

BOARD OF HIGHER EDUCATION

September 7, 2017
10:00 a.m.

Harvard Graduate School of Education – Longfellow Hall
Eliot-Lyman Conference Room, 2nd Floor
13 Appian Way
Cambridge, MA 02138

Meeting Minutes

The Board of Higher Education (BHE) held their annual retreat on Thursday, September 7, 2017 in the Eliot-Lyman Conference Room in Longfellow Hall, at the Harvard University Graduate School of Education at 13 Appian Way in Cambridge, Massachusetts.

The following Board Members were present:

Chris Gabrieli, Chair
Danielle Dupuis, Student Member, Bridgewater State University
Sheila Harrity, Vice Chair
Nancy Hoffman
Tom Hopcroft
J.D. LaRock
Jim Peyser, Secretary of Education
Henry Thomas
Paul Toner
Fernando Reimers

Department of Higher Education Staff present:

Carlos Santiago, Commissioner
Katy Abel
David Cedrone
Kate Flanagan
Winnie Hagan
Jonathan Keller
Pat Marshall
Clantha McCurdy
Dena Papanikolaou
Elena Quiroz-Livanis
Tom Simard

Others present:

Kate Lipper
Tom Moreau

I. Welcome and Introductions

Chris Gabrieli, Chair
Dr. Carlos E. Santiago, Commissioner

Chair Gabrieli called the retreat to order at 10:18am. He thanked everyone for attending, and then invited Commissioner Santiago to make opening remarks. The Commissioner thanked BHE member Fernando Reimers, for hosting us today at the Harvard Graduate School of Education. Chair Gabrieli introduced the new student member, Danielle Dupuis, a senior from Bridgewater State University who is studying Psychology. He then invited everyone in attendance to introduce themselves.

II. Strategic System Wide Goals and Initiatives – Briefing the FY17 Projects and Discussion of FY18 Priorities

Dr. Carlos E. Santiago

Commissioner Santiago again thanked everyone for joining us today, and remarked on the importance of the retreat. He then introduced his presentation, which featured two parts: a recap and update of FY17 initiatives and an overview of the challenges we face in higher education looking ahead to FY18.

He began the FY17 recap presentation with an overview of five overarching goals: 1) Fostering a more integrated higher education system 2) Elevating the performance of public higher education 3) Developing better integration of public higher education with P-12 and the workforce 4) Enhancing appreciation of higher education as a central asset and competitive statewide advantage and 5) Incubating innovation to align to the needs of lifelong learners.

He continued the presentation by stating that DHE staffing levels are down, as the state budget has been soft in terms of hiring. We can no longer dedicate one staff member per project and now work in teams, finding new and innovative ways to get work done. Additionally, we are considering campus fellows for whom we can offer course buyouts to their campuses to assist with new projects; this will be of lower cost to the Department.

He continued the presentation by providing an overview of the Early College Initiative, which is now in the implementation stage. Working with the Department of Elementary and Secondary Education (DESE), we are focusing on implementation timelines and deliverables, and we now have 23 letters of intent. While there is still much work to do in the selection process, we are gaining traction, and it serves as a reminder of the importance of higher education working with K-12. He also remarked that there has been little opposition to this initiative.

Commissioner Santiago continued by discussing the Remediation Reduction initiatives: the DHE is looking to sunset projects have been around a long time, and the campus GPA pilots fall into this category. Their work has resulted in major changes, including phasing out Accuplacer and using GPA and other measures in its place. Further, DHE staff anticipate the campuses continuing to move this down the line, and will continue to bring the co-requisite model to scale, which facilitates removing the stigma of remediation. He continued that the initiative has also included curriculum changes, as they have streamlined Math pathways. Board members engaged in a brief discussion about this. Board member Henry Thomas asked if other states have used co-requisite to scale, and the Commissioner responded yes. California has used this, as well as other states including Texas, which is doing so through a legislative process. He continued that we are in a sense catching up. Board member Nancy Hoffman remarked that the word isn't out yet to high schools and some schools are still prepping students for the Accuplacer. Chief of Staff and Director of Academic Policy and Student Success Elena Quiroz-Livanis responded that the DHE will need to develop a communications strategy to socialize the new math pathways and diminished use of the Accuplacer. Board Chair Gabrieli suggested this topic be included as a topic for discussion for the joint BESE/BHE meeting in January.

