion and development of Cycle II five-year mission implementation plan.
- April 2000, report to the Coordinating Board Cycle I mission review and enhancement results based on the Mission Enhancement Accountability Measures approved by the CBHE on June 11, 1998.
- October 2000, review and consideration by CBHE of Cycle II mission implementation plan, and if warranted, consideration and action on a related mission enhancement funding recommendation.
- January 2001, report of Cycle I mission review and enhancement results to the governor and General Assembly.

The second cycle of mission review and development of enhanced mission implementation plans should include the following components:

1. A needs assessment of institutional actions and initiatives necessary to meet their agreed upon mission as part of their strategic planning process;
2. An assessment of the degree to which original goals and results were accomplished;
3. An assessment of the institutions agreed upon mission statement;
4. Strategic plan for the period FY 2002 to FY 2006;
5. Statistical profile;
6. Financial analysis of the fiscal condition of the institution; and,
7. An assessment of the condition of the institution's physical plant.

Mission implementation plans for the period FY 2002 – FY 2006 developed by the institutions in consultation with the CBHE should, if warranted, include new programmatic and capital investment initiatives needed to assist the institution in achieving its agreed upon goals for mission attainment. Thus, Cycle II mission review and mission implementation plans should address how the institutions will:

1. Provide a sustained commitment to those mission-related outcomes and results achieved during the first cycle of mission review and mission enhancement funding, including how those outcomes and results not achieved during the first cycle will be met as well as any statements needed to clarify the institutions agreed upon mission;
 2. Achieve new mission-related results jointly agreed to by the institution and the CBHE;
 3. Achieve a new level of collaboration in degree program delivery and partnerships with other institutions;
 4. Integrate operating and capital funding requests into the second cycle mission review implementation plan;
 5. Respond to recommendations made by the Missouri Commission on the Affordability of Higher Education;
 6. Respond to the Missouri K-16 Coalition and the CBHE Advisory Committee on Technology and Instruction discussions, recommendations, and plans, and,
 7. Respond to higher education priorities established by the Coordinating Board for Higher Education and the Governor.
- 

**Establishment of Missouri Commission on the
Affordability of Higher Education**

(Adopted by the Board on October 8, 1998)

The Coordinating Board for Higher Education, with endorsement from Governor Mel Carnahan, approved the establishment of the Missouri Commission on the Affordability of Higher Education to engage students, parents, business, higher education, and public policy leaders in a systemic and deliberate dialogue aimed at ensuring that an affordable college education stays within reach of both this and future generation of Missouri citizens.

**Acceptance of the Report of the Missouri Commission on the Affordability of
Higher Education *(December 9, 1999)***

The Coordinating Board for Higher Education accepted the report of the Missouri Commission on the Affordability of Higher Education, title *Toward an Affordable Future*. The Board also directed the commissioner of higher education to prepare an implementation plan for the commission's recommendations.

Bootheel Educational Consortium

(Adopted by the board on June 17, 1988)

On June 17, 1988, the Coordinating Board approved the Bootheel Educational Consortium Agreement. The consortium is a federation of public, postsecondary institutions that serve the six county area of Dunklin, Mississippi, New Madrid, Pemiscot, Scott, and Stoddard which has as its major goal the promotion and expansion of adult and postsecondary educational opportunities to the residents of the Bootheel region. The member institutions of the Bootheel Educational Consortium are:

1. four area vocational schools in the six county region;
2. Southeast Missouri State University;
3. Three Rivers Community College; and
4. University of Missouri Extension Service.

Sikeston Area Higher Education Center

(Adopted by the board on October 12, 2000)

The CBHE recommended that the community of Sikeston met the CBHE HB 1456 criteria for designation as a HB 1456 site. The board also recommended that Three Rivers Community College and Southeast Missouri State University use existing postsecondary technical education (RTEC) distributions, mission enhancement appropriations, and revenue from tuition and fees to operate the Sikeston Area Higher Education Center. Furthermore, while cooperative sharing of resources with the Sikeston Area Vocational School should continue, all providers should work toward elimination of unnecessary duplication of programs and course delivery between the local AVTS and the new Center.

Missouri K-16 Coalition

The Coordinating Board for Higher Education, the State Board of Education and the University of Missouri Board of Curators have formed a historic new partnership in support of high quality standards for all students in their pursuit of knowledge. Prominent Missourians committed to quality education at all levels have been appointed to the Missouri K-16 Coalition. Coalition members will work together in an effort to create a seamless education system and to raise expectations and performance levels of all students, from kindergarten through the baccalaureate degree. The coalition will work with all sectors of elementary, secondary, and higher education, both public and private.

The coalition is initially being asked to concentrate on the important area of mathematics and to consider ways in which the success of Missouri students in mathematics can be increased. The focus will be on grades 11 and 12 and the first two years of higher education. The coalition is charged with:

- Promoting quality performance standards
- Encouraging faculty agreements on content and expectations in the major disciplines, beginning with mathematics
- Increasing public awareness of the importance of improved student performance
- Supporting full articulation within and across educational sectors
- Identifying strategies for enhanced performance based upon preparation and ability
- Developing policy recommendations to be shared with the Coordinating Board for Higher Education, the State Board of Education, and the UM Board of Curators

Dr. Melvin D. George, President Emeritus of the University of Missouri, will chair the coalition. Additional projects beyond mathematics will be considered throughout the year. Educators and business and government leaders are joining together to make a difference for Missouri's youth as they prepare for a future that will be filled with challenge and change.

Funding for Results

The Coordinating Board for Higher Education, along with key state leaders, challenged each public college and university to establish an assessment system in 1986 and to design a state performance funding system in 1989. Funding for Results (FFR) is the CBHE's innovative performance funding initiative which integrates strategic planning, systematic assessment of performance and budget policies. Funding for Results reinforces quality, promotes assessment, emphasizes accountability and encourages change. The policy framework for Missouri's FFR initiative has evolved over a number of years. Reports and recommendations from the following committees and task forces have served as the basis for identifying key state priorities that are supported by performance funding:

Committee on Advancing the Education Achievement of Minorities (1990)
Task Force on the Recruitment of Missouri's Future Teachers (1990)
The Missouri Business and Education Partnership Commission (1991)
The Task Force on Critical Choices for Higher Education (1992)

Missouri's FFR program utilizes a select number of performance indicators based on priorities established by previous planning efforts. Beginning with FY 1994 for public four-year institutions and FY 1995 for public two-year institutions, a portion of new money has been appropriated to each institution's core budget based on performance.

An Emphasis on Teaching/Learning

In addition, incentives are provided to improve teaching and learning. Through FFR the board encourages the design and implementation of campus FFR programs that recognize and reward teaching/Learning improvement projects. Campuses are involved in improving student performance, increasing retention, enhancing campus culture, stimulating critical/creative thinking and implementing principles of good teaching practices.

Applicable Revised Statutes of Missouri:

Section 163.191
Subsection 173.005.2(2)
Subsection 173.005 (7)
Subsection 173.030 (3)
Subsection 173.040 (5)

a. Principles to serve as a guide in the development of FFR elements *(Adopted by the board on February 12, 1998)*

FFR should emphasize priorities established by previous planning efforts
FFR should be concise and easily understood
FFR should involve only a limited number of measures
FFR should make maximum use of existing data resources
FFR should promote and acknowledge results
FFR include sector-specific, i.e., two- and four-year and mission-specific elements
FFR should establish assurance of quality graduates from Missouri's public colleges and universities
FFR should represent only a small proportion of an institution's total state appropriation
FFR should motivate institutions to engage in continuous quality improvement

b. Objectives to be used in redesigning FFR (Adopted by the board on June 7, 2001)

- Acknowledging differences in institutional mission more fully.
 - Promoting institutional competition with itself.
 - Providing incentives for improvement toward, as well as achievement of, target goals.
 - Establishing a clear rationale for the total amount of FFR dollars recommended.
 - Utilizing a finite amount of dollars based on E&G to identify a specific amount of FFR dollars that each institution can earn based on its performance.
 - Ensuring that FFR budget recommendations are FTE sensitive.
 - Designing an FFR formula that is aligned with state and institutional goals.
 - Integrating FFR with success in achieving mission-related goals.
 - Promoting an understanding of the level of success each institution has had in earning FFR dollars.
 - Using valid and reliable performance data to generate FFR dollars.
- 

Funding Mission Performance

(Adopted by the Board on December 10, 1992 - and Reaffirmed on April 18, 1996)

While state funding must address the core operating budget needs of public institutions, the Coordinating Board for Higher Education shall utilize in its funding recommendations financial incentives and rewards for performance as well as targeted funds to achieve focused institutional missions and improvements in institutional performance; such programs may include but are not limited to the following performance measures:

- implementing admission decisions appropriate to institutional missions;
- increasing student performance in general education and the major field of study;
- increasing participation and graduation of historically underserved populations, particularly minorities, as well as increasing the proportion of faculty and staff from historically underrepresented populations;
- increasing institutional graduation and time-to-completion rates, particularly in critical high-skill trades and disciplines;
- encouraging students to continue their formal education through transfer or post-baccalaureate study;
- developing distinctive programs and more focused missions; and achieving administrative efficiency goals.

