

**COORDINATING BOARD FOR HIGHER EDUCATION**  
**Minutes of Meeting**  
**February 19, 2004**

**EXCERPT – Relevant Portion Appears on Pages 26-28 of the Original Document**

The Coordinating Board for Higher Education met at 9:45 a.m. on Thursday, February 19, 2004 at the Truman State Office Building in Jefferson City. Members present were:

Sandra Kauffman, Chair  
Lowell Kruse, Vice Chair  
Dudley Grove, Secretary  
John Bass  
Marie Carmichael  
Mary Joan Wood

Members absent from the meeting were:

Diana Bourisaw  
Robert Langdon (departed at 12:00 noon)  
Kathryn Swan

Others attending the meeting included:

Trudy Baker, Administrative Assistant (EPPIC)  
Becky Brennecke, Legislative Liaison  
Debra Cheshier, Director of Educational Policy, Planning, and Improvement Center (EPPIC)  
Scott Giles, Director, Missouri Student Loan Group  
Gina Hodge, Director, Information Technology  
Donna Imhoff, Budget Analyst  
Janelle Jaegers, Director of Administration  
Joe Martin, Deputy Commissioner  
Jim Matchefts, Assistant Commissioner and General Counsel  
Brenda Miner, Executive Assistant to the Commissioner  
Dan Peterson, Director, Financial Assistance and Outreach Group  
Renee Riley, Public Information Specialist  
Greg Sandbothe, Office Services Assistant  
Robert Stein, Associate Commissioner, Academic Affairs  
Laura Vedenhaupt, Administrative Assistant, Academic Affairs  
Quentin Wilson, Commissioner of Higher Education  
Leroy Wade, Director of Proprietary School Certification  
John Wittstruck, Senior Research Associate (EPPIC)

Chair Kauffman called the meeting to order. A list of guests attending the meeting is included as Attachment A.

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### Update on Issues Relating to Lincoln University and State Fair Community College

Dr. Stein acknowledged that Dr. Marsha Drennon, president, State Fair Community College, has remained in the audience throughout the meeting so that she could address the Coordinating Board. Currently State Fair Community College has CBHE authorization to offer six Associate of Applied Science (AAS) degrees and two one-year certificate programs in Jefferson City. The policy framework between Lincoln and State Fair was clarified in February 2002. The current agreement is effective through summer 2004. From State Fair's perspective, they have made a significant investment in Jefferson City. The college expected over time, a return on their investment based on an anticipated growth of some programs. Those programs have not developed as expected, resulting in a burden on the institution fiscally to keep the programs open. The current agreement is not working well from the perspective of either institution.

Based on recently approved state policy, Lincoln University is defined as the primary provider for any new programming at the lower-division level in Jefferson City unless unmet needs can be identified to which Lincoln is unable to be responsible. Currently, both institutions have been experiencing a decline in enrollment. State Fair has notified the Commissioner that it is giving serious consideration to phasing out its Jefferson City programs. The institution has acknowledged that it needs to make a decision soon in fairness to staff and students. A joint statement was issued on January 21, 2004 by both presidents indicating that they would protect all students currently enrolled should State Fair phase out its Jefferson City programs.

Mr. David Mitchem of the Missouri Training and Employment Counsel (MTEC) is analyzing the gap that would exist if State Fair discontinues its programs in Jefferson City. A preliminary analysis concerning careers associated with the degree's at State Fair's Jefferson City site suggests that there are only a few areas that are projected to have a substantial number of openings. Mr. Mitchem is in the process of identifying alternatives and opportunities that exist for Jefferson City residents. Although not at community college prices, many of the courses and programs offered by State Fair are also offered by one or more other institutions within a 30 mile radius of Jefferson City. State Fair Community College intends to utilize data, so it can make informed decisions in a timely manner. Dr. Drennon has agreed to withhold making any decisions with her board until after the Coordinating Board has heard her report. Dr. Stein invited Dr. Drennon to add her commentary.

Dr. Drennon stated that over the last seven months extensive time has been spent in working through the current agreement to address challenges faced by State Fair Community College and Lincoln University. The presidents have agreed that they are not expending their human or financial resources well at this time. State Fair Community College is engaged in academic quality improvement projects, including a project that specifically involves site-based and program-based funding. Additional pressures on State Fair include an evaluation of available financial resources in light of enrollments going up between 5 percent and 6 percent annually, but being faced with withholdings over the past several years.