Commissioner Santiago continued by providing an overview of the Academic Program

Approval Process proposed changes. He remarked that he thought the proposed change was a reasonable request, but the response from the campuses was not overwhelmingly supportive, particularly from four year institutions. The crux of their criticism appears to be that the BHE should not act before a local Board. The Board engaged in a discussion on the program approval process and the resulting feedback from the campuses. Board member Hoffman remarked that she thinks it is a governance issue, and if we are going to continue to emphasize the significance of strategic planning, we should be making sure these program approvals align. The Commissioner responded that the practices on the campuses might be quite different from each other, and some campuses may consider this a step backwards. He clarified that the pushback seemed to come from the Chief Academic Officers and not the Presidents. Secretary Peyser remarked that the faculty governance piece may really be the underlying challenge, and the campuses may want to present a finished product to the BHE rather than get feedback early on in the process, which is what is being proposed. Nevertheless, Secretary stated that he felt it was a move in the right direction and that everyone would benefit from the new structure. Chair Gabrieli remarked that our current process ends up being just a rubber stamp, and we should shift the process to ensure the campuses are on strategy earlier on in the process. He continued that the Board wants the campuses to be more serious about strategic planning, and the Board should also be more “hard-lined” with itself and continue the focus of its own work on strategic plans, including this alignment issue.

Board member J.D. LaRock suggested that the problem could be the way the message was being delivered. Perhaps some institutions are not fully understanding the BHE’s intent, as we want to get out of the business of approving things we do not understand. He continued that we need to amplify the correct message because it is a reasonable one.

Commissioner Santiago continued by providing an update on the Commonwealth Commitment (ComCom) program. The current fiscal year represents the second year of the program; in the first year, we had 127 students enrolled, 85 of which are on track to transfer and are in good standing. Secretary Peyser remarked that independent from the ComCom program, the MassTransfer Pathways project was a tremendous accomplishment which warrants independent recognition. The Commissioner remarked that the Department developed the highly user friendly online tool which is the foundation on which the ComCom program has been built. He continued that as of this academic year, students can now access Pathways to over 40 majors.

The next step is to consider what ComCom 2.0 will look like. He remarked that the current program guidelines leave out community college students who largely attend part time. Further, portability in higher education is a real concern, and we are starting to see competition from other neighboring states with free college programs. Board member LaRock remarked that North Shore Community College’s (NSCC) Promise Program has enrolled 76 students since their launch, and that they reduced their 15 credit minimum to 12 credits. He continued that he realizes that the 15 credit minimums are in place to drive behavior to enroll full time, but if it’s just not working in the way we intended, we need to adjust, as these students often are juggling competing priorities like jobs and children. He suggested further discussion at a future BHE meeting this year about what we learned from the NSCC Promise program, and how we can apply it to ComCom 2.0. Chief of Staff and Director of Academic Policy and Student Success Elena Quiroz-Livanis responded that ComCom requires community college students to complete 12 credits and gives them up to 2.5 years to finish their associate degree once they sign-up for the program. However, 12 credits is still a significant number for students who are truly part-time.

Board member Toner remarked that the parents he has spoken to think it is a fantastic program, but it’s the first they have heard about it. He suggested that DHE needs to improve

communications about the program, and proposed working with DESE, including program information in MCAS pamphlets, and concentrate our efforts on gateway cities. Board member Sheila Harrity suggested promoting the program at college fairs, recognizing that even though there may be program changes, we should still continue to promote it. Secretary Peyser remarked that the Governor's budget proposal is released in January and we need to know the size of the program sooner than later for budget purposes. He continued that the costs have not yet been significant, but when these students hit the four year institutions the real costs will be realized and we will need to figure out what we are going to do, with data to support it.

