

Maine Compact for Higher Education

Board of Directors Meeting

11.14.08

FAME Office, Augusta

Minutes

Board members present: Ron Bancroft, Mary Cathcart, Joseph Foley, Joyce Hedlund (by phone), Martha Johnston, Danny MacDonald, Susan Percy, Derek Pierce, Lynn Ploof-Davis, Colleen Quint, Rep. Christopher Rector, Sen. Peggy Rotundo, Henry Schmelzer, and George Spann.

Guests and Staff present: Melanie Arsenault, Dept. of Labor; Henry Bourgeois; Dianne Heino; Patricia Hart, Employer Initiative program director; and Meredith Jones, Maine Community Foundation.

Joseph Foley, chair of the board, opened the meeting at 9:35 a.m.

Higher Education Advocacy. Mr. Foley provided some of the context and background for this discussion, noting that: this year, the Compact's symposium focused on financial access for students and reported on the increasing financial pressures facing low income students and their families; one of the Compact's five major strategic initiatives – which has yet to be realized -- is to significantly increase the availability of need-based scholarship assistance; and, the State is facing severe and systemic budget difficulties which will likely have major implications for the publicly supported higher education institutions, possibly resulting in higher tuitions if state budgets are significantly reduced.

At Mr. Foley's request, Mr. Bourgeois summarized the broad consensus reached by the board when this was discussed at its last meeting on October 1st:

- o The Compact should advocate for higher education investments at the Legislature this session. It is imperative to keep this issue in the forefront of the policy debates, even though it may not be possible to secure increased appropriations because resources are so severely constrained.
- o The Compact should constantly make the case for increasing workforce educational attainment as a long-term strategy to strengthen our economy.
- o The best advocates for higher education are business people, who are making the case for increased investments in the context of long term economic competitiveness.
- o The issue the Compact is advocating for is increased financial access, which could be expressed as stabilizing tuitions at Maine's public colleges and universities and/or increasing scholarships.

Board members had numerous suggestions and observations:

- a. What's needed is a long-term plan for higher education attainment that encompasses both the cost (tuition) and aid (scholarships).
- b. We need a two-part approach:
 - A short-term effort which addresses the student's ability to access financial help. There is a big squeeze on low income students and families – costs are increasing and financial aid is less available. The Compact should be advocating for continuing support for access.
 - And, the Compact should be a very strong voice articulating the long-term impact of today's decisions on college attainment. Business people, particularly, should be advancing this position.
- c. There is a silver lining in that the Federal government is making more Pell funds available to low income families and students and the Federal Administration is committed to increasing this more. So, we need to be cautious about our messages to students.
- d. The impact on low income students is so severe and debilitating that their aspirations could be affected. We have worked so hard the last couple of decades to increase student aspirations, they could disappear quickly.
- e. What's needed is a high level, Higher Education Blue Ribbon Commission, which might also include K-12. It was noted that the Commissioner of Education has a PK-16 advisory council to examine some of these issues.
- f. The Compact's opportunity and responsibility this session of the Legislature is clear: advocate for access (includes scholarship aid and stabilizing tuition) and be a catalyst for a long-term plan.

Higher Education Advocacy (continued)

- g. It is critical that the leaders of the Community College System and University of Maine System be at the table and fully engaged in any advocacy endeavor of the Compact.
- h. Some members cautioned that if we ask the Legislature for more funds for education, we should recommend where the funds would come from.
- i. Members described the impact of state budget cuts on higher education institutions and scholarship programs, explaining that there is currently a 'curtailment' in costs for this fiscal year (ends June 30, 2009), there will be a 'supplemental budget' before the Legislature from the Governor in January recommending another series of budget cuts this fiscal year; and the Governor and Legislature are expecting that at least \$500 million will need to be cut from the FY 2010-11 biennium budget which must be approved by next June.
- j. It was suggested that the Compact could immediately advocate for increased aid (Pell grants in particular) from the Federal Government; there was unanimous support for this approach.
- k. Another related issue raised by a member was the concern that many students are accepted into college and are not qualified, and leave after one or two semesters with heavy debt. This is particularly true of Somali immigrants.

The board reached consensus on two directions:

- 1. In the short-term, aggressively advocate for access by advocating for increased Federal and State government financial support for students and institutions.\
- 2. In the long-term, pursue a 'blue ribbon commission' approach aimed at strategic, long-term investments in higher education in Maine.

Alfond Scholarship Foundation. Mr. Bourgeois reported that the primary work of the Foundation was focused on preparing for the January 1, 2009 statewide launch of the program. Ethos Marketing & Design has been engaged by the ASF's education and outreach committee, which Ms. Quint chairs, to work with the new Program Manager and Mr. Bourgeois on the details of the roll-out, including new creative designs/logos/key messages to encourage enrollments next year. The plan is to prepare these materials for distribution to the 31 hospital partners at our Press Event and Training session on December 11. Another important element of the Education Committee's work is to prepare a plan and budget for marketing in 2009.

Mr. Bourgeois distributed the ASF's preliminary 2009 budget of \$2,308,512 which the Compact is responsible for administering. Approximately \$1,800,000 of the proposed budget is for HACC grants to newborns; \$508,512 is earmarked for operating expenses including marketing and personnel costs. The ASF board is expected to act on this budget at their October 17th meeting.