Funding Formula

On June 7, 2001, the Coordinating Board for Higher Education gave approval to develop a revised, less complex funding formula. Future budget requests will be collapsed under three major categories including: (a) Institutional Infrastructure; (b) Performance Measures Related to Mission and Student Success; and (c) Statewide Priorities Related to *The Coordinated Plan At A Glance*. In addition, the board directed its staff to work with institutional representatives in the identification of mutually agreed-upon institutional-specific accountability measures and agreed that these measures should be phased into the formula once agreements with institutions are forthcoming.

Linn State Technical College Five-Year Master Plan

(Adopted by the board on June 13, 1996)

The CBHE adopted Linn State Technical College's mission implementation plan for FY 1997-2001 with specific conditions related to achieving North Central Association (NCA) accreditation as an institution of higher education; establishing minimum educational and experiential qualifications for all LSTC faculty members as required by NCA; meeting generally accepted standards for associate of applied science degree programs (as established by the American Association of Community Colleges); continuing development of a master plan for the institution's physical plant; limiting off-campus instructional and program initiatives until a strong on-campus programmatic base which will lead to candidacy status with the NCA is achieved; and applying to LSTC the CBHE performance standards adopted in 1992 for open enrollment institutions. The Linn State Mission Enhancement Plan is on file at the CBHE office.

The CBHE receives quarterly reports on the progress that Linn State is making toward achieving NCA accreditation.

Linn State Technical College received accreditation by the North Central Association of Schools and Colleges, Commission on Institutions of Higher Education in March 2000.

Postsecondary Technical Education Accountability Measures

(Adopted by the Board on April 15, 1999)

The accountability measures established a limited number of high priority performance measures that will consistently demonstrate how each community college and Linn State Technical College is accomplishing the board's goals and priorities contained in the *Blueprint for Higher Education* and objectives listed in the *State Plan for Postsecondary Technical Education*. The expectation is that the report each institution prepares describing the results of the state's investment in postsecondary technical education will contain these high priority outcome measures as well as other information developed by the institution. The community college reports are consolidated into aggregated summary reports and presented to the CBHE during April meetings.

Linn State Technical College presented quarterly reports from FY 1996 through FY 2000 to the CBHE describing progress toward accomplishing its five-year master plan associated with its first five-year mission review as authorized by Section 173.030 (7) and (8). The first mission review for LSTC under 173.030 (7) and (8) concluded upon its receipt of accreditation by the North Central Association of Schools and Colleges, Commission on Institutions of Higher Education in March 2000. The agreed upon performance measures related to the *State Plan for Postsecondary Technical Education* for LSTC will be submitted by the college as the next five-year mission review cycle is initiated.

AGENDA ITEM SUMMARY

AGENDA ITEM

Draft Policy on Penalties for Willful Disregard of CBHE Policy
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

Section 173.005.2(10), RSMo, which was part of Senate Bill 389 and became law on August 28, 2007, expands the board's ability to take action against institutions that willfully disregard board policy. The attached draft policy sets forth a uniform approach by which the MDHE and the board will implement the new law.

A first draft was submitted to stakeholders on January 24, 2008. A table summarizing feedback received about the first draft and the MDHE's response to that feedback is provided as Attachment A. MDHE staff developed a revised draft in response to comments received about the first draft. A copy of the revised draft is provided as Attachment B. The revised draft was submitted to stakeholders on January 28, 2008.

Please note that the draft policy provided as an attachment may differ from the draft policy that will be presented to board members for potential approval on February 6, 2008. The draft policy provided as an attachment may be updated to reflect feedback received from stakeholders and board members after the date the board book for the February 2008 meeting was finalized. If the draft is so revised, hard copies of the final draft will be provided at the board meeting.

STATUTORY REFERENCE

Section 173.005.2 (10), RSMo, CBHE's ability to impose penalties on institutions

RECOMMENDED ACTION

It is recommended that the Coordinating Board for Higher Education approve the final draft policy on penalties for institutions that willfully disobey or disregard board policy.

ATTACHMENTS

- Attachment A: Table Summarizing Feedback Received About First Draft and MDHE Response
- Attachment B: Draft Policy of Penalties for Institutions that Willfully Disobey or Disregard Board Policy

Coordinating Board for Higher Education
February 7, 2008

Table Summarizing Feedback Received about First Draft and MDHE Response

FIRST DRAFT LANGUAGE	COMMENTS RECEIVED	MDHE RESPONSE
<i>Definitions and Acronyms</i>		
<p>A. <i>Affected institution</i>: The institution potentially subject to the withholding of funds, the removal of designation as an “approved institution,” or a fine.</p> <p>B. <i>CBHE</i>: The Coordinating Board for Higher Education.</p> <p>C. <i>CBHE policy</i>: Any regulation promulgated by the CBHE; any policy adopted by the CBHE, the adoption of which shall be evidenced by inclusion in the <i>CBHE Public Policies Manual</i>, or an order of the CBHE issued in writing to the affected institution(s).</p> <p>D. <i>Commissioner</i>: The Commissioner of Higher Education or his/her designee.</p> <p>E. <i>Institution</i>: Any public or private institution of higher education located in Missouri.</p> <p>F. <i>MDHE</i>: The Missouri Department of Higher Education.</p>	<p>The statute permits penalties for institutions that violate any “lawful guideline, policy or procedure.” The nature of procedures may not be aligned with consistent enforcement.</p>	<p>While the draft policy does not specifically mention “procedures,” there are cases where CBHE may set forth procedures that institutions must follow. One example is the new course approval process, which is set forth in a CBHE policy.</p>
<p><i>Process</i>. The CBHE may withhold state appropriations, remove an institution’s designation as an “approved institution,” or fine an institution that fails to abide by CBHE policy. The process for each of those penalties is set forth below.</p>	<p>This language should be changed to make it clear that the CBHE may only withhold funds that are subject to the CBHE’s control.</p>	<p>The draft has been revised to reflect this suggestion.</p>
	<p>The phrase “remove an institution’s designation as an ‘approved institution’” should read “remove an institution’s designation as an ‘approved institution,’ that has willfully failed or refused or knowingly deviated from CBHE policy.”</p>	<p>MDHE staff have determined that this change is unnecessary.</p>
	<p>“Fails to abide by” should be changed to “willfully disregarded.”</p>	<p>The draft has been revised to reflect this suggestion.</p>
<p>A. Withholding state appropriations or removing an institution’s designation as an “approved institution”</p>		
<p>1. Any institution that willfully fails or refuses to follow any CBHE policy or knowingly acts without CBHE approval where such approval is required may be subject to one of the following penalties:</p>	<p>The phrase “where such approval is required” should be changed to “where such approval is required by law or by policy.”</p>	<p>The draft has been revised to reflect this suggestion.</p>
<p>a. The CBHE may withhold or direct to be withheld from that institution any funds, or any portion of the funds, the</p>	<p>This language should be changed to make it clear that the CBHE may only withhold funds that are subject to</p>	<p>The draft has been revised to reflect this suggestion.</p>

FIRST DRAFT LANGUAGE	COMMENTS RECEIVED	MDHE RESPONSE
disbursement of which is subject to the control of the CBHE; or	the CBHE's direct control.	
b. The CBHE may remove that institution's designation as an "approved institution" within the meaning of § 173.1102, RSMo. The removal of such designation shall be in effect until such time that the institution, as determined by the Commissioner, corrects the violation.	This language should be changed to make it clear that institutions may appeal to the CBHE if the institution believes the violation has been corrected and the Commissioner believes that it has not.	Although the law does not require this appeal, the draft has been revised to reflect this suggestion.
2. The penalties described above may only be imposed after a public hearing, the requirements of which are described below:		
a. The affected institution must receive notice of the public hearing. Such notice shall be issued at least 30 calendar days before the date of the public hearing and shall be delivered by electronic mail to the president or chancellor of the affected institution. The notice shall advise the affected institution of the time, date, and place of the public hearing; the conduct allegedly giving the CBHE cause to impose penalty; and a statement that the affected institution shall have an opportunity to be heard at the public hearing.		
b. The public hearing shall be an open meeting of the CBHE.		
c. The public hearing may take place at a regularly scheduled CBHE meeting or at another time determined by MDHE staff. If the public hearing takes place at a time other than during a regularly scheduled CBHE meeting, MDHE staff shall consult with representatives of the affected institution in setting the time, date, and place of the public hearing.	This language should be changed to make it clear that if the hearing does not take place during a regularly scheduled CBHE meeting, the alternate time must be agreeable to the institution, MDHE staff, and the CBHE.	MDHE staff were concerned that the suggested change could enable an institution to delay the withholding or the removal of the institution's status as an "approved institution" for financial aid purposes. The draft has not been revised to reflect this suggestion.
d. During the public hearing, the CBHE shall give the affected institution(s) an opportunity to be heard; provided, however, that the CBHE may set reasonable time limits on the affected institution's presentation if it is necessary to do so.		
e. The CBHE shall decide whether to subject the affected institution(s) to the penalties described above at the conclusion of the public hearing unless it is impracticable to do so.	This should read "The CBHE shall render a decision within a reasonable period of time following the conclusion of the public hearing."	The draft has been revised to reflect this suggestion.
f. The affected institution(s) shall receive a written	The written decision should also give the institution	The draft has been revised to reflect this suggestion.

