

MASSACHUSETTS BOARD OF HIGHER EDUCATION
October 6, 2009

A meeting of the Board of Higher Education (BHE) was held at Mount Wachusett Community College at 444 Green Street, Gardner, Massachusetts. The following members were present:

Dr. Charles Desmond, Chairman
Dr. Mary-Elizabeth Beach
Dr. Mario Borunda
James Coyle

Dr. Nancy Harrington
Dr. Nancy Hoffman
Michael Mizzoni
Paul Reville
Henry Thomas, III

Absent: Jeanne-Marie Boylan and C. Bernard Fulp

CALL TO ORDER

Dr. Charles Desmond, Chairman, called the meeting to order at 10:06 a.m.

ACCEPTANCE OF MINUTES

Chairman Desmond recommended a motion for the Board to accept the minutes of the June 4, 2009, Board meeting. The motion was seconded and unanimously approved.

WELCOME REMARKS

Dr. Daniel Asquino, President of Mount Wachusett Community College (MWCC), welcomed the BHE to the College on behalf of its students, trustees, faculty, and staff. He acknowledged Mr. Mark Hawke, Mayor of the City of Gardner, who was seated in the audience.

President Asquino continued that Mount Wachusett Community College serves the north central area of Massachusetts, including the cities of Fitchburg, Leominster, Gardner, and 20 surrounding towns. Though the population base is small (college population base is about 55,000), the College enrolls about 12,000 credit and non-credit students at its campuses in Gardner, Devens, and Leominster. The College's annual positive impact on local municipalities currently adds an estimated \$120 million to the local economy.

Other highlights of the College mentioned by President Asquino included:

- The campus' excellence in education is strongly linked to civic engagement. Faculty members must include the discipline of civic learning in all of their courses.
- Every course offered at MWCC is offered online.
- The College is dedicated to sustainability with its promotion of wood biomass energy and future installation of wind turbines. MWCC is home to the first LEED-certified building in the state.
- Strong alliances exist between local MWCC and 13 K-12 area schools, including involvement in Tech Prep, GEAR UP, Gateway and Middle College programs.
- The MWCC partnership with the United Way Youth Venture International, an association of which the President is very proud, is the largest in the world.

President Asquino closed by thanking the Board for its outstanding work, which is appreciated by all at Mount Wachusett Community College.

CHAIRMAN'S REMARKS

Chairman Desmond thanked President Asquino for hosting today's Board meeting.

Mr. Michael Mizzoni, a political science major at the University of Massachusetts Lowell, was introduced and welcomed as the Board's 2009-2010 student member. Michael is a Littleton High School graduate and has served as the Chairman of the Academic Affairs Committee of the Student Government Association.

Mr. Louis Ricciardi, elected among his peers of state college trustee chairs as the State College Representative to the BHE, was introduced and welcomed. Mr. Ricciardi, a graduate of Bridgewater State College, has served as the chair of the College's board of trustees and of its foundation.

Chairman Desmond reported on the following:

- The Commissioner's Advisory Group on Undergraduate Education (CAGUE), chaired by Dr. Nancy Hoffman, has been meeting regularly and will report soon on its work. He thanked its members for their work.
- Secretary Paul Reville, Chairman Charles Desmond, and Commissioner Richard Freeland participated in a Joint Convening on Mathematics Preparation of Elementary and Special Education on September 30 at which approximately 150 attendees examined measures to strengthen math teaching skills and future collaboration between the Departments of Elementary and Secondary Education and Higher Education to serve students in the 21st century.
- The Massachusetts Community College Council agreement, which includes \$54 million more for faculty salaries than the prior Agreement, has been given to Governor Deval Patrick for his signature. It is the Chairman's hope that this Agreement will be signed soon by the Governor.
- It was announced that Jan Motta, who has served as the Executive Officer of the Massachusetts Community Colleges for 14 years, has retired. Ms. Motta, not present at the meeting, was commended her for her commitment, single-minded determination and great work on behalf of the community colleges and its students by Chairman Desmond. Ms. Motta, though retired, will continue to work on special projects for the community colleges. Chairman Desmond extended his best wishes and hoped that she would be attending future Board meetings.
- Chairman Desmond announced that the originally scheduled presentation by the Massachusetts Educational Financing Authority, regarding the state's College and Career Web Portal currently in development, will be postponed to a later meeting.

