

BOARD OF HIGHER EDUCATION

May 7, 2019

10:00 a.m.

Massachusetts Maritime Academy
Bay State Conference Center
101 Academy Drive
Buzzards Bay, MA

Meeting Minutes

A meeting of the Board of Higher Education (BHE) was held on Tuesday, May 7, 2019 in the Bay State Conference Center at Massachusetts Maritime Academy (MMA) in Buzzards Bay, Massachusetts.

The following Board Members were present:

Chris Gabrieli, Chair

Sheila Harrity, Vice-Chair

Nancy Hoffman

Tom Hopcroft

J.D. LaRock

Paul Mattera

Jim Peyser, Secretary of Education, Ex-Officio

Michael O'Brien

Fernando Reimers (on phone)

Stephanie Teixeira, non-voting student advisor, Community College segment

Carlos E. Santiago, Commissioner and Secretary to the Board

The follow Board members were absent:

Alex Cortez

Kush Patel, Student Member, UMass segment

Paul Toner

I. CALL TO ORDER

Chair Gabrieli called the meeting of the Board of Higher Education (BHE) to order at 10:08 a.m. and observed that the Board was not yet in a quorum. As the chair was convening the meeting and reviewing options on how to proceed, Board member Michael O'Brien arrived at 10:10 a.m., and Board Member Paul Mattera arrived at 10:13 a.m. Chair Gabrieli announced that they were now in a quorum.

II. PUBLIC PARTICIPATION

Chair Gabrieli reported that there were no requests for public participation.

III. WELCOME

List of documents used:

- *Massachusetts Maritime Academy promotional video*

Chair Gabrieli introduced MMA President Admiral Fran McDonald. President McDonald welcomed everyone to MMA, and introduced a brief video presentation that highlights MMA. After the video, President McDonald remarked that MMA awards only Bachelor of Science degrees with a focus on employability, experiential education, civic engagement and volunteerism. The Regiment of Cadets and Leadership Laboratory make MMA a leadership center in the Commonwealth. Seniors will be graduating shortly and the junior class is stepping up to take over the Regiment. He introduced junior Nathan Moreira the incoming Regimental Commander and invited Cadet Moreira to offer remarks. Cadet Moreira introduced himself, reviewing his background and experiences. Cadet Moreira spoke about what sets MMA apart, highlighting the Regiment Cadets and the leadership program within the Regiment which promotes discipline and leadership skills. Cadet Moreira described the process of becoming a Regiment Commander and stated that a goal of his is to bring in more cadets of color to the school to increase diversity.

After Cadet Moreira's remarks, the BHE engaged in a brief question and answer session. Chair Gabrieli asked how he learned of MMA. Cadet Moreira responded that he is originally from Rhode Island and was initially recruited to play football. He spoke of the impact of scholarship funds and how much it helped him, and expressed his support for increasing scholarship support for students of color. He stated that MMA essentially served as a "father figure" for him because he grew up without one. Board member Mattera asked Cadet Moreira why he wanted to be the Regiment Commander. He responded because he wants to give back to his school and to the students. Board member Hoffman asked about his plans for graduation. He responded that he is an international business major and wants to work in the private sector. Chair Gabrieli thanked Cadet Moreira for his remarks and for his candor and thanked President McDonald.

IV. ACCEPTANCE OF MINUTES

Chair Gabrieli brought forth a motion to accept the minutes from the March 12, 2019 meeting. The motion was seconded and the minutes were approved by all Board members present.

V. REMARKS AND REPORTS

A. CHAIRMAN'S REMARKS

List of documents used:

THESIS Final Report & Recommendations PowerPoint

Chair Gabrieli began his remarks with an update on the progress of the work of the Transitions in Higher Education: Safeguarding the Interests of Students (THESIS) Working Group. He stated that he recognizes this is time sensitive work and he wanted to give an update on where things stand, using with some slides from a presentation he recently gave with Commissioner Santiago at the Boston Foundation

He began by stating that enrollments are declining both nationally and in Massachusetts across all sectors and are disproportionately affecting small schools. 24% of private nonprofit institutions

experienced an enrollment decline by 10% from 2011-2016, and a third have had declines in revenue growth. One in seven institutions had a 1.5 or lower financial responsibility score from the U.S. Department of Education. He continued by showing a scatterplot that represents changes in the *Forbes* financial scores of Massachusetts private institutions from 2014-2017: slightly more than half of institutions experienced a decline in their score and 30% of schools are at a C or below. He remarked that while most schools are financially healthy, we have concerns about the low scorers and this is why annual screening tools will be important.