FIRST DRAFT LANGUAGE	COMMENTS RECEIVED	MDHE RESPONSE
<p>decision from the CBHE. The decision shall set forth the CBHE's conclusions, the factual grounds upon which the conclusions are based, and the penalty imposed.</p>	<p>guidance on how to correct the violation.</p>	
	<p>The policy should make it clear that institutions may appeal to the CBHE if the institution believes the violation has been corrected and the Commissioner believes that it has not.</p>	<p>Although the law does not require this appeal, the draft has been revised to reflect this suggestion.</p>
<p>B. Fining institutions</p>		
<p>1. The Commissioner may fine an institution that willfully disregards any CBHE policy up to 1% of the institution's current year state operating appropriation. The payment of such fine shall be ordered in writing or by electronic mail. The order shall also contain a description of the institution's actions that evidence disregard of CBHE policy and the actions the institution must take to correct the violation.</p>	<p>The last sentence of this section should be changed to "The order shall also contain a description of the institution's actions that evidence and establish a willful disregard of CBHE policy and the actions the institution must take to correct the violation."</p>	<p>The draft has been revised to reflect this suggestion.</p>
	<p>The policy should give institutions an opportunity to appeal the Commissioner's finding that a violation has occurred at the beginning of the process rather than only at the end of the process.</p>	<p>Although the law does not require this appeal, the draft has been revised to reflect this suggestion.</p>
<p>2. The institution shall remit the fine to the CBHE, which shall hold the fine until such time as the Commissioner determines that the institution has corrected the violation. After the Commissioner determines that the institution has corrected the violation, the CBHE shall return the entire fine to the institution.</p>		
<p>3. If, after a period of one year after the date the Commissioner orders the institution to pay the fine, the Commissioner determines that the institution has not corrected the violation, the Commissioner shall provide the institution with notice in writing or by electronic mail that he/she will request that the CBHE deposit the fine into the state's general revenue fund no later than ten calendar days after the date of the notice.</p>		
<p>4. The institution may appeal the Commissioner's determination that the violation has not been corrected, in which case the fine shall not be deposited into the state's general revenue fund until such time as the institution has had an opportunity to be heard by the CBHE.</p>		
<p>5. The appeal hearing before the CBHE shall be conducted pursuant to</p>		

FIRST DRAFT LANGUAGE	COMMENTS RECEIVED	MDHE RESPONSE
<p>the requirements for a public hearing, set forth in section A.2. above.</p>		
<p>6. The CBHE may make a final and binding decision about the institution's appeal, provided that a majority of all CBHE members present during the public hearing vote and that a quorum is established, whether members participate in person or by electronic means.</p>		
<p>7. If the institution appeals and the CBHE determines that the institution has corrected the violation, the CBHE shall cause the fine to be returned to the institution as soon as may reasonably be accomplished.</p>		
<p>8. If the institution does not appeal or if the CBHE determines during or after the appeal hearing that the institution has not corrected the violation, the CBHE shall cause the fine to be deposited into the state's general revenue fund on the date specified by the Commissioner, or as soon thereafter as may reasonably be accomplished.</p>		
<p>C. An institution's actions shall be deemed "willful" or "knowing" only if the policy or requirement allegedly disregarded or otherwise not followed has been communicated in writing to the institution, is contained in the <i>CBHE's Public Policies Manual</i>, or is contained in Title 6 of the Code of State Regulations.</p>	<p>This should be changed to "Prior to an institution's actions being deemed 'willful' or 'knowing,' it must first be determined that the policy or requirement allegedly disregarded or otherwise not followed has been communicated"</p>	<p>The draft has been revised to reflect this suggestion.</p>
	<p>The policy should make it clear that an institution cannot be subjected to multiple fines or withholdings for the same willful violations of CBHE policy.</p>	<p>MDHE staff believe that an institution should be subject to penalties for as long as the violation is ongoing. The draft has not been revised to reflect this suggestion.</p>

Coordinating Board for Higher Education
Draft Policy on Penalties for Institutions that Willfully Disobey or Disregard Board Policy

Revised January 28, 2008.

Please note that this draft policy may differ from the draft policy presented to board members for potential approval on February 6, 2008. This draft may be updated to reflect feedback received from stakeholders and board members after the date board books were finalized. If the draft is so revised, hard copies of the final draft will be provided at the board meeting.

I. Statutory Language

§ 173.005.2(10), RSMo, provides:

If any institution of higher education in this state, public or private, willfully fails or refuses to follow any lawful guideline, policy or procedure established or prescribed by the coordinating board, or knowingly deviates from any such guideline, or knowingly acts without coordinating board approval where such approval is required, or willfully fails to comply with any other lawful order of the coordinating board, the coordinating board may, after a public hearing, withhold or direct to be withheld from that institution any funds the disbursement of which is subject to the control of the coordinating board, or may remove the approval of the institution as an "approved institution" within the meaning of section 173.1102.

If any such public institution willfully disregards board policy, the commissioner of higher education may order such institution to remit a fine in an amount not to exceed one percent of the institution's current fiscal year state operating appropriation to the board. The board shall hold such funds until such time that the institution, as determined by the commissioner of higher education, corrects the violation, at which time the board shall refund such amount to the institution. If the commissioner determines that the institution has not redressed the violation within one year, the fine amount shall be deposited into the general revenue fund, unless the institution appeals such decision to the full coordinating board, which shall have the authority to make a binding and final decision, by means of a majority vote, regarding the matter. However, nothing in this section shall prevent any institution of higher education in this state from presenting additional budget requests or from explaining or further clarifying its budget requests to the governor or the general assembly[.]

II. Policy

Definitions and Acronyms

- A. *Affected institution*: The institution potentially subject to the withholding of funds, the removal of designation as an “approved institution,” or a fine.
- B. *Approved institution*: An institution designated as “approved” within the meaning of § 173.1102, RSMo.
- C. *CBHE*: The Coordinating Board for Higher Education.
- D. *CBHE policy*: Any regulation promulgated by the CBHE; any policy adopted by the CBHE, the adoption of which shall be evidenced by inclusion in the *CBHE Public Policies Manual*; or an order of the CBHE issued in writing to the affected institution.
- E. *Commissioner*: The Commissioner of Higher Education or his/her designee.
- F. *Institution*: Any public or private institution of higher education located in Missouri.
- G. *MDHE*: The Missouri Department of Higher Education.

Process. The CBHE may withhold state appropriations that are subject to the direct control of the CBHE, remove an institution’s designation as an “approved institution,” or fine an institution that willfully disregards CBHE policy. The process for imposing those penalties is set forth below.

A. Withholding state appropriations or removing an institution’s designation as an “approved institution”

- 1. Any institution that willfully fails or refuses to follow any CBHE policy or knowingly acts without CBHE approval where such approval is required by law or policy may be subject to one of the following penalties:
 - a. The CBHE may withhold or direct to be withheld from that institution any funds, or any portion of the funds, the disbursement of which is subject to the direct control of the CBHE. Such withholding shall be in effect until such time as the institution, as determined by the Commissioner or by the CBHE on appeal, corrects the violation.
 - b. The CBHE may remove that institution’s designation as an “approved institution” within the meaning of § 173.1102, RSMo. The removal of such designation shall be in effect until such time that the institution, as determined by the Commissioner or by the CBHE on appeal, corrects the violation.
- 2. The penalties described above may only be imposed after a public hearing, the requirements of which are described below:
 - a. The affected institution must receive notice of the public hearing. Such notice shall be issued at least 30 calendar days before the date of the public hearing and shall be delivered by electronic mail to the president or chancellor of the affected institution. The notice shall advise the affected institution of the time, date, and place of the public hearing; the conduct allegedly giving the CBHE cause to impose penalty; and a statement that the affected institution shall have an opportunity to be heard at the public hearing.