COMMISSIONER'S REMARKS

Commissioner Richard Freeland welcomed new Board members Michael Mizzoni and Louis Ricciardi and thanked President Asquino and members of the MWCC campus community for hosting today's meeting. He also complimented Mr. Edward Terceiro for his great work, serving dually as Acting Associate Commissioner for Fiscal and Administrative Policy for the Department of Higher Education (DHE) and as Chief Resident Engineer of Mount Wachusett Community College. The Commissioner provided the Board with updates:

- Because state revenues continue to come in below projections, we expect that there will be further cuts to the campus and central higher education accounts. We also expect that the University and state and community college budget reductions will be backfilled with federal stimulus funds. Projections for next year are not encouraging, and it is anticipated that reductions will be approximately 7.2 percent. With the disappearance of federal stimulus funds, the net cut from FY09 to FY11 is projected at 22 percent. The Commissioner praised the public campus presidents on their wise use of federal stimulus funding by using only 10 percent of funds to cover payroll expenses.
- One half of the public colleges have incorporated language recommending FAFSA completion on their admissions applications as newly required by the Board of Higher Education, while others are in the process of printing the new forms. The DHE will continue to track and report on the progress of the incorporation of this language.
- On the Higher Education Relief Bill (HERB), much work had been done by the Commissioner, Jan Motta, and Fred Clark to develop a comprehensive piece of legislation. In the end, however, there was a lack of consensus over the final bill with concerns voiced over some specifics of the tuition retention language, in particular. Therefore, at this point in time, the filing of the bill has been suspended indefinitely.

Vision Project

Over the past few months, Commissioner Freeland explained that he has been thinking about the best way to move public higher education forward with limited resources. He gave a PowerPoint presentation, "A Vision for Higher Education in Massachusetts," to outline a proposal that he has discussed with Board members individually and campus presidents. He asked the Board to give him a sense of whether he should move forward with this proposal. The purposes of this proposed vision are:

- To focus the work of the DHE
- To unify the work of our public campuses
- To actualize the BHE's responsibility to set direction for public higher education
- To draw attention to our most important contributions to the Commonwealth
- To inspire excellence in our education work

Commissioner Freeland further defined:

- **The Vision**: Producing the best-educated citizenry and workforce in the nation. This is the ultimate reason that access and affordability are important. This is what Massachusetts needs higher education to do and what makes the state competitive.
- **Implications of the Vision**: A limited set of educational outcomes reflective of the vision must be defined. The outcomes must be measurable. Working with the campuses, the achievement of outcomes must become the top priority. Metrics must be identified to track progress of outcomes and then incorporated into the Performance Measurement Report. Our achievements must be compared annually with those of other states. Progress must be highlighted in the Performance Measurement Report.
- **Preliminary List of Vision-Lined Outcomes**: Massachusetts will become a national leader in:
 - College-going rates of high school graduates
 - Graduation (or student success) rates among public campuses
 - Production of graduates in key areas of workforce need (STEM and healthcare)
 - Percentage of adult (or working-age) population with college degrees or certificates
 - Absence of disparate outcomes among different ethnic/racial, economic and gender groups
- **The Challenge of Funding**: We must make the case for state support based on the importance of outcomes, aggressively seek additional sources of funding, and not let financial challenges defeat our aspirations. The budget strategy must be linked to outcomes.
- **Next Steps in the Vision Project**:
 - Extend the process of consultation with campus leaders
 - Refine the list of vision-linked outcomes and related metrics
 - Seek formal BHE endorsement of project
 - Initiate review of DHE's Performance Measurement System

NB: The full PowerPoint presentation can be accessed at this link:

<http://www.mass.edu/aboutus/documents/RMF%20Vision%20for%20Higher%20Education.ppt>

A discussion among the Board members ensued. Mr. Ricciardi asked if the Governor or the Legislature had articulated their expectations/vision. Commissioner Freeland responded that he has had conversations with the Co-Chairs of Higher Education about this initiative, and it is the assumption that this vision is what is desired by the Governor.

