Monday, May 22, 2006

Executive Committee Meeting (Open and Closed Sessions)

Executive Committee Members:
David Nething, chair (ND)
Cam Preus-Braly, vice chair (OR)
Diane Barrans, immediate past chair (AK)

Marshall Lind (AK)
Joel Sideman (AZ)
Francisco Hernandez (CA)
Bill Byers (CO)
Roberta Richards (HI)
Dwight Johnson (ID)
Cindy Younkin (MT)
Carl Shaff (NV)
Patricia Sullivan (NM)
Robert Potts (ND)
Jim Sager (OR)
Tad Perry (SD)
Richard Kendell (UT)
James Sulton (WA)
Klaus Hanson (WY)

Agenda (open)

Action Item
Approval of the Executive Committee conference call meeting minutes of March 27, 2006 1-3

Information Items:
Previously approved Executive Committee meeting minutes of:

- February 16, 2006, amended and approved March 27, 2006 1-9
- November 7, 2005, approved February 16, 2006 1-19

Report from the Mental Health Program 1-23

Discussion Item: May 2006 meeting schedule

Other

Agenda (closed)

Action Item
Evaluation of the executive director and adoption of performance objectives for FY 2007 1-25

Bismarck, North Dakota
Other*

*Please note: Article III of Bylaws states:

Section 7. Executive Sessions
Executive sessions of the commission may be held at the discretion of the chairman or at the request of any three commissioners present and voting. The executive director shall be present at all executive sessions. The chairman, with the approval of a majority of the commissioners present and voting, may invite other individuals to attend.

Section 8. Special Executive Sessions
Special executive sessions, limited to the members of the commission, shall be held only to consider the appointment, salary, or tenure of the Executive Director.
EXECUTIVE COMMITTEE CALL MINUTES
March 27, 2006

ACTION ITEM
Approval of the Executive Committee Conference Call Meeting Minutes
of February 16, 2006

David Longanecker requested the February 16, 2006, meeting minutes be amended by replacing “state agency” with “business/education partnership,” in two references on p. 7 in the report on the State Scholars Initiative.

COMMISSIONERS SULTON/BYERS (M/S) APPROVAL OF THE EXECUTIVE COMMITTEE CONFERENCE CALL MEETING MINUTES OF FEBRUARY 16, 2006, AS AMENDED. The motion passed unanimously.

INFORMATION ITEM
Draft Schedule for the May Commission Meeting in Bismarck, North Dakota

David Longanecker reported on changes that had been made to the May meeting schedule since February’s conference call, as follows:

1. Jane Wellman, who was slated to give the report on the ACE (American Council on Education) Solutions Project, will not be able to attend the meeting. Instead, ACE will send a staff member to report on the project.

2. Bill Byers was asked if he wanted Colorado to remain on the schedule for state reports, given that Rick O’Donnell, Colorado’s SHEEO, is no longer with the Colorado Commission on Higher Education. Byers responded that a SHEEO would be the appropriate person to give this report, and since O’Donnell had departed, Colorado should be taken off of the schedule.

3. Longanecker said the North Dakota commissioners have arranged for Monday night to include a dinner, in addition to the reception slated to be held at the Heritage Center.
INFORMATION ITEM
Draft Workplan for FY 2007

David Longanecker described the FY 2007 workplan. The first part of the document describes the organization’s activities, much like an annual report; the last two pages (pp. 9 and 10) list activities in a table format. The three tables list activities under five themes: finance; access and success; innovation and info-technology; workforce; and accountability. The first table (on p. 9), titled “Existing Activities,” lists activities and funding sources currently underway. The second table (on p. 10), titled “New Directions,” lists activities that have been approved by the commission for which funding is being sought before work is initiated. The final table (also on p. 10), titled “On the Horizon,” lists activities that have yet to be presented to the commission for approval or previously approved proposals that are being recast and will be resubmitted to the commission. Longanecker said that while it is important for the commission to examine all of the activities in the workplan, the activities listed in the final table, “On the Horizon,” should be scrutinized carefully.

Longanecker said there are three activities on the “On the Horizon” table that he may ask the commission to reconsider:

1. A WICHE service repayment program, in which WICHE would help the states to collect unpaid student loans. This activity has not received much state interest.

2. A WICHE licensure and credentialing service, in which WICHE would help the states monitor and maintain various professional-level credentials for individuals in professions requiring licensure. Interest in pursuing this activity remains. However, the resources necessary to fully explore this project’s potential and viability have not been available.

3. An initiative to recruit leaders for Western higher education, in which WICHE would help the states by serving as a headhunter for high-level posts. The liability for WICHE might be too great, should an individual’s performance not meet expectations.

Longanecker said one item should be added to the “On the Horizon” table, under the accountability theme: “Follow-up initiatives responding to the commission on higher education report.” He said this item is in addition to the item “Follow-up initiatives responding to the National Center on Public Policy and Higher Education’s report card.”

Longanecker said there are two activities in the “On the Horizon” table that he believes are going to be fairly substantial proposals; they may come forward for action at the May meeting. The first one, under “finance,” focuses on productivity as a strategy to address cost and affordability concerns. The Lumina Foundation would be receptive to a major proposal in this general area. The other, under “workforce,” is on health and allied health workforce development and policy. Dennis Mohatt and Cheryl Blanco have been working on an idea that could draw federal funding, which would provide resources to take a comprehensive view of state planning for medical and health professionals and allied health fields.

Commissioner Sideman asked if there would be follow-up to the recommendation Carol Twigg made at the last commission meeting: to develop a project aimed at developing quality online programming. Longanecker said this item is part of the “productivity” activity under the “finance” theme in the “On the Horizon” table. Carol Twigg has been in touch with him about this issue, and information about it will be distributed to the commission fairly soon.

Longanecker said he would like the commissioners to consider this document and be prepared to challenge the staff on the efficacy of the “On the Horizon” ideas. He may also have some specific recommendations about keeping or removing some of these activities, which he will share at the May meeting. The Executive Committee members may also want to recommend additions or deletions to the activities. In addition, the two standing committees, Programs and Services and Policy Analysis and Research, will review the FY 2007 workplan during the May meeting and may suggest alterations before it comes before the Committee of the Whole for action during its final session on Tuesday morning.

INFORMATION ITEM
Draft Meal Reimbursement Policy

David Longanecker said the proposed revision to WICHE’s meal reimbursement policy will be acted on by the Committee of the Whole at the May meeting. The meal limits currently in effect have not been adjusted in 10 years. Staff proposes that WICHE’s meal limits become tied to those established by the General Services Administration (GSA), much like the
mileage reimbursement rates are tied to the federal government’s established mileage rates. The proposed plan for WICHE’s meal reimbursement rate would be to average the GSA’s rates for state capitals and primary destination cities in each of the WICHE states. Using this method, WICHE’s meal reimbursement rate would increase from its current level of $44.00 per day to $52.00 per day. The estimated impact on WICHE’s total budget (general fund and non–general fund budgets combined) would be $12,000 per year. As requested at the February meeting, this item has been factored into the FY 2007 budget. This proposal will be acted on in May by the Committee of the Whole during its final session.

**INFORMATION ITEM**

**FY 2006 Budget Update and Preliminary FY 2007 Budget**

David Longanecker said the budget looks good. He referred to the first budget attachment, which is an estimate of the general fund for the balance of FY 2006 and a preliminary projection for the FY 2007 budget. In FY 2006 (on line 40) it shows the year will end with $183,000 more than projected in the budget. The reason for this improvement is entirely from increased interest income and indirect cost recovery income, resulting from two major grants: the renewal grant for the WICHE Center for Rural Mental Health Research and the newly awarded grant to administer the State Scholars Initiative.

Longanecker said FY 2007 is projected to see in a surplus of $7,500, a balanced budget. This is less than what was projected during February conference call because of the addition of one FTE in the communications and public affairs area for Jere Mock’s unit. Mock and her staff have been stretched too thin for too long, due to the redistribution of responsibilities when Dewayne Matthew’s left WICHE, the elimination of approximately three FTE positions at that time, and an ongoing increase in responsibilities (such as the recent State Scholars Initiative). Commissioner Byers asked what position would be created. Longanecker said it would be a new junior assistant position to help manage current activities and relieve Mock and her staff of some activities. This will allow some staff to devote time to the new Master Property Insurance Program and perhaps to some of the other “On the Horizon” initiatives in the FY 2007 workplan. The addition of one FTE brings the budget for FY 2007 into balance.