He continued by discussing the "North Star" principal referenced in the THESIS report, which is an assessment of whether an institution can finish the current year and the next academic next (18 months) as of December 1. This is different than the New England Commission of Higher Education's (NECHE) standard, which looks at the financial capacity of an institution to graduate its entering class. The "North Star" standard only applies to a year in a half. He added that this is not to say that we do not agree with the NECHE standard, but that the 18 month standard is a more conservative standard.

The BHE engaged in a discussion after the Chair's remarks. Board member O'Brien asked if NECHE would agree to bring an analysis of their assessment to the BHE's attention. Chair Gabrieli responded that we have aligned goals but traditionally, NECHE has a tight sense of confidentiality. Commissioner Santiago responded that NECHE is a membership organization and they are under no obligation to share their assessments of institutions with us. Board member Mattera asked the Board to consider what their responsibility is as the BHE: is it to be a regulator at various touchpoints or is it to minimize the disruptions to students by creating a reasonable window of opportunity for them? He remarked that he feels very comfortable with the 18 month standard, which seeks to accomplish the objective of timely notification. Chair Gabrieli stated that he agreed with those comments, adding that the proposed standards are tied to identifying when the students are at risk, minimizing risk and protecting students.

B. COMMISSIONER'S REMARKS

List of documents used:

THESIS: Current Authority and Proposed Changes PowerPoint
BHE Equity Lens Update presentation

Commissioner Santiago began his remarks by welcoming those in attendance and thanking President McDonald and MMA for hosting today's meeting. He then acknowledged the Presidents in attendance: John Cox of Cape Cod Community College, Valerie Roberson of Roxbury Community College, Fran McDonald of MMA, Ramon Torrecilha of Westfield State University, and Barry Maloney of Worcester State University. He additionally acknowledged Vincent Pedone from the State University Executive Office and recognized Tom Sannicandro, who is the new Executive Director of the Massachusetts Association of Community Colleges.

He reported that DHE staff will be on four panels at the August State Higher Education Executive Officers Association (SHEEO) Conference. There are two upcoming SHEEO meetings: the annual meeting in Little Rock, Arkansas in July; and the policy meeting that will held in Boston. He stated that he has been invited to serve on the Council for Higher Education Accreditation's Board of Directors, which marks the first time a state higher education executive officer has been asked to join the esteemed group.

The Commissioner stated that he wanted to focus his remarks on the pending THESIS work. He acknowledged that during the January board meeting the BHE charged him with the tasks of preparing recommendations and developing regulations implementing the THESIS recommendations. He reported that staff were working on those tasks. Meanwhile, he thought at a review of the BHE's current authority in this area and how proposed changes would align with that would be helpful to set the context. He noted that the BHE's current regulatory authority puts us in a reactive position; we often find out that an institution is struggling through media reports. He added that while it is not our responsibility to ensure that an institution stays open, it is our responsibility to oversee other matters related to consumer protection, such as a teach out plan. The Commissioner continued, noting current challenges and proposed opportunities for enhancements, stating that the ultimate goal was to move from a reactive position to a proactive one, which included annual screenings. He stated that Department staff, including our General Counsel Dena Papanikolaou and our Chief Financial Officer Tom Simard, have been meeting with stakeholders to discuss proposed regulatory work in this area. He then asked General Counsel Papanikolaou to provide an update on Department staff's work in this regard.

General Counsel Papanikolaou stated that in furtherance of the THESIS recommendation, three main changes to the BHE's regulatory process are currently being contemplated. First, the Department would conduct an annual screening of all institutions with BHE degree-granting authority and/or all institutions that accept state financial aid. As currently contemplated, multiple screening measures would be used, but that this could be spelled out in policy rather than regulation. Second, there would be an investigative and inquiry phase in which the DHE engages institutions that are screened in and identified as "at risk". During this phase an institution would be required to submit a contingency closing plan to the Department and provide appropriate notice to students. Finally, the new regulatory construct would allow the Department to sanction an institution that is either not cooperating or has not submitted reasonable corrective action plans by terminating that institution's access to state financial aid.

Commissioner Santiago provided an overview of the elements of a teach out plan to demonstrate how complicated they are. The Commissioner also provided an overview of the guiding principles for the implementation of THESIS recommendations. He emphasized the importance of confidentiality throughout this process, while balancing the need for timely public notification to students, families and faculty. General Counsel Papanikolaou concluded with an overview of the timeline for this process, stating that Department staff were still on track to provide the BHE with draft regulations during the June 18th board meeting, for the purpose of voting to put the regulations out for public comment.