Secretary Paul Reville stated that this vision is exactly what the Board was anticipating when the Commissioner was hired. He said that the Governor and he need to know how to move forward and to reach out to other agencies for assistance. He likened this opportunity to the one facing the K-12 system in the 1990s that resulted in what is known as "the grand bargain," in which state government and the K-12 system agreed to increases in funding in exchange for increased accountability. He expressed confidence that this plan will move public higher education forward. He said that it is possible that not every president will like every measurement indicator, but the indicators will be necessary to improve and enhance public higher education's credibility. He affirmed the Governor's support of the vision.

Messrs. Ricciardi, Coyle, and Thomas voiced support for the vision, with Mr. Coyle stating that the Board's charge was to back the Commissioner on his great ideas for public higher education in the Commonwealth. Mr. Thomas said that he agrees with the vision, but he suggested that the metrics used be expanded to those of international measures. Further, he said that if best practices are utilized, the Board could make an enormous contribution. He also voiced particular support for the idea to eliminate disparities in outcomes among different groups, suggesting that focus on this effort would in fact support improvements in all of the other outcomes.

Dr. Nancy Hoffman said that she supported the general concept of the vision. She stated that she liked the focus on indicators, but the great challenge would be the measurement of outcomes. She was not sure that our metrics should be measured against other states; rather the measurement should be about what the Board wants to achieve and by when.

Dr. Mary-Elizabeth Beach told the Board that she liked the idea of accountability and that it should be linked to everyone responsible for attainment of the goals. Further, she suggested that the bar should be lifted higher on accountability.

Mr. Ricciardi agreed that assessment is vital. Because the public is looking at the value of higher education, he suggested that long-range (10-20 years) planning take place. From that point, a cost assessment can then be developed. He also voiced concern about the number of students who are turned away from the state's public colleges and University because of capacity issues. He asked the Board to consider the option of accepting all qualified students who do apply and the cost to the state to do so.

Commissioner Freeland responded that we are accepting an increasing number of students with decreasing resources. He suggested connecting resources to accountability and using this as a budget strategy over time. He told the Board that it needs to create a sense of urgency to attract funding.

Dr. Harrington complimented Commissioner Freeland on the fine quality of his report. She offered three of her goals:

1. To make refinancing a top priority toward attaining real accountability.
2. To increase public awareness of the importance of the BHE and the support for public higher education.
3. To achieve unification of public higher education while protecting the uniqueness of each institution.

Commissioner Freeland offered that all three goals could be accomplished.

Dr. Beach said that she would support refinancing necessary to develop a plan to accomplish these goals.

Mr. Mizzoni addressed the Board, stating that the focus should be on access and affordability, regardless of the goals. He continued that access and affordability must be overarching goals, because access and affordability set the public system apart from the private institutions.

Commissioner Freeland agreed that access and affordability must be enhanced and that the Board's goals cannot be accomplished without focusing on access and accountability. He stated that, though students think public higher education is affordable and the public thinks it is accessible, the case must be made to all that we offer *quality* education.

Chairman Desmond thanked the Commissioner for his presentation and stated that the consensus of the Board is for the Commissioner to move forward with his vision.

Commissioner Freeland told the Board that his next steps will be to reach out aggressively to public college presidents and legislators for further discussion of his plan.

REMARKS FROM THE SECRETARY OF EDUCATION

Education Secretary Paul Reville stated that now is the right time for the Board to play an important leadership role. He told President Asquino that as a resident of central Massachusetts he was pleased to be visiting Mount Wachusett Community College, and he welcomed new Board members Louis Ricciardi and Michael Mizzoni.

Secretary Reville thanked everyone for the work on six regional Readiness Centers, where work to improve teacher quality—from early childhood through higher education—will take place. Though there has been no state funding for the development of these Centers, streams of funding from other sources have proved fruitful, and it is hoped that more funding will be forthcoming. The Governor will be hosting a ceremony celebrating the opening of these facilities.

