

S ummary of the Commission on Higher Education Governance

The 1996 Commission on Higher Education Governance, one of many commissions, task forces and committees that have been appointed over the years to “look at” issues in higher education, has looked, and what the Commission has found is a remarkable disconnect between the public, the government and the institutions of higher education. In the past such a disconnect may have been attributed to a misunderstanding or misinformation, but this time it’s different. The disconnect seems to have become synonymous with distrust. Parents and students can’t understand why tuition has soared at twice the rate of inflation, elected officials search furiously for greater accountability for the public dollar, and higher education watches in disbelief as it struggles along with flat funding and a shrinking percentage of the State budget. Buildings deteriorate, enrollments remain flat and the most precious commodity of all in higher education, an institution’s reputation, hangs in the balance.

What possibly can a new report say or do that could overcome such a perilous outlook? This Commission has offered a series of recommendations that will help in a number of areas. But what must happen cannot be dictated by a report. The real solution is in the re-establishment of the partnership between the citizens of Maine, the Legislature, the Governor and our public and private institutions of higher education, a partnership that will remove the regrettable distrust that has grown between them. This partnership is so important that Maine’s success and future vitality as a State depend on it. We cannot wish, tax or spend our way to prosperity; we can only give the citizens the major tool they need in order to be prosperous, access to a good education.

What follows is a summary of key areas of the twenty-six recommendations submitted by the Commission in its report. (A summary of all twenty-six recommendations is attached.) This summary is by no means all inclusive of the work of the Commission, but merely an attempt to highlight a few of the more significant issues before the Commission over the past eight months.

S ystem Structures

The current structures of The University System, the Technical College System and the Maine Maritime Academy work well. It’s time to call a truce on this issue, and move on. This issue has little to do with structure and everything to do with leadership, or a lack of leadership. This Commission finds, as has been concluded by numerous other groups in the past, that the current governance structures of the current systems save resources and provide sound and sensible leadership effectively for a union of diverse campuses. The systems and the Legislature must focus their efforts on a notion of accountability which entails much more than moving around boxes or assigning new titles.

A ssociate of Art Degrees

As it currently stands, the University System, which offers Associate of Arts

(AA) degrees, has excess capacity throughout the system. The Maine Technical College System, which offers Associate of Science (AAS) degrees in keeping with its technical mission, does not currently offer AA degrees, is unable to meet the demand for its current technical offerings due to fiscal and other constraints. It would appear obvious then that the MTCS should not expand the mission to offer AA degrees, and the Commission recommends just that. However, beyond that, much of the discussion of the Commission centered around the notion that: the student demand for a technical education is great; the MTCS is doing an excellent job in meeting students needs; and the economy needs these students. In short, it's a formula for success. That formula should be expanded in order to meet the existing demand for a technical education and not expanded by duplicating what already exists in the University System, thus diverting already scarce resources. The Commission would be remiss, if it failed to ask the next logical question: Why, if there is plenty of space and ample offerings for AA degrees in the University System, isn't the UMS taking the initiative to work cooperatively with the MTCS?

E ducation Network of Maine (ENM)

ENM has provided an invaluable service to all of the citizens of the State by shifting the emphasis away from the traditional college student, the 18-22 year old, and on to the vast pool of "nontraditional students" located throughout the State. This shift has not come without a few sacrificial lambs along the way, and will undoubtedly continue to produce its share of controversy. But what's important here, is that ENM has proved in no uncertain terms that student demand for an education is no longer predicated on residence halls, fraternities, sports teams and college pubs. After a great deal of discussion the Commission concluded that ENM is a vital component of the University system and must be utilized fully. However, the Commission could see no justification for continuing to maintain ENM as a separate campus and recommends that ENM be within the Chancellor's Office and viewed as a system-wide service to all campuses. In addition, it is time to end the debate on degree granting status; ENM is not a campus, does not have a student body and does not have a faculty, and hence should not be given degree granting status.

