

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 15-13

COMMITTEE DATE: December 2, 2014

BOARD DATE: December 9, 2014

**APPROVAL OF THE BOARD OF HIGHER EDUCATION FISCAL YEAR 2016
BUDGET**

MOVED: The Board of Higher Education hereby adopts the attached Board of Higher Education budget request for Fiscal Year 2016 and further authorizes the Commissioner to submit the Board's budget recommendation to the Secretary of Education.

Authority: Massachusetts General Laws Chapter 15A, Section 6, 9 and 15B

Contact: Sean P. Nelson, Deputy Commissioner for Administration and Finance

Background

In late November/early December of each year, the Board approves and submits its State Budget Request to State officials. This request includes funding for the State Universities and Community Colleges, as well as central administrative items.



Massachusetts Board of Higher Education

FY2016 Budget Recommendation

December 2014

Massachusetts Board of Higher Education
FY2016 Budget Request

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Executive Summary

The Department of Higher Education's FY2016 budget request is premised on meeting the state's urgent need for more college graduates and reflects the goals of the strategic agenda for public higher education known as the Vision Project, which states that the goal of Massachusetts public colleges and universities is to "produce the best educated citizenry and workforce in the nation."

The priorities outlined in this budget reflect the analyses and recommendations contained in the October 2014 Vision Project annual report entitled *Degrees of Urgency: Why Massachusetts Needs More College Graduates Now*, as well as recommendations made by a legislatively-mandated Higher Education Finance Commission. Established in the FY2015 GAA and composed of representatives from the business community, the legislature, and public and independent institutions of higher education, the Commission was charged with:

1. Defining the requirements of a high-quality system of public higher education;
2. Presenting recommendations related to the quality and financing of public higher education, including the allocation of state funding to campuses and increasing access and affordability for students.

In its final report, the Commission recommended an additional investment of \$137 million in FY2016 and a total of \$1.1 billion over the next 5 years.

Background

As outlined in *Degrees of Urgency*, the Commonwealth's public higher education system is projected to fall short of meeting the state's need for new associate's and bachelor's degrees by a minimum of 55,000 to 65,000 by 2025. Without a course correction, those missing degrees could translate into thousands of missed opportunities for both individuals in need of jobs and employers searching for skilled talent.

To address the gap in graduates, Massachusetts' public campuses have committed through the Vision Project to a three-part strategy to increase college graduates over the next ten years. The plan is intended to:

1. Help more students succeed in and complete college;
2. Close persistent achievement gaps that keep too many African American and Latino/a students from graduating, and

3. Attract and retain students who are not being served by the system, including those who currently can't afford to attend college, those who are choosing to attend college out of state, and adult students who need to finish their degrees.

Ramping up enrollment and college completion rates will require both sustained effort and accountability by the campuses and investment by the state. Although FY2014 and FY2015 budgets included increases in state appropriation for the public higher education system, funding levels remain at the 2001 level, and Massachusetts continues to rank in the middle of the pack amongst states in per pupil support of public higher education – 26th in FY2014 behind other leading technology states including California, Texas, and New York. At the same time, college completion rates for all three segments of public higher education remain at, or only slightly above, the national average.

Against this background, the Higher Education Finance Commission concluded that “Massachusetts must build one of the top 10 systems in the nation with regard to both overall performance and state investments in order to provide an affordable as well as high-quality education for all students.”

Operating Budget Support

The Higher Education Finance Commission's recommendations include \$95 million in additional operating budget support in each fiscal year – a total of \$475 million over five years – to the community colleges, state universities, and UMass. This investment is in addition to the cost of collective bargaining agreements to be funded in accordance with MGL Chapter 150E.

This level of funding for the public higher education system will allow for the expansion of programs as well as support services for students, both of which are needed if the state is to boost college completion rates and address current and projected shortages of high-skilled talent. It will also allow the campuses to significantly limit or freeze mandatory fee increases which place an undue burden on students and families.

Financial Aid

In addition to the operating budget support, the Commission recommended an additional \$42 million to be allocated to the MASSGrant financial assistance program in FY016, and a total of \$630 million by FY2020.

The total five-year investment includes funding for students attending both public and independent institutions of higher education and, further, reflects the amount of funding required to increase the percentage of current college costs covered by MASSGrant from 8% to 50% at our public institutions while retaining the current ratio of MASSGrant funding for public versus independent institutions. As of FY2014, Massachusetts ranked 46th in average need-based grant award per student (\$628).

