

BOARD OF HIGHER EDUCATION MEETING
April 25, 2008

The April 25, 2008, meeting of the Board of Higher Education (BHE) was held at the University of Massachusetts Medical School in Worcester, Massachusetts, on April 25, 2008. The following members were present:

Frederick W. Clark, Jr., Chairman
Peter Alcock, Vice Chairman
Jeanne-Marie Boylan
James Coyle

Katie Forgues
C. Bernard Fulp
Dr. Nancy Harrington
Henry Thomas

ABSENT: John Brockelman

CALL TO ORDER

The meeting was called to order at 10:10 a.m.

ACCEPTANCE OF MINUTES

A motion was made to accept the minutes of the February 29, 2008, meeting. The motion was seconded, and the minutes were approved unanimously.

CHANCELLOR'S WELCOME

Dr. Michael Collins, Chancellor of the University of Massachusetts Medical School, delivered a PowerPoint presentation that highlighted the Medical School's recent accomplishments, including its national ranking as one of the top medical schools and its renown reputation as one of the best transitional research institutions in the country. The Medical School's research scientists have been the recipients of numerous awards, including the Nobel Prize in 2006. It is a leader in comprehensive cancer research, and soon it will build a facility to house its Stem Cell Registry.

The Medical School brings tremendous economic opportunity to the Worcester area and to the Commonwealth, with \$100 million received in research grants each year; last year licensing revenues from its research amounted to over \$40 million, the 11th highest in the nation.

Expansion of the Medical School in 2009 will include a multifunction center that will house a medical facility that will provide radiological services and combine treatment and research for heart, cancer, diabetes, and musculoskeleton conditions. Extensive biology cluster, gene therapy, and RNAi cluster research draws the world's finest scientists to the School.

Chancellor Collins reported plans are to redesign the Medical School, which needs to expand by one-third, to a more campus-like setting. Every building on the campus has been constructed with profits from the Medical School's operations, and no public funding has been required.

CHAIRMAN'S REMARKS

Chairman Frederick W. Clark, Jr., welcomed Dr. Nancy Harrington, former President of Salem State College, to her first meeting as a BHE member. Dr. Harrington told the Board that she is a product of Salem State College and was President of the College for 17 years before retiring in July 2007. She told the Board that she is an incredible supporter and advocate of public higher education. She said that she was pleased to be "back among friends."

Chairman Clark thanked Student Board Member Katie Forgues and Student Representatives Jacob Oliveira of Framingham State College and Lindsay McCluskey of the University of Massachusetts Amherst, who have been wonderful representatives and advocates of public higher education. Officially, this is the students' last Board meeting. Ms. Forgues and Mr. Oliveira will graduate in May, and Ms. McCluskey will end her term as University Student Representative. The three students thanked the Board for the opportunity and experience to serve the Board.

REMARKS FROM PAUL REVILLE

Mr. Paul Reville, presently Secretary Designee of Education, was welcomed to the meeting by Chairman Clark. Mr. Reville thanked Chairman Clark and Commissioner Plummer for all of their support during his transition toward becoming Secretary, effective July 1, 2008. He thanked Chancellor Collins for hosting the meeting and called the Medical School a “magnet for development in Worcester and in the Commonwealth.” He thanked the Student Board Member and the two Student Representatives for their service, and he welcomed Dr. Nancy Harrington to the Board.

He told the Board that he is delighted to be joining the Board in July. Dr. Reville commented that Governor Deval Patrick is a real giant supporter of public education, who is committed to building a seamless system of P-16 education. The Secretary Designee’s responsibility is to represent the Governor’s interest in knitting the three departments together to produce a better system of education. He spoke of the collaborative projects that already exist—in particular, the Readiness Project, the findings of which will be released in June. Advice will be needed from the BHE in dealing with planning, the budget, and the achievement gap at every level of the system. The quality of teaching and learning must be improved at every level. Other areas that need improvement are dual enrollment, the expansion of the teacher profession, teacher preparation and articulation, college readiness, and transfer.

Mr. Reville said that he looked forward to working closely with the BHE. He said he would be a strong advocate of public higher education and will look to Board members for their help. In closing, he said that hope pervades the system, as he works with legislators to advance public education in the state.