Board member Mattera asked if the Attorney General's Office (AGO) has duplicative regulatory oversight in this area. General Counsel Papanikolaou responded that the AGO does have relevant authority here, through non-profit and consumer protection regulations, but they do not have direct regulations or standards on the financial stability of institutions or on contingency closing plans. Board member O'Brien asked if these regulations would apply to all of higher education, namely the public institutions too. Commissioner Santiago responded that we can already see the financial circumstances of our public institutions so we do not need to ask for such documentation. Board member O'Brien suggested accessing reports from different sources, for example information on an institution's endowment information might not always show up on financial reports. Further, he suggested a

confidential whistleblower line be established so that someone on a board who is concerned could confidentially report to the BHE.

Secretary Peyser thanked the Commissioner for the update and stated that he wished to underline a few points. First, he stressed that this Board's responsibility, which is regulatory and statutory, is to oversee and promote *all* higher education within the Commonwealth, not just the public sector. We have an obligation to the taxpayers and citizens to exercise this responsibility in a fair and even-handed way, across all sectors. Second, the emphasis on transparency and communication sends the right signals to the community. Our responsibility is consumer protection for the students, particularly in the area of ensuring that appropriate and timely teach out plans are developed in a way to ensure that students are protected. These are all fair, common sense things, but we need to continue to be thoughtful about this as we solicit feedback. Finally, the Secretary noted that the Commissioner and others have been reaching out to NECHE and there is a tremendous opportunity for alignment and collaboration with them. This can be helpful to ensure we are not putting a duplicative administrative burden on the institutions. We also need to leverage our capacity. While we have been talking about an Office of Student Protection, it does not exist yet, and the Department staff members who have been doing this work have other day jobs. When these incidents emerge, we are stretched thin. We should leverage resources with NECHE and continue to work with our partners in the private sector.

Chair Gabrieli thanked members for their comments and stated that he wanted to provide a brief update the Early College initiative. He stated that there are now 17 Early College High School programs approved, including 5 out of the 9 state universities, 10 out of the 15 community colleges and one private institution. He continued by providing an overview of the positive impact on postsecondary credentials for the sample. He remarked early college benefits all students, underprepared and prepared, and it pays off too. An analysis by an independent group shows a payback of 15:1. He concluded the presentation with a status update on funding and legislation and remarked that we need to refresh the strategic plan for the Early College Initiative.

C. SECRETARY OF EDUCATION'S REMARKS

In the interest of time, the Secretary of Education yielded his time and did not offer further remarks.

D. REPORTS FROM PRESIDENTS

Community College Presidents' Report – Roxbury Community College President Valerie Roberson

List of Documents Submitted by President Roberson

None

President Roberson thanked Chair Gabrieli and the BHE. She began her remarks by referencing the Performance Measurement Reporting System, and noting that an examination of the data from individual colleges and RCC will show some high points. Over 70% of their students transfer, but there are also some low points, such as retention. This will open up opportunities for RCC and the other colleges to provide focused attention to address these issues and support our students. She continued by providing a qualitative data update and referenced RCC's Project Access program that provides support for food insecurity. Further, the co-requisite remediation model allowed students to accelerate

through math and saw good results this year as it was brought to scale, which is a great achievement. President Roberson continued with another program update: through their projects with DCAM, RCC participated in a sustainability program and changed energy sources on campus to more sustainable sources. This has allowed for significant savings and is money that can be reinvested in our students. There are also visible solar canopies over our parking lots, which creates a public statement that demonstrates our commitment to cost savings and protecting our environment. Finally, RCC was approached by business partners to create an academic program that seeks to employ students in this growing sector of smart building technology, and these jobs can be quite lucrative for the students. Through a partnership with MMA, these students will be able to transfer to MMA or enter the workforce with an associate in science degree. President Roberson stated that she would have more information on this partnership as they launch in the fall.

State University Presidents' Report – Massachusetts Maritime Academy President Fran McDonald

List of Documents Submitted by President McDonald:

None

President McDonald thanked Chair Gabrieli and the BHE and began his remarks by stating that the state universities are fully committed to the Early College Initiative; they see this as directly connected to the BHE's equity agenda and serving students in Gateway Cities.