F acilities management

The collective neglect of college and university facilities is a disaster developing before our very eyes, not only with the buildings but with the public trust. How can our institutions ever hope to increase funding or garner additional support when the most visible monuments of the public's dollar are left to decay? The condition of the facilities on the campuses is alarming, and in some cases dangerous. It is difficult to even hope that our words will somehow spur all the key players into action, as every single report on Higher Education since the middle 1970's has sounded the alarm on deferred maintenance. In short, we are left to plead with the governing boards of the institutions and with the Legislature and Governor to put a halt to this imprudent practice of deferred maintenance. We have recommended that each campus of the University of Maine System, the Maine Maritime Academy and the Maine Technical College System develop and implement a

comprehensive capital improvement plan. In addition, the Commission recommends that each campus include in its budgets an amount of money equal to 1.5% (or another percentage established by the respective governing boards) of the estimated total building value for maintenance purposes and that beginning immediately, all new construction projects or other capital improvements indicate the estimated annual amount which will be required to maintain the facility.

I Investment in Access for Maine's Students

The Governor, the Legislature and business leaders throughout the state have trumpeted the need for higher education for its citizens if we are to compete in the “new global economy”. Many have also stressed the need to raise the aspirations of our students. Well, fair enough...that costs money. But unlike many other expenditures in government, education offers the very likely reality of tremendous payback for the money invested. Study after study has indicated that the better educated the individual is the more money he or she is going to make. Every Maine citizen should know that we in fact do have an access problem. In 1995, Maine had one of the highest high school graduation rates in the country, yet Maine ranked 49th in the percentage of our high school graduates that went on to public college...49TH!! To our knowledge no one in Maine is recommending that students get a high school education and stop there. The Commission recommends that the Maine Legislature make a commitment to investing in Maine students through increased funding of the Maine Student Incentive Scholarship Program (MSISP). While it is not feasible to budget enough funding for all eligible students, the State should narrow the gap between eligibility and access.

I Investment in Research and Development for Maine's Future

The Legislature and the Governor should be advised that the University of Maine System is woefully lacking in necessary funding to support current research efforts. The booming economies along Route 128 in Boston, in the Research Triangle Park of North Carolina and in the Silicon Valley of California, owe much to their strong connections to research universities in their states. Across the nation, pockets of economic vitality reflect a common characteristic of adequate support from nearby colleges and universities regarding research and development. Such investment should be advocated, and supported by, the State of Maine and viewed as public policy aimed at economic development for the entire state. The Commission recommends that the Legislature increase appropriations directed to funding specific research grants and these research grants be awarded, first, based on the priority of their applicability to both current economic development in Maine and future economic potential, and secondly, based on the ability to leverage matching federal and foundation grant dollars. If Maine wants to pursue a plan for economic development, creating employment opportunities based in science and technology, to take us into the 21st Century, it must make the investment today in the research infrastructure.

A llocation of Resources

Much has been said concerning the need for our systems of higher education to become more accountable for the money they receive. However, exactly to whom the systems should be accountable, is less than clear. Is it the citizens of the state? Students? The Governing Boards? Is it the Legislature? Inevitably for any institution to succeed at improving accountability, it must be able to answer the question: “Accountable to whom?” The Commission recommends that the Legislature conduct a study of other methods of financing for public higher education, to examine alternatives to the current financial arrangement in which the institutions receive a lump sum from the State’s General Fund. The goals of any funding mechanism should: encourage a greater level of accountability and responsiveness; increase equity across the student population; allow institutions to focus their time and resources on the needs of the students; and encourage institutions to improve services and reduce costs.

T he Future

The great majority of the people of Maine can benefit from some form of education, and in fact the quality of life in Maine in the future will most likely depend on the ability of citizens to access higher education. As has been noted in many other reports on both higher education as well as reports on the economy, it is essential that there be access to post-secondary education of many kinds, for young people and adults, to enable them to acquire the skills that the changing economy will require of them. Furthermore, it is clear that higher education in Maine is not limited to the traditional 18-22 year old student, and in fact in the University of Maine System, these students are in the minority with almost 60% of the students 23 years old or older.