This increased investment in state financial aid will dramatically enhance students' access to higher education at a time when the completion of college degrees, certificates, and other credentials is essential to lifelong success, and when the maintenance of a highly educated workforce is essential to the state's economic prosperity.

The Three-Part College Completion Strategy

Specifically, the Department of Higher Education's FY2016 budget priorities are aligned with the three part college completion plan through the following initiatives and line-items:

- **Massachusetts State Scholarship**

This request addresses the issues of college access, affordability, and completion. It includes funding for MASSGrant, the state's primary need-based financial aid program; also funds Cash Grant, Part-Time Grant, and Early Childhood Educator's Scholarship.

- **Performance Incentive Fund**

Grant funding to support the continuation of the ongoing initiatives that advance the goals of the Vision Project, with an emphasis in FY16 on college completion, college participation, and closing achievement gaps. Funding also supports collaboration and efficiency projects at all of the campuses and the common course numbering initiative.

- **Commonwealth Dual Enrollment Program (CDEP)**

This program allows high school students to take college-level courses free of charge while earning simultaneous credits toward a diploma and a future college degree. It has proved highly effective in increasing rates of college participation and college completion.

- **Bridges to College**

This initiative supports college participation by working adults, providing grants to agencies that assist low-income adults in preparing to earn certificates and degrees at the state's community colleges.

- **STEM Starter Academies**

This program focuses on increasing recruitment, retention, and graduation for Science, Technology, Engineering, and Math (STEM) programs at community colleges by preparing K-12 students for college coursework in STEM fields.

- **Learning Outcomes Assessment**

This initiative supports college completion by improving the effectiveness of our instructional programs.

- **Low-income Males and Males of Color (LIMMOC)**

This new pilot initiative in FY2016 will seek to implement strategies for closing the largest student achievement gap in the Commonwealth for college participation and completion: the historically underserved populations of low income males and males of color.

FY2016 Budget Request: DHE State Appropriated Line Items

The Department of Higher Education’s FY2016 budget recommendation is based on the Higher Education Finance Commission report which requests \$95 million in operating budget support for the community colleges, the state universities, and UMass in FY2016.

DHE Academic Program Support and Administration

- Vision Project - Performance Incentive Fund
 - Dual Enrollment Program
 - Bridges to College
 - DHE Administrative Account
-

Vision Project - Performance Incentive Fund (7066-0025)	FY16 Request:	\$8,000,000
	FY15 GAA:	\$3,250,000
	% Change:	146 %

The Department’s top priority continues to be support for the Vision Project Performance Incentive Fund (VP-PIF) through which the Department has awarded grants to all three segments to advance Vision Project goals. After a successful initial cycle of VP-PIF grants based on an appropriation of \$2.5 million in FY2012, the legislature increased the allocation for this activity up to \$7.5 million in FY2013 and FY2014, and reduced to \$3.25 million in FY15.

In addition to awarding nearly \$3 million in campus and consortium grants in FY2015, the DHE has worked with the campuses to make progress in advancing system-wide efforts toward achieving collaboration and efficiency, including the coordination and continuation of successful cost-saving efforts in the areas of information technology and energy.

The VP-PIF has also supported the development of a much-needed system of course equivalences and common course numbering. The FY2016 budget request calls for an increase of \$500,000 to support a new software platform for the Course Equivalency Project.

Commonwealth Dual Enrollment Program (7066-0019)	FY16 Request:	\$2,000,000
	FY15 GAA:	\$750,000
	% Change:	133 %

The Commonwealth Dual Enrollment Program (CDEP) provides opportunities for Massachusetts high school students to take free or reduced-cost college-level courses and earn credit simultaneously toward high school completion and their future college degrees. The goal of the program is to increase the population of high school graduates who are college ready. National research has concluded that this type of opportunity drastically increases the likelihood of students attending and completing college. Currently, the program has capacity to enroll 2,045 students annually – a small fraction of potential statewide demand. CDEP was eliminated in the FY2011 GAA but was partially restored by a one-time infusion of federal ARRA dollars. This program has been funded at \$750,000 since FY2012.

An additional investment of \$1,250,000 – up to \$2 million for FY2016-- would increase enrollment by approximately 125% and accelerate the program’s emphasis on providing opportunities for low-income students, and students interested in STEM fields. CDEP also contributes to multiple objectives of the Vision Project, including the elimination of disparities in educational outcomes among different socio-economic subgroups and improvement in degree production in areas of workforce need.