- b. The public hearing shall be an open meeting of the CBHE.
 - c. The public hearing may take place at a regularly scheduled CBHE meeting or at another time determined by MDHE staff. If the public hearing takes place at a time other than during a regularly scheduled CBHE meeting, MDHE staff shall consult with representatives of the affected institution in setting the time, date, and place of the public hearing.
 - d. During the public hearing, the CBHE shall give the affected institution an opportunity to be heard; provided, however, that the CBHE may set reasonable time limits on the affected institution's presentation if it is necessary to do so.
 - e. The CBHE shall render a decision within a reasonable period of time after the public hearing.
 - f. The affected institution shall receive a written decision from the CBHE. The decision shall set forth the CBHE's conclusions, the factual grounds upon which the conclusions are based, the penalty imposed, and the actions the institution must take to correct the violation and cause the penalty to be removed.
3. If the affected institution believes that the violation *has been* corrected and the Commissioner determines that the violation *has not been* corrected, the affected institution may appeal the Commissioner's determination to the CBHE. The appeal before the CBHE shall be conducted pursuant to the requirements for a public hearing, set forth in section A.2. above. If the CBHE determines that the institution has corrected the violation, the CBHE shall direct the MDHE to restore the institution's designation as an "approved institution" or to release any funds withheld to the institution.

B. Fining institutions

1. The Commissioner may fine an institution that willfully disregards any CBHE policy up to 1% of the institution's current year state operating appropriation. The payment of such fine shall be ordered in writing or by electronic mail. The order shall also contain a description of the institution's actions that evidence and establish a willful disregard of CBHE policy and the actions the institution must take to correct the violation.
2. The institution may appeal the Commissioner's order to the CBHE. The appeal shall be in writing and shall set forth the rationale for the appeal. It shall be submitted in writing or by electronic mail to the Commissioner, who shall convey the appeal to the CBHE, within two weeks of the date the Commissioner's order was sent. The institution shall, however, remit the fine as required by the order at or before the time it sends its appeal to the Commissioner.
3. The institution shall remit the fine to the CBHE, which shall hold the fine until such time as the Commissioner determines that the institution has corrected the violation or until the time the fine is deposited in the state's general revenue fund. If the

Commissioner determines that the institution has corrected the violation, the CBHE shall return the entire fine to the institution.

4. If, after a period of one year after the date the Commissioner orders the institution to pay the fine, the Commissioner determines that the institution has not corrected the violation, the Commissioner shall provide the institution with notice in writing or by electronic mail that he/she will request that the CBHE deposit the fine into the state's general revenue fund no later than ten calendar days after the date of the notice.
5. The institution may appeal the Commissioner's determination that the violation has not been corrected, in which case the fine shall not be deposited into the state's general revenue fund until such time as the institution has had an opportunity to be heard by the CBHE.
6. The appeal hearing before the CBHE shall be conducted pursuant to the requirements for a public hearing, set forth in section A.2. above.
7. The CBHE may make a final and binding decision about the institution's appeal, provided that a majority of all CBHE members present during the public hearing vote and that a quorum is established, whether members participate in person or by electronic means.
8. If the institution appeals and the CBHE determines that the institution has corrected the violation, the CBHE shall cause the fine to be returned to the institution as soon as may reasonably be accomplished.
9. If the institution does not appeal or if the CBHE determines during or after the appeal hearing that the institution has not corrected the violation, the CBHE shall cause the fine to be deposited into the state's general revenue fund on the date specified by the Commissioner, or as soon thereafter as may reasonably be accomplished.

C. Before an institution's actions are deemed "willful" or "knowing," the Commissioner must determine that the policy or requirement allegedly disregarded or otherwise not followed has been communicated in writing to the institution, is contained in the *CBHE's Public Policies Manual*, or is contained in Title 6 of the Code of State Regulations.

AGENDA ITEM SUMMARY

AGENDA ITEM

Distribution of Community College Funds
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

The process for making state aid payments to community colleges in FY 2008 will be monthly. All FY 2008 state aid appropriations are subject to a three percent governor's reserve.

The total FY 2008 state aid appropriation for community colleges is \$142,123,963. The amount available to be distributed (appropriation less the three percent governor's reserve) is \$137,860,244.

The payment schedule of state aid distributions for October through December 2007 is summarized below.

State Aid (excluding M&R) – GR portion	\$ 22,164,783
State Aid – lottery portion	1,484,133
Workforce Preparation – GR portion	3,628,149
Workforce Preparation – lottery portion	323,097
Out-of-District Programs	285,177
Technical Education	4,958,715
Workforce Preparation for TANF Recipients	398,691
Maintenance and Repair	<u>2,065,358</u>
TOTAL	\$ 35,308,103

The total distribution of state higher education funds to community colleges during the period October through December 2007 is \$35,308,103. The total FY 2008 distribution for July through December 2007 is \$68,652,443.

STATUTORY REFERENCE

Section 163.191, RSMo

RECOMMENDED ACTION

Assigned to Consent Calendar

ATTACHMENT(S)

None

Coordinating Board for Higher Education
February 7, 2008

AGENDA ITEM SUMMARY

AGENDA ITEM

Academic Program Actions
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

All program actions that have occurred since the December 6, 2007, Coordinating Board meeting are reported in this consent calendar item.

STATUTORY REFERENCE

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

RECOMMENDED ACTION

Assigned to Consent Calendar

ATTACHMENT

Academic Program Actions

ACADEMIC PROGRAM ACTIONS

I. Programs Discontinued

Mineral Area College

Current Programs:

C1, Child Development (Off-site delivery at Perry County Higher Education Center)

C1, Child Development (Off-site delivery at Winona R-III School District)

Approved Change:

Delete programs.

Programs as Changed:

C1, Child Development (Off-site delivery at Perry County Higher Education Center) (Deleted)

C1, Child Development (Off-site delivery at Winona R-III School District) (Deleted)

Three Rivers Community College

1. Current Programs:

C0, Corrections

C0, Entrepreneurship/Small Business Management

C0, Emergency Medical Technician-Paramedic

C0, Child Care & Guidance (Off-site delivery in Kennett, Malden, and Sikeston)

Approved Changes:

Delete certificates.

Programs as Changed:

C0, Corrections (Deleted)

C0, Entrepreneurship/Small Business Management (Deleted)

C0, Emergency Medical Technician-Paramedic (Deleted)

C0, Child Care & Guidance (Off-site delivery in Kennett, Malden, and Sikeston) (Deleted)

2. Current Programs:

AAS, Criminal Justice

Corrections

Police Science

Approved Change:

Delete options.

Programs as Changed:

AAS, Criminal Justice
Corrections (Deleted)
Police Science (Deleted)

University of Central Missouri

Current Programs:

BS, Electrical Engineering Technology
MS, Criminal Justice (Off-site Delivery at Missouri Southern State University)
MS, Criminal Justice (Off-site Delivery at Missouri Western State University)

Approved Changes:

Delete programs.

Programs as Changed:

BS, Electrical Engineering Technology (Deleted)
MS, Criminal Justice (Off-site Delivery at Missouri Southern State University) (Deleted)
MS, Criminal Justice (Off-site Delivery at Missouri Western State University) (Deleted)

II. Programs and Options Placed on Inactive Status

Mineral Area College

Current Programs:

C1, Communications/Multimedia Technology
C1, Graphic Designs, Communication Art and Illustration
AAS, Graphic Designs, Communication Art and Illustration

Approved Changes:

Inactivate certificates and program.

Programs as Changed:

C1, Communications/Multimedia Technology (Inactive)
C1, Graphic Designs, Communication Art and Illustration (Inactive)
AS, Graphic Designs, Communication Art and Illustration (Inactive)

III. Approved Changes in Academic Programs

Crowder College

Current Programs:

AA, Arts and Sciences

Approved Changes:

Change name of program to General Studies

Programs as Changed:

AA, General Studies

Lincoln University

Current Programs:

M.Ed., School Administration and Supervision
Elementary
Secondary
Special Education

Approved Changes:

Add option in K-12.

Programs as Changed:

M.Ed., School Administration and Supervision
Elementary
K-12
Secondary
Special Education

Metropolitan Community College

Campuses:

Blue River, Longview, Maple Woods, Penn Valley

Current Program:

AS, Associate in Engineering

Approved Change:

Add option in Land Survey.
Change degree nomenclature to AE.