The Commissioner continued with an update on Campus Safety and Violence Prevention Initiative, the goal of which was to strengthen the way campuses identify, prevent, respond to and report on campus violence, including campus sexual assault and active shooter violence. The Commissioner reviewed FY16 and FY17 activities in this regard, along with suggested activities for FY18 which would focus on following up with the campuses on their work in strategic planning and campus climate surveys. He noted, however, that without additional resources are work in this area in FY18 will be limited, which is not reflective of the lack of importance of this issue, but that we are stretched thin. General Counsel Papanikolaou added that subject to available funding, another convening of public and private higher education institutions is being considered to offer training and share best practices. The Conference last year was a successful public-private partnership, and the Attorney General's Office (AGO) and the Executive Office of Public Safety and Security (EOPSS) have expressed interest in partnering and investing again. Board member Reimers expressed support for the Department's work in this area, noting that it was critical to continue what we started and impress upon the institutions the importance of addressing campus safety and violence prevention. Chair Gabrieli focused the discussion on campus climate surveys. He would like to find out how many institutions are conducting them, and if not, why not. General Counsel Papanikolaou remarked cost is an issue for campuses, along with data disclosure. Despite that, she continued that the surveys are helpful as they result in better strategic planning, which in turn can end up actually saving campuses money in the long run. It was noted that the Federal Department of Education is issuing Title IX guidance today, which is expected to be on the rights of those accused of sexual misconduct on campus. General Counsel Papanikolaou added that the federal action could try to turn the clock back, but it could also potentially energize the issue on the state level.

Commissioner Santiago provided a brief update on the Performance Measurement Initiative. He remarked that Senior Associate Commissioner for Research and Planning Jonathan Keller has an aggressive timeline for this initiative and will report to the BHE in the Spring. Secretary Peyser asked how this aligns with the Performance Incentive Fund (PIF), and Senior Associate Commissioner Keller responded that Performance Measurement will inform both PIF and the funding formula.

Lastly, the Commissioner provided an update on the State Authorization Reciprocity Agreement (SARA), and noted that legal counsel would be distributing an informational memorandum on the topic that BHE members could read after today's meeting. He remarked that now that the legislature has authorized the BHE to enter into a reciprocity agreement our intent is to move the application process forward, and that the campuses have asked us to do this. He noted that based on research of how other states have approached this, it can take anywhere from 6 to 16 months for full implementation. At this point, we are waiting for the AGO to secure additional assurances from the New England Board of Higher Education (NEBHE) such that all consumer protection concerns will be adequately addressed. General Counsel Papanikolaou noted that the intent is to bring to the BHE in October a motion which authorizes the Department to enter into SARA and delegates to the Commissioner the

authority to take all of the necessary steps to do so.

The Commissioner then proceeded into the next segment of this presentation: the FY18 BHE Goals and DHE Work Plan. He began with an overview of changes in the higher education landscape nationally, and remarked that we need to be mindful about what our competition is doing as we all compete for the same students regionally. He cited Maine as an example, as they have completely reconfigured their higher education system and consequently have seen an uptick in enrollment and finances. He additionally cited the Excelsior Program in New York State, and the administrative consolidation of all community colleges in Connecticut. He continued that institutional mergers and closures are pervasive as institutions and systems try to be more nimble. He stated that the Commonwealth's 29 institutions can accomplish more as a system rather than working individually, as has been the case in the past.

He continued, describing a strategic pivot for FY18, noting that the Department is slightly pivoting from the Vision Project and its seven goals to a more focused approach that really highlights three key areas: Elimination of Achievement and Opportunity Gaps, College Completion, College Access and Affordability. This pivot will allow clearer priorities and more accountability, which is an important step for the BHE. The Commissioner clarified that the previous seven goals will not be forgotten, but the campuses will need to understand that going forward, our priorities will be more streamlined.