Maine’s systems of public higher education, coupled with the private colleges are a tremendous resource, and like any resource they must be valued and protected. It is the hope of the Commission that the public, the government and the institutions of higher education can reestablish the partnership and work together to insure that the people of Maine have the opportunity to fulfill their aspirations.

A Summary of the Recommendations for the Commission on Higher Education Governance

Recommendation 1: Investment in Quality Higher Education

⇒ See page 12 of the report for the complete recommendation

The Commission recommends that the state legislature provide the UMS, the MTCS and the MMA with a level of predictability in their funding which would allow them to meet annually increasing costs largely out of their control (e.g. employee cost-of-living increases and increasing energy costs), without further diminishing services and quality. This should be accomplished by granting cost-of-living increases tied to the baseline appropriation of FY97. This annual increase should continue until the Legislature has reviewed and determined an effective alternative method of allocation to public higher education (based on Recommendation 16 in the section on Finance and Budget).

The Commission also recommends that the Legislature make future investments in public higher education, dependent on the system's or campus's level of achievement in meeting the objectives set out in their performance budgeting goals. This could be used as an incentive to the systems to meet, and exceed, their stated benchmarks of performance outcomes.

Recommendation 2: Investment in Access for Technical Education

⇒ See page 13 of the report for the complete recommendation

The Commission recommends that the Legislature re-visit the report Improving Access to the MTCS, and that it follow through with implementing recommendations one and two as an investment in Maine's future economic development.

***Recommendation #1** To meet increasing student and industry demands, the Study Committee recommends that beginning in fiscal year 1997 the State of Maine invest \$1.8 million annually in a growth plan for the Maine Technical College System to increase enrollment from its current level of 4,500 full- and part-time matriculated students to 10,000 by the year 2006. This increase should be initiated primarily through greater utilization of existing college facilities*

***Recommendation #2** The Study Committee recommends creating and annually investing in an equipment renewal program in the amount of \$1 million beginning in fiscal year 1998. This action will ensure up-to-date equipment in each technology, based on average useful life expectancy.*

The Commission also recommends that the MTCS move to enhance its technical course offerings through expanded evening courses and a year round utilization of its campuses. Given sufficient resources to expand offerings, the system can make better use of its facilities.

Recommendation 3: Investment in the University of Maine System Infrastructure

⇒ See page 14 of the report for the complete recommendation

The Commission recommends that the State Legislature allocate to the University of Maine System \$1.5 million per year over the next two biennia in order to bring the UMS maintenance budget

from its current .35% of building value to 1.5% of building value to allow it to address the deferred maintenance on its campuses.

The Commission further recommends that each campus of the University of Maine System, the Maine Maritime Academy and the Maine Technical College System develop and implement a comprehensive capital improvement plan, which would include each campus designating in its budget an amount of money equal to 1.5% ¹ of the estimated total building value for maintenance purposes, and that beginning immediately, all new construction projects or other capital improvements indicate the estimated annual amount which will be required to maintain the facility.

Recommendation 4: Investment in Research and Development for Maine's Future

⇒ See page 14 of the report for the complete recommendation

The Legislature and the Governor should be advised that higher education in Maine is woefully lacking in necessary funding to support current research efforts. Based on a review of the financial needs to support research conducted by the University of Maine alone, the Commission recommends that the state provide a minimum of \$10 million over the next biennium, directed to funding specific research grants. The Commission further recommends that this increase in research dollars be awarded based foremost on the project's applicability to both current economic development in Maine and emerging industries, and secondly, in order to leverage matching federal and foundation grant dollars.

