

BOARD OF HIGHER EDUCATION MEETING
April 30, 2009

A meeting of the Board of Higher Education (BHE) was held at Roxbury Community College's Reggie Lewis Track and Athletic Center at 1234 Columbus Avenue in Roxbury Crossing, Massachusetts. The following members were present:

Dr. Charles Desmond, Chairman
Peter Alcock, Vice Chairman
Dr. Mario Borunda
Jeanne-Marie Boylan
James Coyle
C. Bernard Fulp

Dr. Nancy Harrington
Dr. Nancy Hoffman
Kathryn Quigley
Paul Reville
Henry Thomas, III

Absent: Dr. Mary-Elizabeth Beach

CALL TO ORDER

Dr. Charles Desmond, Chairman, called the meeting to order at 9:42 a.m. Immediately a roll-call vote of members was taken, and the Board members entered into Executive Session for the purpose of discussing collective bargaining.

At 10:14 a.m. Chairman Desmond reconvened open session of the BHE meeting and announced that there were no votes taken in Executive Session

CHAIRMAN'S REMARKS

Chairman Desmond announced the formation of the Commissioner's Advisory Group on Undergraduate Education, which will be chaired by Dr. Nancy Hoffman. The Board has actively recruited 16 business, education, community, and legislative leaders to discuss learning outcomes for college undergraduates. The first meeting will be held on June 2 with subsequent meetings to be held in the fall.

Student Board member Kathryn Quigley was honored for her one-year service to the BHE. Chairman Desmond described Ms. Quigley as a "leader among leaders, who has served the Commonwealth well." Ms. Quigley is a full-time student at Westfield State College, who has served as a student ambassador, a new student orientation advisor, a tour guide, and an active member of the Student Government Association. Chairman Desmond congratulated Ms. Quigley and presented her with a small gift in appreciation of her contributions to the BHE.

Chairman Desmond also recognized Community College Representative Nick Medico, a student at North Shore Community College and the non-voting Student Advisor to the Board from the community college segment.

Chairman Desmond brought up the news of the early April pirate attack on the Maersk Alabama. Both the Captain of the ship, Richard Phillips, and its second in command, Shane Murphy, are graduates of the Massachusetts Maritime Academy (MMA). During the events of the attack and the hostage-taking of Captain Phillips, MMA became the focal point of much media attention. Chairman Desmond expressed relief that the Maersk Alabama, Captain Phillips, Shane Murphy and the ship's entire crew were freed successfully from the grips of the Somali pirates. He congratulated Admiral Richard Gurnon, President of the Massachusetts Maritime Academy, for his superb poise in his handling of the media, his message of the outstanding education and training of Academy cadets, and his proud representation of Massachusetts public higher education.

Admiral Richard Gurnon responded that his role was very small. He expressed thanks that Captain Phillips, his entire crew, and the Maersk Alabama were delivered safely to port. Admiral Gurnon thanked the Chairman for his remarks and stated that, because of all of the media attention, MMA "is no longer the best-kept secret in Massachusetts."

Chairman Desmond thanked President Terrence Gomes for hosting today's Board of Higher Education meeting, and he complimented the President on the many recent accomplishments of the College.

Chairman Desmond praised Commissioner Richard Freeland for his work since joining the Department of Higher Education in January. He said that he has been enjoying visits to the campuses with the Commissioner, where he has been discussing educational issues in which he truly believes.

WELCOME REMARKS

Dr. Terrence Gomes, President of Roxbury Community College (RCC), praised his staff and faculty for RCC's progress in difficult economic times.

President Gomes spoke highly of the Reggie Lewis Track and Athletic Center, the location of the meeting, which is regarded as one of the best field houses in the country. Not only is the Center "green," but the entire Roxbury Community College campus is now environmentally friendly. President Gomes was also proud to announce the College's involvement in preparing and encouraging the Roxbury community to become more environmentally concerned.