Longanecker then referred to an additional budget attachment (5a), which reports the original FY 2006 budget, the actual estimate for the FY 2006 budget, and the proposed FY 2007 budget for the Mental Health Program and WCET, two wholly self-supporting, externally funded units at WICHE. The Mental Health Program budget shows an approximate surplus of $185,000 at the end of FY 2006 and a $67,000 surplus at the end of FY 2007. The WCET budget reports an approximate surplus of $27,000 at the end of FY 2006 and a $3,000 surplus at the end of FY 2007. These two programs, both of which required assistance from the WICHE general fund not too long ago, are in very good financial shape at the current time.

The next budget attachment (5b) covers the same fiscal year periods for the grants and contracts portion of the Policy Analysis and Research unit and the Programs and Services unit. The Policy Analysis and Research unit has brought in external funding totaling just under $1 million in FY 2006 and is projected in FY 2007 to bring in $647,000. The drop in external funding in FY 2007 is the result of completing the Lumina-funded project in FY 2006. The Programs and Services unit has brought in external funding totaling $732,000 in FY 2006 and is projected in FY 2007 to bring in $833,000. The increase projected is primarily a result of the State Scholars Initiative.

The next and final budget attachment (5c) covers the same fiscal year periods for the general fund. The general fund will be just under $2 million in FY 2006 and is projected to be just over $2 million in FY 2007. This attachment also covers the same fiscal year periods for WICHE’s total operating budget: that is the general fund budget combined with the budgets for Mental Health, WCET, Policy Analysis and Research, and Programs and Services. WICHE’s total operating budget for FY 2006 will be $5.8 million and is projected to be approximately $50,000 higher in FY 2007.

The FY 2007 budget will be acted on in May by the Committee of the Whole during its final session.
INFORMATION ITEM
Draft Support Fees for the Professional Student Exchange Program
2007-08 and 2008-09

Setting the support fees for the Professional Student Exchange Program (PSEP) is a major item to be addressed at the May meeting. Longanecker said setting the support fees is a balancing act among very different perspectives: what the states can afford to pay, what the students can afford to pay in tuition, and what the institutions need to operate their programs. The staff have tentatively proposed a 3.4 percent increase in both AY 2007-08 and AY 2008-09 in all fields except occupational therapy, where an additional increase of $1,000 is recommended for AY 2007-08 for this high-demand field.

The proposed support fees have been distributed for comment to the deans and program directors of all the programs participating in PSEP. In addition, the proposed increase in fees were distributed to WICHE’s certifying officers and the state SHEEOs, with a request for comments. Responses to the proposed support fees have been requested by March 29, 2006. Once this feedback has been received, staff will finalize the PSEP support fee recommendations for AY 2007-08 and AY 2008-09 for the May meeting agenda book. WICHE’s certifying officers will meet on May 21, 2006, and any further recommendations from them will be reported to the Programs and Services Committee during its discussion of the proposed fees at May 22-23 meetings. The Programs and Services Committee will forward its recommendation concerning the support fees on to the Committee of the Whole before the committee takes final action on the issue during the last session of the commission meeting.

INFORMATION ITEM
Proposed Dues Increase for FY 2008 and FY 2009

David Longanecker said the dues for FY 2007 were set by the commission in May 2004 at $112,000. He said staff is recommending that dues increase by $4,000 in each of the subsequent fiscal year, as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Proposed Dues</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2007</td>
<td>$112,000</td>
<td></td>
</tr>
<tr>
<td>FY 2008</td>
<td>$116,000</td>
<td>3.57% increase</td>
</tr>
<tr>
<td>FY 2009</td>
<td>$120,000</td>
<td>3.45% increase</td>
</tr>
</tbody>
</table>

This item included an attachment showing the history of WICHE’s dues levels and increases since 2001-2002. An additional attachment reports current dues levels for a number of other organizations and projected dues levels through 2008-2009. The proposed dues increase will be acted on in May by the Committee of the Whole during its final session.

INFORMATION ITEM
Proposed Amendments to the Audit Committee Portion of WICHE’s Bylaws

The Audit Committee is advancing a proposal to amend a section of WICHE’s bylaws pertaining to its description and responsibilities. The primary change would shift responsibility of selecting WICHE’s auditors from the full commission to the committee. Chair Nething requested the agenda book show the proposed changes to the bylaws in the traditional format, rather than in the Microsoft reviewer’s comments in a right column format. This proposal will be acted on in May by the Committee of the Whole during its final session.

INFORMATION ITEM
Proposed Code of Ethics for the Commission and the Executive Director

The Audit Committee is advancing a proposed code of ethics for both the commissioners and for the executive director of WICHE. These documents will also be acted on in May by the Committee of the Whole during its final session.
REPORT
Results of the Poll to Determine the November 2006 Meeting Venue and Dates

David Longanecker announced the results of the poll to select alternative dates for the November 2006 commission meeting. Votes were overwhelmingly for November 13-14, 2006. He said the Colorado commissioners – Bill Byers of Fruita and Bill Hybl, the chairman and CEO of the El Pomar Foundation – have invited the commission to meet at the Penrose House, which is administered by the El Pomar Foundation in Colorado Springs, CO. The Penrose House – a beautiful, historic, Mediterranean-style mansion, built in 1910 – is made available at no cost, except for meals, to 501(c)(3) nonprofit organizations and government agencies. Sleeping rooms would be located at the adjacent Broadmoor Hotel, a five-star, world-class resort located on 3,000 acres.

Longanecker said the Colorado Springs airport is only eight miles from the Broadmoor and is served by several major airlines, including American, Continental, United, Northwest, Delta, America West, and others. No-stop service is available from many of the West’s major airports, including Phoenix, Portland, Seattle, Salt Lake City, Albuquerque, Bozeman, Las Vegas, and Los Angeles. Some commissioners will be required to fly an additional leg to get to Colorado Springs airport; others may choose to fly into the Denver airport. Staff will explore an efficient means of ground transportation from Denver to Colorado Springs for these few commissioners.

The meeting adjourned.
Executive Committee Members Present
David Nething (ND), chair
Cam Preus-Braly (OR), vice chair
Diane Barrans (AK), immediate past chair
Marshall Lind (AK)
Joel Sideman (AZ)
Bill Byers (CO)
Dwight Johnson (ID)
Patricia Sullivan (NM)
Tad Perry (SD)
Klaus Hanson and Tom Buchanan (WY)

Executive Committee Members Unable to Participate
Robert Moore (CA)
Roberta Richards (HI)
Cindy Younkin (MT)
Carl Shaff (NV)
Richard Kunkel (ND)
James Sager (OR)
Richard Kendell (UT)
James Sulton (WA)

Staff Present
David Longanecker, executive director
Cheryl Blanco
Sally Johnstone
Marv Myers
Terese Rainwater
Marla Williams

Chair David Nething called the meeting to order and announced the agenda would be adjusted to allow Diane Barrans to report first because her time on the call was limited. Barrans gave reports on both the Audit Committee and the Disaster Recovery Planning Committee.

REPORT
Audit Committee

Commissioner Diane Barrans, immediate past WICHE chair and chair of the Audit Committee, reported that serving with her on the committee were: Roy Ogawa of Hawaii, Jane Nichols of Nevada, Ed Jasmin of Montana, former Arizona WICHE Commissioner Linda Blessing, and Cam Preus-Braly, WICHE vice chair and ex-officio committee member. Barrans reported the Audit Committee met via conference call on February 10 and approved, for advancement to the Committee of the Whole, the firm of Clifton and Gunderson, CPA to conduct WICHE’s audit for fiscal years 2006 through 2008. Before the May meeting, the Audit Committee will review the firm’s complete bid proposal as the last step in the process of choosing an auditing firm for WICHE. Barrans reported the Audit Committee approved a calendar of activities showing its responsibilities throughout the year (see attachment 1). It also approved several items that will advance to the Committee of the Whole for action at the May meeting:

- An amendment to WICHE’s bylaws concerning the authority of the Audit Committee.
- A code of ethics for WICHE commissioners.
- A code of ethics for WICHE’s executive director.