Recommendation 5: Investment in Access for Maine's Students

⇒ See page 14 of the report for the complete recommendation

The Commission recommends that the Maine Legislature make a commitment to investing in Maine students through increased funding of the Maine Student Incentive Scholarship Program (MSISP). While it is not feasible to budget enough funding for all eligible students, the Commission recommends an annual increase of \$1 million, for the next five years, to narrow the gap between eligibility and access. These would take the total state appropriation for MSISP to approximately \$10 million, which would bring the program very close to meeting the needs of all eligible students. An annual increase of \$1 million will allow an additional 1,300 students to be added to the program each year.

Recommendation 6: Maintain System Structures

⇒ See page 17 of the report for the complete recommendation

The Commission recommends maintaining the current system structure for both the University of Maine System (UMS) and the Maine Technical College System (MTCS). However, the Commission also recommends that the Boards of Trustees and the CEOs of these systems establish processes to routinely examine ways in which the efficiencies of the administrative

¹ This is a standard figure used in higher education nationally.

structures might be maximized and administrative and professional personnel reduced whenever possible. The Commission also recommends that faculty be utilized in the administrative positions and functions whenever possible, for example, through part-time appointments or rotating leadership positions.

Recommendation 7: Provide Statewide Planning

⇒ See page 17 of the report for the complete recommendation

The Governor should convene a “Blaine House Conference on Post-Secondary Education”, in the Fall of the second year of the Governor’s term of office, to establish a public agenda for higher education in Maine, incorporating representatives of a diversity of perspectives. The first such conference should occur in the Fall of 1997. The dialogue should focus primarily on identifying the current state-wide needs for higher education in Maine, including a review of the geographic and scheduling access in response to the state’s changing demographics. The Conference should also focus on questions of governance, retraining of teachers and faculty to take advantage of emerging technologies, the state of desired cooperation among all institutional entities, the adequacy of our financial investment, the level of contributions to the Maine economy and the relationship between primary, secondary and post-secondary education.

Recommendation 8: Improve State-wide Coordination

⇒ See page 18 of the report for the complete recommendation

The existing Education Coordinating Committee, which was established by the Legislature concurrently with the Commission on Higher Education Governance in 1995, was an effort to enhance coordination in education, both secondary and post-secondary (see Appendix Ten for the enacting legislation). The Commission recommends that this Committee be expanded in its duties and scope of action.

Recommendation 9: Board of Trustee Appointments, Attendance and Roles

⇒ See page 19 of the report for the complete recommendation

The Commission recommends that the Legislature review the needs of the Boards of Trustees of the UMS, the MTCS, and the MMA to establish guidelines to both assure attendance at meetings, and to assure that a basic adherence to the duties and responsibilities of membership are maintained. The Commission further recommends that the Boards of Trustees, themselves, become more active in making their needs known to the Governor early in the appointment process, so that these needs can be taken into consideration in his, or her, deliberations. The Commission also recommends that the legislation governing the duties of the Boards of Trustees be amended to include a requirement that each board member should strive to maintain a high level of cooperation and collaboration among the systems.

Recommendation 10: Enhance Public Awareness of UMS

⇒ See page 20 of the report for the complete recommendation

The Commission recommends that the University of Maine Board of Trustees work with the Chancellor to review the current public awareness efforts at both the system and campus level. The Commission urges that the Board of Trustees and the Chancellor provide leadership in promoting awareness to the public and the legislature about the benefits of the UMS to the State of Maine. In both the importance of research and higher education to the future economic development of Maine, and in the nationally and internationally recognized faculty, the UMS has much to promote.

Recommendation 11: Campus and System Missions Delineated

⇒ See page 21 of the report for the complete recommendation

The Commission recommends that individual campus missions be tied more clearly into the overall mission of their system, either the MTCS or UMS. The Commission also recommends that, in general, campus mission statements need to be more concisely worded and reviewed more frequently. In addition, the mission statements should more clearly reflect the needs of the regions they serve. And finally, the Commission recommends that each campus carefully consider the mission and role of the other institutions within its geographic region when reviewing its own, so that minimum overlap occurs. The Commission feels that a closer adherence to mission may be needed within many campuses. More frequent review and more concisely worded mission statements would assist in this matter.