The BHE engaged in a lively discussion on the new strategic framework. Board member Toner stated that the Vision Project Goals, when taken as a whole, struck an appropriate balance, and he worried that pivoting away from some would be problematic particularly in this national and economic climate where student learning and preparing citizens is seemingly more important than ever. Making sure that students get a return on their investments and actually learn is critical. Board member Reimers expressed concern that the new framework could be perceived as more of a step back, rather than a pivot because it lacked any assurance of degree quality and because it does not ask campuses to consider what they are awarding. There was also concern that by "pivoting" on some of the previous initiatives that campuses may think it is possible to just wait out prior goals and standards to circumvent them. Chair Gabrieli remarked that he supports the Commissioner's view that we can be more effective in terms of affordability and completion, which the evidence suggests is a much bigger crisis. The Commissioner clarified that learning outcomes assessment is not going to be abandoned, but he does not want to duplicate the quality standards that NEASC already has in place; rather, he wants to be able to come back to the BHE with concrete evidence that they have made a significant difference in completion rates and opportunity gaps. Secretary Peyser remarked that we do not have too much influence over student outcomes anyway, but perhaps we could focus on the areas in which we have more control in this area, such as teacher preparation. Chair Gabrieli summed up the discussion, noting that he was hearing board member general support for the notion that the "Big Three" priorities are important and are in relative crisis, but a shift in the stated overarching vision in a way that undercuts the other priorities would be problematic and is a bigger issue than that of alignment of time and resources. Several Board members suggested that perhaps this was simply a messaging issue regarding the "Big Three" priorities, and suggested "digging deeper" rather than "pivot" to be more effective and artful in our messaging.

Due to a prior commitment, Board member excused himself from the meeting at 12:15 p.m.

III. Lunch and Board Orientation Training

Constantia Papanikolaou, General Counsel

Jonathan Sclarsic, Director, AGO Division of Open Government

General Counsel Papanikolaou briefly reviewed the contents of the 2017 BHE Orientation Manual, and asked board members to pay particular attention to the section on “BHE Authority and Organization,” as this section includes the Board By-Laws and an overview of higher education authority—both of which will be helpful as the board reviews the committee structure and function this year. In addition, this section also includes a memorandum on board attendance. General Counsel reminded board members that the board must hold a minimum of six regular meetings per year, and under statute, a board member must attend a minimum of three regular meetings or the board member forfeits his/her seat. She then introduced Assistant Attorney General Jonathan Sclarsic to provide a training on the state’s open meeting law.

Assistant Attorney General (AAG) Sclarsic provided an overview of the state’s open meeting law. It applies to deliberation among members of all public bodies, including boards and their subcommittees, working groups, task forces and search committees. Further, deliberation is very broadly defined and covers any communication among a quorum regarding any issue that is in the jurisdiction of the public body. In response to a question, he confirmed that a Board member should not be sending out a communication with his/ her opinion on a matter within the jurisdiction of the Board, noting that opinions of board members are only to be discussed during an open meeting so the public has the option to be included. He then distributed and reviewed a summary document regarding electronic communication and deliberation. AAG Sclarsic reviewed the current rules on remote participation. He explained that remote participation is permitted in certain circumstances. Specifically, the Board has the authority to vote to allow remote participation by members, subject to certain restrictions. If the Board votes to adopt remote participation, the remote participation option would apply to all subsequent meetings of the Board and the decision can be codified in by-laws. A quorum must always be physically present in the room and votes must be by a roll call in the event a member is participating remotely; remote participants do not count towards the quorum. He continued by briefly reviewing the requirements for meeting minutes. In response to a question, he noted that documents distributed to and used by Board members during a meeting are considered a public record and cannot be redacted with two exceptions: evaluations and employment applications. He concluded his presentation by stating that if a formal complaint is ever filed, the Board has 14 business days to respond.