President Gomes revealed that students from more than 50 countries are enrolled at RCC, and at the heart of RCC's mission is student success. The College is very involved with Achieving the Dream, and the data compiled has greatly helped the College, particularly in the areas of student retention and student advisement.

The College will soon embark on its first fundraising efforts under the direction of George Russell, Chair of RCC's Capital Campaign.

The U.S. Census Bureau has partnered with Roxbury Community College, which will be the central regional site for the 2010 census. The revenue from this venture will be used to help RCC students and comes at a time when it is very much needed. The College looks forward to other business partnerships.

COMMISSIONER'S REMARKS

Dr. Richard Freeland, Commissioner of Higher Education, thanked President Gomes for hosting the Board of Higher Education today. Commissioner Freeland offered the following remarks:

The Department of Higher Education (DHE) and the leadership of the state and community colleges and the chancellors have been paying close attention to the Swine Flu. All are attuned to emergency preparedness in prevention of the disease and necessary efforts should the Swine Flu reach a pandemic.

The BHE and DHE have been tracking the budget, which includes the Federal Stimulus funding that provides money that will sustain the FY09 budget. The Ways and Means budget is rolled up, in comparison to the Governor's budget, which defines separately the state and the Federal Stimulus funding. The Ways and Means budget reduced the scholarship budget from \$96 million to \$82 million and funding for the dual enrollment account. Commissioner Freeland thanked House Chair of Higher Education David Torrisi, who moved to restore the scholarship budget to \$92 million. He thanked Chair Torrisi and Representatives Patricia Haddad and Smitty Pignatelli, who returned \$1 million to the amount for dual enrollment account from the \$2 million that was requested. Also, \$500,000 was restored to the Tufts Veterinary School account.

Commissioner Freeland reported that the Department of Higher Education has been providing ongoing attention to the Higher Education Relief Bill and a tuition retention proposal that would work in the best interests of the public colleges and University campuses. He thanked Presidents Robert Antonucci and Charles Wall; Jan Motta, Executive Officer of the Community Colleges; and Fred Clark, Executive Officer of the State College Council of Presidents; President Jack Wilson and Vice President James Julian for their involvement and support of a tuition retention bill.

President Robert Antonucci and Fred Clark were thanked again by Commissioner Freeland for their help with the initiative to change Massachusetts public state colleges to university status. The Commissioner stated that he hopes that their work leads to a useful outcome for the state colleges.

Commissioner Freeland announced that contracts have been negotiated successfully with three bargaining units—the Massachusetts State College Association, the Association of Professional Administrators, and the American Federation of State County and Municipal Employees.

A new Task Force on Collaboration and Efficiency, chaired by President Dana Mohler-Faria of Bridgewater State College, has been formed to make recommendations for better use of state funding to our public higher education campuses. The charge of the Task Force will be to develop an inventory of best practices as guidance and help for our presidents and to develop an implementation plan. The Task Force will do its utmost to promote effective efficiencies. Members of the Task Force will also include Commissioner Richard Freeland; President David Hartleb of Northern Essex Community College; C. Bernard Fulp, Board member; Deborah Hattery, Assistant Commissioner for Fiscal and Administrative Policy of the Department of Higher Education; President Patricia Meservey of Salem State College; President John Sbrega of Bristol Community College; and Edward Terceiro, Acting Associate Commissioner for Fiscal and Administrative Policy of the Department of Higher Education.

At the request of Senator Anthony Galluccio, Co-Chair of the Higher Education Committee, a task force has been created to review the increased demand on higher education during the current fiscal downturn. Consisting of Fred Clark; Aundrea Kelley, Deputy Commissioner for P-16 Policy and Collaborative Initiatives; Jan Motta, Executive Officer of the Massachusetts Community Colleges; and Marcie Williams, Vice President of the University of Massachusetts, the task force will meet to ensure that our public colleges and University campuses are accommodating as many students as possible and will offer alternatives to those student that are not admitted.