He continued, stating that the state universities would be advocating for additional funding support. For financial aid, the state universities are pleased that last year the community colleges received some additional funding, but are disappointed that the House budget was missing that same support for state universities, specifically regarding those dollars that were committed to financial aid through casino revenue. President McDonald then referenced the State Health Insurance Assistance Program (SHIP), which pertains to student health insurance and the law requiring both that students have health insurance, and that the colleges to provide a plan. He stated that the state universities are finding this to be a barrier for enrollment as the premium grows because premiums can amount to a semester's worth of tuition and fees. MassHealth eligible students are covered by this, so there is some good news there because those students come out of that cost bucket, but if they were not in the pool, the premium for the paying students would have been reduced by 5%. He remarked that this is not just on the backs of the state, but on the backs of the students. MMA has decided to stay in the program, but he is asking for the BHE's help going forward as we try to balance this social benefit for MassHealth that is not on the backs of students. Finally, President McDonald referenced funding for collective bargaining agreements. The state universities appreciate the Governor's support, but our analysis leads us to believe that collective bargaining is still underfunded, so we are at a point where this may lead to tuition and fee increases for the students.

E. REPORT FROM STUDENT ADVISORY COUNCIL

Segmental representative Teixeira provided an update on Student Advisory Council (SAC) activities. The SAC held their final meeting in Westborough and had Laura Marotta, the Executive Director of Creative Hub Worcester, speak to the group. Many SAC members are graduating or transferring, so the intent was to show how advocacy and leadership skills acquired through participation in SAC translate to the real world. She remarked that the SAC Year End Review will be presented at the June BHE meeting.

Additionally, an election was held to select the BHE student member representative for next academic year; however, the results are being contested and the issue is currently under review by BHE legal counsel.

VI. MOTIONS

*List of Documents Used:
SPC 19-06 and 19-07*

A. Academic Affairs Committee

Chair Gabrieli stated that there was no FAAP meeting last week and therefore, we will not hear from that Committee chair. He then turned the meeting over to AAC Chair Hoffman. Chair Hoffman reported that the AAC met last week and had deep discussions on two important topics: 1) open educational resources and the efforts of the statewide working group, which is funded by a Performance Incentive Fund grant; and 2) delegated authority for approval of teach out plans. No motions were brought before the AAC last Tuesday.

B. Strategic Plan

Chair Gabrieli turned the meeting over to Board member LaRock for an update on the SPC meeting last week. Board member LaRock reported that last week, the SPC was joined by colleagues from Massachusetts College of Art and Design for their Touch Point II discussion. As a reminder, Touch Point II is intended to be collegial and formative in nature. The purpose of the conversation was to provide the campus with a clear signal as to whether the emerging plan is consistent with BHE criteria. He gave some highlights of last week's discussion. He continued, stating that the Committee also reviewed Westfield State University's mission statement and campus strategic plan. Board member LaRock then asked for a motion for approval of SPC 19-06: Approval of Westfield State University's Mission Statement. On a motion duly made and seconded, SPC 19-06 was approved without discussion.

SPC 19-06 WESTFIELD STATE UNIVERSITY MISSION STATEMENT

VOTED: The BHE hereby approves the Westfield State University revised mission statement to read as follows:

Westfield State University is a public institution offering accessible quality undergraduate and graduate programs in the liberal arts, sciences and professional studies. Our welcoming community focuses on student engagement and success. We contribute to the economic, social and cultural growth of the northeast region by developing the knowledge, skills, and character essential for students to become responsible leaders and engaged citizens.

The Board further authorizes the Commissioner to forward the same to the Secretary of Education, pursuant to Massachusetts General Laws Chapter 15A, Section 7.

Authority: Massachusetts General Laws Chapter 15A, Sections 7, 9(e), and 22(n)

Contact: Winifred M. Hagan, Ed.D, Associate Commissioner for Academic Affairs and Student Success

Board member LaRock then asked for a motion for approval on SPC 19-17: Approval of Westfield State University Strategic Plan 2019-2023 On a motion duly made and

seconded, SPC 19-07 was approved unanimously by all board members present, without discussion.

Board member LaRock then asked for a motion for approval of SPC 19-07: Approval of Westfield State University's Strategic Plan. On a motion duly made and seconded, SPC 19-07 was approved without discussion.

SPC 19-07 APPROVAL OF WESTFIELD STATE UNIVERSITY STRATEGIC PLAN

VOTED: The BHE hereby approves the **Westfield State University** Strategic Plan 2019-2024 and authorizes the Commissioner to forward the same to the Secretary of Education for final approval pursuant to Massachusetts General Laws Chapter 15A, 9(l) and 22(l).