Dr. Drennon has consulted with other community college presidents, the DHE staff, and Dr. Henson and his staff. In speaking for State Fair Community College, she indicated that the current agreement is not a financially viable agreement. While enrollments initially increased during the first three years, they have decreased every year afterward. State Fair Community College is not currently able to offer a full range of general education courses that would allow

students to transfer to four-year colleges, including Lincoln University, because the current agreement limits them to courses that support the AAS degrees only.

State Fair is committed to examining opportunities that would allow for the formation of a multi-institutional agreement to serve area students. Dr. Drennon indicated that her college agrees with the CBHE's policy on accessibility and increased participation. There is a concern about unnecessary duplication compared to necessary duplication and the level of unmet need. In analyzing their research on the population and the anticipated growth population in the Jefferson City area, it is clear there is a significant number of students who choose to attend other institutions across the state and out-of-state.

Dr. Drennon stated that the decision they face is critical. It impacts State Fair to the point that revenues are only half of their expenses in terms of the programs offered in Jefferson City. To operate a viable program in Jefferson City, the agreement would need to be significantly changed so State Fair could offer more general education courses including the AA degree to meet the students' needs in terms of their educational plans as well as to have additional resources to support their current program commitments.

Dr. Drennon indicated that she hoped that there would be opportunities to create the kinds of educational centers and the kinds of learning opportunities that support the Commission on the Future of Higher Education's Report, particularly as it concerns recommendation number five – the alignment of two- and four-year programs. At the same time she acknowledged that State Fair needs to act expeditiously to make some very difficult decisions. In order to function appropriately and in a financially feasible manner in Jefferson City, the college needs to expand its programming significantly.

Mr. Bass asked if Lincoln had been involved throughout the deliberations and whether they would propose a solution. He wanted to be assured that both institutions were working together.

Dr. Stein indicated that Lincoln has been and continues to be involved in discussions about Jefferson City's educational needs. He acknowledged that Dr. Joe Simmons has been in the audience and asked him to join Dr. Drennon at the table.

Mr. Simmons stated that he had been involved in much of the discussion concerning Lincoln University and State Fair, and that information item number 3 in the Board Book accurately summarized the current situation as Dr. Drennon had indicated. At this particular time, the financial integrity of both institutions is being seriously jeopardized. According to Mr. Simmons, Lincoln University does not have the financial resources to go beyond where it currently is in the scope of providing additional educational opportunities under the State Fair banner. While Lincoln has worked extremely hard since 1999 to bring forth the kinds of opportunities that would be meaningful for students and the citizens in the mid-Missouri area, they also found that the financial liability of things have come into question at this time.

Mrs. Grove asked if there was a need in Jefferson City for the type of programming offered by State Fair or is Lincoln currently meeting the need, and if the students have available to them what they need to further their education.

Dr. Stein stated that the initial analysis by MTEC suggests that opportunities and options are available for students to complete many of the programs offered by State Fair, but not at State Fair's prices. At the same time, there is an increased demand by students in this area for more general education at a lower cost. Community colleges do provide access at a different cost to the student. Dr. Drennon has said that for State Fair to offer the technical programs, they need to be able to offer more general education courses in order to make enough money to underwrite the expense of the technical programs, which would duplicate Lincoln's general education program. The MTEC analysis is not about general education, only about the technical degree programs.

Mrs. Wood stated that she thought State Fair Community college was put in a very compromising position. They were asked to fulfill a need that was not feasible. She wanted to know if there was a policy in place that could prevent that from happening again to other institutions, because it is terrible that so many financial resources have been spent.

Dr. Stein stated that the policy, which the Coordinating Board passed on lower-division coursework, lower-division certificates and associate degree delivery establishes processes to follow to meet local need and to have issues brought to the table at the front end before decisions are made.

Chair Kauffman thanked both institutions for their efforts in dealing with this situation. She indicated that the Coordinating Board appreciates what has been done, and understands that the decisions faced by both institutions are not easy ones.

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