Commissioner Freeland informed the Board that his visits to public college campuses have provided him with a wonderful experience to understand fully what is happening there. He said that he has been pleasantly surprised to find the campuses well maintained, a point of which the faculty and staff should be very proud. Students have expressed to him that they are receiving a good education and that their experiences are better than they expected. The Commissioner emphasized that it is important that public awareness be advanced to tell the good story about our public college and University campuses.

Chairman Charles Desmond agreed with the Commissioner about the need to promote our public higher education campuses. He expressed, too, that there are forces that are aspiring to create a sound vision for higher education in the Commonwealth.

REMARKS FROM THE SECRETARY OF EDUCATION

Secretary Paul Reville thanked Chairman Desmond and Commissioner Freeland for their outstanding leadership.

On behalf of Governor Deval Patrick, he congratulated Admiral Richard Gurnon on the return of Captain Richard Phillips, his crew, and the Maersk Alabama.

Secretary Reville remarked that he has visited 28 of the 29 public higher education campuses in Massachusetts and that each one has a distinct character. He described the experience as a very impressive process of meeting students, colleagues, a committed faculty, and staff.

Secretary Reville reported that there has been much work on the budget and that the fiscal situation in the state is becoming worse. The pressure between the Legislature and the Governor's administration to solve the budgetary problems is intense. Presently, his staff is in the process of completing applications for funds that will be received shortly by the campuses. He said that he was pleased that the joint work among the three

education commissioners is proceeding well. He noted specifically that more work needs to be done on college readiness, and Commissioner Freeland will move aggressively on this initiative.

On readiness centers, the Secretary remarked that the goal is to improve the quality of teaching, and he is hopeful that stimulus funding will be received for that purpose.

Secretary Paul Reville thanked Commissioner Freeland and public college presidents for their advice on the Higher Education Relief Bill, comprised of the following:

Tuition Retention: The current structure, which allows each campus to set and keep fees, does not allow each campus to set and retain tuition, which has been a constant source of confusion for students and parents. The new proposal for tuition retention, modeled after programs at the Massachusetts College of Art and Design and the Massachusetts Maritime Academy, would allow public colleges and the University to set tuition and fees and to retain the revenues from each. Each state and community college would establish preliminary tuition and fees and submit a five-year plan to the Board of Higher Education for approval, subject to a two-thirds' vote of the Board. If in a subsequent year, a campus approved tuition and fees that exceeded 105 percent of the amount approved by the BHE, the campus would be required to submit an amended tuition and fee plan, supported by an explanation for the increase. The new plan would be subject to a two-thirds' vote of the BHE for approval. The University will follow a similar procedure but submit its five-year plan to its own Board of Trustees.

Elimination of the "Form 901 Revenue and Expenditure Reporting for State and Community Colleges: This would provide significant savings by maintaining one, rather than two, financial reporting systems that address identical activity.

Providing MassDevelopment Financing Options to the State and Community Colleges: The public colleges would be able to access MassDevelopment for financing directly as an alternative financing source.

Allowing Community Colleges to Use the State College Building Authority: Community colleges would be allowed to make revenue-funded improvement in student activity facilities through the MSCBA.

Strengthening the State College Building Authority Intercept: Presently, the intercept language allows for the MSCBA to intercept a state college's appropriation in the event that project revenues and pledged trust funds are insufficient to cover debt service on bonds issued on behalf of the state college. This would strengthen the intercept language to improve the MSCBA's bond rating, thus reducing borrowing costs and ultimately the cost of student fees necessary to pay for revenue-bonded projects.

Allowing State and Community Colleges to Borrow Funds through HEFA for Information Technology and Limited-Scale Capital Projects: This would allow Massachusetts public colleges an alternative financing source. Approval of financing would require both local board of trustees and Board of Higher Education approval.