REPORT
Disaster Recovery Planning Committee

Commissioner Diane Barrans, immediate past WICHE chair and chair of the Disaster Recovery Planning Committee, reported that this committee held its first meeting via conference call on February 10. At the November meeting,
Executive Director Longanecker raised the point that higher education responded well to the hurricane devastation in Louisiana and other Southern coastal states and that it might be wise for WICHE to have an integrated plan in place should such a devastating event occur in the Western region. During a discussion about this at the Programs and Services Committee meeting in November, it was decided that WICHE should develop such a plan; staff where asked to work on this effort. David Longanecker reported that following the November meeting, he contacted former WICHE Commissioner Bill Kuepper of Colorado about working on this effort. Kuepper volunteered to staff this effort and begin development of such a plan for WICHE. A report on this effort will be made at the May meeting. Commissioner Hanson asked if there would be another report on this during the March 27 meeting and Longanecker said he would put it on the agenda.

**ACTION ITEM**

**Approval of Executive Committee Meeting Minutes of November 6, 2005**


**ACTION ITEM**

**How Does Portable Aid Influence Access and Choice Decisions among Low-Income Students?**

Cheryl Blanco described a project titled “How Does Portable Aid Influence Access and Choice Decisions among Low-Income Students?” The action item (attachment 2) requests approval to seek, receive, and expend funds to carry out this project, which would focus on how well current portable aid programs serve low-income students. She said the project would build on work that has been done over the past year, including the work that Chris Morphew did for WICHE by examining trends among students in WICHE’s Western Undergraduate Exchange Program (WUE). The project would also study portable aid programs administered by the New England Board for Higher Education (NEBHE), also a regional program, and a state program in Rhode Island. In addition to data from these three programs, data from the Department of Education would also be used. The project would be conducted in conjunction with the current project, Pathways to College, and in partnership with NEBHE and the state of Rhode Island.

Chair Nething asked about the project’s budget and how the $186,000 would be spent. Blanco said there would be consultant expenses and some data expenses, but the majority of the expenses are labor for collecting and analyzing the data. Longanecker said WICHE’s contributed costs would be very marginal or about 2.5 percent of 1.0 FTE.

COMMISSIONERS PERRY/LIND (M/S) APPROVAL TO SEEK, RECEIVE, AND EXPEND FUNDS TO SUPPORT A STUDY OF PORTABLE FINANCIAL AID PROGRAMS AND HOW THEY INFLUENCE ACCESS AND CHOICE DECISIONS AMONG LOW-INCOME STUDENTS. The motion passed unanimously.

**DISCUSSION ITEM**

**Draft Schedule for the May 22-23, 2006 Commission Meeting in Bismarck, North Dakota**

David Longanecker said WICHE’s officers assisted in developing the draft schedule for the May commission meeting in Bismarck, ND. He said he’d like the Executive Committee’s reaction to the schedule, and he reviewed the sessions. The business portion of the meeting will be quite substantive because the commission will be taking action on:

- Budget for FY 2007 (including staff salary and benefit increases).
- Dues for FY 2008 and FY 2009.
- Other proposed changes.

On Friday, May 19, and Saturday, May 20, WICHE’s Veterinary Medicine Council will meet.
On Sunday, May 21, WICHE’s certifying officers will meet and the orientation session for New WICHE commissioners will be held. That evening, Robert Potts will host the new commissioners, the officers, and their spouses for dinner at his home.

On Monday, May 22, the commission meeting will begin with the Executive Committee meeting, where the executive director’s performance will be reviewed. Following this, will be “What’s Up in the West,” with state reports from Colorado, Nevada, Utah, and Wyoming and a special session on North Dakota, the host state. A late-morning session will be held on what is happening at WICHE, with reports on the new State Scholars Initiative, WCET, and several regional collaborative activities. This session was prompted because some commissioners remarked that they don’t get information about a number of WICHE’s activities that are covered during the committee meetings. This session is an attempt to provide the full commission with information about some of WICHE’s key activities. Following lunch, the first policy discussion will be held on ACE’s project “Solutions,” a national effort to publicly discuss the contributions that higher education can and should make to the U.S. Commissioners will want to be aware of the rationale for this very high-profile activity. The two standing committees, Programs and Services and Issue Analysis and Research, will meet Monday afternoon, and the day will wrap up with an evening reception at the Heritage Center.

On Tuesday, May 23, the committee meetings will continue. The plan is for the committees to address their business on Monday, saving Tuesday’s session to discuss the workplan. The second policy discussion will be held after the committee meetings, focusing on what has been happening recently at the federal level regarding higher education and how this affects state policy. The Committee of the Whole meeting is the final session, scheduled to end at 11:30 p.m. The adjournment time was planned because there are flights departing Bismarck at 1:00 p.m. that many of the commissioners will want to catch. The Committee of the Whole has a fairly substantial agenda, but we should be able to get through it in an hour and a half.

Chair Nething voiced his concern about the time available for the final session because some of the subjects might generate good discussions. He suggested that Monday’s Executive Committee meeting could be held in one-half hour; then the Committee of the Whole session could have more time by starting earlier. With additional time on Monday for the Committee of the Whole meeting, the report of the Audit Committee scheduled for Tuesday could be moved to Monday. This would allow more time to address items on Tuesday’s Committee of the Whole agenda. Others agreed with this suggestion, and the schedule will be adjusted to reflect these changes.

Chair Nething asked about an item on the Committee of the Whole’s agenda for Tuesday, titled “Meal Reimbursement Amounts for Those on WICHE Travel Status.” Longanecker said the commission will consider a change in the way meal limits for travel reimbursements are determined. The proposal might tie meal amounts to something like the GSA (Government Services Administration) rates of reimbursement. This way, it will not be necessary for the commission to approve every future adjustment to meal reimbursement rates. Currently, WICHE’s mileage reimbursement rate is tied to the IRS-determined rate of reimbursement.

Commissioner Sullivan asked if a decision about developing a premed advisory council had been made. Longanecker said this decision would be addressed in the Programs and Services Committee, and he wasn’t aware of the initiative. Sullivan suggested a discussion about this might be appropriate in the Committee of the Whole at some point in the immediate future. Longanecker said he’d talk to Jere Mock about getting this on the agenda for the Programs and Services Committee meeting.

Commissioner Hanson asked about the length of the state reports scheduled for Monday morning. Longanecker said he’d be discussing the presentation with each of the states slated for reports in advance of the meeting.

Longanecker said that the location for the November meeting in Colorado had not yet been determined. The officers have put three options on the table: Colorado Springs, Broomfield (the Omni Hotel, where we’ve met in the past), and downtown Denver. He’s had some discussion with Commissioner Hybl about meeting in Colorado Springs. Hybl is president of El Pomar, a conferencing center; he is also the vice president of the Broadmoor Hotel. He said some commissioners have expressed interest in meeting in downtown Denver, while others have wanted to go back to having the meeting at the Omni Hotel in Broomfield, where we’ve met several times before. Longanecker will email the commission to get a sense of where the meeting should be held this November. Regardless of where the meeting is held, efficient ground transportation will be available to commissioners.
INFORMATION ITEM
Update of the FY 2006 Budget and Preliminary Preview of FY 2007 Budget

Marv Myers gave a report on the budgets for this and next fiscal years. Interest rates have continued to escalate, and the base of funds accumulating interest has been higher than anticipated. New contracts and grants – in particular, the State Scholars Initiative – have resulted in additional indirect cost income. For FY 2006, expenses are forecast to be $31,000 less than previously estimated; in combination with the fact that revenue is $127,000 higher, the bottom line is looking $160,000 better in the current fiscal year (FY 2006).

In FY 2007, the state dues increase from $108,000 to $112,000, as approved by the commission two years ago. A proposal for a dues increase for the biennium FY 2008 and 2009 will be addressed at the meeting in May. Interest income is continuing to be higher. Indirect cost recovery will be higher than the current year budget, but a little less than what we currently have, due to some projects ending. Expenditures will be up slightly, but still we show a net of $67,000 in the black for the next fiscal year (FY 2008). This leaves our reserves in good shape, both with the minimum level required and the overall reserves for WICHE.