Recommendation 12: Increase the UMS Authority to Borrow

⇒ See page 23 of the report for the complete recommendation

The Commission recommends that the current statutory limit of \$27 million, for authority of the University of Maine System to borrow money, should be eliminated and the Legislature should grant the Board of Trustees authority to establish an appropriate level of debt based on the needs of UMS and the ability to meet any financial obligations that will result from such borrowing. Without this authority, UMS will continue to be hindered in its ability to plan for its future needs.

Recommendation 13: Increase Efficiency (privatization, consolidation & cost sharing)

⇒ See page 24 of the report for the complete recommendation

The Commission strongly supports the efforts of the current Board of Trustees of the UMS in its establishment of an Administrative Costs Effectiveness Task Force and recommends that the Board consider a permanent task force to continually examine ways in which to achieve savings. The Commission also recommends that both the Maine Technical College System and the Maine Maritime Academy adopt a similar strategy of establishing a task force to review cost savings. In addition, the Commission recommends that cost sharing and other efficiencies be examined across the three systems

Recommendation 14: Move to Performance Budgeting

⇒ See page 24 of the report for the complete recommendation

The Commission strongly supports and concurs with the Legislature that the UMS, MMA and MTC should each begin to establish a system of Performance Budgeting as required by the 117th Legislature in Public Law 1996 chapter 705.

Recommendation 15: Increase Endowment/Development Funds

⇒ See page 25 of the report for the complete recommendation

The Commission recommends that Maine’s institutions of public higher education evaluate their present levels of annual giving from alumni, as well as from foundations, businesses and other benefactors. They should focus on methods to increase annual fundraising and endowment levels at each of the campuses, and at the system level. They should also examine carefully the activities of all development offices to assure adequate return for the money spent, and review present investment practices. In addition, the Commission recommends that within the two multi-campus systems of public higher education there should be collaboration to assist the smaller campuses in this effort. The presidents, and the Chancellor, must move to sophisticated fundraising and development methods to offset rising costs and shrinking public dollars.

Recommendation 16: Resource Appropriations by the Legislature

⇒ See page 25 of the report for the complete recommendation

The Commission recommends that the Legislature conduct a study of other methods of financing for public higher education, to examine alternatives to the current financial arrangement in which the institutions receive a lump sum from the State’s General Fund. Included in this study should be a model of funding in which students pay the full cost of attending a public college or university in Maine, with the General Fund appropriation allocated to the student based on need (see Appendix Twelve for an example). The Commission also recommends that the current appropriation formula to the UMS and the MTCS be reviewed by the Legislature for changes, to tie at least a part more directly to the enrollment levels of the systems as a whole.

Recommendation 17: Resource Allocation by the UMS Board of Trustees

⇒ See page 25 of the report for the complete recommendation

The Commission recommends that the UMS Board of Trustees review the current system allocation formula to update it from its present format, which is reflective of historical precedent and not current fiscal realities. The Commission further recommends that while an emphasis on enrollment is essential to this review, it is important for the Trustees to maintain the educational status of the University of Maine as the state’s “Flagship” institution. As such, UM merits special consideration for its emphasis on public service and research.

Recommendation 18: Status of the Education Network of Maine

⇒ See page 27 of the report for the complete recommendation

The Commission is unequivocal in its belief that the network is a service of the university system and as such does not qualify as a campus nor should it be considered as such. The Commission recommends that degree granting authority not be given to ENM. The Commission also recommends that the responsibility for the network, as a system-wide utility service to all campuses, should reside within the Chancellor's Office.

The Commission recognizes the presence of the major installation on the UMA campus and believes moving it would not be prudent. However, the Commission recommends that the offices of ENM be separated from those of UMA through a more official designation.