Bridges to College (7066-0040)	FY16 Request:	\$400,000
	FY15 GAA:	\$400,000
	% Change:	0 %

This initiative, piloted in FY2014, provides funding to qualified adult basic education providers for services to low-income and entry level workers. DHE has been involved in both the planning and implementation of this program and is requesting that the FY2015 investment of \$400,000 be maintained in FY2016.

Civic Engagement Initiative (7066-0040)	FY16 Request:	\$250,000
	FY15 GAA:	\$250,000
	% Change:	0 %

An initiative to support competitive grants to programs that encourage civic learning and engagement in public higher education by providing students with learning experiences intended to cultivate the knowledge, skills, and disposition necessary to be active, informed citizens.

While this account was reduced in the Governor's 9C action in November 2014, the DHE is recommending that the FY2015 GAA level of funding be restored in FY2016.

DHE Administration (7066-0000)	FY16 Request:	\$3,794,334
	FY15 GAA:	\$3,318,529
	% change:	14%

This account is the Department's main administrative line-item and also supports the \$1 million programmatic earmark for the State University Internship Incentive program. The State University Internship Incentive program is designed to promote and support increased university-level student participation in employer-sponsored internships. While reduced in the Governor's 9C action in November 2014, the DHE recommends that this program be level-funded in FY2016.

DHE also recommends a \$145,000 investment to continue the Learning Outcomes Assessment initiative which was started in 2010 with support from the Davis Foundation. This pilot program serves as the key Vision Project outcome of measuring and public reporting of what our students know and are able to do upon completion of their college studies.

DHE is also requesting \$400,000 in funding for two new initiatives to support ongoing efforts of the Department. The first request is for \$150,000 in funding to support the assessment and coordination of the system's efforts to address campus violence with an emphasis on campus sexual violence, and addressing the unique needs of the LGBTQ community and fostering a culture of inclusivity. The second is \$250,000 in funding for a pilot program to improve the college-going rates of the historically underserved populations of low-income males and males of color (LIMMOC).

Financial Aid

- Massachusetts State Scholarship
- Foster Care and Adopted Fee Waiver
- Foster Care Financial Aid
- High Demand Scholarships

Massachusetts State Scholarship (7070-0065)	FY16 Request: \$135,600,000
	FY15 GAA: \$93,600,000
	% Change: 45%

In line with the recommendation of the Higher Education Finance Commission report, the DHE is requesting an increase of \$42 million over FY2015 for Massachusetts State Scholarship line and the MASSGrant program. The MASSGrant program provides need-based financial assistance to undergraduate students who reside in Massachusetts and who are enrolled in and pursuing a program of higher education in any approved public or independent college, university, school of nursing or any other approved institution furnishing a program of higher education.

The demand for assistance to low and moderate income students has increased while the cost of attending college has risen. As a result, the ability of the MASSGrant program to offset the cost of attendance has greatly diminished. In 1988, the average MASSGrant award was sufficient to cover 85% of the total student costs; in FY2015 the average grant award is able to cover just 9% of the total projected student costs. In fact, Massachusetts ranks 46th in the country in average need-based grant award per student (\$628). A five-year investment \$630 million, as recommended by the Higher Education Finance Commission -- \$42 million in FY2016, will be a tremendous investment towards making college affordable and allowing students to complete their degree and certificate in a timely fashion.

Foster Care Financial Aid Waiver (7066-0016)	FY16 Request: \$1,075,000
	FY15 GAA: \$1,075,000
	% Change: 0%

The Foster Care Financial Aid Waiver provides up to the equivalent of 100% resident tuition and fee assistance to identified students in foster care programs overseen by the Department of

Children and Families (DCF) for state-supported courses offered at participating public higher education institutions. The availability of aid is linked directly to the state appropriation.

Foster Care and Adopted Fee Waiver (7099-0021)	FY16 Request: \$4,042,842
	FY15 GAA: \$3,924,842
	% Change: 2.6%

The Foster Care and Adopted Fee Aid Waiver provides the equivalent of 100% resident tuition and fee assistance at participating public higher education institutions to under the age of 24 who were previously in the custody of the Department of Children and Families (DCF) and had been adopted by a Massachusetts state employee or eligible state resident, regardless of the date of adoption. The availability of aid is linked directly to the state appropriation.