Program as Changed:

AE, Associate in Engineering
Land Survey

Metropolitan Community College – Business and Technology College

1. Current Program:

AAS, Computer Aided Drafting & Design
General

Approved Change:

Add one-semester certificate (C0) in Computer Aided Drafting & Design

Program as Changed:

AAS, Computer Aided Drafting & Design
General
C0, Computer Aided Drafting & Design

2. Current Program:

AAS, Industrial Technologies
Bricklayer
Construction Carpentry
Construction Cement Masons
Construction Ironworking
Construction Laborers
Electric Utility Line Technician
Electronics Engineering Technology
Electronics Technology
Glaziers
Heating, Ventilation, & Air Conditioning
Industrial Electrical
Industrial Maintenance
Inside Wiring
Millwright
Painters
Plumbing
Sheet Metal
Stationary Engineer

Approved Change:

Add one-semester certificate (C0) in Welding Job Ready

Program as Changed:

AAS, Industrial Technologies
Bricklayer
Construction Carpentry
Construction Cement Masons
Construction Ironworking
Construction Laborers

Electric Utility Line Technician
Electronics Engineering Technology
Electronics Technology
Glaziers
Heating, Ventilation, & Air Conditioning
Industrial Electrical
Industrial Maintenance
Inside Wiring
Millwright
Painters
Plumbing
Sheet Metal
Stationary Engineer
C0, Welding Job Ready

Metropolitan Community College – Maple Woods

Current Programs:

C1, Deaf Studies Certificate

Approved Changes:

Change name to American Sign Language Certificate.

Programs as Changed:

C1, American Sign Language Certificate

Ozarks Technical Community College

Current Programs:

AAS, Computer Information Technology
C1, Computer Information Technology
AAS, Internet Application Development

Approved Changes:

Combine existing programs to create an AAS in Computer Information Science with an option in Computer Science and one-year (C1) certificate in Computer Information Science.

Programs as Changed:

AAS, Computer Information Science (CIP 11.0201)
Computer Science
C1, Computer Information Science (CIP 11.0201)

Southeast Missouri State University

Current Program:

MBA, Business Administration
Accounting
Environmental Management
General Administration
Industrial Management
International Business

Approved Change:

Add option in Financial Management.

Program as Changed:

MBA, Business Administration
Accounting
Environmental Management
Financial Management
General Administration
Industrial Management
International Business

University of Central Missouri

Current Programs:

BS, Computer Science Functional Major

BSE, Secondary Education
Biology (functional)
Business Teacher Education (functional major)
Business Teacher Education (major)
Chemistry (functional)
Earth Science (functional)
English (functional major)
English (major)
Mathematics (functional major)
Mathematics (major)
Physics
Social Studies (functional)
Speech Communication & Theater
Technology Education
Vocational Agricultural Education
Vocational Family & Consumer Science

Approved Changes:

Remove “functional major” from the title of the BS, Computer Science Functional Major and “functional” from the BSE Secondary Education option in Biology, Chemistry, Earth Science, and Social Studies.

Programs as Changed:

BS, Computer Science

BSE, Secondary Education

Biology

Business Teacher Education (functional major)

Business Teacher Education (major)

Chemistry

Earth Science

English (functional major)

English (major)

Mathematics (functional major)

Mathematics (major)

Physics

Social Studies

Speech Communication & Theater

Technology Education

Vocational Agricultural Education

Vocational Family & Consumer Science

IV. Received and Reviewed Changes in Programs (Independent Colleges and Universities)

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

V. Program Changes Requested and Not Approved

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

VI. New Programs Approved

Missouri State University – West Plains

AAT, Associate of Arts in Teaching

Approval is contingent on official signatories from the four-year sector.

University of Central Missouri

MBA, Ethical Strategic Leadership

(off-site delivery in Lee’s Summit)

University of Missouri – St. Louis and Missouri Southern State University

MA, History

VII. New Programs Received and Reviewed (Independent Colleges and Universities)

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

VIII. Programs Withdrawn

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

IX. New Programs Not Approved

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

AGENDA ITEM SUMMARY

AGENDA ITEM

MDHE Improving Teacher Quality Grant Program
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

The Missouri Department of Higher Education (MDHE) is committed to working in partnership with the Department of Elementary and Secondary Education (DESE) and higher education institutions to promote quality professional development of K-12 teachers. The MDHE administers an annual competitive grants program, funded by the federal government, to identify and award grants to professional development projects developed collaboratively by postsecondary institutions and high-need school districts. The intent of this board item is to provide background about the Improving Teacher Quality Grant (ITQG) program, a summary of the program objectives, a description of the process used, and the awards granted for Cycle-6.

Program Background

- No Child Left Behind (NCLB) Act redesigned the Eisenhower Professional Development Program into the Improving Teacher Quality Grant program
- ITQG supports:
 - Increased student academic achievement
 - Increased numbers of highly qualified K-12 teachers in core academic subjects
- Federal guidelines require funded projects to include:
 - Division of higher education that prepares teachers
 - Higher education department, school, or college of arts and sciences
 - High-need K-12 school districts as defined by data on poverty and teacher quality
- In the four completed ITQG cycles, more than 1,000 teachers and 80,000 students have participated in sponsored projects

Program Objectives

Improving Teacher Quality Grant program partners are dedicated to:

- Improving student achievement in core subject areas
- Impacting the preparation of pre-service teachers
- Increasing teachers' knowledge and understanding of key concepts
- Improving teachers' practices in inquiry-based instruction
- Enhancing teachers' use of assessment data to monitor the effectiveness of instruction

Coordinating Board for Higher Education
February 7, 2008

Competitive Grants Process

In FY 2007 the US Department of Education (USDE) provided \$49,802,764 in No Child Left Behind (NCLB) Title II Part A funds to Missouri.

- \$48,506,989 allotted to the Department of Elementary and Secondary Education (DESE) for Missouri school districts administration of funds
- \$1,295,775 allotted to the MDHE
 - \$64,789 used for administration; remainder of funds used to support grants

Each year, the MDHE develops a Request for Proposals (RFP) to solicit high quality professional development project proposals. The RFP for each cycle establishes the grade level and content area focus required for award consideration. Previous RFPs focused on mathematics- or science-oriented projects for certain grade spans (i.e., 4th – 8th grade). The focus for the Cycle-6 RFP included the core areas of math and/or science at any grade level (K-12).

In Cycles 1 and 2, projects were only awarded on a single-year basis. Cycle-3 funds supported some multi-year projects because evaluation results have shown that project outcomes benefit from being funded over multiple award cycles. Due to the comparatively limited funding available from the USDE for ITQG projects, and in an effort to maintain opportunities for new project directors and researchers, MDHE staff made the strategic decision to continue funding high quality single-year projects as well.

Cycle-6

Prior to dissemination of the Cycle-6 RFP, MDHE staff evaluated the current multi-year ITQG projects underway at Rockhurst University and Missouri State University. Annual, interim, and external evaluation reports were reviewed for evidence of progress toward stated objectives, and both projects were recommended for renewal. Based on funding commitments to these two projects, the funding available for new Cycle-6 ITQG projects was approximately \$865,000.

The Cycle 6 RFP resulted in the MDHE receiving fourteen new project proposals requesting \$5.4 million in grant funds. These proposals were reviewed by MDHE staff and a panel of external experts that included:

- 1 DESE staff member
- 1 K-12 math teacher
- 8 Faculty at postsecondary institutions
 - 3 Mathematics Faculty
 - 5 Science Faculty

Based on the recommendations of the review panel and MDHE staff, six of the fourteen projects (see attached) have been selected for funding. While other projects were considered fundable, limited funds made it impossible to grant awards to all projects recommended by the review panel. Final awards also ensured that grants would be equitably distributed by geographic area within the state, which is a requirement of the federal government.

External Evaluation of ITQG Projects

Included in each award are funds allocated for an external evaluation team, which was selected through a competitive grant process. The external evaluation team for Cycle-6, led by Dr. Sandra Abell, Director of the MU Science Education Center, has also provided evaluation services for Cycles 1 – 5. The current contract with the external evaluation team allows the MDHE the option to renew annually or to proceed with a new grant competition for external evaluation. Should the MDHE renew the contract to its full extent, the external evaluation team will continue to provide evaluation services through Cycle-8.

On December 7, 2007, the external evaluation team presented their final report for Cycle-4. The purpose of the External Evaluation Report is to summarize the evaluation of the 14 projects that were funded during that cycle. The evaluation is based on data collected by the external evaluation team in cooperation with the project directors. Key recommendations from the Cycle-4 evaluation for future cycles emphasized the following best practices:

- Project directors should continue to find ways to pare down content to achieve a “less is more” approach
- Project directors should ensure that the professional development is aligned with school needs, curricula, and classroom realities
- MDHE should help project directors develop strategies that can motivate greater high-need participation in professional development
- MDHE should continue to support PI meetings, such as the ITQG Summit, where cross-fertilization of ideas can take place

The complete External Evaluation Report for Cycle-4 as well as reports from past cycles are available on the evaluation team’s website (<http://www.pdeval.missouri.edu/>). The final external evaluation report for Cycle-5 will be available in fall 2008.

Conclusion

The projects funded in Cycle-6 will continue to provide professional development in math and science to K-12 teachers in some of the neediest school districts in the state. Only through strong partnerships between colleges and universities and K-12 schools will Missouri continue to improve student achievement and teacher preparation.

