

MAFS Dinner Meeting Notes
17 February 2014

Mike Thomson, speaker

1. some issues that are out there, will be discussed by the legislature this session, and so universities may have to deal with:
 - we have peaked on the numbers coming out of high school in the state of Missouri
 - keeping college affordable is going to be an ongoing problem, MO state funding is about 35% of cost now and we are trying to keep tuition down
 - economic situation beginning in 2009 that made funding difficult regarding scholarships, Access MO and Bright Flight not fully funded
 - baby boomer retirements are going to cause shortages in STEM
 - proprietary schools are growing in number and finding a niche, they are especially quick to respond to economic conditions and market demands
 - traditional universities may be expected to adapt more quickly (in response to proprietary institutions)
 - Performance funding going wild nationwide, in MO 90% new money is likely to be based on performance (2 bills out there, Thomson's in House and Pearce's in Senate)
 - If you meet all of your 5 goals you get 100% of 90% of new money (note from KB: this was a little unclear and I might have gotten this wrong but I think this is the gist of it)
 - This year 50% of 4-year universities met all 5 goals
 - 10% of new money will be distributed based on models (COPHE has one)
 - state budgets are already doing this now, but legislators want to put the practice into statute so it remains in force even if lawmakers change, ensures accountability and some stability
 - DHE is currently working on a reciprocity agreement for schools that offer online across state lines (see SARA below)
 - may have some institutions that go to credit based on something other than seat time, maybe competencies
 - new STEM camps and innovation campuses around state, luring high school students in so that they have an associate's degree by the time they graduate high schools
2. Budget
 - Legislators and Governor could not agree on a consensus revenue estimate this year
 - Governor wanted 5.2% and legislature suggested 4.2%
 - Legislature did not want to create a situation that necessitated future withholdings so they did not go with Governor's recommendations, do not want Governor to have control over withholding moneys
 - that means that the legislature will not fund the numbers Governor recommended
 - A+ will be fully funded this year though
 - original intent was to update facilities and help non-college-bound students
 - Is there any chance it can be expanded to 4-year schools? That would take tripling the amount of money available and so Thomson can't see it happening in the near future

- MO Access: hoping to put at least \$8.5 million into it because it is not currently fully funded, probably needs \$120 million to fully fund
 - Bright Flight currently ineffective in its primary function (keeping people in state) because the amounts involved are insignificant
 - Thomson proposed a bill to add a forgivable loan program (\$5000 each year) into the program, for each year worked in MO after graduation \$5000 of the loan would be forgiven
3. SARA (State Authorization Reciprocity Agreement)
- Jennifer and Emily working with this project
 - each state has rules and US Department of Education requires that all universities operating across state lines to get authorization from all states involved
 - so this reciprocity agreement is supposed to make obtaining this authorization uniform (for all accredited, degree-granting institutions, proprietary, public, and private)
 - is currently a huge amount of traffic across state lines with online education and only about 50% of institutions attempt to get authorization, of those only about half actually get authorization from everywhere they operate
 - SARA is meant to standardize the standards and practices broadly: goal is to authorize accreditation, put in place catastrophic response plan for student records and a complaint process
 - working with regional compacts to increase accountability and quality of all such programs
 - There will be an annual fee for institutions to participate which is lower than current individual state registration fees
 - by 2014 anticipate 20-30 states will be participating, by 2015 anticipate that 45 states will be participating
 - not working with international programs yet but may in the future
 - funded by Lumina for 3 years and will focus on the institutions mentioned above

Questions

1. about MOOCs: MO sat back and allowed debate to unfold, original ideas have changed and those involved with heavy promotion of them are having trouble coming up with a sustainable business model, no current bills in legislature, only a tiny number of participants stay with a MOOC through completion and almost no-one builds an actual degree, DHE considers it a transfer and articulation issue (do universities want to accept it for credit)
2. question about competency/equivalency: a lot of vocational programs have these kinds of competency evaluations but not so common in universities, example of language (take later class and get credit for earlier courses in sequence too)
3. what can we do to help legislators understand how bad for MO reductions in general revenue are?
4. anything new on cigarette tax? He doesn't expect it to come up again for a couple of years because it failed the ballot