Chair Nething asked if the FY 2007 budget presentation will include items such as the proposed increase in meal reimbursements and other proposed increases. Myers said he normally presents it as he did today, but he could present it another way. The increase in meal reimbursement amounts would not have a significant impact on expenses. Longanecker said when the items are presented they would show the expected fiscal impact, so this would be part of the consideration for each item. Nething asked about the proposed increase in staff salaries and benefits. Longanecker said that figure is included in today’s budget presentation (line 18) and would also be included in the budget presentation in May. Nething asked if the other proposed items should also be shown as line items in the budget. Staff agreed to include this in the budget presentation in May. Longanecker said he might be proposing some other things that would change these numbers in the coming months, and the numbers will change as the fiscal environment changes. He said the officers had a substantial discussion about revisiting WICHE’s policies on the required reserve level to make sure WICHE has a strong reserve system that would give it a robust future; this item may be put on the May agenda, as well.

Commissioner Byers acknowledged the good job the staff are doing with the organization’s finances and asked about the status of California’s dues. Longanecker said all of the checks have not yet been received, but we’ve been told they are in the mail. Actually, he said, we have received one check from the California State University System which paid $140,000 of the $367,000 owing. In the accompanying letter, they reported that the agreement they have with the other two systems is that the University of California will pay an equivalent amount, leaving $87,000 owing, and that this smaller amount will be paid by the California Community Colleges. There has been some indication from the University of California that this is also its understanding. There’s been no word about this from the community colleges, but Longanecker is confident that they are in agreement with this payment plan.

UPDATE
State Scholars Initiative

David Longanecker said Terese Rainwater, the director of the State Scholars Initiative, will give this report. Chair Nething welcomed Rainwater to the WICHE staff.

Rainwater gave a brief update on the current status of the project and its future direction. The grant funding was awarded to WICHE in October, she started in December, and the program was fully staffed at the beginning of January. In addition to her position as full-time director of the project, there is a full-time program coordinator, Christian Martinez; Michelle Medal, who many of the commissioners know, has moved over as the full-time administrative coordinator for the project. The project also uses (part time) Deborah Jang as the web coordinator and Anne Finnigan for editing and product creation. Jere Mock is also part of the staff for the project.

The State Scholars website was recently launched; it’s linked to WICHE’s website. An RFP was released on February 6 to bring into the State Scholars network eight to 12 additional states. There are currently 14 states in the network. Funding is available for 6 new states, and if we attract an additional 6 states, funding will come through for those states as well, so there is the potential for 12 new states to join the initiative this year. Each state is awarded $300,000 as seed money over two years. The deadline for proposals to the RFP is March 14, and by March 30 state awards will be announced.
The state directors of the current 14 states and the directors of the new states will meet at WICHE on April 19-20 for their first meeting. This meeting will include implementation and training session, as well as a discussion around sustainability for the current member states.

Rainwater said tomorrow she will be presenting at an NCSL (National Conference of State Legislatures) meeting, highlighting WICHE's role in the State Scholars Initiative. She will present at an upcoming ECS (Education Commission of the States) meeting. In addition, she will be traveling to each of the current member states and to the new member states to meet with each of the directors and to assist them in implementing the program.

The goal of the State Scholars Initiative is to leverage the business community's voice in classrooms to help students understand the importance of taking a rigorous high school curriculum, to improve their choices in college and work.

Commissioner Hanson asked for information about how many businesses are involved and how the program works in practice, especially with a sparsely populated state such as Wyoming. Rainwater said the money is awarded to a state business/education partnership. In order for a state to be selected, there must be four districts chosen to participate. The idea is to select four diverse districts that are also likely to succeed and have the ability to produce data on the number of students enrolled in rigorous courses, the number of students influenced by the presentations made by business leaders, and the number of students who complete the program. Longanecker said the likely issue for frontier states is that many of them do not have a statewide business organization. Most of the participating states have a chamber of commerce, and several states have what are called business roundtables, business alliances, or business/educational partnerships. Hanson asked how many business leaders are trained in each state. Rainwater said training is provided to the state business/education partnership, which then trains the business leaders in the districts that have been selected for the program. The program would help in the training in the school district if that were necessary.

Longanecker said the recent federal budget bill has a program that gives larger Pell Grants to students who take an academically rigorous curriculum. This piece was built on the concept of the State Scholars Initiative originally, and we may be a part of the partnership on this, given both programs are managed by the Department of Education.

Commissioner Byers asked about the transfer of the program from the original director. Longanecker said it has gone about as smooth as it could. He said the WICHE staff has been marvelous, and they've learned a lot about the federal government. Externally, it has gone very smoothly, to the credit of the staff. Terese Rainwater is doing a wonderful job and has pulled together an exceptional staff. Rainwater said the Department of Education staff in Washington, D.C., are new to the program and are eager to make this program successful.

Commissioner Hanson asked if Rainwater could supply the WICHE commissioners with a brief on how the program works in the states and include some detail about the questions he has asked. Rainwater agreed to do this.

Commissioner Lind said he serves as a member of the State Scholars Advisory Committee, and he feels very comfortable with the way WICHE has taken on this project. WICHE has a very good staff and has put together an excellent advisory committee with good representation from a variety of entities that are involved in high school curriculum reform. The timelines they've had to deal with have been pretty tough, and they've done a great job with this program. This program has a lot of potential for stimulating discussion around the country regarding ways of improving high school curricula. He said he's glad WICHE is involved in this program.

OTHER
Federal Budget

Chair Nething said that during the officers' retreat on February 10, the officers discussed the federal budget and its impact on higher education, as well as the confusion about what was funded and what was cut. He asked if a summary sheet could be developed showing what actually happened. Longanecker said he and Cheryl Blanco have discussed this and decided it would be best to find out what happens with the reauthorization of the Higher Education Act.

The meeting adjourned.
## Audit Committee’s Calendar/Schedule of Events

<table>
<thead>
<tr>
<th>Task or Function</th>
<th>Performed By</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Appointment of the members of the Audit Committee (AC), assuring and confirming the independence of the members.</td>
<td>Chair of the Commission</td>
<td>Nov./Dec.</td>
</tr>
<tr>
<td>2. Selection of the auditors for the current fiscal year (including compensation), assuring and confirming the independence of the auditor.</td>
<td>AC</td>
<td>Dec./Feb.</td>
</tr>
<tr>
<td>3. Review the Audit Committee’s charter and the code of ethics for WICHE commissioners and the ED, to confirm adherence and recommend changes if deemed appropriate.</td>
<td>AC</td>
<td>Dec./Feb.</td>
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<tr>
<td>4. Report to the commission on Audit Committee activities.</td>
<td>AC</td>
<td>May</td>
</tr>
<tr>
<td>5. Review the results of the audit with the auditor and management:</td>
<td>AC</td>
<td>Sept./Oct.</td>
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<tr>
<td>A Including any findings and recommendations, together with management’s response.</td>
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<tr>
<td>B Inquiring about significant risks or exposures and assessing the steps to minimize the risks and to detect material errors or irregularities in a timely way.</td>
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<tr>
<td>6. Meet privately and separately with the external audit and chief fiscal officer to discuss any matters that any party believes should be discussed privately.</td>
<td>AC</td>
<td>Sept./Oct.</td>
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<tr>
<td>7. Recommend to the commission whether to accept or reject the annual audit, as submitted to the commission.</td>
<td>AC</td>
<td>Sept./Oct.</td>
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<tr>
<td>8. Report to the commission on the Audit Committee activities.</td>
<td>AC</td>
<td>Nov.</td>
</tr>
<tr>
<td>9. The executive director will immediately notify AC members on matter related to significant: a) frauds; b) breaches of proper financial conduct; c) violation of laws or regulations; or d) findings by any other auditing agency.</td>
<td>ED</td>
<td>At any time</td>
</tr>
<tr>
<td>10. Promptly review and investigate any suspected financial wrongdoings shared with AC.</td>
<td>AC</td>
<td>At any time</td>
</tr>
<tr>
<td>11. Periodically review the duties and responsibilities of the Audit Committee to ensure they remain effective and up to date.</td>
<td>AC</td>
<td>At any time</td>
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</tbody>
</table>
ACTION ITEM

How Does Portable Aid Influence Access and Choice Decisions among Low-Income Students?

Summary
Staff requests approval to seek, receive, and expend funds to conduct a study of portable financial aid programs, with particular emphasis on how these opportunities influence access and choice decisions among low-income students. The project would include further research on WICHE’s Western Undergraduate Exchange (WUE) program and a new examination of the Student Exchange Program housed at the New England Board of Higher Education (NEBHE) and of one state program, the Rhode Island State Grant Program.