The fall 2014 disbursements for this program demonstrate a modest increase in the pool of eligible students for the waiver for approximately 80 students. An investment of \$118,000 in FY2016 would fully fund the demand for this program.

High Demand Scholarships (7070-0066)	FY16 Request: \$500,000
	FY15 GAA: \$500,000
	% Change: 0%

This line-item supports scholarships to students at the community colleges, state universities and UMass who are pursuing a program that is deemed a high demand profession, such as those in STEM and health care fields. DHE is requesting that the FY2015 investment in this program be maintained in FY2016.

Workforce Development

- STEM Pipeline Fund
- STEM Starter Academies
- Rapid Response Incentive Program
- Nursing and Allied Health Initiative
- Community College Workforce Grants

STEM Pipeline Trust Fund (7066-0035)

FY16 Request: \$1,500,000
FY15 GAA: \$1,500,000
% Change: 0%

Through the STEM Pipeline Trust Fund, the DHE provides leadership for the statewide STEM initiative through the role of Executive Director of the Governor’s STEM Advisory Council and program management of the Regional STEM Networks.

The STEM Pipeline Fund supports priorities and programs approved by the Governor’s STEM Advisory Council in context of the goals described in the *A Foundation for the Future: Massachusetts Plan for Excellence in STEM Education (2010)*. Those priorities include:

- Funding seven Regional STEM Networks which convene key local constituents—K-12, higher education, business and industry, informal education and government—and leverage resources to achieve the goals defined in the state STEM plan.
- Providing public funds to match private funds in support of the @Scale initiative – a program to qualify, endorse and scale-up best practice programs aligned to the goals defined in the state STEM plan.
- Developing and implementing a public awareness campaign to inform, engage and influence students, educators, parents and employers about the importance of STEM education and the career opportunities in Massachusetts innovation economy.
- Aligning independent STEM education and workforce development assets and resources across the Commonwealth in support of the state STEM plan.

STEM Starter Academies (7066-0036)

FY16 Request: \$4,750,000
FY15 GAA: \$4,750,000
% Change: 0%

The Massachusetts STEM Starter Academy was initiated in the FY2014 GAA to support campus programs designed to engage, recruit, retain and graduate significantly more students in STEM fields, particularly underrepresented groups in economically-challenged communities. In addition, campus programs will be aligned with competency expectations of employers and will allow students to pursue employment and progress to higher levels of education as appropriate to their needs and interests. While this program was reduced in the Governor's 9C action by 50% in November 2014, the DHE is recommending that the FY2015 GAA funding level of \$4.75 million be restored for FY2016.

Rapid Response Incentive Program (7070-0066)

FY16 Request: \$500,000
FY15 GAA: \$500,000
% Change: 0%

The Rapid Response Incentive Program was an initiative that piloted in FY2013 to award competitive grants to the community colleges to establish workforce training programs, with an emphasis on accelerated degree programs or programs scheduled for working adults.

This program has proven to have value to the workforce training system within the community colleges to improve scheduling of courses to meet adult worker needs, better align curriculum to workplace competencies, implement models of training and degree or certificate program delivery that incorporate online and onsite (hybrid) training and address support services for adult students. In FY2015, this program was consolidated into the High Demand Scholarship line-item (7070-0066) and funded at \$1 million. DHE requests that the investment of \$500,000 for the Rapid Response portion of that line-item be maintained in FY2016.

Nursing and Allied Health Initiative (7066-0020)

FY16 Request: \$400,000
FY15 GAA: \$200,000
% Change: 100%

The Nursing Health and Allied Health initiative leads private/public partnerships through collaboration with employers, industry associations, and higher education institutions and grant

funding to increase the supply of skilled nurses and demand for qualified faculty to redirect curriculum for the evolving healthcare industry.

DHE is requesting to restore this account to the FY2013 funding level of \$400,000.

Community College Workforce Grants (7066-1121)	FY16 Request:	\$1,450,000
	FY15 GAA:	\$1,450,000
	% Change:	0%

Community College Workforce Development Grants were created in FY2000 to develop public, community college-based training opportunities in order to promote workforce development, minimize the shortage of skilled workers, and raise economic opportunity through a matching incentive grant program. The DHE established guidelines for the distribution of community college workforce training incentive grants, providing matching funding—20 cents for every dollar in revenue. Each community college that is eligible for grant awards in a fiscal year has received no less than \$50,000 each year since the program was established. These dollars are used to ensure that each college has a full-time program administrator for workforce development activities focused on local employers, while additional funds may be used to supplement other program costs. Because the community colleges serve local economies and local citizens, it is very important that the colleges remain responsive and engaged in training the local workforce. This program provides an incentive for colleges to meet this need aggressively.