Chairman Clark thanked Mr. Reville for working on their common purpose and promised Mr. Reville that the Board will partner with him. Chairman Clark told the Board that Mr. Reville will also be a member of the Boards of Early Education and Care, Elementary and Secondary Education, and Trustees of the University of Massachusetts.

Chairman Clark thanked all for their interest in Public Higher Education Week, which brought many people together for the advocacy of public higher education in the Commonwealth. He said that the Friends of Public Higher Education dinner, which honored Senator Edward M. Kennedy and John Fish, CEO of Suffolk Construction Company, Inc., was very successful and enjoyable. A total of \$225,000 was raised for public higher education scholarships.

Reporting on the Capital Bond Bill, Chairman Clark told the Board that the Bill was still with the Bonding Committee but should be out of Committee by April 30. He said that it is urgent that everyone work with the Senate to release it to the House Ways and Means Committee. Further, he stated, it is important for the Bill to pass this year.

On the House budget Chairman Clark reported a high level of interest for public higher education, indicating that there is a realization that public higher education is a sound investment. He thanked Representative Kevin Murphy, who filed an amendment for an additional \$17 million for public higher education.

Chairman Clark reported that he, President Dana Mohler-Faria, and the Governor recently met to discuss the faculty salary studies. He reported that the Governor thoroughly understands the faculty salary situation. The next step in securing funding is for the Chairman to meet with Leslie Kirwan, Secretary of Administration and Finance.

On the subject of the commissioner search, a Leadership Statement has been written and is available on the BHE Web site. All comments regarding the Leadership Statement are welcome.

Lastly, Chairman Clark congratulated all public higher education students who will be graduating during the next two months.

COMMISSIONER'S REMARKS

Dr. Patricia Plummer, Commissioner of the Department of Higher Education, read *Resolutions Urging Support for International Education and Foreign Exchange Student Programs*, signed by members of the Massachusetts Legislature February 14, 2008.

On the budget, Commissioner Plummer reported that the House passed its version last week, with public higher education receiving an increase of \$41 million, the Nursing Initiative receiving \$500,000 and dual enrollment receiving \$2 million.

Commissioner Plummer announced that she will Co-Chair a Subcommittee on Veterans' Education, one of six sub-committees established by the Governor's Advisory Council on Veterans' Services to help inform the administration on how best to assist the 457,482 Massachusetts veterans and their families. Each sub-committee was charged to examine federal and state statutes and programs relating to veterans and delivery of services to veterans and report findings and recommendations to the Advisory Council, which is chaired by Lieutenant Governor Timothy P. Murray, in May, 2008.

Commissioner Plummer announced that the first-ever Student Transfer Symposium will be held on May 9, 2008, at the Museum of Science Boston. It is part of the Board's efforts to create a more transparent transfer system. The Symposium is being funded in part through a NSF grant the Museum received, as well as through *Achieving the Dream* (ATD) funds. Last year, the BHE was named the lead policy agency on the ATD Initiative in Massachusetts. Student transfer was identified early on as one of the top three policies concerns in Massachusetts, and ATD has supported this work by funding many of the efforts undertaken by the Commonwealth Transfer Advisory Group. The Symposium will convene education leaders and policymakers to learn about and discuss current statewide transfer initiatives, including work from the BHE's Commonwealth Transfer Advisory Group (CTAG), the Governor's Readiness Project, and the Department of Early Education and Care. A special focus on STEM transfer pathways will be explored as well.

An update on campus violence prevention informed the Board that Peter Tsaffaras, Director of Employee Relations and Benefits Administration, has been working with consultants to produce a report on best practices of safety on public college and University campuses. A symposium on campus safety will be held in June.

REPORTS FROM PRESIDENTS

Chairman Clark announced that there would be no report from the state colleges. Instead, comments on the state college business programs would be made later during the meeting.

Dr. Terrence Gomes, Chair of the Executive Committee of Community College Presidents, congratulated Mr. Paul Reville and Dr. Nancy Harrington to their new positions. He thanked the student Board member and representatives for their participation and support. He also congratulated Chairman Clark on the success of Public Higher Education Week in Massachusetts, culminating with its Friends of Higher Education celebration dinner.

