

**Maine Compact for Higher Education**  
**Board of Directors Meeting    September 23, 2011    FAME, Augusta**

**Minutes**

Note: these minutes are a draft, for discussion purposes only. They have yet to be approved by the board of directors.

**Board members present:** Ron Bancroft, Susan Corbett, Joseph Foley, Tim Hussey, Martha Johnston, Meredith Jones, Laurie Lachance, Charles Lyons, Joyce McPhetres, Kent Peterson, Colleen Quint, Peggy Rotundo, and John Witherspoon.

**Guests and Staff present:** Henry Bourgeois, Maggie Drummond, Dianne Heino, and Larinda Meade.

**Compact-Coalition Working Group Report.** Mr. Foley opened the board meeting at 9:35, noting that the primary agenda item was reviewing a report from the Coalition-Compact Working Group. By way of background, he explained that, in June, the Compact and Coalition boards appointed a six-member Working Group to explore opportunities for closer collaboration between the organizations. The Compact's members on the Working Group are Ron Bancroft, Jon Fitzgerald, and Colleen Quint. The Group met four times over the summer and considered several options for structuring the organizations to do the work we both agree needs to be done. He asked Ms. Quint and Mr. Bancroft (Mr. Fitzgerald was not in attendance) to present their recommendations, summarized in a two-page report appended to these minutes.

Ms. Quint explained that the Group reached preliminary agreement that a merger is in the best interests of both organizations. By merging the two organizations, the Group believes there is potential to bring a significant higher level of leadership commitment from business and, with this, to favorably impact educational attainment among Maine citizens while achieving cost efficiencies and financial stability. The Group recommends that the two organizations continue taking steps toward a merger.

Ms. Quint said the report summarizes the Group's points of agreement regarding vision, beliefs, goal, mission, and criteria for determining strategic focus. An outline of a case statement and description of alternative organization structures were also included. We encourage board review and feedback of these statements. The next step, with the approval of both boards, is for the Group to continue moving forward, with the aim of recommending general direction for strategic focus, governance, operations, and finance in November.

She explained that today's agenda is to review the core statements carefully and solicit suggestions from board members for substantive changes, deletions and additions. In order to stay focused on the most substantive concerns, she urged board members who had minor 'wordsmithing' changes to write them down and hand them in at the end of the meeting or email them to Mr. Bourgeois.

**Feedback on vision, mission, goal, beliefs and strategic focus.** With Mr. Bancroft's help, Ms. Quint facilitated a lively board discussion of the proposed vision, beliefs, goal, and mission statements and strategic focus criteria. Summarized below is the board's consensus on changes they wish to make to the Working Group's recommendations. Additions are underlined and deletions are struck through.

*Vision: ~~Maine's students, educators, entrepreneurs~~ and workers are among the best educated and highly skilled ~~and innovative~~ in the world.*

Beliefs:

- Education achievement is the catalyst and foundation for individual success as well as providing Maine with the basis for sustainable economic growth. ~~opportunity, sustainable economic growth, and a high quality of life.~~
- All Maine people should have equal access to high quality educational opportunities.
- Earning a college\*\* degree or postsecondary credential is a right and responsibility of all Maine people.
- Maine students should graduate from high school prepared to succeed in college and career, and Maine's workers and adult learners should have the resources to make a successful transition to postsecondary education.
- Maine must recognize the importance of educational efforts that span early childhood through adult learning, and provide Maine's PK-20 system provides a continuous pipeline of human talent for our economy. ~~, and Maine cannot afford or tolerate systemic leaks or failures at any point along the route.~~
- The business community has a responsibility to support the education of its current and future workers. ~~, and advocate for long-term investments to increase education attainment.~~
- The need for action is urgent.

Mission statement: The mission is to champion college and career readiness and higher education attainment.

Goal: The proportion of Maine's workers who have earned a college degree or postsecondary certificate credential will significantly increase. The specific performance metric to measure achievement of our goal is: [to be determined by new board, the intent is to use a workforce-related, outcome-based measure that is realistic] ~~exceed the New England average by 2020. Our specific target is to increase the percentage of Maine's working-age population (ages 24-65) with an associate's, bachelors, or graduate degree from 39% today to 56% by 2020 -- this will require an additional 40,000 degree-holders above projections.~~

Strategic Focus: To be impactful, we must focus. ~~The organization will determine its strategic focus every three years. Examples of areas of strategic focus include increasing: third grade reading levels; student readiness for college; or college graduation rates.~~ Criteria for determining focus include the extent to which: (1) focusing on this issue will achieve our goal, as documented by evidence-based data and/or best practice; (2) our intervention can make a significant difference in 3-5 years; (3) the issue is important to businesses and will actively engage them; (4) the issue connects to our organization experience/competencies; and, (5) fact-based evidence and performance metrics are available.