Allowing Unexpended State Scholarship Funds to Revert to the MassGrant Account: Currently, unexpended state scholarship funds in a given year revert to the General Fund. This provision would require any scholarship funds, not expended by March 1 of the fiscal year, be reallocated to the MassGrant program, so that low-income students can receive more college aid.

Adding a Mean Test to the DCF Fee Waiver: Currently, the Legislature is not funding waivers for foster and adopted children. For FY09 only, this provision would allow eligibility for the fee waiver contingent on the same criteria that apply to the MassGrant program.

Allowing College Access Organizations to Apply for McNair Program Grants: Presently, the McNair program provides small grants to public and private colleges to help low-income and disadvantaged students receive preparation and other assistance to help them apply successfully to college. Colleges also use McNair

funds to supplement funds they already received through the federal Upward Bound program. This provision will allow respected non-profits to apply for grants, while preserving the existing ability of public and private colleges to apply as well.

Changing the Names of State Colleges to State Universities: This provision is intended to highlight the prestige of state colleges and does not allow for the creation of doctoral programs. It prohibits the altering of bargaining units as a consequence of the name change, and it prohibits state universities from expending any state appropriations for the purpose of giving effect to the name change.

Commissioner Freeland thanked Secretary Reville for the opportunity to work with him on the Relief Bill and added that this is an opportunity to look at the regulatory side to make things better for the public college campuses. He commented that he is mindful that these are significant proposals and that the Board may want to think seriously about them and offer comments. Commissioner Freeland asked if the Board if members would like to offer comments and also suggested that a meeting could be scheduled for members to offer input. He said that he thought that there should be appropriate motions prepared for the Board's June 4 meeting.

Secretary Reville commented that there might not be time for additional input from the Board.

Henry Thomas stated that he thought tuition retention legislation is attractive, but he was concerned that it creates too much of a distance between the campuses and the Legislature; he emphasized that the Legislature still controls pensions.

Secretary Reville answered that there is a range of concerns about tuition retention, and the Legislature is very troubled with unreasonable tuition. There is also concern about the connection between the Legislature and campuses. The Legislature will not be losing control, though Co-Chairs Anthony Galluccio and Davis Torrissi have expressed concern about the high levels of Legislative engagement.

In support of tuition retention, Commissioner Freeland suggested that the five-year plans will provide a stronger means and an opportunity for serious discussion every five years about the future of each campus.

Mr. Fulp expressed the importance of being kept informed and asked if significant data regarding financial implications would be presented to this Board when the tuition retention initiative is brought to the Board for a vote. Commissioner Freeland replied that the intent of the legislation will be that it will have no direct financial implication and will be "cost neutral" for the colleges. Secretary Reville added that tuition retention legislation will come to the Board for its input but will not require a vote by the Board.

Dr. Nancy Hoffman asked if legislation will include incentives for campuses to graduate students, to which Commissioner Freeland replied that there was nothing included in the legislation. Dr. Hoffman also congratulated the Executive Office and Commissioner Freeland for bringing about this legislation.

Chairman Desmond told the Board that the presumption is that these steps will add to the quality of each institution and that the campuses will offer better ways of supporting and graduating their students. The state college system has two models (Massachusetts Maritime Academy and the Massachusetts College of Art and Design) that give the Board some measure of security on revenue enhancing.

Mr. Thomas suggested that there would be financial implications involved with the renaming of a state college to a university. Chairman Freeland stated that there would be no fiscal changes. Further, the Relief Bill does not include authority for the state colleges to offer doctorate degrees.

REPORTS FROM PRESIDENTS

Dr. Charles Wall, President of Massasoit Community College and Chairman of the Executive Committee of Community College Presidents, told the Board that it is satisfying to be in the position of working with the Board, which contributes to the community colleges' mission.

President Wall assured the Board that the community college presidents recognize the current difficulties and are ready to deal with them. Further, the presidents are positive in their mission to serve more students. President Wall told the Board that there is much ongoing work at the campuses concerning the capital bond bill.