Dr. Gomes congratulated the Phi Beta Kappa of Massachusetts Team of 18 students, representing 11 community colleges. A student from Northern Essex Community College was elected to the All American Team.

On behalf of the community college presidents, he expressed gratitude for the Community College Faculty Study. The community college presidents remain hopeful that Leslie Kirwan, Secretary of Administration and Finance, will support the Study's findings.

Lastly, Dr. Gomes told the Board that the community college presidents were pleased with the Teaching and Learning Conference held recently at North Shore Community College; approximately 450 staff, faculty, and students attended.

Chairman Clark complimented the Community College Leadership Academy. He, Commissioner Plummer, and Jan Motta recently participated in a panel discussion as part of an Academy program.

MOTIONS

Chairman Clark explained that the evaluation for President Rubenzahl was submitted to the Board in February 2008 and is consistent with the policy of the BHE; he then brought forth the following motion, which was seconded and approved unanimously.

BHE 08-12 APPROVAL OF CHANGE IN COMPENSATION FOR PRESIDENT IRA RUBENZAHL

MOVED: Notwithstanding the provisions of any policy, rule or regulation to the contrary, and after consideration and review of the request from the Board of Trustees of Springfield Technical Community College, dated February 26, 2008, the Board of Higher Education receives and accepts the evaluation of Dr. Ira Rubenzahl, President, submitted by the Board of Trustees of Springfield Technical Community College and hereby authorizes for Dr. Rubenzahl a 2.3 percent Cost-of-Living Adjustment and a 3 percent merit increase. Said increases shall be retroactive to his then existing salary rate of July 1, 2007.

In addition to the increases set forth above, the Board of Higher Education authorizes and approves an increase in the housing allowance for Dr. Rubenzahl to \$18,000 per year. Said increase shall become effective as of July 1, 2008.

Authority: Massachusetts General Laws Chapter 15A, Section 9 (q)
Contact: Peter H. Tsaffaras, Director of Employee Relations and Benefit Administration

Chairman Clark explained that the Council of Presidents recommended to the Board that more time be allowed each year for the submission of presidential evaluations. In addition, this new policy authorizes merit increases every year, rather than every other year. He recommended that presidential evaluations be submitted by November 1 of each year, so that all evaluations can be acted upon by the BHE. Chairman Clark brought forth the following motion, which was seconded and approved unanimously.

BHE 08-13 AMENDMENT TO PRESIDENTIAL COMPENSATION POLICY

MOVED: The Board of Higher Education amends the Board Policy on Presidential Compensation (BHE 06-09), adopted December 15, 2005, by striking out the words appearing in the December 15, 2005 policy, and inserting, in place thereof, the following:

“The Campus Boards of Trustees are authorized to distribute an annual inflationary adjustment, and to request an annual merit adjustment, based upon the achievement of measurable objectives. The Board of Higher Education delegates to the Commissioner of the Department of Higher Education, in consultation with the Executive Committee of the Board, the authority, annually, each Spring, to calculate and fix the amount of the inflationary adjustment and the merit adjustment.

The Campus Boards of Trustees will continue to be required to conduct annual performance reviews that will be forwarded to the Board of Higher Education along with justification for the increases.”

Authority: Massachusetts General Laws Chapter 15A, Section 9 (q)
Contact: Peter H. Tsaffaras, Director of Employee Relations and Benefit Administration

Chairman Clark turned the meeting over to Vice Chairman Peter Alcock, acting in the absence of John Brockelman, Chairman of the Assessment and Accounting Committee, who brought forth the following Consent Agenda Motion, BHE 08-17. Mr. Alcock informed the Board that on April 17, the Assessment and Accounting Committee met to discuss these motions, which were well received. He added that many of these requests fill desperate labor market needs. The following motion, introduced by Vice Chairman Alcock, was seconded and unanimously approved:

AAC 08-17 CONSENT AGENDA

MOVED: The Board of Higher Education approves the following motions on a consent agenda:

- AAC 08-08 Caritas Labouré College: Bachelor of Science in Nursing
- AAC 08-09 Curry College: Master of Science in Nursing
- AAC 08-10 Wentworth Institute of Technology: Master of Architecture
- AAC 08-11 University of Massachusetts Boston: Bachelor of Science in Information Technology
- AAC 08-12 University of Massachusetts Boston: Doctor of Nursing Practice
- AAC 08-13 University of Massachusetts Lowell: Bachelor of Science in Nutritional Science
- AAC 08-14 University of Massachusetts Lowell: Doctor of Nursing Practice
- AAC 08-15 University of Massachusetts Worcester: Master of Science in Clinical Investigation
- AAC 08-16 University of Massachusetts Worcester: Doctor of Nursing Practice

Authority: Article III, Section 6, By-Laws
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic Policy

AAC 08-08 CARITAS LABOURÉ COLLEGE: BACHELOR OF SCIENCE IN NURSING

MOVED: The Board of Higher Education hereby approves the Articles of Amendment of **Caritas Labouré College** to award the **Bachelor of Science in Nursing** and to update the purpose clause to read as follows:

“To establish, maintain, manage and operate exclusively for educational, charitable and benevolent purposes, an institution of higher learning to provide a general and technical education and experience in nursing and in other selected health fields; to provide such education and training in an environment and by appropriate means conducive to the formation of those moral and social ideals which the Members and Trustees of the Corporation determine to be necessary to the professional development of students entering the nursing and allied health profession; and to grant and confer at and through said Caritas Labouré College, Inc., associate in science and bachelor of science in nursing degrees.”

Authority: Massachusetts General Laws Chapter 69, Section 30 et seq.
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic Policy

AAC 08-09 CURRY COLLEGE: MASTER OF SCIENCE IN NURSING

MOVED: The Board of Higher Education hereby approves the application of Curry College to award the Master of Science in Nursing

Authority: Massachusetts General Laws Chapter 69, Section 30 et seq.
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic Policy

AAC 08-10 WENTWORTH INSTITUTE OF TECHNOLOGY: MASTER OF ARCHITECTURE

MOVED: The Board of Higher Education hereby approves the application of Wentworth Institute of Technology to award the Master of Architecture.

Authority: Massachusetts General Laws Chapter 69, Section 30

Contact: Aundrea Kelley, Associate Vice Chancellor for Academic Policy

AAC 08-11 UNIVERSITY OF MASSACHUSETTS BOSTON: BACHELOR OF SCIENCE IN INFORMATION TECHNOLOGY

MOVED: The Board of Higher Education hereby approves the application of University of Massachusetts Boston to award the Bachelor of Science in Information Technology.

One year after graduating the program's first class, the institution shall submit to the Board a status report addressing its success in reaching program goals as stated in the application and in the areas of enrollment, curriculum, faculty, resources, and program effectiveness.

Authority: Massachusetts General Laws Chapter 15A, Section 9(b).
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic Policy

AAC 08-12 UNIVERSITY OF MASSACHUSETTS BOSTON: DOCTOR OF NURSING PRACTICE (DNP)

MOVED: The Board of Higher Education hereby approves the expedited application of the **University of Massachusetts Boston** to award the **Doctor of Nursing Practice (DNP)**.

One year after graduating the program's first class, the University shall submit to the Board a status report addressing its success in reaching program goals as stated in the application and in the areas of enrollment, curriculum, faculty, resources, and program effectiveness

Authority: Massachusetts General Laws Chapter 15A, Section 9(b).
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic Policy

AAC 08-13 UNIVERSITY OF MASSACHUSETTS LOWELL: BACHELOR OF SCIENCE IN NUTRITIONAL SCIENCE

MOVED: The Board of Higher Education hereby approves the application of **University of Massachusetts Lowell** to award the **Bachelor of Science in Nutritional Science**.

All program descriptions and publications must indicate that the degree does not qualify the student to sit for licensure in dietetics.

One year after graduating the program's first class, the institution shall submit to the Board a status report addressing its success in reaching program goals as stated in the application and in the areas of enrollment, curriculum, faculty, resources, and program effectiveness.

Authority: Massachusetts General Laws Chapter 15A, Section 9(b).
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic

AAC 08-14 UNIVERSITY OF MASSACHUSETTS LOWELL: DOCTOR OF NURSING PRACTICE
The Board of Higher Education hereby approves the expedited application of the **University of Massachusetts Lowell** to award the **Doctor of Nursing Practice (DNP)** with program implementation, effective fall 2009.