~~When the focus is determined, the organization then must decide the best way to intervene, usually by advocacy, research, programs, and/or influencing public will. Examples are advocating for standards-based high school diplomas, or establishing a scholarship program for working adults to attend college part-time.~~

**Board members concerns.** Reflecting on the broader merger proposition, there was consensus among members concerning five issues:

- a. Focus: there is a risk that a new organization will lose its focus, and the Compact's singular focus on postsecondary will be lost or seriously diminished.
- b. Business-led. A non-negotiable is the commitment to a business-led organization, expressed in its governance structure, vision/beliefs/goals/mission, and financing.

- c. Metrics. Another non-negotiable is committing to outcome-based performance metrics to guide investments and measure progress.
- d. Programs. Concern was expressed about the continued support of the Compact's programs – College Transitions, Maine Employers Initiative, and in particular the Alford Scholarship Foundation.
- e. Finance. As part of our due diligence, we should exchange audits and 990s. It was observed that the balance sheets were not equal.

**Authorization to proceed.** Mr. Foley thanked Mr. Bancroft, Mr. Fitzpatrick (not present) and Ms. Quint for their excellent work. He noted that, if this is approved, the boards would be asked at their November meetings to preliminarily approve a merger within the above parameters, and appoint an Organizing Committee. This Organizing Committee will facilitate final meeting of the boards, and manage a transition process to launch the new organization in an expeditious manner. After a brief discussion, the board:

**VOTED**, on a motion by Mr. Witherspoon, seconded by Mr. Kent, to agree in principle with this direction, and authorize the Working Group to continue moving forward with the aim of proposing general direction for strategic focus, governance, operations, and finance in November.

**Symposium.** Mr. Bourgeois reviewed the agenda, and thanked several board members for their help securing speakers and serving as moderators and panelists. He noted that we already have 200 registrants, and expect about 250 in total to attend. Several board members thanked Mr. Foley and Unum for hosting the event again this year.

**August 31, 2011 Financial Report.** Mr. Bourgeois referred members to the statement of activities and the balance sheet, noting that the revenues and expenditures are in line with the budget.

**Minutes of the June 3, 2011 board meeting.** Mr. Foley asked the board members to review the minutes of the last meeting. The board:

**VOTED**, on a motion by Mr. Witherspoon and seconded by Ms. Jones, to approve the minutes of the board of directors meeting of June 3, 2011. The vote was unanimous.

Mr. Foley thanked the board members and adjourned the meeting at 11:40 a.m.

Respectfully submitted by Henry Bourgeois, Executive Director    October 1, 2011

## **APPENDIX A: WORKING GROUP REPORT**

### **ENHANCING COLLABORATION BETWEEN THE MAINE COMPACT FOR HIGHER EDUCATION AND MAINE COALITION FOR EXCELLENCE IN EDUCATION**

#### ***Report of the Working Group to the Compact and Coalition Board of Directors***

***September 2011***

Introduction: In June, the Compact and Coalition boards appointed a six-member Working Group to explore opportunities for closer collaboration between the organizations. The Group met four times over the summer and considered several options for structuring the organizations to do the work we both agree needs to be done. The Group reached preliminary agreement that a merger is in the best interests of both organizations.

By merging the two organizations, the Group believes there is potential to bring a significant higher level of leadership commitment from business and, with this, to favorably impact educational attainment among Maine citizens while achieving cost efficiencies and financial stability. The Group believes the concept should be investigated further.

This report summarizes the Group's points of agreement: case statement outline; statements describing the vision, beliefs, goal, and mission; criteria for determining strategic focus; and alternative organization structures we considered. We encourage board review and feedback of these statements. The next step, with the approval of both boards, is for the Group to continue moving forward, with the aim of recommending general direction for strategic focus, governance, operations, and finance in November.