IV. Board Structure and Function - Discussion

Chris Gabrieli, Chair

Board Chair Gabrieli thanked General Counsel Papanikolaou and Assistant Attorney General Sclarsic and directed the group’s attention to a handout on the Board/Committee structure. He noted three items he wanted to discuss in this area. First, modernizing and amending the way the Board functions, specifically, it should be easier for campuses to participate electronically or remotely. He noted this could be accomplished through a review and amendment of the By-Laws within the Executive Committee’s work for the year. Second, he noted that the Board does not have a clear process to evaluate itself on how well it functions as a group and at the committee level, as well as how well he functions as a chair. Chair Gabrieli continued that the Board should take the time to do this and have a way to articulate concerns anonymously or not. Third, he has concerns that our committees and their administrative duties and missions do not align very well.

He continued that his concern stems from the fact that so much is delegated to the committees, and that the Board is not structured to be accountable for follow through on some initiatives because of the ambiguous committee structure. He wants to ensure the Board and

committee meetings are really substantive so the focus and content can be more of strategic issues than ministerial duties. Finally, he remarked that there are some awkward gaps where some priorities and initiatives should fall among the committees, and it should be clearer which committee is responsible for tracking and reporting. Board member LaRock remarked that there is some work to be done to deemphasize ministerial duties and emphasize strategic priorities, and suggested that the Board go through the exercise of outlining the priorities of the committee; the Commissioner did so and the Board should do so, as well.

Chair Gabrieli invited everyone in attendance to take a short break and return by 1:45 p.m.

V. MA Higher Education Finance: Strategic Considerations

Chris Gabrieli, Chair

Dr. Carlos E. Santiago, Commissioner

Chair Gabrieli called the meeting back to order and turned it over to Commissioner Santiago to provide a brief introduction to the afternoon portion of the retreat. The Commissioner remarked that Board does not have a strategic finance plan, and that a finance system entails much more than just dollars; it is also about incentives, impacts and goals. He continued that two opportunities came up over the course of the summer for further consideration of this matter, which is of interest to everyone. He is asking for members' "general support to build on today's discussion, and to move forward over the course of the next 18 months and put forth a strong agenda for how higher education finance should go forward. He then introduced Gretchen Syverud, Strategy Officer from the Lumina Foundation, and Malia Sieve from HRM Strategists to provide an overview of the Lumina Foundation's State Policy Agenda.

Ms. Syverud began with a brief introduction on the Lumina Foundation. The Foundation is laser focused on education attainment, with a goal of 60% of adults with high quality degrees of credentials by the year 2025. They have recently put forth a state policy agenda which recommends ways in which states can identify, attract, and spend resources so that many more Americans can afford to earn post-secondary credentials with workplace value. The highlights of the state policy agenda include: setting an ambitious attainment goal that is challenging, quantifiable, long term and tied to a specific date; investment in talent development; prioritization of student outcomes based funding; the creation of an affordability benchmark and targeting resources to low-income, underserved students; and the expansion of alternative, lower-priced credential paths and the development of an environment in which all postsecondary learning counts.

Ms. Syverud then provided an overview of Strategy Labs, the Lumina Foundation's platform for supporting state policy and leadership to increase postsecondary attainment, as well as an overview of the TIE (Talent, Innovation, and Equity) States network.

Chair Gabrieli then turned the meeting over to our representatives from Parthenon EY, Chris Librizzi, Kasia Lundy, and Jeremiah Peterson to provide an overview of their analysis of some of the strategic considerations we face in Massachusetts around the higher education finance framework and system.

Mr. Librizzi began his presentation by providing some context on the goals outlined in the Vision Project and the streamlined Big Three priorities, and remarked that the question posed today is-- what is the role that strategic finance could play in supporting these goals? He continued that our current funding system does not provide significant incentive to meet these goals, and in the most recent budget the community college and state university funding formulas were not funded. Further, institutional funding has been done in an incremental way that has resulted in some discrepancies over time, and students in the Commonwealth are

bearing more of the burden of the cost of higher education. He remarked that of the different levers the state could be using to advance its goals, strategic funding is missing, and we have an opportunity to put forward a clear agenda to put one forward. He continued by providing context and background for our current approach to funding and our decentralized system and the current national funding landscape, as well as how Massachusetts fits into the national context. He concluded the presentation with examples of what other states, specifically Maine and Tennessee, are doing in terms of innovations on finance systems to meet system wide goals and where Massachusetts could go from here.

