

BOARD OF HIGHER EDUCATION
REQUEST FOR BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 14-20

COMMITTEE DATE: October 22, 2013

BOARD DATE: October 29, 2013

**APPROVAL OF CRITERIA FOR EVALUATING STUDENT HOUSING PROJECTS ON
COMMUNITY COLLEGE CAMPUSES**

MOVED: The Board of Higher Education hereby approves the **Criteria for
Evaluating Student Housing Projects on Community College
Campuses.**

Authority: G.L. C. 15A, §9; Sections 121 and 122 of Chapter 68 of the Acts of
2011.

Contact: Dr. Carlos Santiago, Senior Deputy Commissioner for Academic
Affairs

Background

On June 18, 2013, the Board of Higher Education approved a motion to consider proposals for the establishment of student housing at the Commonwealth's community colleges, subject to criteria to be specified by the Board of Higher Education. See AAC 13-48, June 18, 2013 (Appendix A). Specific proposals and projects shall be subject to Board of Higher Education review and authorization on a case by case basis, consistent with the criteria set forth below.

Board of Higher Education Criteria for Evaluating Student Housing Projects on Community College Campuses

The General Case

1. Consistency of constructing residential facilities with the mission and purposes of community colleges as defined by state statute and BHE policy;
2. Assessment of the anticipated benefits of establishing residential facilities in a community college setting with appropriate reference to relevant research;
3. Assessment of the implications of constructing residential facilities for other aspects of campus life including student support systems, auxiliary facilities, and student activities and facilities required to accommodate these changes;
4. Assessment of scale of facilities needed to achieve a critical mass of students to establish a viable and healthy residential student body;
5. Assessment of the potential regional economic development implications of student housing, particularly if the housing is located in a designated Gateway City.

The Specific Case

6. A time schedule for the project;
7. A business plan reflecting revenue and expenses for the first five years of the project and the assumptions on occupancy and room and board rates that underpin the business plan, including specific information regarding student cost and the availability of financial aid;
8. A marketing analysis that reflects the demand for such beds and how that analysis was conducted;
9. A pricing plan indicating how the college knows what room and board rates are affordable by the student population;
10. A description and funding plan for whatever auxiliary student services, food services and other facilities will be required to support a residential program;
11. A firm estimate of how many beds are planned and an estimated cost of construction for those beds; if this number will not create a critical mass of residential students as defined in item 4, a statement of plans for additional construction of beds that will reach that level;
12. A description of the impact of the proposed residential facility on the surrounding community in terms of traffic, commerce, land values, housing marking, and other considerations relevant to your neighbors. Information on planned public discussions and information efforts to share your plans with community residents and officials;

13. Plans to make the project environmentally sound and one that meets LEED certification standards;
14. Other specifications as required by the Massachusetts State College Building Authority (MSCBA).

Appendix A

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Academic Affairs

NO.: AAC 13-48

COMMITTEE DATE: June 11, 2013

BOARD DATE: June 18, 2013

APPROVAL OF A POLICY REGARDING THE ESTABLISHMENT OF STUDENT HOUSING AT COMMUNITY COLLEGES

MOVED: Consistent with Sections 121 and 122 of the FY2012 General Appropriations Act, the Board of Higher Education will consider proposals for the establishment of student housing at the Commonwealth's community colleges, subject to criteria to be specified by the Board of Higher Education. Specific proposals and projects shall be subject to Board of Higher Education review and authorization on a case by case basis.

Authority: G.L. c. 15A, § 9; Sections 121 and 122 of Chapter 68 of the Acts of 2011.

Contact: Carlos Santiago, Senior Deputy Commissioner for Academic Affairs

Background

Sections 121 and 122 of the FY12 General Appropriations Act gave community colleges the ability to access the State College Building Authority (MSCBA) to make certain capital improvements. The effect of this legislation is to give community colleges the ability to make revenue-funded improvements in student activity facilities (dining, parking, athletic facilities, and student centers) through the MSCBA, subject to the approval of the BHE. The legislation, however, specifically addresses the establishment of dormitories as follows: “the [MSCBA] shall not provide housing facilities at community colleges unless the board of higher education authorizes the action.”

The attached memorandum includes a discussion of the Board of Higher Education’s 1980 policy on the issue, the relevant research and the national context supporting this motion.