Relationship to WICHE’s Mission
This project directly supports WICHE’s mission to promote access and sound public policy in the West. The research emphasis of this study will enable us to better understand how WICHE’s Western Undergraduate Exchange serves students, particularly economically disadvantaged students. A study of this nature is consistent with our issue area of access and success.

Background
Much research has been done on the influence of financial aid on college participation and the decision-making process for students of different income groups and race/ethnicity. Little is known, however, about the influence of the portability of student financial aid on students’ decisions to attend college and their decisions about which institution to attend. This is particularly salient in light of the declining completion of high school and participation in postsecondary education among African American and Hispanic males. Due to a general lack of information, the education, policy, and research communities know virtually nothing about whether these programs increase access and success for low-income students or influence students differently, depending on their race or ethnicity. This study will help shed light on the extent to which underserved populations take advantage of portable aid, as compared to other populations. It will also look at the potential of portable aid programs to improve college access and success for African American and Hispanic males.

There are essentially three nonfederal types of portable financial aid programs.

State-based programs allow residents to use grant money at any accredited college or university in the region or anywhere in the nation. Rhode Island’s program offers both need-based and merit-based aid programs that permit students to use the monies at an in-state or out-of-state college or university. In 2003-004, 15,529 students received grants; awards averaged $1,102.

Multistate agreements may be institution-, county-, or state-specific. These programs are negotiated and unique in their circumstances, with tuition rates ranging accordingly. These approaches may also be program-specific, as in the case of WICHE’s Professional Student Exchange Program (PSEP).

Regional agreements are based in the belief that states can provide greater access to higher education for their citizens if they share, rather than duplicate, higher education offerings across the region. Each of the four regional organizations – the New England Board of Higher Education (NEBHE), the Southern Regional Education Board (SREB), the Midwest Higher Education Compact (MHEC), and WICHE – offers student exchange programs.

Research on student migration has identified several factors that affect how students from historically underrepresented groups access out-of-state institutions. Some findings suggest that low-income students are significantly less likely than similar students from high-income families to migrate to out-of-state colleges and universities. But recent research by Christopher Morphew for WICHE suggests nearly equivalent rates in WUE. There are several reasons why the difference between these two groups may exist. For example, if migration decisions are made on the basis of a cost/benefit analysis that includes cost and consumption, many students from low-income family backgrounds, as well as most minority students, will be more price-sensitive and less likely to be predisposed toward the investment in college.
Project Description
This project will compare three portable financial aid programs to examine how such programs influence student access to higher education and institutional choice, focusing particularly on low-income students and students from underrepresented racial/ethnic groups. It will address the question: How do financial aid programs with awards that are portable across state lines influence student access to higher education and choice of institution, and do these programs influence students of varying income levels and race/ethnicity differently? The specific objectives of the proposed project are:

- To determine the extent to which low-income students are currently participating in selected regional and state programs that provide portable financial aid.
- To examine the extent to which low-income students perceive regional and state programs as an option to increase their choice of postsecondary institution and their access to higher education.
- To inform educators, researchers, policymakers, and practitioners on how existing programs that offer portability of financial aid serve different kinds of students.
- To explore the potential for additional state financial aid programs that would provide portability.

The proposed study will compare two regional compact programs – NEBHE and WICHE – and one state administered portable aid program – Rhode Island – to assess their impact on access and choice, especially for at-risk students. Data have already been gathered on the regional Student Exchange Program administered by WICHE. Data will be collected from the other programs to complement what we have already learned about portable financial aid programs, student choice, and access.

The study will use data from several sources, including the database on the WUE program that has already been constructed. The Rhode Island database and data from the U.S. Department of Education will also be used. To better understand the motivations and college choice decisions of awardees, the researcher will survey awardees of the programs, using a web-based questionnaire and focus groups with students. Like WICHE, NEBHE does not maintain a centralized database, thereby requiring that a survey be undertaken to better understand how its Regional Student Program operates as an access and choice vehicle for low-income students. Survey questions will focus on the utility of the portable aid program and the role the aid played in the decision to attend an out-of-state institution. These questions mirror those asked of WUE students and will allow for a broad analysis of the three portable aid programs.

WICHE staff from the Policy Analysis and Research unit will oversee the project and assist in data collection and analysis. Christopher Morphew of the University of Georgia will be the lead consultant. Representatives from the New England Board of Higher Education and the Rhode Island program will partner with WICHE on this project. The project will produce a final report and a Policy Insight.

Staff and Fiscal Impact
This project will be supported primarily by grant funds. Staff estimates the study will require approximately $213,000 over two years in external funding.

<table>
<thead>
<tr>
<th>Fiscal Impact</th>
<th>Grant Activities</th>
<th>Internal Chargebacks a</th>
<th>Indirect Costs</th>
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a Office rent, telephone equipment, and network services fees.

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<th>Staff Impact (annualized FTE)</th>
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<th>WICHE Contributed</th>
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</tr>
<tr>
<td>New Staff</td>
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<td>0</td>
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</tr>
<tr>
<td>Total</td>
<td>.20</td>
<td>.025</td>
<td>.225</td>
</tr>
</tbody>
</table>

Action Requested
Approval to seek, receive, and expend funds to support a study of portable financial aid programs and how they influence access and choice decisions among low-income students.
INFORMATION ITEM
Executive Committee Meeting Minutes
November 7, 2005

Executive Committee Members Present
Diane Barrans (AK), chair
Dave Nething (ND), vice chair
Don Carlson (WA), immediate past chair
Marshall Lind (AK)
Joel Sideman (AZ)
Bill Byers (CO)
Roberta Richards (HI)
Dwight Johnson (ID)
Sheila Stearns (MT)
Carl Shaff (NV)
Patricia Sullivan (NM)
Richard Kunkel (ND)
Camille Preus-Braly (OR)
Tad Perry (SD)
James Sulton (WA)
Klaus Hanson (WY)

Other Commissioners Present
Doris Ching (HI)
David Lorenz (AZ)
Roy Ogawa (HI)
Jim Sager (OR)
Cindy Younkin (MT)

Guests Present
Karen Mohatt

Staff Present
David Longanecker, executive director
Scott Adams
Cheryl Blanco
Mimi Bradley
Michelle Médal
Jere Mock
Dennis Mohatt
Marv Myers
Margo Schultz
Jenny Shaw
Candice Tate
Marla Williams

Chair Barrans called the meeting to order.

ACTION ITEM
Approval of the Executive Committee Conference Call Meeting Minutes
of September 30, 2005


Chair Barrans said the minutes of the Executive Committee meeting held in May in Juneau and subsequent conference call meetings have been printed in the agenda book under tab 11 as information items only; having been previously approved by the Executive Committee, these items require no action.

INFORMATION ITEM
Mental Health Program Report

Dennis Mohatt, director of the Mental Health Program at WICHE, mentioned a couple of the program's initiatives and said a written report about the program's activities is located on under tab 1 on pp. 1-9 and 1-10 of the agenda book.
The Mental Health Program is fiscally healthy and thriving, which is a tremendous improvement over the past, when at times the budget was troubled and the program’s future uncertain. Mental Health currently has three significant areas of engagement:

The Rural Mental Health Research Center. The Rural Mental Health Research Center, funded by the Health Resources and Services Administration (HRSA), has completed its first year and has done extremely well. All of the first-year research projects were done on time, as were the reports required by the HRSA. Mohatt attributes these accomplishments to the hard work of the program’s staff. He said current research is centered on how to promote the adoption of evidenced-based practice for mental health care in rural areas, including how to do it effectively and affordably with the workforce at hand and how to gain a better understanding of the components necessary to make it happen. Initially, the focus is on depression and primary care delivery because most people who are having a mental health problem turn first to their primary care physician. Because of the shortage of mental health care providers in rural places across the West and the nation, primary care has become the de facto setting for the delivery of mental health care. Because of this, research is focusing on ways to bolster primary health care providers’ ability to deliver mental health care. He noted that of the largest group of people committing suicide – white men over the age of 55 – 37 percent had visited their primary care physician within three weeks of their death. In addition to focusing on depression, the program is also looking at other serious mental health illnesses.