Secretary Reville also reported:

- A task force has been established on college readiness for early childhood education.
- K-12 legislation has been filed to improve underperforming schools by providing support for students that need assistance and promoting innovative in-district schools for students and their families.
- He voiced disappointment that the Higher Education Relief Bill could not be brought forward at this time. He is hopeful that HERB can be introduced at a more opportune time.
- Because of reduced state revenue cuts, the Secretary warned that there will be additional 9C cuts. An estimate of the amount will be released around October 15. He commended the campus boards and presidents on their wise use of funds during this fiscal crisis.

REPORTS FROM PRESIDENTS

Dr. John Sbrega, Chairman of the Executive Committee of Community College Presidents, extended greetings to new Board members Louis Ricciardi and Michael Mizzoni. He also:

- Thanked President Charles Wall of Massasoit Community College for his service as Chairman of the Executive Committee of Community College President during the previous academic year.
- Thanked Jan Motta for her work as Executive Officer of the Community College Presidents and welcomed William (Bill) Hart as the new Executive Officer of the Community College Presidents.
- Reported that enrollment at the state's community colleges continues to soar, but funding is not keeping up with enrollment.
- Stated that the necessary resources are becoming fewer.
- Informed the Board regarding the September 16, 2009, event, held at the State House, in celebration of former Governor Foster Furcolo, the "Father of Community Colleges in Massachusetts."
- Informed the Board that the Massachusetts Community College Council contract was signed on September 11, 2009.
- Expressed the desire of the community colleges to offer support to the six regional Readiness Centers.

Mr. Frederick Clark, Executive Officer of the State College Presidents, standing in for Admiral Richard Gurnon, Chairman of the Executive Committee of State College Presidents, welcomed Messrs. Louis Ricciardi and Michael Messner to the Board of Higher Education. He told the Board that Mr. Ricciardi has not forgotten the opportunity of his receiving an outstanding education at Bridgewater State College, and he offered congratulations to Mr. Ricciardi on his first BHE meeting. Highlights of Mr. Clark's remarks included:

- His comments on the loss of Senator Edward M. Kennedy, a friend of higher education. .
- Congratulations to Jan Motta upon her retirement and a welcome to Bill Hart.
- Remarks that the federal stimulus funds have provided valuable support to the campuses. The question remains: How deep is the funding cliff, once federal stimulus funding ends? He suggested that support could drop by as much as 33 percent.
- Comments that the state colleges are looking forward to providing support to the Readiness Centers, to receiving the final CAGUE report, and to proactively promoting efficiency on their campuses.
- His statement that the most affordable way to receive a degree in all of New England is to graduate from a Massachusetts' community or state college. Further, he stated that now is the time for advocacy for public

higher education: to tell the story that all in public higher education are working to enhance our academic programs and to reduce the cost of education for our public higher education students.

- Comments that 90 percent of the recommendations of HERB were supported by the Presidents and that these items should be included as outside sections in the budget.

MOTION

Chairman Charles Desmond brought forth the following motion, which was seconded and approved unanimously:

FAAP 10-01 AMENDED GUIDELINES FOR THE GEAR UP SCHOLARSHIP PROGRAM AS REQUIRED BY FEDERAL REGULATIONS

MOVED: The Board of Higher Education hereby adopts the attached amended guidelines for the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) Scholarship.

Authority: Title 34 Code of Federal Regulations, Part 694

Contact: Dr. Clantha McCurdy, Senior Deputy Commissioner, Access and Student Financial Assistance

GEAR UP SCHOLARSHIP PROGRAM GUIDELINES

The Higher Education Amendments of 1998 launched GEAR UP, a national effort to encourage more young people to have high expectations, stay in school, study hard, and go to college. Through the Board of Higher Education, the Commonwealth of Massachusetts received a GEAR UP State Grant to provide early college awareness activities, improved academic support, information on paying for college, and scholarship. These guidelines establish the terms and criteria for awarding scholarships to GEAR UP participants as required by the United States Department of Education.

DEFINITIONS:

ELIGIBLE INSTITUTION:

An eligible institution is defined as a state-approved public, private, independent, for-profit or nonprofit institution in the Commonwealth of Massachusetts authorized to offer undergraduate degrees, certificates or diploma programs and that is also approved by the U.S. Department of Education to administer Title IV programs. Massachusetts state-approved public, private, independent and non-profit institutions located in states (New Hampshire, Maine, Connecticut, Vermont, Rhode Island, Pennsylvania and the District of Columbia) that have reciprocity agreements with and approved by the Commonwealth and award associate and bachelor's degrees are also eligible to participate.