STATUTORY REFERENCE

Section 173.050(2), RSMo, Statutory requirements regarding the CBHE’s authority to receive expend federal funds for educational programs
Public Law 107-110, Title II of the Elementary and Secondary Education Act: The No Child Left Behind Act of 2001

RECOMMENDED ACTION

Coordinating Board for Higher Education
February 7, 2008

Assigned to Consent Calendar

ATTACHMENT

Distribution of MDHE ITQG Program Awards

MDHE Cycle-6 Improving Teacher Quality Grant Projects

The following is a list of the Cycle-6 projects awarded funding by MDHE.

Lead Institution:	Project Director:	Awarded Amount:	Project Title:
Lincoln University	Dr. Gouranga Saha	\$188,722	Enduring Understanding of Science via Inquiry and Literacy (EUSIL)
Missouri State University (Renewal)	Dr. Lynda Plymate	\$208,492	Science and Mathematics Achievement from Rural Teachers
Missouri University of Science and Technology	Dr. V.A. Samaranayake	\$177,967	Science Education and Quantitative Literacy: An Integrated, Inquiry-Based Approach
Rockhurst University (Renewal)	Dr. Robert Hegarty	\$132,102	Physics for Elementary and Middle School Teachers – Constructing an Understanding of Physics
Three Rivers Community College	Dr. Mary Lou Brown	\$171,217	Connect 9 Math
Truman State University	Dr. Janice Grow-Maienza	\$176,062	gecKo mathematics: Foundation for Mathematical Proficiency
University of Missouri – Columbia	Dr. Deborah Hanuscin	\$124,922	QUEST: Quality Elementary Science Teaching
University of Missouri – Kansas City	Dr. Jerzy Wrobel	\$167,813	Teacher Enhancement for Active Middle School Science in Kansas City

AGENDA ITEM SUMMARY

AGENDA ITEM

Proprietary School Certification Actions and Reviews
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

All program actions that have occurred since the December 6, 2007, Coordinating Board meeting are reported in this consent item. In addition, the report includes information concerning anticipated actions on applications to establish new postsecondary education institutions and exemptions from the department's certification requirements.

STATUTORY REFERENCE

Sections 173.600 through 173.618, RSMo, Regulation of Proprietary Schools

RECOMMENDED ACTION

Assigned to Consent Calendar

ATTACHMENT

Proprietary School Certification Program Actions and Reviews

Coordinating Board for Higher Education

Proprietary School Certification Program Actions and Reviews

Certificates of Approval Issued (Authorization for Instructional Delivery)

Pittsburg State University

Nevada, Missouri

This Higher Learning Commission (NCA) accredited, non-Missouri public institution is based in Pittsburg, Kansas. The institution is currently certified to operate for purposes of delivering graduate level teacher education courses in Carthage, Missouri. This approval authorizes the establishment of an additional site in Nevada to offer individual coursework in the same area of study primarily to teachers employed by the Nevada R-5 School District. Neither approval authorizes the delivery of a complete degree program in Missouri.

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

None

Applications Pending Approval (Authorization for Instructional Delivery)

Dent Magic Tools

Nixa, Missouri

This for-profit school is proposing to offer three non-degree programs, each lasting one week, in automotive paintless dent repair. The programs are designed to teach students “the process of paintless dent removal” and help them “develop an understanding and use of the specialized tools required.” These programs will be taught through a combination of lecture and hands-on training modules. Each program will include the same core training and are differentiated based on specific tool and accessory packages. This school is not accredited.

Sanford Brown College

Hazelwood, Missouri

This for-profit institution, with a main campus in Fenton, Missouri, has applied to convert this existing branch campus to a free-standing main campus. Sanford-Brown is owned and operated by Career Education Corporation, based in Hoffman Estates, Illinois. CEC operates more than 80 postsecondary education campuses and enrolls more than 90,000 students worldwide. Sanford-Brown College is accredited by the Accrediting Council of Independent Colleges and Schools (ACICS). Once converted, the school will continue to offer a mix of associate degree and non-degree programs in the areas of business, criminal justice, paralegal studies and allied health.

Applications Pending Approval (Authorization Only to Recruit Students)

None

Exemptions Granted

Church of God School of Ministry

Cleveland, Tennessee

This not-for-profit religious institution proposed to offer a nondegree program in ministerial studies through affiliated churches in the state of Missouri. This program “was created primarily for individuals whose call to ministry came before they had an opportunity for formal training.” Exemption was granted as “a not-for-profit school owned, controlled and operated by a bona fide religious or denominational organization which offers no programs or degrees and grants no degrees or certificates other than those specifically designated as theological, bible, divinity or other religious designation.” This school is not accredited.

Whithorn School of Theology

Hollister, Missouri

Program offerings at this not-for-profit religious institution range from the associate’s level to the doctoral level in such areas as biblical studies, theology, and ministry. These programs are designed “to nurture an academic community for the courageous and rigorous exchange of intellectual and spiritual ideas of faith while at the same time discovering new paradigms of being a community of faith in a post-modern world.” Exemption was granted as “a not-for-profit school owned, controlled and operated by a bona fide religious or denominational organization which offers no programs or degrees and grants no degrees or certificates other than those specifically designated as theological, bible, divinity or other religious designation.” This school is not accredited.

Schools Closed

High-Tech Institute

Phoenix, Arizona

This for-profit school, accredited by the Accrediting Commission for Career Schools and Colleges of Technology (ACCSCCT), has recruited Missouri students for a variety of non-degree and associate degree programs for many years. The school did submit an application for recertification for 2007-2008 and department staff replied with a request for further information. The school did not respond to this request, and on October 29, 2007, staff notified the school that it had been placed on probation by our department. In response, school personnel notified staff that Missouri students were no longer being recruited. As a consequence, while the school continues to operate, certification to operate for purposes of student recruitment in Missouri was no longer necessary.

Security Training Center
St. Louis, Missouri

This for-profit school offered non-degree programs in the fields of bank security and emergency response. The school notified the department of its closing and reported having satisfied the requirements for an orderly school closure relating to completion of training and student record storage. This school was not accredited.

AGENDA ITEM SUMMARY

AGENDA ITEM

State Student Financial Aid Committee
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

In June 2006, the Coordinating Board converted its temporary State Aid Program Task Force to the standing State Student Financial Aid Committee (SSFAC). The intent of this board item is to notify the board of recent appointments by the Commissioner of Higher Education to the committee.

Background

In December, a membership structure for this committee was established and committee vacancies were identified. Included in the structure are the following provisions for new appointments.

- All members shall be appointed by the Commissioner of Higher Education for two-year terms. Members may be reappointed indefinitely.
- Appointments to the committee will be based on recommendations from the related affinity group, when such a group exists.
- Appointments representing areas without affinity groups will be based on input from the employing agency or organization, as appropriate.

At the beginning of the year, five positions were vacant, including an added position to represent the professional and technical school sector. The following individuals have been appointed by the Commissioner, effective January 1, 2008, for a two-year term expiring on December 31, 2009.

Public Community College

Kathy Brockgreitens, Registrar and Director of Admissions and Financial Assistance,
St. Charles Community College
Khaneetah Cunningham, Manager of Financial Aid, St. Louis Community College

Professional Technical School

Jerry Cox, Financial Aid Administrator, Pike/Lincoln Technical Center

Coordinating Board for Higher Education
February 7, 2008

Missouri Senate Staff

Trevor Foley, Budget Analyst, Senate Appropriations

Missouri Higher Education Loan Authority

Bethany Moran, Regional Account Manager, MOHELA

Attached is a listing of the current committee membership with membership terms.