Authority: Massachusetts General Laws Chapter 15A, Sections 7, 9(f), 9(l) and 22(l); BHE By-Laws, Article I, Section 3(d) and Article III.

Contact: Winifred M. Hagan, Ed.D, Associate Commissioner for Academic Affairs and Student Success

VII. Presentations

List of documents used:

- *Performance Measurement Reporting System (PMRS) presentation*
- *Towards a Massachusetts Ecosystem of Lifelong Learning presentation*

Chair Gabrieli stated that we have two presentations before the Board today and turned the meeting over to Commissioner Santiago. Commissioner Santiago observed that today is an exciting day as we launch the new Performance Measurement Reporting System (PMRS). He introduced Senior Associate Commissioner Jonathan Keller and Senior Director of Visual and Digital Communications Sarah Mealey to provide an overview of PMRS; he additionally acknowledged DHE staff Sandy Reilly, Mario Delci and Moira Chiong who also worked on this project. The Commissioner stated that he frequently talks about "game changers" and he considers this to be one. We see the campuses looking at and using their data in different ways.

Senior Director Mealey introduced a brief video that highlights the PMRS. Senior Associate Commissioner Keller remarked that this is a very different performance system than anything he has done before. The system provides data and analysis at your fingertips, because it is an online data tool. As of today, this tool is available online, for the first time in over a decade, you can find a comprehensive data report for each campus and the amount of data provided is unprecedented. Senior Director Mealey provided a demonstration of the tool, Tableau, using Framingham State as an example.

Senior Associate Commissioner Keller provided an overview of the results for both the community colleges and the state universities, stating there is much of which to be proud. He then provided an overview of the areas for action, such as equity gaps. He concluded the presentation by summarizing the next steps.

After the presentation, the BHE engaged in a brief discussion. Several Board members congratulated the DHE staff on this major accomplishment. Board member Hopcroft stated that he applauds this work and is excited to see where it aligns with the Equity Agenda work. Vice Chair Harrity remarked that this is wonderful to see; she was surprised with she first started with the BHE that this was not already available because in K-12 similar information has been available online for 25 years.

Chair Gabrieli introduced the next presentation, which is an overview of Governor Baker's Commission on Digital Innovation and Lifelong Learning, which launched last Spring. The Commission was charged with investigating new ways the Commonwealth can support the postsecondary education and career aspirations of Massachusetts residents, particularly entry-level adult workers, using digitally-enabled (online and hybrid) models. He then turned the meeting over to Board member LaRock.

Board member LaRock stated that the work launched in 2018 with the establishment of the Governor's Commission on Digital Innovation and Lifelong Learning. He provided an overview of the current landscape and the gap in middle skills jobs, and noted that there is an opportunity here for institutions to create new programs to address the current needs of the economy and our citizens. He also highlighted the shifting age demographics in the state, as well as the factors that would encourage adult learners to enroll. He then provided highlights of the Commission recommendations and the work that is already underway.

Board member LaRock continued the presentation with an overview of the Workforce Competitiveness Trust Fund as well as the Mass Health Care Collaborative. He concluded the presentation by inviting all to accelerate and expand the availability of employer-aligned, digital enabled offerings.

The BHE engaged in a brief discussion on this topic. Student member Teixeira asked if these sorts of programs could qualify to defer student loans. Board member LaRock responded that the financial model we hope to bring would be one supported by the employer, state support and a loosening of federal and state financial aid regulations. A model ran at community colleges using that three pronged cost model, and almost 400 students went through the program without incurring debt because they were able to use resources already available. This is critical because another crisis we are facing is the growing student debt. Vice Chair Harrity asked if there were any best practices to highlight. Board member LaRock responded that they drew a lot of learning from UMASS online. They currently do not have the sub-associates degree focus we are looking for in this ecosystem. Another resource would be community colleges, who have more capacity to help the disadvantaged learners we are looking to address. He remarked that an RFQ is looking to highlight strengths and gaps so that we (the leaders) can really think through our capacity with our partners.

Chair Gabrieli thanked Board member LaRock for his leadership in this area.

VIII. OTHER BUSINESS

There was no other business.

IX. ADJOURNMENT

There being no further business, Chair Gabrieli adjourned the meeting at 1:02 p.m.

Respectfully submitted,

Carlos E. Santiago
Commissioner of the Department and
Secretary to the Board