Technical assistance. The program is offering technical assistance to the states, from supporting the development of children’s mental health services in Wyoming and South Dakota to helping Alaska redesign how it measures the performance outcomes of its public mental health system (measuring performance indicators from the point of contact with the person in need to the point of service and on up to the required federal reporting). Staff member Chuck McGee has moved to Anchorage for a year to work on this initiative.

Workforce development. The program has reengaged with higher education to try and examine what needs to be done to improve workforce development: behavioral workforce development, especially for rural and underserved places in the West. Mental Health has been engaged by the National Coalition for Behavioral Health Workforce Development (the primary contractor for the federal government) to develop a strategic plan for building a rural behavioral health workforce for the nation. The program’s work in this area over the past several years led to this activity. Over the next year and a half, Mental Health will contribute to the establishment of a new workforce development plan for the nation; it is also engaged in this effort at the state level. Currently, the program is assisting Nevada in this area. In addition, a few months ago, the program helped bring together higher education leaders from multiple institutions and people from the state mental health systems in Arizona and California to talk about what kinds of skills individuals needed to be effective in various delivery environs. Finally, in Alaska, over the past two years, the program has been engaged in a very successful project that brought together higher education leaders and public mental health workforce leaders; it resulted in a successful joint effort demonstrating the need for the establishment of doctoral programs in pathology, a shared program offered by the campuses in Fairbanks and Anchorage.

Mohatt then asked his staff to stand and be recognized by those in attendance: without them, the Mental Health Program would not work. He introduced Jenny Shaw, Mimi Bradley, Scott Adams, and Candice Tate. He also recognized Chuck McGee from afar (McGee is in Anchorage). Finally, Mohatt introduced his wife, Karen.

David Longanecker said the Mental Health Oversight Council (MHOC) would be holding its own meeting in the hotel that afternoon while the WICHE Commission was meeting. However, prior to that, the MHOC members will join the WICHE commissioners for lunch and a celebration of the Mental Health Program’s 50th anniversary. He encouraged commissioners to be on the lookout for the mental health directors from their states.

Chair Barrans reminded the Executive Committee that the Mental Health Program’s written report is located under tab 1 on p. 9 of the agenda book.

INFORMATION ITEM
Review of the November Commission Meeting Schedule

David Longanecker reviewed the schedule for the day-and-a-half commission meeting, describing the policy discussion sessions and the joint committee meeting on the Master Property Program, to be held on Tuesday. During the joint...
committee meeting, a discussion will include the topics of loss prevention and recovery from a natural disaster. During the recent hurricane disasters, higher education responded well to the needs of students, but little was done to assist average faculty members who lost their positions and homes. During this joint committee meeting or at some future opportunity, he would like to discuss what WICHE might do to help higher education recover should such a disaster occur in the WICHE region.

**Executive Session**

Chair Barrans announced the beginning of the executive session, which only the executive director and WICHE commissioners were allowed to attend. She asked all others to leave the room. During the executive session, the commission would informally review the executive director’s performance, including a list of his travels during 2005, located under tab 1, pp. 1-11 through 1-13 of the agenda book.
REPORT
Mental Health Program Update

WICHE’s Mental Health Program (MHP) has been very involved in the region and beyond since the last commission meeting in November 2005. The areas of concentration for our work lately have been in research, technical assistance, and workforce development. Financially, the program is more fiscally sound than in any period for the past several years.

Research
The WICHE Center for Rural Mental Health Research, funded through a cooperative agreement with the federal Health Resources and Services Administration’s Office of Rural Health Policy, is midway through the second of its four years of funded operation. All research projects are on track; the first of our journal submissions has been accepted for publication, while others are under review.

Our current principle investigator, Kathryn Rost, will be stepping down at the close of this contract year. James Ciarlo, a professor emeritus from the University of Denver, has agreed to serve as our new principle investigator. The focus of the research center continues to be on improving the quality of care for rural persons with mental illnesses who are served in primary care settings through evidence-based practice.

Looking forward, beyond the initial term of the cooperative agreement, we have started discussions with the Policy Analysis and Research unit at WICHE to collaborate on diversifying the center’s research focus, so that it would include issues relating to higher education for both behavioral health and allied health professionals. We hope to submit at least one such collaborative project in the fourth year of the current cooperative agreement as a prelude to a more robust integration for the competitive proposal that will be due in 2008.

Finally, we have been invited by the National Institute for Mental Health (NIMH) to submit a proposal for an R-34 research grant ($500,000 per year for five years) to explore rural mental health care models that could be established as evidence-based practices in the future. We are in preliminary discussions with colleagues at the University of New Mexico Health Sciences Center about collaboration on this endeavor. We expect to submit a proposal in summer 2006.

Technical Assistance
The Mental Health Program has become a recognized leader in the area of rural mental health and has been frequently called upon to provide technical assistance aimed at rural and frontier care settings. We are currently involved in a range of activities in the region and beyond to improve systems of care:

• In Wyoming and South Dakota, MHP assists the state public mental health systems in completing assessments of consumer satisfaction.

• In Nebraska and Montana, we are completing a study of the prevalence of behavioral health disorders and gaps in access for specific populations.

• In Alaska, we are involved in assisting the state Division of Behavioral Health to design and implement a performance measurement and outcomes reporting system. A staff member, Chuck McGee, has deployed to Alaska for one year to coordinate this project.

• MHP has been involved in developing the national action plan for rural mental health for the U.S. Department of Health and Human Services.

• Staff has been involved in providing assistance to the Idaho Division of Mental Health in their efforts to promote system transformation.

Workforce Development
The program has become increasingly engaged in consultation relating to behavioral health workforce development, from preservice and para-professional preparation through graduate professional training and continued professional development. Our work includes policy analysis and research relating to supply and demand and specific initiatives to increase supply and address critical shortages, as well as training efforts. Projects include:
• A new contract to assist Alaska in the creation of a behavioral health workforce strategic plan.

• Working with Montana and Nevada on building effective partnerships with higher education to address critical quality and supply gaps.

• Planning and conducting a conference to promote a focus on recovery in mental health services for the South Dakota Division of Mental Health.

• Preparing a rural issues paper to inform the National Strategic Plan for Behavioral Health Workforce Development.

• Planning and conducting the monthly Rural Mental Health Grand Rounds Webcasts under contract to the federal Center for Mental Health Services.

• Planning and hosting a series of rural mental health administrative and clinical management seminars in partnership with private technical assistance company Open Minds.

• Working with the WICHE Programs and Services unit to facilitate the establishment of the Western Collaborative for Rural Social Work, composed of seven state university partners: the University of Alaska Anchorage, Colorado State University, the University of Wyoming, Boise State University, the University of North Dakota, the University of Nevada Reno, and the University of Utah. A proposal seeking funding support from federal and foundation sources is currently under development. State mental health agencies have also agreed to offer support; for example, the Wyoming Division of Mental Health has pledged $100,000 in tuition support.
ACTION ITEM
Evaluation of the Executive Director and
Adoption of Performance Objectives for FY 2007

This document provides the performance objectives that you, the commission, adopted for me last May; my self-assessment of how well I achieved these objectives as your executive director during this past year; and a proposed set of performance objectives for this coming year, based on what has been incorporated in the draft 2007 WICHE workplan, which you will be considering and adopting at this meeting.

• First, I present my current performance objectives.
• Next, I provide my self-evaluation with respect to each of these objectives.
• Lastly, I present proposed performance objectives for this coming year, 2007 (July 1, 2006 - June 30, 2007).

This past year has been a good year for WICHE. We accomplished much. As I have mentioned before, however, the credit for these accomplishment lies not with me but with the exceptional staff with whom I work: individuals whose dedication, exceptional abilities, and boundless energy make WICHE the great organization that it is.

Administering the WICHE Organization:

• Objectives for “maintaining” the organization

  • Internal management

  1. Maintain a balanced budget for fiscal year 2006 and beyond, recognizing the potential draw on reserves, which have been dedicated to replacing possible nonpayment of dues from California. Also, work with the commission to establish targets for staff compensation, compared to comparable agencies within the West.