The Board was informed by President Wall that contract negotiations will be beginning soon, and faculty will be agreeable to a just and fair solution to the Massachusetts Community College Council contract.

He told the Board that the community colleges appreciate the good news about the tuition retention legislation. He also expressed thanks to Commissioner Richard Freeland and Assistant Commissioner Nate Mackinnon for their recent visits to the community colleges. The campuses are encouraged by and appreciative of the Commissioner's visits.

Dr. Robert Antonucci, President of Fitchburg State College, and Chairman of the Council of Presidents, thanked the Board for their continued support. He said that it is significant to know that our efforts are producing reward and offered the following comments:

1. On behalf of the state college presidents, President Antonucci thanked Commissioner Freeland for his spirit of leadership.
2. President Antonucci congratulated Peter Tsaffaras, Deputy Commissioner for Employee Relations, for his successful work in the negotiation of three union contracts.
3. President Antonucci announced that Mr. Louis Ricciardi, Chair of Bridgewater State College, has been selected by the chairs of the boards of trustees of the state colleges to serve as the state college trustee representative on the Board of Higher Education, effective July 1, 2009, replacing Mr. Peter Alcock.
4. He congratulated Ms. Kate Quigley for her great work in serving the Board for the past year.
5. Admiral Richard Gurnon was recognized for his outstanding leadership during the piracy crisis involving the Maersk Alabama in April. He noted that whenever the Admiral appeared before the press during the crisis, he always announced with great pride the Academy's association with the Massachusetts' state college system.
6. President Antonucci thanked David Torrisi, Co-Chair of the Joint Committee on Higher Education, and Representative Smitty Pignatelli for their support in the restoration of \$1 million to the Dual Enrollment Program. President Antonucci reaffirmed his commitment toward making the Massachusetts state colleges the best in the country.

MOTIONS

Dr. Nancy Harrington, Chair of the Assessment and Accountability Committee, introduced the following motion and called on Dr. Francesca Purcell, Associate Commissioner for Academic and P-16 Policy. Dr. Purcell introduced Dr. Lane Glenn, Vice President of Academic Affairs; Bill Heineman, Dean of Business, Math, Science and Technology; and Mariana Melo, faculty member—all of Northern Essex Community College—who all outlined the need, demand, and desire of both students and local area employers for a career program. There will also be a focus on ESL and recruitment of the large local Latino population into this program. This program will help those students overcome language frustration and will help all students develop hard skills for the laboratory science industry.

Secretary Reville and Drs. Borunda and Hoffman thanked the academic leadership of Northern Essex Community College for the development of this program and for the commitment to their students.

Dr. Harrington recommended approval of this motion, which was seconded and passed unanimously.

AAC 09-11 NORTHERN ESSEX COMMUNITY COLLEGE: ASSOCIATE IN APPLIED SCIENCE IN LABORATORY SCIENCE

MOVED: The Board of Higher Education hereby approves the request of Northern Essex Community College to award the Associate in Applied Science in Laboratory Science.

One year after graduating the program's first class, the College 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: Dr. Francesca B. Purcell, Associate Commissioner for Academic and P-16 Policy

Dr. Harrington brought forth the following motion. She called on Dr. Purcell, who introduced Stephen Hegedus, Director of the Kaput Center at the University of Massachusetts Dartmouth, and Sara Dalton, a potential student in the proposed program.

The purpose of this program is to foster and improve math education through the training of advanced researchers, which aligns with the purposes of the Kaput Center for Research and Innovation in Mathematics Education.

There was concern voiced in the discussion among Board members on the return on the investment of this program. Board members requested a statement from the University which clarifies the applicability of the program to improving math education in Massachusetts at the June 2009 meeting. The University will provide a statement at the June 2009 meeting.

Dr. Harrington recommended approval of this motion, which was seconded and passed unanimously.