ELIGIBLE PROGRAM:

An eligible degree or certificate program offered by an eligible institution.

ELIGIBLE STUDENT:

An undergraduate student who has been admitted to an eligible institution and meets the following requirements:

- a) is fewer than 22 years of age at time of first scholarship award;
- b) participated in the Early Intervention component of GEAR UP Massachusetts;
- c) has received a secondary school diploma or its recognized equivalent from a Massachusetts public high school participating in GEAR UP Massachusetts, beginning in 2005;
- d) is a permanent legal resident of Massachusetts for at least one year prior to the start of the academic year;
- e) is a United States citizen or a non-citizen eligible under Federal Title IV;
- f) is enrolled full or part time in an eligible program at an eligible institution;
- g) annually files the Free Application for Federal Student Aid (FAFSA);
- h) maintains Satisfactory Academic Progress in accordance with institutional standards;

- i) is in compliance with applicable laws regarding Selective Service Registration; and
- j) is not in default of any federal or state student education loan for attendance at any institution nor owes a refund for any previous financial aid received.

AWARD VALUE:

- a) The award under this program shall be equal to the minimum required under federal guidelines for eligible students who enroll full time, three-quarter time, half time or less, during an academic year.
- b) GEAR UP scholarships shall not be considered for the purpose of awarding other Federal grant assistance, except in no case shall the total amount of the student financial assistance awarded to a student exceed such student's total cost of attendance.
- c) GEAR UP scholarships may be awarded to eligible students for a maximum of four years or eight semesters, based on available funds.

AWARD PROCEDURE:

Beginning with the Class of 2005, the Department of Higher Education will annually identify participating GEAR UP Massachusetts students.

- a) Institutions are required to certify the attendance of GEAR UP Massachusetts students in each fall and spring and provide information regarding the amount of financial aid awarded to these students from all sources.
- b) GEAR UP scholarship funds are disbursed to the institution in two payments for the fall and spring semesters for students for whom eligibility has been certified by the institution.
- c) Payment of GEAR UP funds is sent directly to the institution from the Commonwealth's Comptroller's Office. One hundred percent of the GEAR UP Scholarship shall be used to credit the student's account.
- d) All refunds shall be sent to the Office of Student Financial Assistance and checks made payable to the Commonwealth of Massachusetts GEAR UP Scholarship Fund.

PARTICIPATION AGREEMENT:

All institutions participating in the GEAR UP Scholarship Program must file a State Financial Aid Program Participation Agreement to be maintained on file in the Department of Higher Education's Office of Student Financial Assistance.

AUDIT REQUIREMENTS:

- a) It shall be the responsibility of each college and university to maintain adequate documentation of a recipient student's eligibility for the GEAR UP Scholarship Program.
- b) The Commissioner shall require each campus to furnish annually to the Board of Higher Education a report detailing specific information regarding recipients of the GEAR UP Scholarship Program. The Office of Student Financial Assistance will coordinate specification and procedures for this report to Financial Assistance.
- c) All financial books, records and documents pertaining to this program shall at all times be open to discussion, review and audit by the Commissioner, the State Auditor or their authorized representatives who shall have access to the premises wherever such books, records and documents are located. The institution shall retain such financial books, records and documents for seven years. An institution may retain such records for a period of five years if approval is received from the Records Conservation Board in accordance with General Laws, Chapter 30, Section 42.

Referring to the above motion, Dr. Beach inquired as to which communities are involved with GEAR UP. Dr. Clantha McCurdy, Senior Deputy Commissioner, Access and Student Financial Assistance, responded that the communities were included in the first six-year grant. We are now in the fifth year of the second six-year grant, and the communities include Boston, Holyoke, Lawrence, Lowell, New Bedford, Springfield and Worcester.