DHE is requesting level funding for this account in FY2016 at \$1,450,000.

Commonwealth Commitments

- New England Board of Higher Education
 - The Compact for Education
 - Tufts Veterinary School
 - Worcester Polytechnic Institute
 - College Health and Welfare Fund
-

New England Board of Higher Education (7066-0009) FY16 Request: \$367,500
FY15 GAA: \$367,500
% Change: 0%

The New England Board of Higher Education (NEBHE) is a consortium of New England higher education executive offices that promotes regional cooperation, programs that encourage the efficient use and sharing of educational resources, and best practices to assist the states in implementing important regional policies.

NEBHE administers the New England Regional Student Program (RSP) Tuition Break. Through the RSP, Massachusetts residents enrolling in an approved degree program at public colleges and universities in the other five New England States can receive a tuition discount when a comparable program is not available at a Massachusetts public institution, and a reciprocal arrangement is offered by Massachusetts to residents of the other New England states. In some cases, students are also eligible if an out-of-state college is closer to home than an in-state college. While this line-item was reduced in the Governor’s 9C action by 50% in FY2015, the DHE is recommending that the FY2015 GAA funding level of \$367,500 be restored for FY2016.

Tufts Veterinary School (7077-0023) FY16 Request: \$3,750,000
FY15 GAA: \$5,550,000
% Change: - 32%

The Commonwealth has made a long-term commitment to Tufts to support the Veterinary School in Grafton. In return for this subsidy, Tufts provides reduced tuition for Massachusetts residents and undertakes bioterrorism research for the Commonwealth. The current cohort of the Tufts Cummings School of Veterinary Medicine (TCSVM) includes 144 Massachusetts residents. In the FY2013, TCSVM provided a total of \$337,512 in tuition remission to Massachusetts students. In addition, the TCSVM sponsors a number of research and

development activities that have produced successful business enterprises and technological innovations that have enhanced the Massachusetts economy. The DHE is recommending that this line-item be reduced to \$3,750,000 in FY2016, which is \$500,000 above the FY2013 GAA.

Worcester Polytechnic Institute (7066-0024)

FY16 Request: \$1,400,000
FY15 GAA: \$1,400,000
% Change: 0 %

Established in 1992 by the state legislature, the Massachusetts Academy of Math and Science at WPI is a public high school for academically-accelerated juniors and seniors who reside in the Commonwealth. DHE supports level-funding this program in FY2016.

College Health and Welfare Account (7520-0424)

FY16 Request: \$5,847,602
FY15 GAA: \$5,481,664
% Change: 6.6%

Funding in this account supports health, dental and vision benefits for collective bargaining units at the institutions. The budget reflects mandatory contributions based on currently negotiated contracts and projected participation. DHE supports a 4.5% increase over the FY2015 GAA to support total projected costs in FY2016.

FY2016 Budget Recommendation: Community Colleges and State Universities

See Appendix B and Appendix C for an individual campus summary of state appropriation levels from FY2013 through the FY2016 Recommendation

Community Colleges

FY16 Request: \$288,933,462
FY15 GAA: \$263,672,017
% Change: 8.8%

The FY2014 budget included an additional \$20 million for the community colleges to be allocated by a funding formula as developed by the DHE in collaboration with the college presidents and the Massachusetts Teachers Association (MTA). In FY2015, the segment received an additional \$13.2 million allocated through the funding formula. For FY2016, the DHE is requesting that all collective bargaining costs be added to the base appropriation – including the shortfall from FY15 – and an additional \$20 million to be allocated through the formula.

Discussion is also ongoing with respect to refining the data elements of the formula and to review the potential operational impacts of continuing the “no fee increase” pledge that was critical to the formula’s legislative success in FY2014. It is anticipated that the distribution of state funds in FY2016 will represent another step towards full implementation of the formula.