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Richard M. Freeland, *Commissioner*
Charles F. Desmond, *Chairman*
Massachusetts Board of Higher Education

MEMORANDUM

TO: Richard M. Freeland, Commissioner
FROM: Carlos E. Santiago, Senior Deputy Commissioner
DATE: June 4, 2013
SUBJECT: Residence Halls on Community College Campuses

Introduction

On April 30, 2013, the issue of on-campus residence halls at community colleges was raised at the meeting of the Board of Higher Education. President Daniel M. Asquino of Mount Wachusett Community College proposed building student housing on his campus. While President Asquino clearly advocated for moving his project forward, it has implications for the entire community college sector.

This memorandum seeks to provide information on our existing knowledge, both quantitative and qualitative, of the impact of student housing on the community college mission, academic outcomes, and other related issues.

Role of Board of Higher Education

A recent memorandum from General Counsel Constantia Papanikolaou to Commissioner Richard M. Freeland indicated that the current policy of the Board of Higher Education (BHE) is that "the Board does not intend to seek to establish dormitories at any of the community colleges."

The current policy is included in a 1980 policy handbook issued by the Massachusetts Board of Regional Community Colleges, a BHE predecessor agency. Chapter 329 of the Acts of 1980, which created the Board of Regents, provided that all rulings, regulations or other determinations made by the Board of Regional Community Colleges in effect prior to the effective date of chapter 329, shall continue in effect until they are altered, amended, modified or revoked by the Board of Regents or its successor.

The policy precluding the establishment of dormitories at the community colleges has not been amended, altered, modified or revoked by the BHE or by its predecessor agencies. Accordingly, the policy remains in effect until there is a change voted on by the Board of Higher Education.

It should also be noted that Sections 121 and 122 of the FY12 budget gave community colleges the ability to access the State College Building Authority (MSCBA) to make certain capital improvements. The effect of this legislation is to give community colleges

the ability to make revenue-funded improvements in student activity facilities (dining, parking, athletic facilities, and student centers) through the MSCBA, subject to the approval of the BHE. The legislation, however, specifically addresses the establishment of dormitories as follows: “the [MSCBA] shall not provide housing facilities at community colleges unless the board of higher education authorizes the action.”

- The Massachusetts Board of Higher Education has the authority to determine whether the Commonwealth's Community Colleges may provide housing to its students.

The National Context

Public community colleges across the country share the goal of providing (1) academic pathways into skilled and other vocational occupations, (2) opportunities to gain knowledge and expertise that will serve them well in the pursuit of more advanced degrees, and; (3) a foundation for regional and local economic development in the knowledge-based economy. In general, community colleges provide access through an open admissions policy. The mission of Massachusetts' Community Colleges states that, “The fifteen Massachusetts Community Colleges offer open access to high quality, affordable academic programs, including associate degree and certificate programs.”

Is student housing on community college campuses congruent with the general mission of this sector? The concern is certainly present that student housing at community colleges has the potential of changing the local character of an institution and price-out low income students. While no direct evidence could be found to support this proposition, the concern arises at times. But this really only would be source of apprehension if the proportion of students living on campus is high. “The typical rural community college has 350 beds (Moeck, 2005, p. 110).” This relatively small amount is unlikely to represent a major change to the long-standing culture and mission of community colleges.

Moreover, we now have a long history and experience with community college housing across the nation to rely upon, and there is no indication that the fundamental mission of community colleges has been compromised by the existence of student housing. That is not to say that some state might authorize a community college to give four year degrees (such as the transition of Miami Dade Community College to Miami Dade College) but the motivating force has not been, fundamentally, the existence of student housing.

Only one state, Illinois, has an explicit prohibition against student residence halls on community college campuses. Another eight states (CT, DE, IN, NJ, NC, RI, TN, MA) including Massachusetts do not currently have residence halls at community colleges. Two states, Hawaii and Kentucky, allow community college students to reside at facilities located on four-year college campuses. Thus, the vast majority of the states, 39 in total, allows and has residence halls on its community college campuses. The vast majority of residence halls is located in the southern and western parts of the country and is largely found in rural areas.

The regional nature of community colleges is, I believe, an important element in this discussion. The bulk of residence halls on community college campuses are made up of institutions within the Carnegie Classification of "Associate's--Public Rural-serving

Medium.” In general, 22 percent of all community colleges have on-campus housing. But, if we only include “Associate’s--Public Rural-serving Medium” institutions, we find that 37 percent of this group has on-campus housing. Public, rural, medium-size institutions comprise the largest group of community colleges and they also have the bulk of student housing. It is important to note that Mount Wachusett Community College is classified as part of this particular sector. Not a single urban community college in this country has student housing.