STATUTORY REFERENCE

Section 173.235, RSMo, Vietnam Veteran's Survivor Grant Program

Section 173.250, RSMo, Higher Education Academic Scholarship Program

Section 173.260, RSMo, Public Service Officer or Employee's Child Survivor Grant Program

Section 173.262, RSMo, Marguerite Ross Barnett Memorial Scholarship Program

Section 173.1101, RSMo, Access Missouri Financial Assistance Program

RECOMMENDED ACTION

Assigned to Consent Calendar

ATTACHMENT

State Student Financial Aid Committee Membership Roster

STATE STUDENT FINANCIAL AID COMMITTEE MEMBERS
January 1, 2008

Council on Public Higher Education (COPHE)

Angie Beam, Assistant Director of Financial Aid
Missouri Western State University (term expires December 31, 2009)
Joe Camille, Financial Aid Director
University of Missouri-Columbia (term expires December 31, 2008)
Karen Walker, Financial Aid Director
Southeast Missouri State University (term expires December 31, 2009)
Melinda Wood, Financial Aid Staff
Truman State University (term expires December 31, 2008)

Missouri Community College Association (MCCA)

Cindy Butler, District Director of Student Financial Aid
Metropolitan Community Colleges (term expires December 31, 2008)
Amy Hager, Director of Financial Aid
Moberly Area Community College (term expires December 31, 2008)
Kathy Brockgreitens, Registrar and Director of Admissions and Financial Assistance
St. Charles Community College (term expires December 31, 2009)
Khaneetah Cunningham, Manager of Financial Aid
St. Louis Community College (term expires December 31, 2009)

Independent Colleges and Universities of Missouri (ICUM) Members

Brad Gamble, Director of Financial Assistance
Southwest Baptist University (term expires December 31, 2009)
Laurie Wallace, Director of Financial Services
Missouri Baptist University (term expires December 31, 2008)
Cari Wickliffe, Director of Student Financial Services
Saint Louis University (term expires December 31, 2009)
Rose Windmiller, Director State Relations and Local Government Affairs
Washington University (term expires December 31, 2008)

Non-ICUM Members

Annette Avery, Director of Financial Aid
Drury University (term expires December 31, 2008)
Lori Bode, Director of Financial Aid
Lindenwood University (term expires December 31, 2009)

Missouri Association of Private Career Colleges and Schools (MAPCCS)

George Holske, President
Metro Business College (term expires December 31, 2008)

Linn State Technical College

Becky Whithaus, Financial Aid Director (term expires December 31, 2009)

Professional/Technical Schools

Jerry Cox, Financial Aid Administrator

Pike/Lincoln Technical Center (term expires December 31, 2009)

Office of the Governor

Mary Beth Luna, Education Policy Advisor (term expires December 31, 2008)

Missouri Senate Staff

Trevor Foley, Budget Analyst, Senate Appropriations (term expires December 31, 2009)

Missouri House of Representatives Staff

Mike Price, Budget Analyst, House Appropriations (term expires December 31, 2009)

Missouri Higher Education Loan Authority (MOHELA)

Bethany Moran, Regional Account Manager, MOHELA (term expires December 31, 2009)

Missouri Department of Higher Education (MDHE)

Leroy Wade, Assistant Commissioner, Financial Assistance, Outreach, and Proprietary Certification (term expires December 31, 2009)

MDHE Support Staff

Kelli Reed, Student Assistance Associate

Amy Haller, Program Specialist

AGENDA ITEM SUMMARY

AGENDA ITEM

College Goal Sunday
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

On Sunday, February 10, 2008, the MDHE will serve as a site for College Goal Sunday, a nationwide program designed to assist families complete a Free Application for Federal Student Aid (FAFSA). The intent of this board item is to provide additional information about the College Goal Sunday program.

Discussion

College Goal Sunday began in Indiana in 1989 as a joint project of the Indiana Student Financial Aid Association (ISFAA) and the State Student Assistance Commission of Indiana (SSACI), with funding from Lilly Endowment, Inc. The purpose of College Goal Sunday is to help families, particularly those from underserved and/or underrepresented groups, complete the FAFSA and to inform the public about the availability of financial aid. Since its creation, College Goal Sunday has expanded to at least 35 other states, including Missouri.

In an effort to expand its outreach efforts, the MDHE volunteered to host a CGS site for 2008 in addition to sponsoring Missouri CGS. To make the public aware of this event, the MDHE has carried out an extensive promotional plan including public service announcements, press releases, an article in the Department of Elementary and Secondary Education's high school counselor newsletter, and payroll staffers for state employees.

In addition to the MDHE site, Missouri will have 29 other College Goal Sunday (CGS) locations across the state. The event is expected to assist more than 1,500 students and parents statewide. Attachment A includes additional information relating to this event.

STATUTORY REFERENCE

Public Law 109-171, Deficit Reduction Act of 2005

RECOMMENDED ACTION

Assigned to Consent Calendar

ATTACHMENT

2008 Missouri College Goal Sunday Brochure

Coordinating Board for Higher Education
February 7, 2008

WHAT IS COLLEGE GOAL SUNDAY?

The College Goal SundaySM program was created by the Indiana Student Financial Aid Association with funding from Lilly Endowment, Inc., and with supplemental support from Lumina Foundation for Education.

In Missouri, College Goal Sunday is a non profit event coordinated by the Missouri Association of Student Financial Aid Personnel (MASFAP) and other interested and dedicated volunteers. This annual event is sponsored by Missouri Department of Higher Education (MDHE), Missouri Higher Education Loan Authority (MOHELA) and Lumina Foundation for Education.

¿EN QUE CONSISTE COLLEGE GOAL SUNDAY?

El programa College Goal SundaySM fue creado por la Asociación para la Ayuda Financiera de Estudiantes de Indiana que disfruta del patrocinio de la Fundación Lilly, Inc., y el apoyo de la Fundación Lumina para la Educación.

En Missouri, College Goal Sunday consiste en un evento sin fines de lucro coordinado por los Administradores de la Asociación para la Ayuda Financiera de Estudiantes de Missouri (MASFAP) y otros voluntarios interesados y dedicados. Este evento anual es patrocinado por Missouri Department of Higher Education (MDHE), Missouri Higher Education Loan Authority (MOHELA) and Lumina Foundation for Education.



Get
money
you need
for college.

College Goal Sunday
2-4 p.m. Sunday, February 10, 2008

Get **FREE** help completing the federal application for financial aid.

collegegoalmissouri.org



YOU CAN'T AFFORD NOT TO ATTEND

College graduates earn twice as much as high school graduates. And with the right financial aid advice, going from high school to college is not only smart – it's easy.

Come to College Goal SundaySM on Feb. 10, 2008. From 2-4 p.m., you'll receive free financial aid assistance at 30 locations throughout Missouri. It's all the help you'll need to get you closer to a college education.

Plus, you can win a \$500 scholarship* while you're there! That's right. One college bound student at each College Goal Sunday location will win a scholarship to the college or trade school of their choice.

So mark your calendars for Feb. 10 and head to College Goal Sunday. It's the easiest way to get the money you need for college.

*Scholarship winner must be a first-semester freshman in the fall of 2008.

NO PUEDES NO PARTICIPAR

Las personas que se reciben de la universidad ganan el doble de los que se reciben de la escuela secundaria. Y con los consejos correctos sobre la ayuda financiera, ir de la secundaria a la universidad no solo es inteligente, sino que también es fácil.

Ven al College Goal SundaySM el 10 de febrero del 2008. De las 2 p.m. hasta las 4 p.m., recibirás asistencia gratis con la ayuda financiera en 30 lugares por todo el estado de Missouri. Es toda la ayuda que necesitarás para recibir la educación universitaria que mereces.

Además, podrás ganar una beca de \$500* mientras estés allí! Correcto. Un estudiante preuniversitario en cada sitio de College Goal Sunday ganará una beca para la universidad o escuela vocacional que desee.

Así que marca la fecha del 10 de febrero en tu calendario y asiste al College Goal Sunday. Es la manera más fácil de obtener el dinero que necesitas para ir a la universidad.

*El ganador de la beca deberá ser freshman en su primer semestre empezando en otoño del 2008.

COLLEGE GOAL SUNDAY CHECKLIST

What do I bring?

- Your parents, if available. Plan to attend even if they cannot.
- 2007 tax returns – if they're ready.
- W-2 forms.
- Your student and parent PINs. Apply for your PINs at www.pin.ed.gov.

What do I bring if I haven't done my taxes yet?

- Last paycheck received in December 2007 by you and your parents, showing year-to-date earnings.
- 2006 tax forms.
- 2007 statements of interest earned.

What if I don't have any 2007 tax information yet?

Don't worry. Attend College Goal Sunday because you'll learn valuable information about obtaining financial aid and filling out the FAFSA. Plus, you can enter a drawing to receive a \$500 scholarship.

Questions?

Visit www.collegegoalmissouri.org for more information.

LISTA DE CONTROL PARA EL COLLEGE GOAL SUNDAY

¿Qué debo traer conmigo?

- Tus padres, si puedes. Debes planear acudir aun si ellos no pueden venir.
- Las declaraciones de ingresos del año 2007.
- Los formularios W-2.
- PIN para la FAFSA. (Solicita tu PIN en www.pin.ed.gov)

¿Qué pasa si aun no he completado mi declaración de ingresos?

- El último talón de pagos recibido (tuyo y de tus padres) en el mes de diciembre del 2007, que muestre las ganancias hasta la fecha.
- Los formularios de impuestos del año 2006.
- Declaraciones de interés ganado en el 2007.

¿Qué pasa si aun no cuento con mi información sobre los impuestos del 2007?

No te preocupes. Siempre debes asistir al CGS debido a que conseguirás información valiosa sobre cómo obtener ayuda financiera y para completar la FAFSA. Además, podrás participar en el sorteo para recibir una beca de \$500.

¿Dudas?

Para más información visita www.collegegoalmissouri.org.