State Universities

FY16 Request: \$266,380,442
FY15 GAA: \$242,794,391
% Change: 8.8%

The FY2014 budget included an additional \$15 million for the state universities based on an across-the-board allocation for each campus of \$500,000 plus an amount apportioned by campus FTE level. In FY2015, the segment received an additional \$8 million to be allocated under the same methodology. In addition to that investment, the FY2015 budget allocated \$100,000 for the development of a new allocation formula for implementation in FY2016. Planning for that effort is now underway with the DHE, university presidents, and campus leaders from finance and academics.

For FY2016, the DHE is requesting that all collective bargaining costs be added to the base appropriation – including the shortfall from FY2015 – and an additional \$15 million to be allocated through a funding formula.

Collective Bargaining

FY16 Request: TBD

The DHE continues to strongly advocate for full-funding, including annualized values, of all collective bargaining contracts for the community colleges and state universities. The FY2015 budget development was unique in that three of the four contracts (the exception being the Massachusetts Community College Council contract) were not in effect at the start of the fiscal year and, further, were not fully quantified with respect to the terms of the ratified agreements. To date, the resulting shortfall – estimated at between \$2.5 million and \$3 million for FY2015 alone -- was not covered in a supplemental and is an exposure both in the current fiscal year, as well as for FY2016. The full funding of collective bargaining costs for both the state universities and community colleges is critical to campus operations and is not a component of the additional \$35 million investment requested for campus operating budgets. The DHE will continue to advocate for full funding of the total collective bargaining costs be added to the base of future campus line-item appropriations.

Capital Projects and Deferred Maintenance

The campuses rely heavily on the Commonwealth to provide bond funds for capital construction and deferred maintenance. In 2008, Governor Patrick filed the historic \$2.2 billion, 10-year Higher Education Bond Bill to dramatically increase spending for capital projects at our community colleges, state universities, and UMass campuses.

This capital investment came on the heels of decades of poor funding for maintenance and little support for new construction for public higher education. As of FY2014, every campus in all three segments received at least one major new capital project funded by the bond bill, with a particular focus on constructing new science and allied health facilities. For many campuses, this was the first new construction project since the 1970s. However, despite this recent investment in new construction, there remains an overwhelming need to address deferred maintenance at all of Massachusetts' institutions of higher education. A recent study by an independent facilities audit firm of all of the Commonwealth's 29 campuses reported that the 10-year deferred maintenance need was approximately \$4.2 billion. The need to maintain our facilities and reduce the deferred maintenance backlog has put pressure on campus operating budgets and has exacerbated the need to increase fees over the years.

Additionally, the campuses have assumed debt in their operating budgets to augment the 2008 bond bill projects and finance new projects not supported by the bond bill. The most popular means to leverage state funds for the community colleges and state universities is to finance new projects with debt issued by the Massachusetts State College Building Authority (MSCBA). In the aggregate, the MSCBA paid \$78 million in FY2014 debt service from campus operating budgets on \$1.2 billion in outstanding debt issued in support of campus projects. This amount includes debt issued to support the construction of new housing.

In addition, expenses related to deferred maintenance projects have continued to mount, creating pressure on campus operating budgets and forcing campus leaders to choose between crucial capital investments and academic and student support programs.

DHE will continue to advocate for the need for additional authorization of the existing bond bill and/or seek new authorization to accommodate, at a minimum, the growing deferred maintenance needs at our campuses.