Prior to admitting students, the University shall provide to the Commissioner of Higher Education a report concerning its follow-through on the recommendations referenced in the attached staff report.

One year after graduating the program's first class, the University shall submit to the Board a status report addressing its success in reaching program goals as stated in the application and in the areas of enrollment, curriculum, faculty, resources, and program effectiveness.

Authority: Massachusetts General Laws Chapter 15A, Section 9(b).
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic

AAC 08-15 UNIVERSITY OF MASSACHUSETTS WORCESTER: MASTER OF SCIENCE IN CLINICAL INVESTIGATION

MOVED: The Board hereby approves the application of the **University of Massachusetts Worcester** to award the **Master of Science in Clinical Investigation**.

Upon graduating the first class for this program, the University of Massachusetts Worcester shall submit to the Board a status report addressing its success in reaching program goals as stated in the application and in areas of enrollment, curriculum, faculty, resources, and program effectiveness.

Authority: Massachusetts General Laws Chapter 15A, Section 9(b).
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic

AAC 08-16 UNIVERSITY OF MASSACHUSETTS WORCESTER: DOCTOR OF NURSING PRACTICE

MOVED: The Board hereby approves the application of the University of Massachusetts Worcester to award the Doctor of Nursing Practice.

Upon graduating the first class for this program, the University of Massachusetts Worcester shall submit to the Board a status report addressing its success in reaching program goals as stated in the application and in areas of enrollment, curriculum, faculty, resources, and program effectiveness.

Authority: Massachusetts General Laws Chapter 15A, Section 9(b).
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic

NURSING INITIATIVE

Chairman Clark introduced David McCauley, Vice Chancellor for Workforce Development, Department of Higher Education, and Maureen Sroczynski, Chief Nurse Consultant for the Department of Higher Education. Mr. McCauley and Ms. Sroczynski presented a PowerPoint overview of the "Building Nursing Education and Practice Partnerships," which described the BHE Nursing Initiative as a key higher education/industry partnership in the health care sector, which is a core element of the Commonwealth's economic structure.

The goals of the Initiative are to rapidly increase the number of nursing graduates and to enhance their quality. The Initiative seeks to overcome the major constraints on expanding the nursing education pipeline, such as the faculty shortage, tight limits on the number and type of clinical placements, and designing a nursing education system to meet future demands. The Initiative works on these objectives through the expansion of education and practice partnerships and building regional and statewide models.

Mr. McCauley reviewed the history of the program, begun in 2005, outlined Legislative funding allocations and described the development of the nursing education pipeline model. Ms. Sroczynski said that the Board funded her firm to develop and implement the Higher Education and Health Care Industry Nursing Education Partnership Survey. This Survey documented the need for better prepared nurses, more programs to transition students to work, a nursing curriculum better aligned with the demands of the practice environments, better coordination of clinical placements, and greater use of human patient simulation technology.

Mr. McCauley said that the Partnership Survey (of both nursing education programs and health care facilities) played a major role in setting program direction and that the Nursing Initiative Advisory Committee has strong participation by education and industry stakeholders.

He said that the Nursing Initiative generates campus action toward these goals through special projects and through a competitive grants process. These include the Welcome Back Program to assist internationally-trained nurses to enter the Massachusetts health care system, the Tufts Health Care System Scholarship Program, and placement of over 15 human patient simulators on campuses and in hospitals. Ms. Sroczynski described the statewide growth of regional Web-based Clinical Placement Systems and the development of the Nurse of the Future program, which is a partnership of education and practice leaders to create a consensus on the competencies required for new nurse graduates, leading to an enhanced educational curriculum framework.

Mr. McCauley said that the Nursing Initiative will continue its work on these projects, as well as outlining a "business case" for a greater state commitment to expanding nursing education, addressing the faculty shortage, and working for passage of the Moore/Grant Trust Fund legislation. He said that, as one form of recognition of this work, Massachusetts was selected as one of 18 out of 49 states to participate in a national summit on nursing education in Washington, DC, in June.

Board Members Boylan and Harrington offered congratulations on the success of the Nursing Initiative to date. Closing remarks centered on the need to update the Legislature on the accomplishments of the Nursing Initiative so that full funding will continue to support this important work.