     Accomplished. The $2 million in general fund revenues for FY 2006 will add $186,000 to reserves. Overall operating revenue of $6.2 million will exceed our original projection by more than 25 percent and will increase WICHE’s net worth by more than $400,000. The two self-funded components of WICHE – Mental Health and WCET – have both returned completely the resources provided to them in previous years and are both now able to contribute to their own reserve accounts. This robust budget scenario, combined with the full payment of California dues, past and present, have made it unnecessary to draw on the reserves as allowed in the “objective.” The 3.5 percent salary and benefits increase and additional 0.5 percent salary bonus fund included in the FY 2006 budget have allowed us maintain the competitiveness of WICHE’s salary structure with other, similar organizations.

     2007 Recommendation: Revise the 2006 objective to eliminate the reference to dedicating a portion of dues to the potential nonpayment of dues and to include a review of budget policy regarding reserves for presentation to the commission at its November 2006 meeting.

  2. Attend directly to ways to more appropriately align responsibilities among unit directors and their respective staffs, in order that they may continue to serve the agency efficiently but do so within realistic limits. Commit to improving the share of minority staff, even though that will be difficult, considering the downsizing of staff that lies ahead.
Partially accomplished. Senior staff continues to perform exceptionally yet continues also to maintain very heavy work loads. The new staff members within the Policy and Research unit, to which I referred last year, have performed exceptionally, making Cheryl Blanco’s job both more manageable and enjoyable. Our successful bid to become the administrator of the federal State Scholars Initiation (SSI), on the other hand, has made Jere Mock’s position even more demanding than it was in the past. To remedy this, at least in part, I am proposing in the FY 2007 budget to add a professional staff position to assist Jere.

I have not yet accomplished my objective to increase the diversity of the staff. During the past year we have hired only three new staff. While two of those individuals come from underrepresented groups – one individual with a disability and one Hispanic individual – the net effect is to increase our representation of staff in protected classes to only five individuals (15 percent of the staff).

2007 Recommendation: Retain the 2006 objective.

3. Improve the morale of WICHE staff to achieve the highest possible level of productivity.

Achieved. An active Staff Council and Advisory Committee continue to help maintain a friendly, cohesive, high-functioning “WICHE team.” Furthermore, the generous 3.5 percent increase in salary and benefits, combined with new life brought by new staff over the past year, have led to a substantial improvement in staff morale. Most significantly, however, the move to the new WICHE facility has contributed greatly to maintaining a high level of morale within the organization.

2007 Recommendation: Retain the 2006 objective.

- Service to the commission

1. Present to the commission at the May meeting an annual workplan that reflects the mission and priorities of WICHE, as established by the commission.

Accomplished. I submitted and you approved at our meeting last May an annual workplan that reflects well WICHE’s mission, priorities, and realistic possibilities. This plan incrementally extended the previous plan, which you have affirmed to be “on track” in its focus and activities. Staff and I have worked diligently on this workplan, have accomplished most it, and have indeed added substantially to it over the year, most significantly with the addition of the federal SSI program.

2007 Recommendation: Retain the 2006 objective.

- State relations

1. Participate, either on official state visits or for WICHE-relevant occasions, in events in at least one-half of the WICHE states. All state visits should include at least one public-speaking or public engagement session.

Accomplished. During this past year I visited 13 of the 15 WICHE states. I was involved in state policy discussions or related work in four states (Nevada, Oregon, South Dakota, and Utah), made presentations in another four, and simply visited or participated in conferences in five others. I did not visit Hawaii or North Dakota.

2007 Recommendation: Retain the 2006 objective.

2. Sustain the role of WICHE’s legislative advisors and secure funding to maintain that activity.
Accomplished. The Legislative Advisory Committee had a successful meeting, held in association with the National Conference of State Legislatures (NCSL) annual conference in Seattle last July. Funding for this activity was in part defrayed by the new “Legislative Engagement” grant from the Ford Foundation. In addition to the Legislative Advisory Committee meeting, I participated in NCSL’s finance workshop in December and in its regular education legislative workshop in February. I also made a presentation on “What’s Up in the West” at the annual CSG-West meeting in San Francisco. We anticipate that the Ford grant will continue to help fund the activities of the committee.

2007 Recommendation: Retain the 2006 objective.

- Objectives for “development and innovation” within the organization
  - Internal management
    1. Complete the purchase and transition into new “owned” office space, with particular focus on securing the resources to outfit the learning center as an exceptional contemporary learning environment.

      Partially accomplished. Through the limited liability corporation (LLC) that we created with the State Higher Education Executive Officers and the National Center for Higher Education Management Systems, we purchased the new State Higher Education Policy Center (SHEPC), located at 3035 Center Green Court in Boulder, CO, which now serves as exceptionally fine office space for these organizations and includes a small conferencing facility that we refer to as a learning center. To finance this purchase, the LLC secured a $3 million, 1 percent loan as a program-related investment (PRI) from the Ford Foundation, as well as additional resources (including an $800,000 loan to WICHE from the Colorado Education and Cultural Facilities Authority). Unfortunately, my SHEPC colleagues and I have not yet been able to secure funding for the learning center/conferencing facility. Thus it does not yet contain all of the desired attributes of a contemporary virtual and real learning environment for which we have been striving. Though we haven’t yet secured this funding, the learning center has already become the hub for a number of policy gatherings for each of the three organizations.

      2007 Recommendation: Modify the 2006 objective to focus solely on securing the resources to outfit the learning center as an exceptional contemporary learning environment.

    2. Organize WICHE staff to operate in a more team-oriented work environment, with greater collegiality and less unnecessary redundancy.

      Making progress. We just keep on trying.

      2007 Recommendation: Retain the 2006 objective.

- Commission development and innovation
  1. Work with the governors, as appointment opportunities develop, to increase the diversity of the commission’s membership.

      In process. None of the new members enhances the racial/ethnic diversity of the commission, though five are women. At present, one-fifth of the WICHE commissioners are from racially or ethnically diverse backgrounds and one-third are women.

State relations development and innovation

1. Expand our legislative relations activity to include more direct involvement with legislative and executive staff.

No progress over the past year. As noted in my comments earlier on legislative engagement, we have been quite successful in expanding our direct efforts with legislators, particularly through our expanding partnership with NCSL. We have sustained a strong relationship with the National Governors Association (NGA) and have begun developing an enhanced relationship with the Western Governors’ Association (WGA). Still, we have not yet pulled many governors’ staff members into the WICHE network in an active way.


2. Expand partnership relationships, where appropriate, with other organizations, such as the National Center for Higher Education Management Systems (NCHEMS), Council of State Governments - West (CSG-West), National Conference of State Legislatures (NCSL), Western Governors’ Association (WGA), Southern Regional Education Board (SREB), New England Board of Higher Education (NEBHE), Midwestern Higher Education Compact (MHEC), Consortium for North American Higher Education Collaboration (CONAHEC), American Association of Higher Education (AAHE), American Council on Education (ACE), Education Commission of the States (ECS), State Higher Education Executive Officers (SHEEO), Association of Governing Boards (AGB), the ACT, the College Board, the Center for the New West, the Center for the Rocky Mountain West, the Center for the American West, EduCause, the National Postsecondary Education Collaborative (NPEC), etc.

Accomplished, but never really…. This past year we held or cosponsored events with ACE, CSG-West, MHEC, NCSL, and SHEEO, and initiated a new collaboration with Jobs for the Future (JFF), regarding early intervention strategies. We have collaborated with NCHEMS closely on a number of projects. We continued our collaborative purchasing programs with SREB, NEBHE, and MHEC. I continued to serve on the executive board of NPEC as program committee chair; on the AAHE board of directors, until the organization disbanded last summer; on ACE’s policy advisory board; as chair of the board of directors of CONAHEC; on the NCHEMS advisory board on national databases and information systems; and on the ACT Educational Services advisory board. I also reengaged WICHE’s association with the Multinational Forum on Higher Education (formerly the U.S./U.K. Forum), which included attending this year’s meeting/seminar in New Zealand. I have turned over to Cheryl Blanco principal responsibility for our relationship to the Pathways to College collaborative, as she was already essentially performing this role.


Providing Program Services to the Western States:

Objectives for “maintaining” the organization

- Student Exchange Programs

Accomplish those aspects of the commission-adopted workplan that fit within this objective, including particular focus on:

1. Stemming the decline in Professional Student Exchange Program (PSEP) participation by focusing the program more on states’ individual needs and interests.
Not achieved. Participation in PSEP continues to wane, declining by 15 students this past year, despite the financial recovery experienced in most Western states. Jere Mock and Margo Schultz have been working with the states’ certifying officers to examine ways in which the needs of sending and receiving states can be more equitably and realistically met in the increasingly market-driven environment of professional education. Particular attention is being given to new fields that might be added to PSEP, especially in the field of mental health, as well as on ways that the program can be tailored to specifically address state workforce development needs.