STOP BY ANY OF THESE LOCATIONS 2-4 p.m. Sunday, February 10, 2008

Cape Girardeau

Southeast Missouri State University
One University Plaza

Columbia

Columbia College
1001 Rogers

Hayti Area

Kennett Area Vocational and Technical School
1400 W. Washington

Hillsboro

Jefferson College Student Center – Viking Room
1000 Viking Dr.

Jefferson City

Lincoln University
820 Chestnut

Missouri Department of Higher Education
3515 Amazonas Dr.

Kansas City

Alta Vista
1722 Holly St.

Avila University
11901 Wornall Rd.

Kansas City Public Library – Bluford
3050 Prospect Ave.

Metropolitan Community College – Maple Woods Student Center
2601 NE Barry Rd.

St. Luke's United Methodist Church
9420 James A Reed Rd.

Kirksville

Moberly Area Community College – Kirksville
2105 E. Normal

Liberty

William Jewell College
500 College Hill

Maryville

Northwest Missouri State University
Colden Hall Room 1200
800 University Ave.

Moberly

Moberly Area Community College – Moberly
101 College Ave.

Rolla

Missouri University of Science and Technology
1870 Miner Dr.

Saint Joseph

Missouri Western State University
Leah Spratt Hall
4525 Downs Dr.

Saint Louis

Harris Stowe State University
3026 Laclede Ave.

Metropolitan Christian Worship Center
3452 Potomac St.

Missouri Baptist University
Chapel Fine Arts Building
One College Park Dr.

Saint Louis Community College – Florissant Valley
3400 Pershall Rd.

Saint Louis Community College – Forest Park
5600 Oakland

Saint Louis Community College – Meramec
11333 Big Bend Blvd.

Saint Louis University
221 N. Grand

University of Missouri – Saint Louis
MSC Building
1 University Blvd.

Washington University
1 Brookings Dr.

Sikeston

Southeast Missouri State University – Sikeston
2401 N. Main

Springfield

Bryan College
237 S. Florence Ave.

Union

East Central College
1964 Prairie Dell

Wildwood

Saint Louis Community College – Wildwood
2645 Generations Dr.

PASA POR CUALQUIERA DE ESTOS LUGARES
2-4 p.m. Domingo 10 de Febrero, 2008

AGENDA ITEM SUMMARY

AGENDA ITEM

Homeland Security Advisory Council Update
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

The Homeland Security Advisory Council is a permanent board within the Department of Public Safety. The Council is responsible for the review and evaluation of current state and local homeland security plans and for making recommendations for changes to better protect Missourians. The intent of this board item is to update the Coordinating Board on the recent actions and initiatives of the Council.

Background

The Homeland Security Advisory Council was created by Executive Order on July 21, 2005. Included in the Council's charge was a directive to generate a statewide emergency preparedness, response, and recovery plan. The Council was originally designed to disband by January 2006 but was instead established as a continuing board within the Department of Public Safety by Executive Order on February 10, 2006. The Council is composed of twenty members, including the Commissioner of Higher Education. The Council meets bi-monthly to review homeland security issues affecting the state and to review grant applications for security initiatives and programs.

Higher Education Subcommittee

At the November 2007 meeting, the Council reviewed a proposal to establish a subcommittee to focus on higher education-related security issues. The proposal was based in part on the recommendation of the Campus Security Task Force, which also identified topics for the subcommittee's consideration:

- A needs analysis and fiscal impact study of campus security enhancements
- The amount of new resources needed to support campus security enhancements
- Identification of multiple funding sources
- Resources and training opportunities related to safety and security
- Analysis of rationales for and against POST-certified police officers on private campuses
- Determination if legislation authorizing private institutions to establish police departments is necessary and appropriate

Coordinating Board for Higher Education
February 7, 2008

The Council approved the establishment of a Higher Education Subcommittee, and the Director of Public Safety appointed a fourteen member subcommittee with the advice of the Commissioner of Higher Education. The first meeting of the Subcommittee will be held on Tuesday, February 5, 2008, and a list of subcommittee members is included as an attachment.

Conclusion

The Campus Security Task Force identified a void in the work of the Homeland Security Advisory Council regarding higher education. The Council approved the establishment of a Higher Education Subcommittee, which has begun to work on lingering issues regarding security needs and identification of resources.

STATUTORY REFERENCE

None

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT

Higher Education Subcommittee Members

Higher Education Subcommittee of the Homeland Security Advisory Council

Robert Stein, Commissioner of Higher Education - Chair

Department of Higher Education

Paul Fennewald, Missouri Homeland Security Coordinator – Ex-officio

Department of Public Safety

Nicole Ray, Student Intern – Support Staff

Missouri Department of Higher Education

Nancy Bush, Director, Center for Emergency Response and Terrorism

Department of Health & Senior Services

Chip Byers, Director of New Initiatives

MOREnet

Lynn Carter, Deputy Director

Department of Mental Health

Adam Hanna, Student Representative

University of Missouri – Columbia

John Kelley, Director of Public Safety

Missouri Western State University

Joel LaReau, Vice President for Information Technology

Ozarks Technical Community College

Bernard McCarthy, Director of Community and Social Issues Institute

Missouri State University

Jauhn Nash, Director of Human Resources

State Fair Community College

David Parchim, Director of Campus Safety

Culver-Stockton College

Michael Penrod, Homeland Security Program Coordinator

University of Central Missouri

Don Strom, Director of Campus Police

Washington University

Jack Watring, Chief of Police

University of Missouri

Gerald (Jerry) Wilmes, Vice President of Student Affairs
Northwest Missouri State University

Charles P. Witt, Jr., Assistant Fire Chief
Columbia Fire Department

AGENDA ITEM SUMMARY

AGENDA ITEM

Distribution of Carl Perkins Vocational Funds
Coordinating Board for Higher Education
February 7, 2008

DESCRIPTION

Carl Perkins Vocational and Applied Technology Educational funds are federal block grants distributed to each state. The intent of this board item is to provide the board with an update on conversations between Missouri community colleges and the Department of Elementary and Secondary Education (DESE) concerning the distribution of these federal funds and proposed new accountability measures.

Background

Carl Perkins Vocational and Applied Technology Educational funds are federal block grants awarded to each state for the development of academic, vocational, and technical programs. In each state one governmental entity is charged with the allocation and distribution of these funds between secondary and postsecondary schools, principally community colleges. The formulas employed for this distribution vary from state to state. In Missouri, the federal government has designated DESE to administer the Perkins IV funds. Upon the promulgation of a distribution plan, Missouri will receive \$26 million in Perkins IV funds.

Missouri's community colleges have expressed concern that DESE's proposed distribution does not fairly account for their vocationally enrolled students. The formula would award less money to community colleges than in previous years at a time when the numbers of vocationally-enrolled students at community colleges are rising to record levels. Moreover, such a distribution would seem to run counter to the new federal emphasis on postsecondary vocational education. In reauthorizing Perkins IV funds, Congress declared that in a knowledge society vocational postsecondary education is more important than in the past. Fields such as business, health, engineering and science technologies, and information technology demand more rigor than may be obtained at the secondary level. This fresh emphasis on postsecondary institutions has brought along with it a new emphasis on postsecondary accountability.

Community college representatives believe that the problem is not the student enrollment formula itself, although they would prefer a needs-based assessment. Rather, the concern lies with the methodology DESE has proposed to count qualified students. The representatives argue that this methodology would maximize the number of vocational track secondary students while minimizing the number of students enrolled in vocational community college courses. They believe that this results in an improper accounting for the amount of vocational instruction that community colleges provide.

Coordinating Board for Higher Education
February 7, 2008

The community colleges believe that this situation has resulted, at least in part, from a lack of postsecondary input in determining the state distribution plan. Federal instructions enjoined Perkins IV stakeholders to work collaboratively to develop a state plan; until recently postsecondary involvement has been limited. Community college representatives have met with Dr. Kent King, Commissioner of Education, to register their concerns about the draft plan and have requested consideration be given to changing the proposed formulas so that community colleges would receive a more equitable share of the federal funds.

DESE uses a formula based on the proportion of vocationally enrolled students in the various schools. By its calculation Missouri's community colleges would receive approximately 27 percent of these funds while secondary schools would receive the remaining funds. Missouri's community colleges are seeking to raise their percentage of distributed funds from the proposed 27 percent to 40 percent.

Conclusion

Perkins IV funds assist students by establishing a continuum of vocational study between secondary and postsecondary institutions. If DESE's current proposal prevails, however, the community colleges argue that they will have responsibility for teaching greater numbers of students with more burdensome accountability measures but with less funding than they have previously received.

STATUTORY REFERENCE

Section 620.572, RSMo, Allocations for operation of corps
P.L. 109-270, Carl D. Perkins Career and Technical Education Improvement Act of 2006

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None