AAC 09-12 UNIVERSITY OF MASSACHUSETTS DARTMOUTH: MASTER OF SCIENCE IN MATHEMATICS EDUCATION AND DOCTOR OF PHILOSOPHY IN MATHEMATICS EDUCATION

MOVED: The Board of Higher Education hereby approves the application of the University of Massachusetts Dartmouth to award the Master of Science in Mathematics Education and the Doctor of Philosophy in Mathematics Education.

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

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

Contact: Dr. Francesca Purcell, Associate Commissioner for Academic and P-16 Policy

Dr. Nancy Harrington introduced the following motion. Dr. Purcell introduced Patrick J. Capobianco, Vice President of Finance and Operations; and Bob Lichtenstein, Director of the School Psychology Program at Massachusetts School of Professional Psychology, Inc. Mr. Lichtenstein told the Board that this doctoral program builds on the School's Master of Arts in Professional Psychology and the Certificate of Advanced Graduate Studies in School Psychology and will focus on the educational advancement of students who wish to work as school psychologists at an advanced level of competency, as school psychology supervisors or administrators, or as mental health professionals in schools and related community settings. This program provides students with the opportunity to continue with their work while pursuing a doctoral degree.

Mr. Thomas asked how many students were in the program, and Mr. Fulp asked where students work after graduation. Mr. Lichtenstein replied that there are currently 430 full-time students in the program and that most graduates secure work at schools in the Commonwealth.

Dr. Purcell told the Board that after review and a positive visiting team evaluation, staff recommendation is for approval. Dr. Harrington moved for approval of the motion, which was seconded and approved unanimously.

AAC 09-13 MASSACHUSETTS SCHOOL OF PROFESSIONAL PSYCHOLOGY, INC: DOCTOR OF PSYCHOLOGY IN SCHOOL PSYCHOLOGY

MOVED: The Board of Higher Education hereby approves the Articles of Amendment of The Massachusetts School of Professional Psychology, Inc., to award the Doctor of Psychology in School Psychology.

Authority: Massachusetts General Laws Chapter 69, Section 30 et seq.

Contact: Dr. Francesca B. Purcell, Associate Commissioner for Academic and P-16 Policy

Dr. Nancy Harrington brought forth the following motion. Dr. Purcell introduced the following from Mount Ida College: Dr. Carol Matteson, President; Dr. Lance Carluccio; Vice President for Academic Affairs, Mr. Philip A. Conroy, Jr., Vice President for Enrollment Management and Marketing; Mr. Ronald Akie, Associate Professor of Business; and Dr. Rose Botti-Salitsky, Professor of Interior Design, who were all present to support the approval of this motion, citing the uniqueness of the program and its ability to work well for working students. Graduates will be prepared to hold management positions of increased responsibility within medium and large firms in their fields, as well as to develop and grow small firms. Building upon the College's strong interior design baccalaureate program and a need for advanced management skills in the area of interior design, the proposed program will initially offer a concentration in interior design, such that students may gain expertise necessary for acquiring leadership positions within this field. If approved, this will be the College's first graduate program.

The motion was seconded and approved unanimously.

AAC 09-14 MOUNT IDA COLLEGE: MASTER OF SCIENCE IN MANAGEMENT

MOVED: The Board of Higher Education hereby approves the Articles of Amendment of Mount Ida College to award the Master of Science in Management

Authority: Massachusetts General Laws Chapter 69, Section 30 et seq.

Contact: Dr. Francesca B. Purcell, Associate Commissioner for Academic and P-16 Policy

PRESENTATION

Massachusetts Maritime Academy 2008 Performance Report

Chairman Desmond introduced Admiral Richard Gurnon, President of the Massachusetts Maritime Academy (MMA), who presented the Academy's 2008 performance report and its fifth annual report as a Special Mission College to the Board and to the Legislature. He told the Board that, despite the economic downturn, MMA had a successful year, and its designation as a Special Mission College over the past five years has been filled with achievement.