2. Managing growth of the Western Undergraduate Exchange (WUE) with existing staff and financial resources and examining ways in which WICHE can be more proactive in facilitating exchange in areas of projected workforce needs and in areas of imbalance with respect to issues regarding the supply of and demand for educational opportunities.

In process. Despite continued modest growth in WUE and an increase in the number of programs managed through the Western Regional Graduate Program (WRGP), we have continued to provide strong customer service with a modest commitment of staff. Through the special effort described in (1), above, we are examining ways in which the WUE and WRGP programs can be enhanced to even better serve the students and institutions that participate. This will become an increasingly important issue as enrollment strains test the efficacy of the current models for these programs. During the past year three California State Universities have joined the WUE program, as have two Arizona Community Colleges, and a number of other institutions are exploring joining. In addition, Western Colorado State College has rejoined the program.


• Objectives for “development and innovation” of programs to serve the states

1. Accomplish those aspects of the commission-adopted workplan that fit within this objective.

In process, but not fully accomplished. Staff continues to explore possible new areas for program development to better serve the future needs of our member states through interstate collaboration.

The most significant addition this past year has been our successful competition to become the program administrator for the federal SSI program. In collaboration with the Midwestern Higher Education Compact (MHEC), we have begun providing property risk insurance to institutions in WICHE states. NEON, the Northwest Educational Outreach Network, continues to be developed, with all three of the originally planned programs now up and running, and the concept has been expanded to develop a course exchange program, as well. We continue to seek further funding to enhance the programs and to work with the Northwest Academic Forum (NWAF) on a business plan to sustain NEON.

Our exploration into expanding access to the XAP Mentor program to states currently not participating has essentially ended because of apparent lack of interest in interstate collaboration on the part of the potentially involved states (Alaska, Wyoming, North and South Dakota). Although we have been unsuccessful in finding funding for the Compact for Faculty Diversity, we have completed the initial phase of our partnership with the University of Southern California on the Equity Scorecard project, in which we collaboratively piloted the program in two Colorado colleges during the year. Despite the success of this partnership, it is not clear whether we will be able to secure the funding necessary to sustain this activity.

We have also not progressed three other “interstate” projects included in the 2006 workplan – the proposed WICHE service repayment program, the proposed WICHE licensure and credentialing service, and the proposed WICHE service for recruiting leaders for Western higher education.

2. Begin a formal evaluation of the Student Exchange Programs, particularly PSEP. While I believe that I should continue to seek funding for this initiative, and have imbedded some aspects of such an evaluation within the workplan in the student mobility study, I believe it is our responsibility to evaluate our programs periodically, and we should pursue periodic program evaluations from within existing WICHE operating budget resources, rather than expecting to do so with outside funding.

In process. We completed our work with Christopher Morphew, associate professor of higher education at the University of Kansas (since moved to the University of Georgia), in which Morphew examined the efficacy of WUE as a tool for expanding educational opportunity, finding that it was accomplishing its objectives both with respect to access and equity. We are continuing our work in this arena, by seeking funding to examine how well portable financial aid programs work in expanding equity in interstate reciprocal programs.

We have not pursued an evaluation of PSEP.


3. Implement in stellar fashion the new initiatives for which we secure funding, and possibly develop an additional multistate collaborative program.

Accomplished. Our Lumina-funded Changing Directions project, which will come to a close this year, has been recognized as an exemplary national program for linking funding to access and quality. Our Lumina-funded work on accelerated learning programs will also finish up over the next couple of months with a national forum, cosponsored with Jobs for the Future (with Gates Foundation funding) in June. We anticipate bringing to the commission another proposal for Lumina funding around the theme of increasing productivity. We received a new grant from the Ford Foundation, which focuses on workforce development, with a particular focus on increasing the success of disadvantaged populations in preparing for high-skill/high-wage occupations. The Western Consortium for Accelerated Learning Opportunities (WCALO), a nine-state, federally funded project focused on early college learning and advanced placement (AP), completed its work in September. The American TelEdCommunications Alliance (ATAlliance), which is a collaboration with MHEC and SREB, continues to move forward. Unfortunately, we have been less successful than we would have hoped in attracting Western participation in this program, even though the array of cost-effective services provided through the alliance continues to expand. The FIPSE-funded NEON, a virtual (online) collaborative effort that WICHE is managing for the Northwest Academic Forum (NWAF), has developed its first three virtual interstate collaborative programs. WCET continues to garner support for multifaceted projects that enhance technology-mediated instruction, though we have found it increasingly difficult to secure the level of resources that have traditionally flowed to this program. The Mental Health Program has had a banner year.


Providing Policy, Research, and Technical Assistance to the Western States:

- Objectives for “maintaining” policy, research, and technical assistance services

1. Continue WICHE’s exceptional work as the regional source for higher education information and policy analysis.

Accomplished. The Policy Analysis and Research unit completed the first annual WICHE “Benchmarks Report,” which allows any interested party to assess how well the West is addressing the most pressing issues of higher education, access and quality.

2. **Continue the Western Policy Exchange as an initiative to strengthen our policy agenda.**

   Accomplished within other activities. We accomplished this objective through myriad activities described elsewhere in this evaluation.

   **2007 Recommendation: Eliminate this objective.** The concept of the Western Policy Exchange, which was the rubric under which our former work supported by the Kellogg Foundation was done, has essentially been assumed under other themes.

3. **Maintain the strength and vitality of WCET (Western Cooperative for Educational Telecommunications) and the Mental Health Program, and do so without general fund support.**

   Accomplished. WCET remains an extremely vital and vibrant part of WICHE. The Mental Health Program has become a strong, financially viable operation, securing a substantial federal grant and numerous other sources of funding that have returned it to a solid financial position. The revised indirect-cost-sharing proposal, adopted last year, has further secured the financial viability of these programs and provides for a more comfortable relationship within WICHE.

   **2007 Recommendation: Retain 2006 objective.**

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**Objectives for “development and innovation” of policy, research, and technical assistance services**

1. **Accomplish those aspects of the commission-adopted workplan that fit within this objective, including securing external financial support for at least two major policy, research, or technical-assistance projects, consistent with WICHE’s mission and priorities.**

   In process, but not fully accomplished. This past year we did receive a new three-year grant from the Ford Foundation, continuing our strong partnership with the foundation over the past seven years. We had strong support via two grants from Lumina Foundation, though both of these grants will expire this coming year. We also believe that we are likely to receive funding for a grant to examine the efficacy of interstate portable financial aid programs and are hopeful that we will be successful in attracting Lumina Foundation funding for a new project on improving performance and productivity. Unfortunately, we were not successful in our bid to continue funding from the U.S. Department of Education for the AP grant that supported the WCALO project; thus, that program has been shut down. The Mental Health Program has sustained its substantial funding for the WICHE Center for Rural Mental Health Research. WCET continues to receive numerous grants, and though it currently does not have large grant support, it has adapted well to the current funding environment and is successfully attracting a large number of smaller grants and contracts, as is the Mental Health Program. For this past year, 66 percent of WICHE’s operating budget has come from external financial support.

   **2007 Recommendation: Retain 2006 objective.**

2. **Further develop and sustain technical assistance capacity to support specific state and interstate needs for expertise on policy issues.**

   In process. I provided substantial technical assistance to higher education planning efforts in four states this year: Nevada, with regard to a potential workforce development initiative; Oregon, with regard to assisting in the development of a new “earned opportunity” redesign of state financial aid; South
Dakota, with regard to facilitating discussions about institutional collaboration within the Sioux Falls area; and Utah, with regard to facilitation discussion about collaboration between institutions in southern Utah.


This self-evaluation for fiscal year 2006 (2005-2006) and proposed objectives for 2007 (2006-2007) reflect solid performance over the past year. I would consider both my leadership (within the region and nation) and my management of the organization as strong, though not as good as it could or should be. I look forward to receiving your reactions to my perceptions and to hearing how you believe I can better serve WICHE in the future.

David Longanecker