Our initial findings suggest the following:

- A majority of states have authorized the construction of student residence halls at public community colleges.
- The fraction of students residing on community college campuses is relatively small.
- The majority of community colleges that serves residential students is of medium size and is located in rural areas.
- The numbers of students being housed in community colleges have increased along with the overall growth of community college enrollment. However, the overall enrollment growth has been significantly more rapid than that of students housed on campus (IPEDS).

There is no evidence to suggest that the mission of the community college has been compromised by the existence of student housing.

It is worth noting that in 2007 the Maine Community College System promoted an innovative, comprehensive system-wide approach to housing on its seven community colleges. Useful lessons might be gained from reviewing these developments as three of the community colleges have received authorization to move their housing initiatives forward. What prompted the interest in student housing was the dramatic growth in enrollment in this sector and the significant student demand for on campus housing.

Empirical Research

The primary rationale for establishing student housing on colleges and universities is that it provides a more fulfilling college/university life experience for students. Students that live on campus are more integrated into university life and their matriculation, retention, persistence, student achievement, and graduation rates are higher than those of commuting students. Empirical studies that have examined these relationships for four-year colleges and universities have long substantiated these results.¹

In review the seminal work of Pascarella and Terenzini (1991), Moeck (2005) describes the many dimensions covered in the study including the following: “...career satisfaction of housing professionals at universities; university planning for housing, including space for specific groups; student development and learning theories as applied to university

¹ The landmark study of this issue is that of Pascarella and Terenzini (1991).

residence halls; privatization of housing at universities; socialization of students in higher education; predictions for success; predictions of attrition among on-campus residents at universities; academic persistence and degree attainment; and training of residence hall advisors at universities."

While Pascarella and Terenzini (1991) find significant academic and social benefits of student housing they do not incorporate community colleges in their review. Nonetheless, at four year institutions they find that:

- There is compelling and overwhelming evidence, both quantitative and qualitative, that indicates that residential student housing has a positive impact on academic outcomes such as student retention, persistence, and graduation.

Research on community college campus housing is more recent and less robust. In 2005 it was concluded that there were very few studies, particularly empirical studies, on community college housing and its impact on the campus, students, and the wider community.² Nonetheless, the lack of systematic research in this area did not stop many community colleges from creating and expanding on-campus housing opportunities.

Survey results of 2006 suggest that the community colleges view on-campus housing as a mechanism to assist in recruitment, an opportunity to create living learning environments (particularly for international students and athletes), and a way to reduce commuting time for students.³ The authors also concluded that "...the pace of student housing development on community college campuses appears to be increasing" and that "...housing is no longer considered an oddity for a community college." (p. 51)

In an attempt to review past work, and focusing exclusively on community colleges, the Department examined the links between academic outcomes and the prevalence of student housing. We used 2005 data from the Integrated Postsecondary Education Data System (IPEDS) and limited our sample to community colleges. The primary variable under consideration was the four-year graduation rate and despite its limitations still generally reflects the completion of a degree-granting process or stage of a student's academic career. While the retention rate is a variable we would have liked to examine, these data are notoriously poor indicators in the context of community colleges.⁴

Our initial finding is that among all community colleges across the nation a statistically significant association can be established between the existence of student housing and increased graduation rates. This finding controls for size of campus, regional location, and net tuition. When comparing graduation rates among all community colleges, the empirical results quite consistently show that those community colleges with student housing have significantly higher graduation rates than those that do not. So, our initial finding is that:

² Moek, P. G. p.37.

³ Anderson, L. and Ulf, E. (2006) p. 49.

⁴ A recent study by Shudde (2011) makes the case that on-campus housing has a positive and significant effect on student retention although the results are mediated by institutional factors specific to individual campuses. This study did not focus on community colleges.

- Among all community colleges, the existence of on-campus student housing is associated with higher graduation rates.

This finding was also highlighted in the Mount Wachusett Community College Report of April 19, 2013, "Planning Proposal for Establishing Residence Halls." All of the research studies examined (list attached) concluded that performance indicators such as first-year retention and graduation were higher for students that resided on-campus than those residing off-campus. This result was quite robust, even after controlling for size of institution, socio-economic and demographic background of students, and other factors.

However, when we focus exclusively on those community colleges that form part of the Carnegie "rural, medium-size, Associates degree" category, the effect is not that apparent. Among this group, the association between on-campus housing and graduation rates is not statistically significant.