PRESENTATIONS

Early Enrollment and Freshman Class Profile*

Dr. Jonathan Keller, Associate Commissioner for Research, Planning, and Information Systems, gave two PowerPoint presentations, "Highlights: First-Time Student Enrollment 2002-2008" and "Early Enrollment Report: Fall 2009," which included detailed data of the public higher education system. He prefaced the presentations with the explanation that "first-time students" refers to any students with no prior college experience:

- Fall 2008 first-time degree-seeking undergraduate enrollment:
 - 34,970 freshmen enrolled: 25% at the University of Massachusetts, 19% at state colleges, and 56% at community colleges.
 - Approximately 19% of the freshman students were enrolled part time, 53% were female, about 26% were from a minority group, and more than 92% were Massachusetts residents.
 - Average age for all freshman students was 19.9 years but 24.8 years for part-time students.
 - Total fall first-time freshman student headcount was approximately 18% greater than that for fall 2002.
- Fall 2008 first-time degree-seeking undergraduate enrollment by segment:
 - 56% enrollment at community colleges indicates the importance of President Obama's emphasis on community college's as an engine for economic improvement
 - The majority of "new students" were "first-time students" (as opposed to transfer or other types of students).
- Fall 2008 new student compared to continuing students:
 - "New students" make up about 25% of all students at the state colleges and the University of Massachusetts. "New students" are a larger percentage at the community colleges, due to smaller numbers of continuing students.

Further data revelations were presented about these students:

- The vast majority of part-time students were enrolled at the community colleges. Female enrollment is higher than male enrollment for first-time new freshmen, but the gap is greater for all students.
- There was high enrollment for Massachusetts residents at all three segments and a slight increase from fall 2005 at the state and community colleges. At the University, out-of-state student enrollment increased from 9.9% to 14.9%.
- In the whole system, the average age of part-time students was five years older than that of full-time students.
- Minority enrollment has increased in all segments. The community colleges continue to enroll the greatest number and percentage of minority students.
- In all segments, the share of Hispanic and black enrollment has risen, while the share of white enrollment has dropped.
- Percent of students living on campus has increased by 10% at the state colleges and moderately at the University campuses. This may be a positive trend because students living on campus are more likely to persist and complete their degrees. The percentage of students who are considered "traditional freshmen" (students that satisfy all entrance requires and are recent high school graduates) has increased in both the state college and University segments.
- There has been an increase in students' composite SAT scores at state colleges and particularly at the University level.
- There has been an increase in students' GPA at state colleges and the University, indicating that students are better prepared to attend college.
- There is high program enrollment in liberal arts and sciences/general studies among students at all segments.
- Enrollment in STEM degree programs has remained relatively flat. There has been limited growth at the University level and slight decreases at state and community colleges.

Highlights: 2009 Early Enrollment Estimates*

Dr. Keller mentioned that these are early estimates that are subject to change as the enrollment data are finalized.

- Segment summary of undergraduate enrollment data indicate that the fall 2009 percentage estimates have increased since fall 2008 as follows:
 - Community colleges: 10.8%
 - State colleges: 2.5%
 - University of Massachusetts: 3.7%
 - System: 7%
- Segment summary of undergraduate enrollment fall 2004 to fall 2009 average year-to-year changes:
 - Community colleges: 3%
 - State colleges: 2%
 - University of Massachusetts: 4%
 - System: 3%
- Fall 2008 to fall 2009: University or state colleges campuses with undergraduate student headcount increases of 5% or higher:
 - University of Massachusetts Boston: 5.4%
 - University of Massachusetts Lowell: 8.7%
 - Bridgewater State College: 5.3%
 - Massachusetts College of Liberal Arts: 5.8%
 - Massachusetts Maritime Academy: 5.2%
- Fall 2008 to fall 2009: community college campuses with undergraduate student headcounts increases of 12%:
 - Berkshire Community College: 13.2%
 - Bunker Hill Community College: 14.4%
 - Holyoke Community College: 16.6%
 - Middlesex Community College: 12%
 - Quinsigamond Community College: 15.5%
 - Roxbury Community College: 14.6%
- First-time degree seeking headcount: percentage change from fall 2008 to fall 2009 estimate:
 - Community colleges: 11.8%
 - State colleges: -0.1%
 - University of Massachusetts: -1.4%
 - System: 6.2%
- New undergraduate transfer headcount: percentage change from fall 2008 to fall 2009 estimate:
 - Community colleges: 32.1%
 - State colleges: 5.7%
 - University of Massachusetts: 2.8%
 - System: 15.4%
- Long-term trend of fall undergraduate headcount shows an increase of 20.7% in headcount from fall 1999 to 2009. Below is a breakdown by segment:
 - Community colleges: 31.1%
 - State colleges: 11%
 - University of Massachusetts: 11.1%
 - System: 20.7%

