

# **Commission to Develop the Maryland Model for Funding Higher Education**

## **Minutes**

**February 4, 2008**

The Commission to Develop the Maryland Model for Funding Higher Education held one meeting during the 2008 legislative session on Monday, February 4, 2008 at 1:00 p.m. in the Appropriations Committee Hearing Room, House Office Building, Annapolis, Maryland.

The following members were present:

Delegate John L. Bohanan, Jr., Chairman  
President Susan C. Aldridge  
Delegate Norman H. Conway  
Senator Ulysses Currie  
Mr. John Paul Davey  
Senator Edward J. Kasemeyer  
Chancellor William E. Kirwan  
Mr. Larry Letow  
Mr. Tom Lewis (for President William R. Brody)  
Secretary James E. Lyons, Sr.  
Senator Donald F. Munson  
Ms. Jeanette Ortiz (for Lt. Governor Anthony G. Brown)  
President David J. Ramsay  
President Earl S. Richardson  
Mr. Bret Schreiber (for Ms. Tina M. Bjarekull)  
Mr. Lawrence A. Shulman  
Dr. Ann Wiley (for President C. Dan Mote, Jr.)

### **Chairman's Opening Remarks**

Delegate Bohanan thanked everyone for coming to the meeting and acknowledged that several members had a conflict with the date. He asked the designees to introduce themselves and he thanked the workgroups for their continued work.

### **Discussion of the Draft Work Plan for the Historically Black Institutions' Study**

Delegate Bohanan said that he had hoped the HBI study would have been underway last year but the Commission was unable to hire a consultant last year which was one of the reasons for the extension of the Commission deadline. He said that a good alternative to the consultant had been developed and he credited Secretary Lyons and staff with the hard work that made the plan come together. He said that a first class

advisory panel will be working on this issue and he asked Secretary James Lyons to introduce the two panel members who were present at the meeting.

Secretary Lyons introduced Dennis Jones and said he is the president of the National Center for Higher Education Management Systems (NCHEMS) and Secretary Lyons said he looks to NCHEMS for data and information and he said that Mr. Jones' reputation has preceded him. Secretary Lyons also introduced Dave Spence and said that he has known Mr. Spence a long time. He said that he worked with Mr. Spence in the California State University system and he has also worked with him in Georgia and Florida, which were other states that had to respond to the Fordice decision.

Chancellor William Kirwan echoed the sentiments of Secretary Lyons and said that he also has known both men for a considerable amount of time and both men have enormous reputations in higher education for their accomplishments and their integrity.

Delegate Bohanan said that Mr. Spence has agreed to chair the panel and the first member is Mr. Jones. He said that hopefully the panel will be assembled in a week or two.

Mr. Spence said that he considers it a privilege to be in Maryland. He said that he spent 33 years in the south but has ties to Maryland because he has family that lives here. He said that Maryland is a very important state and that he is privileged to be part of this study. He said he will put together a representative panel of approximately five people who are fair and who are viewed as fair.

Mr. Spence said that Maryland is a very important part of the 16 states that are members of the Southern Regional Education Board (SREB) and at a future meeting he would like to talk about what SREB does. He said SREB needs pacesetter states like Maryland and Virginia to bring the other states along.

Mr. Spence said that this study is not science because it will be as much about judgment as data. He said maybe there will not be one solution but several solutions. He commented that "comparable and competitive" is a lot more than funding. It includes funding but also management, organization, priorities, etc. He said that he looked at the national data and funding is not the perfect correlate. He said that SAT scores are pretty close. Mr. Spence said that we need to make campuses attractive, retain good faculty, and it is not just enough to admit students, we have to help them to succeed.

Mr. Spence then went over the draft work plan. He said that he welcomed comments from the Commission and said that he had already begun working on gathering a lot of information. He said the goal was to have the first panel meeting in early March.

Mr. Jones commented that it was a privilege to work on this task and said that NCHEMS exists because of issues like this. Mr. Jones said that they already have the peer institutions for the HBIs but they will also build their own set of peers to see how

they compare. He proposed to go back to 1980 and build a set of peers for each institution and look at the last 25 years to see how the institution evolved compared to other institutions. He said the panel will come up with questions that the Commission had not thought about and vice versa.

Mr. Spence said that the panel will conduct site visits in May and will begin talking and getting ideas during the site visits. Then the panel will meet in early June and will meet with the Commission on that same day to get some feedback. In early August a draft report will be presented to the Commission. The goal is to be finished by August 29.