At 11:50 a.m., Chairman Clark called for a ten-minute recess.

The meeting reconvened at noon.

REVIEW OF STATE COLLEGE BUSINESS PROGRAMS

Vice Chairman Peter Alcock stated that approximately two years ago a discussion took place regarding the review of state college business school programs, which are among the highest enrollment academic programs for students. The Board of Higher Education had voted in February 2006 that a review was needed to determine the quality of business programs and the ability of those programs to meet state workforce needs and standards in the globally competitive 21st century environment. In June 2006 the State College Council of Presidents proposed a plan to hire a consultant who, on behalf of the state colleges, would structure a review of a number of nationally recognized business accreditation standards and help the colleges develop business standards. The Presidents intended that the results would provide data for state colleges to map their program to the standards developed and to make informed decisions.

For this review, the state colleges hired Dr. Richard G. Brandenburg, Professor Emeritus of the University of Vermont, and currently, Senior Advisor and Visiting Fellow at Arizona State University's Consortium for Science Policy and Outcomes. Dr. Brandenburg reviewed business programs at Bridgewater, Fitchburg, Framingham, Westfield, and Worcester State Colleges, the Massachusetts College of Liberal Arts, and the Massachusetts Maritime Academy. Salem State College was not part of the review because its business program is on schedule in its pursuit of Advance Collegiate Schools of Business International (AACSB) accreditation. AACSB, which is recognized as having the most rigorous standards among accreditors of higher education business programs, has accepted the Salem State program into Pre-Accreditation status. The Massachusetts College of Art and Design does not offer degrees in business.

Dr. Brandenburg addressed the Board via videoconference, explaining that there were three parts of the review:

1. An overview report on issues and recommendations relevant to most or all programs.
2. Evaluation and recommendation reports on the undergraduate business programs at each of the seven participating state colleges.

3. A program design and evaluation template that defines key quality attributes and guidance for their development in undergraduate business programs.

He then explained the process of the review, the purposes of the review, the improvement versus accreditation focus, and reports on individual programs. The reports for each campus addressed generally the college's vision, planning, outcomes assessment, general education curriculum, business core curriculum, scope and content of majors and concentrations, practice/learning/internships, impact of graduate program and undergraduate programs, capacities to offer majors and concentrations, practice learning/internships, impact of graduate programs on undergraduate programs, faculty adequacy and deployment, faculty scholarly and service activities, faculty professional development, student admissions, retention—and in some cases—information technology resources.

Dr. Brandenburg offered individual undergraduate program-level needs for improvement in the academic program, outcomes assessment and program review, budget, and faculty. He also offered general recommendations for improving the programs. An Undergraduate Business Program Design and Evaluation Template—Key Quality Attributes—was also provided.

He thanked Kenneth Lemanski, Executive Officer of the Council of Presidents; the Council of Presidents, department chairs, deans and faculty for their responsiveness to his many requests for information.

Addressing the Board, Dr. Robert Antonucci, Chair of the Executive Committee of State College Presidents, reported that the Council of Presidents believe in a return on investment for the state colleges that have undergraduate business programs, and every campus has an investment in working with the Department of Higher Education to assure that the business programs are current, competitive and academically sound. He continued that there first must be in-depth discussion with the state college faculty to improve the programs, where necessary. Each program will be reviewed to address each issue, and improvements will be shared with faculties, schools and students to assure that students have the best programs. Local boards of trustees will be involved to address programs' needs. He stressed that the involvement of time and effort will give a good return on investment.

In closing he remarked that the model used for program review is a good one, and the collaboration among all involved was central to the success of the review.

Commissioner Plummer said that the model has much promise. She questioned why there was no information regarding the transfer process or alignment. Dr. Antonucci answered that work is progressing on these issues.

Chairman Clark thanked Aundrea Kelley, Dr. Brandenburg, Dr. Antonucci, and Kenneth Lemanski for their work on the undergraduate business review programs.

Chairman Clark called for a vote on Motion BHE 08-14, and the motion was seconded. Since Board members, James Coyle and Nancy Harrington, had left the meeting, there was not a quorum of Board members. The following motion was unanimously approved by those present but will be ratified at the next Board meeting on June 25, 2008.