APPENDIX A

FY2016 Budget Recommendation:
The Department of Higher Education



Program Area	FY14 GAA	FY15 BHE Request	FY15 GAA	FY16 BHE Request	Variance FY16 BHE/FY15 GAA
DHE Academic Program Support and Administration					
Vision Project - Performance Incentive Fund	\$ 7,500,000	\$ 8,000,000	\$ 3,250,000	\$ 8,000,000	\$ 4,750,000
Commonwealth Dual Enrollment Program	\$ 750,000	\$ 2,000,000	\$ 750,000	\$ 2,000,000	\$ 1,250,000
Bridges to College	\$ 250,000	\$ 250,000	\$ 400,000	\$ 400,000	\$ -
DHE Administration	\$ 3,318,529	\$ 3,701,028	\$ 3,249,334	\$ 3,794,334	\$ 545,000
Civic Learning Initiative	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -
Financial Aid					
Massachusetts State Scholarship	\$ 90,607,756	\$ 100,000,000	\$ 93,607,756	\$ 135,607,756	\$ 42,000,000
Foster Care and Adopted Fee Waiver	\$ 3,670,000	\$ 3,924,842	\$ 3,924,842	\$ 4,024,842	\$ 118,000
Foster Care Financial Aid	\$ 1,075,299	\$ 1,075,299	\$ 1,075,299	\$ 1,075,299	\$ -
High Demand Scholarships/Rapid Response	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
Workforce Development					
STEM Pipeline Fund	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ -
STEM Starter Academies	\$ 4,750,000	\$ 4,750,000	\$ 4,750,000	\$ 4,750,000	\$ -
Nursing and Allied Health Initiative	\$ 250,000	\$ 400,000	\$ 200,000	\$ 400,000	\$ 200,000
Community College Workforce Grants	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ -
Commonwealth Commitments					
New England Board of Higher Education	\$ 367,500	\$ 367,500	\$ 367,500	\$ 367,500	\$ -
The Compact for Education	\$ 41,310	\$ 41,310	\$ -	\$ -	\$ -
Tufts Veterinary School	\$ 4,000,000	\$ 3,250,000	\$ 5,550,000	\$ 3,750,000	\$ (1,800,000)
Worcester Polytechnic Institute	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ -
College Health and Welfare Fund	\$ 5,600,000	\$ 5,826,900	\$ 5,481,664	\$ 5,847,602	\$ 365,938
DHE Line-item Total:	\$ 127,530,394	\$ 138,936,879	\$ 128,206,395	\$ 175,617,333	\$ 47,428,938

Community Colleges	FY14 GAA	FY15 BHE Request	FY15 GAA	FY16 BHE Request	Variance FY16 BHE/FY15 GAA
Community Colleges	\$ 245,672,016	\$ 265,672,016	\$ 249,048,859.00	\$ 263,672,017	\$ 14,623,158
Additional Funding through Formula	\$ 20,000,000	\$ 20,000,000	\$ 13,172,515	\$ 20,000,000	\$ 6,827,485
Collective Bargaining	\$ -	\$ 1,600,000	\$ 1,450,643	\$ 5,261,445	\$ 3,810,802
Community College Total:	\$ 265,672,016	\$ 287,272,016	\$ 263,672,017	\$ 288,933,462	\$ 25,261,445

State Universities	FY14 GAA	FY15 BHE Request	FY15 GAA	FY16 BHE Request	Variance FY16 BHE/FY15 GAA
State Universities	\$ 229,494,392	\$ 244,494,392	\$ 229,694,392	\$ 243,194,391	\$ 13,499,999
Additional Funding	\$ 15,000,000	\$ 20,000,000	\$ 7,948,775	\$ 15,000,000	\$ 7,051,225
Collective Bargaining	\$ -	\$ 8,000,000	\$ 5,551,224	\$ 8,586,051	\$ 3,034,827
State University Total:	\$ 244,494,392	\$ 272,494,392	\$ 243,194,391	\$ 266,780,442	\$ 23,586,051