Chairman Desmond complimented Admiral Gurnon on the diversity of MMA, and Dr. Harrington stated that five years ago it was a fair assumption that the Board would lose control with the implementation of the Special Mission College model. The result, however, is that MMA has grown and become stronger.

Massachusetts College of Art and Design 2008 Performance Report and 2004-2009 Partnership with the Commonwealth

Dr. Katherine Sloan, President; Ms. Cheryl Warrick, Chair, and Ms. Kathleen Keenan, Dean of Admissions, all of the Massachusetts College of Art and Design (MassArt), appeared before the Board to discuss the College's *New Partnership Plan: 2008 Performance Report*, as well as to share highlights of the College's experience over the past five years of its pilot Partnership with the Commonwealth.

President Sloan told the Board that MassArt's experience with their designation as a special-mission college has been successful. The designation grew out of four pieces of legislation, which were subsequently passed by the Legislature in 2005 and a result of working with the BHE to develop an appropriate plan. Over the past four years, enrollment has grown; 71 percent of its students are from Massachusetts, and the out-of-state students (29 percent) support the in-state students.

College leadership, faculty and staff are extremely enthusiastic about their new plan, which has fostered a culture of engagement by all. MassArt's new designation has enhanced the College's ability to produce long-term plans. With tuition retention of 68 percent, MassArt's planning is predictable and consistent.

Other benefits of their Partnership Plan include strengthened academic programs, increased number of full-time undergraduate faculty, increased enrollment, attainment of accreditation by the National Association of Schools of Art and Design, tailored admission standards that have increased student academic profiles, and increased ethnicity and cultural diversity of the student population. Private support of the College has been significant. Freshman retention and six-year graduation rates have also increased.

MassArt has also partnered with the Colleges of the Fenway, a consortium of six colleges (Simmons, Emmanuel, Wheelock, the Massachusetts College of Pharmacy and Health Sciences, and Wentworth Institute), who participate in shared student and faculty development programs, IT services, health services and expanded residence housing—all allowing MassArt financial savings.

President Sloan reported that additional revenue allows for increased financial aid to MassArt students. Each student is guaranteed \$8,500 in grants. She added that the College is committed to need-based financial aid.

Commissioner Freeland remarked that the success of MassArt was a great story. MassArt's plan to continue to the Partnership for another five years will be presented at the June 4 BHE meeting. The Commissioner remarked that he is positively inclined toward tuition retention because, as in the case of MassArt, colleges are given more control of their funds. Community ownership is also a significant benefit. Secretary Reville agreed.

Ms. Cheryl Warrick, Chair of the MassArt board of trustees, thanked the BHE for its support of MassArt's partnership agreement. She described President Sloan as a wonderful leader and visionary and said that MassArt is a college like no other. She said that the plan is a model that has been broadened to make education better for all of the MassArt students. Further, the plan allows the College to maximize its strategies.

Dr. Borunda commented that he admired the comments and leadership of both Dr. Sloan and Ms. Warrick.

Mr. Thomas asked about the geographic diversity of MassArt. Dr. Sloan responded that 71 percent of the students are from Massachusetts, 16 percent are from other New England states, and 13 percent are from other parts of the United States and other countries. She said that it is difficult to attract students from afar. Out-of-state tuition is \$23,000 per year versus in-state tuition of \$7,900 per year.

Dean Keenan reported that Massachusetts' students are mostly from the eastern part of the state. MassArt has articulation agreements with Greenfield, Holyoke, and Massasoit Community Colleges. MassArt has two dormitories and can only house 22 percent of their student population. There is pressure from Boston Mayor Menino for MassArt to house more students, and there are plans to construct a new residence hall, scheduled for completion in 2012, that will house first- and second-year students.

Ms. Jeanne-Marie Boylan applauded MassArt's need-based financial aid plan.

President Sloan described agreements with Bunker Hill and Roxbury Community College that allow admission of students with strong portfolios and weaker academic credentials with the intent of increasing access. She said that these students have performed well, and MassArt is now in discussions with Northeastern University to offer a similar program.