This particular result can be easily explained. When we examine the subset of community colleges that are similar in size (medium) and location (rural) we find that share of students residing on campus remains relatively small. We estimate that in fall 2010 11% of first-time, full-time degree seeking students receiving financial aid lived on campus. Note this analysis is based on IPEDS data for first-time, full-time degree seeking students receiving financial aid. It is very likely that the share of students living on campus is much lower for total population at community colleges. We estimate that fraction to be approximately 3 percent. With that small a number, it is unlikely that the institutional graduation rate will change in fundamental way. This does not detract from the fact that individual students residing on campus may have academic experiences that promote their retention and ultimate graduation.

In further investigating this particular outcome, we approached the Association of College and University Housing Officers - International to further inquire as to why the effect of housing was not more pronounced.⁵ Their response was that not all student residential housing has the same positive effect on academic outcomes. Those housing units located on the campus, integrated into the life of the college/university with living-learning communities and the like, and staffed by student affairs personnel are the most likely to result in better academic outcomes. Thus, we would conclude that:

- As the fraction of community college students that reside on campus increases and to the extent that student residential housing is fundamentally part of the campus, we would expect aggregate retention and graduation rates to show a commensurate increase.

Economic Development Considerations

Community colleges not only enhance the educational skills necessary for their students to compete effectively in the local labor force, they are also economic engines in the communities and regions in which they reside. This is particularly relevant in the context

⁵ Interview with Sallie Traxler, Executive Director of the Association of College & University Housing Officers and her staff.

of the economic development potential of Massachusetts' Gateway Cities project. Each of the 11 original Gateway Cities is served by one or more of the Commonwealth's Community Colleges and partnerships between the academic institutions and the local urban community are prevalent.

However, the positive economic development impact of student housing is not sufficient justification to establish these projects. The decision should ultimately be made in response to student needs and institutional priorities. There are few empirical studies that document the economic development effects of community college housing on the surrounding community other than its impact on enrollment. In this case, there is a positive economic multiplier effect from on-campus housing opportunities to greater enrollment and finally, the expansion in services and employment that follows. How significant this might be remains to be seen.

There is the possibility that specialized community college housing that focuses on particular workforce related skills can reduce the duplication of academic programs across the state. This increased specialization may highlight the regional character of a particular industry or sector within the economy that may prove of value in broader economic development terms.

We do, however, have evidence that the lack of student housing has hindered some of Massachusetts' community colleges from competing for federal grants. Increasingly, federal funds are being directed to support community colleges as they face enrollment capacity challenges. It behooves the Commonwealth to ensure that the 15 community colleges compete effectively for these funds and allowing its institutions, when merited, to create on-campus housing might be a positive contribution.

Our analysis suggests that:

- To the extent that on-campus student housing can promote the financial health of the community college and enhance the learning opportunity of its students, it will have a positive multiplier effect on the surrounding community. However, this alone is not sufficient rationale for moving a housing project forward.

Other Observations

One issue that often arises is whether on-campus housing can financially support the added student and academic support systems, auxiliary services, student activities, and ancillary facilities required to accommodate new residential housing. In this regard, Moeck (2005) found that community college on-campus housing provided approximately \$1M in annual revenue (on average) that supported a variety of activities and personnel at the facility and, in effect, provided some revenue to the campus as well. His conclusion was that "They provide significant income to institutions where they are located, and contribute in critically important ways to student life and the total college experience provided to students. On-campus housing can offer students a sense of completeness to the community college experience." (p. 9). The scale necessary to accomplish this seems to be in the range of 300-350 student housing units. This number is generally associated with the critical mass of students necessary to establish a viable and healthy residential student body.

Moeck, et. al. (2008) argue that residential housing revenue has become even more important for community colleges in light of the decline in state support to these institutions. In addition, it provides a mechanism to generate revenue when these institutions face limited capacity to generate unrestricted income from entrepreneurial activities (Moeck., et. al. (2008), p. 244). In sum, the authors argue that, "...the revenues generated through housing have the potential to become a major revenue stream for rural community colleges." (p. 244).

In addition, it seems relevant to consider whether student housing at community colleges might impact the distribution of financial aid since on-campus housing costs have the potential of adding significantly to students' overall costs of attending college. An institution's cost of attendance typically includes an estimate or projected expense for tuition/fees, room and board, books/supplies, transportation, and other miscellaneous costs.

Room and board charges that are included in the cost of attendance may be based on an average per geographical region in which the college is located - or actual charges if the institution has residence halls and meal plans. State and Federal financial aid may be awarded to pay for any portion of the cost of attendance, including room and board charges. Thus, a college is not likely to spend more money on residence hall charges, as these expenses are already included in the cost of attendance— and aid awarded.