A discussion among Board members followed the above presentations. Mr. Thomas noted that that WICHE data seem to suggest that there was a declining African-American population in the Massachusetts education pipeline. Dr. Keller replied that this might not be the case—that the WICHE data showed a decline in proportion but not necessarily a decline in numbers and also suggested that some of the decline could be attributed to differential high school dropout rates.

Dr. Beach asked if WICHE data refer to public and private enrollment to which Dr. Keller replied in the affirmative.

Secretary Reville asked if the information provided explanations as to why the state colleges seem to have significantly lower minority enrollments. Dr. Keller mentioned that there may be some geographic factors involved, but there could be a variety of other factors. The Secretary asked if there has been a substantial increase in the numbers of applications to public higher education and subsequently, a larger number of individuals being turned away. Dr. Keller said that applications have increased. This has not been a dramatic trend, but the students who are attending our public colleges and University have better academic backgrounds.

Mr. Ricciardi offered that the yield does not equal the demand. He stated that it is necessary to determine how many students are being turned away from public higher education.

Dr. Hoffman asked if Pell data were available to which Commissioner Freeland replied that DHE staff were involved with gathering more information.

*The entire PowerPoint presentations can be accessed at <http://www.mass.edu/library/documents/FirstTimeStudent.ppt> and <http://www.mass.edu/library/documents/2009EarlyEnrollmentReport.ppt>.

Financial Aid Programs: Distribution and Allocation of FY10 Funds**

Dr. Clantha McCurdy, Senior Deputy Commissioner, Access and Student Financial Assistance, provided a PowerPoint status report on financial aid.

Background: State resources for financial aid programs are appropriated under three line item accounts:

1. General Scholarship Account, funded at \$87,875,228.
2. Foster Child Grant, funded at \$1,150,000.
3. Foster and Adopted Fee Waiver, funded at \$1 million.

The FY10 budget reflects a 10 percent reduction compared to last year, but this reduction is considerably less than the reductions for other public higher education accounts and represents the Governor's recognition of the importance of financial aid and the efforts to minimize the impact of budget cuts on students.

Also, earmarks have been removed from the appropriation language. The DHE has been given the authority to establish each program's funding levels, with the underlying mandate that the DHE would continue to fund programs included in the prior year's budget but not necessarily at the same levels.

Overarching principles guiding the program allocations included prioritization of MASSGrant, the state's primary need-based financial aid program. There was also consideration of average annual demand and expenditure of each program over the past three years and continued commitment to the Commonwealth's workforce development needs. The allocations recognize national and local trends that can help predict levels of need and demand for certain programs.

Funding scenarios were reviewed and discussed with the Executive Office of Education, the Department of Early Education and Care, the Association of Independent Colleges and Universities of Massachusetts (AICUM), the Statewide Financial Aid Advisory Committee, and various constituency groups before final decisions around program allocations were made.

All programs funded in 2009 continue to be funded, including MASSGrant, whose funding has in fact increased by 18 percent. There have been, however, 20 percent average reductions for other need-based and workforce development programs. Also, under-utilized programs have received a higher reduction of funding.

MASSGrant highlights were provided:

- There has been a 12.5 percent increase in on-time applicants.
- There has been a 60 percent increase in the number of applicants with an EFC of 0, translating to approximately 20,000 students.
- There has been a 30 percent increase in the number of students who are expected to receive MASSGrants.

- Awards for MASSGrants required reduction to meet demand.

**The entire PowerPoint presentation can be accessed at
<http://www.mass.edu/library/documents/BHEStateFinancialAidPresentation.ppt>

OTHER BUSINESS

There were no comments.

OPEN FORUM

There were no comments.

ADJOURNMENT

There being no further business, the meeting adjourned at 12:47 p.m.