After the presentations, the Board engaged in a discussion about strategic higher education finance. Some of the topics covered included the PACE system and the duplication and streamlining of services overall, the need to make education less expensive for both families and institutions, and the timeliness of an opportunity for real change, given the numerous leadership changes across the system in the last year.

Board member LaRock referenced Maine as a significant example of restructuring their system, as they were on a clear path towards bankruptcy as a system and he is not convinced that Massachusetts is not in a similar situation. He continued by sharing that North Shore Community College (NSCC) had a tough year and as a board, they had to make significant cuts mid-year on three separate occasions, as their enrollment projections were not met. The institution embarked on an incredibly focused effort with good people working very hard to address enrollment figures year to year. He continued by citing the UMass Boston financial crisis last year, and asked if this is what we need to shake up the system to realize that we must take action. Secretary Peyser acknowledged that there is an issue and stated we need to start building the case within the higher education landscape. He noted that competition with what is being offered in other states at lower costs needs attention, and that we should be thinking of a larger system solution instead of a campus based one.

Commissioner Santiago stated that perhaps he has been messaging this incorrectly by focusing on the demographics because the message that we are in a crisis is not resonating with individual institutions. Board member LaRock responded that a shared sense of crisis is what is needed to effectuate change, and he discredits the passive narrative that demography is the only driver of success and enrollment. He encouraged the Board to use its authority to take action.

Board member Hoffman remarked that we need to think about the purposes of public higher education and what solutions we bring to the marketplace that no one else has. She continued by asking if the goal is to employ faculty and staff and build buildings? The overarching goal should be how to best serve students, not increasing enrollment and increasing or maintaining individual campus budgets.

Chair Gabrieli remarked that we do not want to get to the end of FY18 with only a plan that is contingent on more money, and he stressed the need to consider multiple scenarios with incentives to get campuses to change. He continued that we need a broader stakeholder consensus. He cited the Early College Initiative as a good example of getting several different stakeholders involved. General Counsel Papanikolaou noted that the Board does have relevant statutory authority here, particularly in the area of approving five year strategic plans and developing a master plan for the system, and that one way to facilitate the process would be for the Board to appoint and charge a task force to look at the issue and make recommendations with the assistance of a consultant. Chair Gabrieli proposed January 2019 as a timeline to have something in place to act on, and with the Board's blessing, he and Carlos will launch an effort to engage different stakeholders to become invested in a system-wide finance strategy.

VI. Reflections and Closing

Chris Gabrieli, Chair

Dr. Carlos E. Santiago, Commissioner

Commissioner Santiago remarked that the discussion today was very helpful and will help guide the senior staff retreat on September 18th. He noted that we will have to take some bold steps and this is not a crisis the economic cycles will resolve. He thanked everyone again for their participation today. Chair Gabrieli also thanked the DHE staff and Board, and noted that there is much to do.

VII. Adjourn

Chair Gabrieli called for a motion to adjourn the retreat and was seconded. The meeting adjourned at 4:15 p.m.

List of Documents Used:

- *BHE Orientation Manual, September 2017*
- *Commissioner's FY17 Self-Evaluation*
- *August 31, 2017 Memorandum from Chair Gabrieli and Commissioner Santiago regarding Higher Education Finance Strategic Considerations*
- *Lumina State Policy Agenda 2017-2020*
- *Lumina, Strategy Labs, Talent, Innovation and Equity (TIE) States One Page Summary, August 7, 2017*
- *Research for Action, Implementation and Impact of Outcomes-Based Funding in Three States: High Level Findings, February 2017*
- *BHE Retreat PowerPoint Presentation, September 7, 2017*
- *BHE PowerPoint Presentation on Board Structure and Function, September 7, 2017*
- *Committees of the Board Listing as of September 7, 2017*
- *Parthenon PowerPoint Presentation, Discussion of Strategic Finance for Public Higher Education*
- *AGO Open Meeting Law handout regarding electronic communication and deliberation*

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