Recommendation 19: Administrative Leadership of ENM

⇒ See page 28 of the report for the complete recommendation

It is the consensus of the Commission, that use of the term "President" for the head of the Education Network of Maine raises significant questions concerning its appropriateness, especially when compared to the duties and responsibilities of other campus presidents. Therefore, the Commission recommends that the Chancellor and the UMS Board of Trustees review this issue. Title and administrative functions should reflect the fact that the ENM is a service unit of the Chancellor's Office. At the same time, the importance of this activity and its unique potential for Maine suggest that the head of ENM should continue to report directly to the Chancellor.

Recommendation 20: Mission Expansion at the Education Network of Maine

⇒ See page 28 of the report for the complete recommendation

The Commission recommends that the University of Maine System Board of Trustees review the possibility of broadening the mission of ENM to include a stronger focus on serving professionals and their training, or staff development needs statewide, in such fields as medicine, nursing, teaching (K-16), social work, law and engineering. As a part of this service, ENM should use its expertise to support the need for training at campuses where faculty members are, themselves, learning how to offer distance education for such professionals.

Owing to the high cost of operations, the Commission also recommends a serious commitment by ENM staff, to explore all avenues leading to new private sources of revenue to increase network capacity.

Recommendation 21: The Education Network of Maine Partnership

⇒ See page 28 of the report for the complete recommendation

The Commission recommends that the responsibilities be more clearly delineated between the faculty teaching classes over the ENM, and the administration and staff of ENM. The technical quality of broadcasts and the technological support provided are matters for ENM staff. The evaluation of the faculty, general procedures for appointment of faculty, the content of the curriculum, and issues concerning whether a course will fulfill stated academic requirements (e.g.

for prerequisites or to meet distribution standards) should be the responsibility of the individual campus and faculty offering the course.

Recommendation 22: The Education Network of Maine Cost Analysis

⇒ See page 29 of the report for the complete recommendation

The Commission recommends that the Chancellor obtain the services of an outside firm to conduct a full and public cost analysis of ENM to address directly the perception of some that the finances of ENM are not held to the same standards as other UMS components. This analysis would encompass the following, at a minimum; (1) the expense of the initial installation; (2) the expense of equipment maintenance and necessary technical staff; (3) the cost of eventual equipment up-date or replacement- given swift changes in the delivery technology; and (4) the limits to expansion of services without expanding present capacity.

Recommendation 23: The MTCS and the Associate of Art Degree

⇒ See page 31 of the report for the complete recommendation

The Commission recommends that the MTCS not expand their mission to offer associate of art degrees at this time. The need for technical education is great and as stated previously, the Commission believes that the MTCS should concentrate on expanding year round access to this type of education. The Commission also recommends that the MTCS work with the UMS in establishing regional plans to determine the needs for both technical and academic two-year programming, and to meet these needs through combined efforts, based on their respective missions and resources. The Commission notes there may be the need to re-visit this issue in the future as circumstances change.

Recommendation 24: Status of UMA as the Community College of Maine

⇒ See page 32 of the report for the complete recommendation

The Commission recommends that the UMS Board of Trustees and the Chancellor thoroughly examine the current status of the University of Maine at Augusta, and its ability to sustain its state-wide mission as the Community College of Maine. UMA's fiscal integrity and staffing levels should be a priority of this examination.

Recommendation 25: Cooperation With Private Colleges

⇒ See page 33 of the report for the complete recommendation

The Commission recommends that the public institutions of higher education continue to collaborate with the private colleges, through the coming Blaine House Conferences, the Maine Higher Education Council, and other means, with an emphasis on raising the aspirations of the people of Maine for their continued education and for their children's future. A continually

improving communication and cooperation level between these two forces can only provide increasing benefits for Maine.

Recommendation 26: Improve Access to Academic Program Information

⇒ See page 33 of the report for the complete recommendation

The Commission recommends that single point access for information and advising be developed in all public institutions so that potential students can not only access all of the information needed to apply for admission to any institution, but can also have access to face-to-face advising on how to proceed with their academic planning.