Grand Total (not including projected collective bargaining costs): \$ 89,430,805

APPENDIX B

Community College State Appropriations FY2013 - FY2016

Community College Campus	FY2013 GAA	FY2014 GAA (includes \$20M funding formula allocations)	FY2015 GAA (includes \$13.2M funding formula, MCCC)	FY2016 Funding Base (includes collective bargaining reserve)	FY2016 Collective Bargaining	Funding Formula	FY2016 Recommendation
Berkshire Community College	\$ 7,988,207	\$ 9,660,798.00	\$ 10,445,370.99	\$ 10,506,477	\$ -	\$ -	\$ 10,506,477
Bristol Community College	\$ 13,885,391	\$ 18,164,297.00	\$ 19,679,881.27	\$ 19,859,758	\$ -	\$ -	\$ 19,859,758
Bunker Hill Community College	\$ 17,496,631	\$ 21,477,114.00	\$ 24,133,251.80	\$ 24,207,884	\$ -	\$ -	\$ 24,207,884
Cape Cod Community College	\$ 9,823,796	\$ 10,880,434.00	\$ 11,465,015.67	\$ 11,526,429	\$ -	\$ -	\$ 11,526,429
Greenfield Community College	\$ 7,805,889	\$ 9,577,400.00	\$ 10,020,793.94	\$ 10,084,606	\$ -	\$ -	\$ 10,084,606
Holyoke Community College	\$ 16,074,594	\$ 18,636,293.00	\$ 19,478,997.94	\$ 19,620,117	\$ -	\$ -	\$ 19,620,117
Massachusetts Bay Community College	\$ 11,859,106	\$ 14,675,512.00	\$ 15,534,498.15	\$ 15,603,781	\$ -	\$ -	\$ 15,603,781
Massasoit Community College	\$ 17,376,153	\$ 19,493,151.00	\$ 20,389,506.17	\$ 20,484,916	\$ -	\$ -	\$ 20,484,916
Middlesex Community College	\$ 17,121,183	\$ 20,346,630.00	\$ 22,046,383.99	\$ 22,217,880	\$ -	\$ -	\$ 22,217,880
Mt. Wachusett Community College	\$ 11,007,508	\$ 12,985,000.00	\$ 13,960,446.61	\$ 14,076,492	\$ -	\$ -	\$ 14,076,492
North Shore Community College	\$ 17,629,906	\$ 19,837,418.00	\$ 20,783,626.36	\$ 20,926,932	\$ -	\$ -	\$ 20,926,932
Northern Essex Community College	\$ 16,305,635	\$ 18,133,317.00	\$ 18,956,977.62	\$ 19,033,510	\$ -	\$ -	\$ 19,033,510
Quinsigamond Community College	\$ 12,980,557	\$ 17,751,753.00	\$ 19,731,250.48	\$ 19,767,955	\$ -	\$ -	\$ 19,767,955
Roxbury Community College	\$ 9,729,356	\$ 10,696,704.00	\$ 11,166,929.91	\$ 11,221,352	\$ -	\$ -	\$ 11,221,352
Springfield Technical Community College	\$ 21,070,398	\$ 23,356,195.00	\$ 24,428,439.17	\$ 24,533,928	\$ -	\$ -	\$ 24,533,928
Community College Funding Formula	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000,000	\$ 20,000,000
Collective Bargaining Reserve	\$ -	\$ -	\$ -	\$ -	\$ 5,261,445	\$ -	\$ 5,261,445
Grand Total for Community Colleges:	\$ 208,684,154	\$ 245,672,016	\$ 262,221,370	\$ 263,672,017	\$ 5,261,445	\$ 20,000,000	\$ 288,933,462

APPENDIX C

State University State Appropriations FY2013 - FY2016

State University Campus	FY2013 GAA	FY2014 GAA	FY2015 GAA (includes \$8M additional operating funds)	FY2016 Funding Base (includes \$5.5M CBA reserve)	FY2016 Collective Bargaining (assumes 100% funding for FY2015 CBA costs)	Funding Formula	FY2016 Recommendation
Bridgewater State University	\$ 33,860,038	\$ 40,591,669	\$ 42,156,230	\$ 43,090,234	\$ -	\$ -	\$ 43,090,234
Fitchburg State University	\$ 23,467,647	\$ 27,430,823	\$ 28,241,156	\$ 28,896,699	\$ -	\$ -	\$ 28,896,699
Framingham State University	\$ 21,466,256	\$ 24,964,332	\$ 26,052,924	\$ 26,646,930	\$ -	\$ -	\$ 26,646,930
Massachusetts College of Liberal Arts	\$ 12,559,859	\$ 14,779,296	\$ 15,278,415	\$ 15,604,002	\$ -	\$ -	\$ 15,604,002
Salem State University	\$ 34,614,021	\$ 41,482,180	\$ 42,741,050	\$ 43,784,309	\$ -	\$ -	\$ 43,784,309
Westfield State University	\$ 20,139,642	\$ 24,829,786	\$ 25,865,142	\$ 26,488,712	\$ -	\$ -	\$ 26,488,712
Worcester State University	\$ 19,941,794	\$ 24,128,143	\$ 25,073,099	\$ 25,625,327	\$ -	\$ -	\$ 25,625,327
Massachusetts College of Art and Design	\$ 13,405,202	\$ 16,353,460	\$ 16,893,910	\$ 17,296,760	\$ -	\$ -	\$ 17,296,760
Massachusetts Maritime Academy	\$ 12,330,691	\$ 14,734,703	\$ 15,341,241	\$ 15,761,417	\$ -	\$ -	\$ 15,761,417
Collective Bargaining Reserve	\$ -	\$ -			\$ 8,586,052	\$ -	\$ 8,586,052
Additional Operational Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000,000	\$ 15,000,000
Grand Total for State Universities:	\$ 191,785,150	\$ 229,494,392	\$ 237,643,167	\$ 243,194,390	\$ 8,586,052	\$ 15,000,000	\$ 266,780,442