Secretary Lyons asked Mr. Jones about D.2. in the work plan. He said he likes what Mr. Jones is doing with this concept but he is concerned that most of the neglect of the HBIs occurred before 1980. Mr. Jones said that 1980 is about as far back as they can push the data. He said if the neglect occurred before 1980 the infrastructure will reflect that and the assets will reflect that as well. He said if they could go back to the 1960's they would but they do not have the data.

President Earl Richardson asked what kind of expertise they are looking for in panel members. Mr. Spence said the panel needs people who have the experience of leading HBIs in the public sector, people who have fought for funding. President Richardson commented on the Office for Civil Rights (OCR) issues and asked if there will be a panel member with OCR expertise. Mr. Spence said that "several of us have experience in putting together a State Plan" and he also said that he recognized that the panel will probably need legal expertise in the OCR area. He was not certain if the person would be a member of the five person panel or if the person would assist in some other capacity.

President Richardson stated that he would like to see the site visits occur earlier because it can be very informative when looking at the data. Mr. Spence said they could consider doing the site visits earlier. Mr. Jones said that the data analysis can happen at any time but it might be difficult to get the panel together and go on site visits before April. Mr. Spence said maybe they could get two or three panel members to go on the site visits early.

President Richardson said the August 29 date could be pushed back because of the national implications of this issue. He also asked about the basis of the groupings for the institutional peer criteria. Mr. Jones answered and there was a discussion about looking at Carnegie classification and intrastate and interstate analysis. Mr. Spence said that they will look at benchmarks first to develop peer institutions and then they will look at funding comparisons.

President Richardson said he was concerned about the methodology. He said "if we don't approach it right, we might end up somewhere we didn't intend." He said that each state is responsible for ensuring comparability and competitiveness within that state. He said the peers for the HBIs for the most part will be HBIs in other states so he is

dubious of the interstate comparison because he does not see the value. Mr. Spence said he is not sure a majority would be HBIs. President Richardson said that he thinks the panel should leave the Carnegie classification alone and said he believes the panel will not find another college with a similar mission and role as the HBIs if the college is not an HBI. Mr. Spence disagreed and said he thinks they can find some. Mr. Jones commented that he looked at the data and most of the peers are not HBIs.

President Richardson asked if they were looking at where the HBIs are now or where they want to be. Mr. Jones said they are looking at where they are now but the next step is where they want to be. President Richardson expressed concern and said the credibility of the report was at stake.

Chancellor Kirwan said that the funding guidelines look across the country at size, mission, enrollment patterns, programs, etc. He said that the HBIs in the University System of Maryland have a majority of peers that are not HBIs. He said that we are not comparing HBIs to other HBIs for the most part. Ms. Hise said that the Maryland Higher Education Commission runs data on this and compares 40 to 50 institutions across the country that are similar to the institution.

President Richardson said that Chancellor Kirwan was correct but he does not agree with the formula. He said from day one the formula has had a problem and it still has a problem. He said the peers are out of state and are not consistent with their role and mission. He said that Morgan State University found peers because they had to as a part of the formula but they are not true peers. He said that part of the discussion has to be about the formula itself.

Secretary Lyons commented on national peers and how can we get back to what we do in state? He said he thinks we can do both but he wants to make sure there is sufficient data.

Delegate Bohanan asked the members to look at a document on their desk entitled "Understanding Expectations of the Panel to Assist the Commission to Develop the Maryland Model for Funding Higher Education." He said he assumed that number 6 would be answered yes by President Richardson but number 5 would be answered no.

President Richardson commented on number 1 saying that the performance indicators are separate but interrelated. He said that you cannot hold someone accountable for something they do not have the capacity for. He said the issue is having the capacity to deliver on what is expected. Regarding number 2, President Richardson said "he would hope so." Under number 3, President Richardson said you have to look at the campus as a whole. He said there are benefits of the campus being competitive as a whole that is not seen when you just look at individual programs. He said you must look at the entire campus and not just at building A at Morgan and building A at another campus. Mr. Spence agreed that the whole campus is very important.

Mr. Spence said that the task will be difficult but he looks forward to working with the Commission. Mr. Jones said that it must be an open process. He said “if you do not accept this and make it your own in Maryland, it makes no sense.” He also said “we are engaged in this conversation to make a lasting impression, not just to do a study.”

### **Closing Remarks and Adjournment**

Delegate Bohanan said that this will be the only meeting during the 2008 legislative session and he will be in contact with the Commission about when the next meeting will be held. He said he was excited about the panel and sees it as a very positive development.

Delegate Conway expressed concern about the funding differences between research institutions and comprehensive institutions. Ms. Hise said there would be an opportunity to tweak the funding guidelines.

Delegate Bohanan adjourned the meeting at approximately 2:15 p.m.