#### Case Statement – initial outline:

- By 2018, 59% of all jobs in Maine (396,000 jobs) will require some postsecondary education.
- Between 2008 and 2018, Maine will create 196,000 job vacancies from new jobs and from job openings due to retirement – 115,000 of these vacancies will require postsecondary credentials.
- Maine ranks last among the region's states in per capita income.
- A key contributing factor is that Maine ranks last among the New England states in the proportion of working age adults who have earned a 2 or 4-year degree (39% for Maine compared to 47% for New England).
- While the need to increase educational attainment is clear, much more needs to be done. Our K-12 system is not preparing a sufficient number of students to succeed in college, and our postsecondary institutions are not retaining and graduating enough students:
  - 25% of first-time students entering the University of Maine System, and 47% of first-time students entering the Maine Community College System, take at least one remedial course. Often this means they were not adequately prepared upon leaving high school. As a result, many drop out, and are unable to realize their own potential or contribute fully to Maine's economy.
  - Only 26% of entering MCCS students and 48% of entering UMS students complete a degree within 3 years and 6 years, respectively. We are losing over half of those who aspire to attain post secondary education.
- And, Maine's population of 15 to 24-year-olds – traditional-age high school and college students – is projected to decline by 20% over the next decade.
- Only 7% of Maine's 250,000 working-age adults with no more than a high school diploma are enrolled in postsecondary education – 30% below the national average.
- In Maine, workers with bachelor's degrees earn 56% more than those with only a high school diploma.

Vision: Maine's students, educators, entrepreneurs and workers are among the best educated, highly skilled and innovative in the world.

#### Beliefs:

- Education achievement is the catalyst and foundation for individual opportunity, sustainable economic growth, and a high quality of life.
- All Maine people should have equal access to high quality educational opportunities.
- Earning a college\*\* degree is a right and responsibility of all Maine people.
- Maine students should graduate from high school prepared to succeed in college.
- Maine's PK-20 system provides a continuous pipeline of human talent for our economy, and Maine cannot afford or tolerate systemic leaks or failures at any point along the route.
- The business community has a responsibility to support the education of its current and future workers, and advocate for long-term investments to increase education attainment.
- The need for action is urgent.

Mission statement: The mission is to champion college readiness and higher education attainment.

Goal: The proportion of Maine's workers who have earned a college degree or postsecondary certificate will exceed the New England average by 2020. Our specific target is to increase the percentage of Maine's working-age population (ages 24-65) with an associate's, bachelors, or graduate degree from 39% today to 56% by 2020 -- this will require an additional 40,000 degree-holders above projections.

Strategic Focus: To be impactful, we must focus. The organization will determine its strategic focus every three years. Examples of areas of strategic focus include increasing: third grade reading levels; student readiness for college; or college graduation rates.

Criteria for determining focus include the extent to which: (1) focusing on this issue will achieve our goal; (2) our intervention can make a significant difference in 3-5 years; (3) the issue is important to businesses and will actively engage them; (4) the issue connects to our organization experience/competencies; and, (5) fact-based evidence and performance metrics are available.

When the focus is determined, the organization then must decide the best way to intervene, usually by advocacy, research, programs, and/or influencing public will. Examples are advocating for standards-based high school diplomas, or establishing a scholarship program for working adults to attend college part-time.

Organization Structure: The Group considered three alternatives: (1) maintain separate organizations and commit to increasing collaboration (e.g. joint annual meetings, shared staff services); (2) become programs of MDF, which incubated both organizations and provides bookkeeping, administrative and personnel services; and, (3) merge the Compact and Coalition into one independent organization.

While more collaboration could be achieved if the organizations remained separate, the Group felt the results would continue to be only marginally impactful. Although questions concerning advocacy, governance, program direction and staffing led the Group away from the MDF option, the Group was in agreement that partnerships with MDF and other organizations for program or administrative purposes were valuable and should continue.

The Group believes that the concept of merging the organizations holds great promise, with the possibility of significant increased impact, business engagement, cost efficiencies, and financial stability. The Group recommends that the two organizations continue taking steps toward a merger.

\*\* 'College' means postsecondary education credentials: non-degree, industry certificates and associates, bachelors and graduate degrees. Performance indicators include the extent to which an increasing number of traditional and adult students have increased access to, readiness for, and success in post secondary education.