BHE-08-14 RECEIPT OF THE SUMMARY REPORT OF THE REVIEW OF STATE COLLEGE BUSINESS PROGRAMS FROM THE STATE COLLEGE COUNCIL OF PRESIDENTS

MOVED: The Board of Higher Education receives the summary report of the Review of State College Business Programs from the State College Council of Presidents. The Board calls upon each campus reviewed to report to the Board in April 2009 its progress in addressing the recommendations of the review report and in implementing the action plans and next steps outlined in the institution's response.

Authority: Massachusetts General Laws Chapter 15A, Section 9(b)

Contact: Aundrea Kelley, Associate Vice Chancellor for Academic Policy

STUDENT LOAN MARKET

Mr. Thomas Graf, Executive Director, and Martha Savery, Director of External Relations of the Massachusetts Educational Finance Authority (MEFA), were introduced to update the Board on the downturn in the capital markets and its impact on the ability of students to secure college loans. Mr. Graf told the Board that MEFA has been involved recently in financing the Web Portal.

Mr. Graf provided background on the focus of MEFA, namely, to assist and counsel parents and students (grades 6-12) in financing higher education. He told the Board that loan applications are up 30 percent this year. This year MEFA expects to process \$510,000 million in federal student loans. As a result of less access to capital markets, it is extremely difficult for all lenders to raise funds, forcing lenders to curtail or stop their lending. The difficulty in raising funds by lenders is impacting the fiscal health of lending institutions. He estimated that approximately 100-200 lenders will stop providing student loans. MEFA has suspended its lending of federal loans and has not raised money for the next academic year. These circumstances place students in a difficult position.

Mr. Graf advised that it is going to be more difficult for parents to be approved for a loan; FICO scores must now be 700 and interest rates are reaching double-digits.

Private colleges and universities are concerned with the seriousness of the student loan situation, as well. There is presently no lender who can go to market and raise \$1 million in capital for student loans. Chairman Clark suggested that Mr. Graf speak with Richard Doherty, President of AICUM, to consider the possibility of contacting the Federal Reserve Bank for funding; Mr. Graf said he would contact Mr. Doherty.

Mr. Clark offered the Board's cooperation to help with this fiscal dilemma.

Martha Savery advised the Board that MEFA has conducted outreach to families, notifying them about student-loan communications and support services. The Office of Student Financial Assistance should also be considered a source of support. Ms. Savery reported that the MEFA Web site is also a source of information. Mr. Graf added that a MEFA advisory group keeps high school counselors current on the student loan business. He said that it is important for parents to pay particular attention to the current situation.

Mr. Thomas offered that the public should be informed about the current student loan problems—what he deemed as a “crisis.” He voiced his concern that parents will find themselves in a situation where they are borrowing at higher rates through private funding.

Ms. Savery reiterated Mr. Graf's comment that parents need to view student loans with a critical eye. Mr. Thomas suggested the need to communicate this information via public service announcements to parents and to search for solutions.

Commission Plummer advised that the high cost of borrowing money at expensive private universities and colleges may cause an increase of applications at the state's public institutions.

Mr. Graf emphasized that the lack of funding to the lending institutions is enormous. The big question remains, “How do we get money to lenders?”

Chairman Clark offered that it will be necessary to discuss this topic at every Board meeting to stay informed and be ready to work with others to solve the many problems surrounding student loan financing. Mr. Thomas suggested that the Board hire an organization to deliver the message regarding the student lending situation. He recommended that Mr. Graf's meeting with President Richard Doherty might be helpful.

OPEN FORUM

Mr. Jacob Oliveira announced an upcoming rally that will focus on urging the Legislature to return \$17 million to the higher education budget. The Student Advisory Council recently distributed information to every legislator, requesting that each contact Representative Kevin Murphy, Co-Chair of the Joint Committee on Higher Education and a strong advocate of public higher education.

Chairman Clark complimented the Student Advisory Council on their work, especially on the diligence of PHENOM (Public Higher Education Network of Massachusetts) in canvassing for funding of public higher education. He encouraged the student groups to continue to work hard for support of public higher education in Massachusetts.

There being no other business, the meeting adjourned at 1:35 p.m.