DISCUSSION ITEM

American Recovery and Reinvestment Act of 2009 (Federal Stimulus Program)

Mr. Edward Terceiro, Acting Associate Commissioner for Fiscal and Administrative Policy, delivered a PowerPoint presentation on the American Recovery and Reinvestment Act (ARRA).

Massachusetts will receive approximately \$994 million in education funding. Of this amount, \$813.1 million is reserved for the education block grant and \$180.9 million is earmarked for the flexible grant. This legislation will help make college more affordable for students. Sections of the legislation that impact higher education include:

- Investing in Education for the 21st Century, the most significant section of the legislation
- Transforming our economy with science and technology
- Clean, efficient American energy
- Helping workers hurt by the recession

Block grant funding must first be used to restore state funding for K-12 and higher education at the FY08 or FY09 level, whichever is higher; this level must be maintained at this level through FY11.

Funds are to "be used for education and general expenditures, and in such a way as to mitigate the need to raise tuition for in-state students or for the modernization, renovation, or repair of facilities that are primarily used for instruction, research, or student housing, including modernization, renovation, and repairs that are consistent with a recognized green building rating system."

"These funds may not be used to increase an endowment; maintain systems, equipment, or facilities; or for facilities primarily used for athletic events, exhibitions or religious activities."

Flexible grant funds can be used for modernization, renovation, or repair, consistent with state law, of higher education public and private buildings and facilities. It is unlikely that Massachusetts higher education will benefit much from these funds.

There are two phases involving the availability of state fiscal stabilization funds. State applications for the first \$666 million were made available on April 1, 2009, and state funds will be available within two weeks of receipt of an approved application to the U.S. Department of Education. The second phase of funding will be awarded on a rolling basis beginning July 1, 2009.

The Governor has announced that he plans to release \$162 million, per legislative approval, to Massachusetts public higher education in FY10 and will be distributed as follows:

- \$81.6 million to the University of Massachusetts
- \$36.7 million to the state colleges
- \$40.3 million to the community colleges
- \$2.8 million for other forms of support, including training grants.

These funds would restore a level of funding to our campuses in FY10 that is equal to the GAA FY09 level but does not reflect proposed funding for FY11.

Mr. Terceiro cautioned that campuses must continue to exercise prudent fiscal management in order to avoid the impact of the structural deficit that will occur when these funds expire. He added that campuses must assume the fringe benefit costs associated with funding.

On financial assistance, ARRA funds will increase the maximum Pell Grant to \$5,350 in 2009 and \$5,550 in 2010. Massachusetts residents attending college will receive an additional \$105.6 million in financial assistance. The College Work Study Program in Massachusetts is expected to receive \$9.3 million.

The Hope Scholarship will be replaced with the American Opportunity Tax Credit, increasing the tax credit from \$1,800 to \$2,500 and available to an additional 4,000,000 low-income students. Lower-income families that do not pay taxes will receive a 40 percent credit. There will also be credit available for families earning up to \$160,000 (married couples filing jointly).

There will be \$55.7 million for Massachusetts emerging renewable energy and energy efficiency technologies. There will also be funds for fundamental research in science and engineering, academic research faculty modernization, STEM-related scholarships, climate study, construction of research facilities and laboratories, public and international health priorities, biomedical research, aviation safety, and other science-related initiatives.

Funds will be available to help workers hurt by the recession and for grants, including:

- Community College Career Training Grant
- Higher Education Teacher Quality Enhancement Grant
- Broadband Technology Opportunities Program
- National Endowment for the Arts

Chairman Desmond and Commissioner Freeland thanked Mr. Terceiro for the important information for the campuses and the Department of Higher Education.

OTHER BUSINESS

There was no additional business.

ADJOURNMENT

There being no further business, the meeting adjourned at 1:05 p.m.