The issue for community colleges, however, is that most will award funds to ensure that the student is able to meet their "direct" charges, which will not include room and board, as the campus does not offer residence halls. However, a typical financial aid award will often include more aid than direct billed charges, as the institution recognizes the additional education related expenses that are included in the cost of attendance. The amount of aid awarded above the direct charges often reflects the amount of financial aid resources from all sources (state, federal and institutional) that the campus has available in a given academic or award year.

The opinion of the Department is that the existence of campus student housing has the potential of reducing the amount of financial aid per student but, again, with such a small fraction of the student body residing on campus, the impact is likely to be small and to be offset by the many benefits of expanding student residential opportunities. In general, then,

- If planned appropriately and supported by a solid business model, community college residential housing has the possibility of providing resources sufficient to fully support the residential student community.

Conclusion

Housing on community college campuses is neither new nor novel. The fundamental mission of community colleges has not changed but the environment in which they operate has. On-campus housing has emerged, largely on rural community college campuses, because it fills a need that students have to enhance their learning experience. As long as the primary objective of any on-campus housing project is to create an opportunity for students to enhance their educational experience, specific projects should be reviewed diligently.

Motion: The Board of Higher Education permits the establishment of student housing at the Commonwealth's community colleges. Specific proposals and projects shall be subject to Board of Higher Education review and authorization on a case by case basis.

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Appendix A

State	Residence Halls	Examples of Residence Halls at Community Colleges
Connecticut	No	Not prohibited, but community colleges don't offer housing
Delaware	No	The only two year institution in Delaware does not offer housing.
Hawaii	No	Housing offered through a local university.
Illinois	No	Prohibited
Indiana	No	None of the two year institutions in Indiana offer housing.
Kentucky	No	Housing offered through a local university.
Massachusetts	No	
New Jersey	No	Not prohibited, but community colleges don't offer housing
North Carolina	No	Not prohibited, but community colleges don't offer housing
Rhode Island	No	The only two year institution in Rhode Island does not offer housing.
Tennessee	No	Not prohibited, but community colleges don't offer housing
Alabama	Yes	Lawson State Community College
Alaska	Yes	Housing offered through a local university. Ilgasvik College (Tribal College)
Arizona	Yes	Central Arizona College Housing offered through a local university.
Arkansas	Yes	Arkansas State University - Beebe (two year college)
California	Yes	Lassen Community College
Colorado	Yes	Colorado Northwestern Community College
Florida	Yes	Key West Community College
Georgia	Yes	North Georgia Technical College
Idaho	Yes	College of Southern Idaho (public two-year institution) offers on and off-campus housing.
Iowa	Yes	Iowa Lakes Community College
Kansas	Yes	Dodge City Community College Department of Housing is funded by the revenue collected from housing. Seven full time staff. 362 beds, at 65% capacity in Spring 2013.
Louisiana	Yes	Southern University at Shreveport
Maine	Yes	Southern Maine Community College Department of Housing is funded by the college. RAs receive free room and board.
Maryland	Yes	Alegany College of Maryland
Michigan	Yes	Available at 6 out of 28 colleges. Jackson Community College
Minnesota	Yes	Fond du Lac Tribal and Community College
Mississippi	Yes	Hinds Community College
Missouri	Yes	State Fair Community College
Montana	Yes	Dawson Community College
Nebraska	Yes	Metropolitan Community College
Nevada	Yes	Great Basin Community College
New Hampshire	Yes	New Hampshire Technical Institute Concord's Community College
New Mexico	Yes	New Mexico Junior College
New York	Yes	Genesee Community College
North Dakota	Yes	Dakota College at Bottineau
Ohio	Yes	Hocking College
Oklahoma	Yes	Redlands Community College
Oregon	Yes	Central Oregon Community College
Pennsylvania	Yes	Northampton Community College
South Carolina	Yes	Denmark Technical College
South Dakota	Yes	Southeast Technical Institute, capacity is 200 students.
Texas	Yes	Grayson County College
Utah	Yes	Snow College
Vermont	Yes	Vermont Technical College
Virginia	Yes	Richard Bland College
Washington	Yes	Big Bend Community College - International students will live in a BCC dormitory during at least the first full academic quarter of attendance.
West Virginia	Yes	Pierpont Community and Technical College
Wisconsin	Yes	Western Technical College, capacity is 200 students.
Wyoming	Yes	Northwest College