Employer Initiative update. Ms. Hart described her plans for committing employers to higher education investments for their workers in the next two months, outlined below.

She reminded board members of the purpose of the program and what employers can do for their employees to support their higher education:

- Build Awareness, on the need and value of a college degree and the benefits currently available to employees, e.g. link the college degree to potential increased career opportunities within the company or field of work.
- Actively support employees in planning for college, e.g. employer to employee goal setting on attaining higher education, scheduling work to fit school schedule, or allowing use of computers, to complete school assignments.
- Create a pathway for the employee to pay for college, e.g. link employees to resources such as college savings accounts, including the Harold Alfond College, or scholarships, and help employee pay for college, e.g. tuition reimbursement or remission.

Next, Ms. Hart outlined the Employer Initiative's 5-step process for working with employers:

- 1. Employer completes a needs assessment. This is a set of questions to be filled electronically, that includes type of business, profile of employees, current supports and policies for higher education, and interest in supporting higher education. Ms. Hart distributed the 'monkey survey' and encouraged board members to complete it and return it to her.

Employer Initiative (continued)

2. MEI discusses/reviews assessment information with the employer
 - o Links employer to resources based on their specific needs and interests.
 - o Make it easy for employers to take one step.
3. Employer commits to making a change (i.e. taking that one step) by CEO affirming their commitment (e.g. description of their 'one-step', estimate of the number of employers the step is intended to help). We ask if they would be willing to put their company name on the list of Maine employers who are taking steps to support higher education for their employees.
4. Follow-up -- employer completes a brief assessment/progress report of the changes made to support their employees, and the results.
5. Recognition -- MEI and partners recognize the Maine Employers that Support Higher Education, through press, public recognition at MDF's annual meeting, Compact Symposium. It was also suggested that we give them a moniker for their website to show that they are one of 500 businesses supporting higher education for their employees.

Ms. Hart described her approach for reaching 500 employers in the next 18 months, by starting at home with our key partners' board members, i.e. MDF (and its many programs), Compact, Maine Community Foundation. In that context, she and Mr. Bourgeois asked each Compact board member to complete the questionnaire, return it to Ms. Hart, and expect a call from her to discuss your organization's plans for supporting worker education. She also explained a broader networking process to engage chambers of commerce, the Maine Manufacturers Association, Head Start, and many other statewide organizations.

Board members were very supportive and offered several ideas:

- a. Mr. Foley suggested that we consider giving an employer some type of certificate that 'certifies' their level of support; such a certification might help companies recruit employees.
- b. Mr. Schmelzer discussed the idea of documenting successful efforts as 'best practices' and making them available to employers.
- c. Several members liked the idea of 'taking a step' as a way of asking employers to support their workers; they suggested it was non-threatening and modest, which is appropriate for the difficult financial times employers are facing.
- d. One member asked what value the EI really adds with employers who seem to be doing everything already. Ms. Hart suggested that we could identify that employer as a 'model' and showcase their achievements for others to learn from on the web site and best practice descriptions.

2008 Financial Projections & Proposed 2009 Budget. Mr. Bourgeois reported that the Compact is projected to end the year with a balance of approximately \$12,000. He said it was possible to end the year with a small surplus because of the Compact's major commitment of his time (4 days per week) to support the new Alford Scholarship Foundation (AFS) which was fully reimbursed by the AFS.

Mr. Bourgeois presented a preliminary 2009 budget of \$258,216 in revenue and expenses, a major portion of which will continue to be directed to support the Alford Scholarship Foundation. Specifically, he said that approximately three days per week of his time will be dedicated to supporting the ASF, and will be reimbursed; he noted that this figure is still under negotiation with the ASF. With the continued financial support of Unum and the Maine Community Foundation, the proposed budget is balanced.

The board:

Voted, on a motion by Mr. Schmelzer, seconded by Ms. Quint, to approve the proposed budget for 2009, recognizing that the figures presented are estimates and will be revised slightly before the year begins. The vote was unanimous.

Minutes of the October 1, 2008 board meeting. Mr. Foley asked the members if they had any corrections to the minutes; no changes were suggested. The board:

Voted, on a motion by Ms. Percy, seconded by Mr. Spann, to approve the minutes of the October 1, 2008 Board of Directors meeting. The vote was unanimous.

2009 Board meeting dates. Mr. Bourgeois suggested four board meeting dates for 2009 – all in Augusta in the morning: February 11 (in conjunction with the annual Legislators breakfast meeting), May 8, September 17 and November 13. The annual symposium would be tentatively scheduled for August 6 at a location to be determined.

Recognition of Mr. Schmelzer. Mr. Foley announced that Mr. Schmelzer was resigning from the board of directors as part of his plan to retire from the Maine Community Foundation by year end; Ms. Jones, the incoming President and CEO of MCF, will replace him on the Compact board.

Mr. Foley and other board members thanked Mr. Schmelzer for his help creating and supporting the Compact since 2003. Mr. Foley announced that Unum would make a \$5,000 contribution on behalf of the Compact to MCF's new college transitions scholarship fund – created in Mr. Schmelzer's name.

Mr. Foley thanked the board, and adjourned the meeting at 11:35 a.m.

Respectfully submitted:

Henry Bourgeois, Compact Executive Director
December 1, 2008