

1 **TOPIC: RESOLUTION CONCERNING HIGHER EDUCATION FINANCES**
2 **AND FY09 BUDGET**
3

4 **PREPARED BY DAVID SKAGGS & DIANE LINDNER**
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7 *Whereas*, the Colorado Commission on Higher Education (the Commission) recognizes the
8 substantial shortfall in revenues for Colorado's institutions of higher education whether
9 compared to their historic levels as recently as the 1990s or compared to their peer institutions
10 nationally, which by National Center for Higher Education Management Systems (NCHEMS)
11 methodology amounts to approximately \$750 million for FY08;
12

13 *And whereas*, the Commission is well aware of the sever constraints on available state revenues
14 for operating budgets at institutions of higher education due to the constitutional limits on annual
15 increases in appropriations;
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17 *And whereas*, the Commission fully appreciates the difficulties institutions face as they attempt
18 to deal with: inflation in utilities and other costs outside their control; pressures to maintain
19 faculty salaries and retain and attract top faculty; the need to maintain and improve quality
20 academic programs, especially in critical career programs such as mathematics, science,
21 technology and health care; meeting the demands of growing enrollment and providing access
22 for underserved students;
23

24 *And whereas*, the Commission acknowledges that in the face of serious funding limitations each
25 institution of higher education has risen to the challenge and become remarkably efficient in its
26 service to its students;
27

28 *And whereas*, the Commission is committed to design a funding mechanism that will treat each
29 institution equitably, enable institutions to fund their priority budget initiatives and permit them
30 to build capacity to fulfill their role and mission obligations;
31

32 *And whereas*, some of the priority funding needs identified by the institutions include:
33

34 **Adams State College:** \$3.7 million to offset the cost of inflation and to partially fund
35 deferred maintenance and quality initiatives such as a *Student Access and Success Program*
36 that is leveraged with an endowment math and science scholarship program linked with
37 community colleges to improve transfer processes; \$1.5M for campus infrastructure for
38 auxiliary facilities renovations, building and equipment repair and residential hall
39 renovation.
40

41 **Colorado School of Mines:** notes that in FY 2000-01, the State provided Mines with
42 \$8,662 for each resident student; for FY 2006-07, that amount was reduced to \$6,558; the
43 state would need to increase support by \$5.8 million to restore the funding per student
44 received in FY 2000-01; 20 additional tenure track positions in the areas of earth, energy,
45 materials and the environment will require \$5.0 million; increase the amount of graduate
46 support by \$800,000 to be competitive with peer institutions.
47

1 **Colorado State University System:** notes that CSU generates more than \$1.3 billion for
2 the State of Colorado every year and leads the state in number of STEM graduates while
3 CSU-Pueblo provides access to a higher percentage of low-income students than any other
4 Colorado university; its requests \$23 million to cover mandated costs, \$17 million in
5 quality improvement, and \$7 million in access initiatives for qualified students.
6

7 **Colorado Community College System:** notes that it serves more than 116,000 students
8 annually, approximately 35% of all higher education students in Colorado; it needs an
9 additional estimated \$9.8 million in FY09 to cover mandated inflationary expenses like
10 salaries, benefits, and utilities and to maintain existing services. An additional \$16 million
11 is requested to sustain rural colleges and replenish urban colleges. Other priority
12 investments for the next fiscal year include: maintaining tuition affordability; retaining and
13 recruiting quality faculty; delivering educational services to high growth portions of
14 services areas; meeting workforce needs in critical areas; and enhancing classroom
15 delivery and student support services.
16

17 **Fort Lewis College:** notes its unique roles as an undergraduate, liberal arts college with a
18 historic and continuing commitment to Native American education (approximately 700
19 Native American Students attend Fort Lewis College with the tuition being paid by the
20 State of Colorado as required by federal treaty). Its priority needs for FY09: covering
21 inflationary costs and costs associated with implementing the College's strategic plan, i.e.,
22 increase faculty salaries to bring average salaries up to approximately 95% of peer average,
23 marketing to out of state students, new academic programs, supplemental instruction to
24 under-prepared students, additional need based financial aid, and controlled maintenance.
25

26 **Mesa State College:** notes that it is at the 33rd percentile, or on average 22% below the
27 median salaries offered at similar institutions across the nation; its budget priorities include
28 bringing faculty and staff salaries into range with peer institutions, covering high cost high
29 and high demand regional programs, access for all students, and funding overhead and
30 mandated costs (rising health care costs, utility/energy increases, property and liability
31 insurance and classified salary mandates). The College is committed to responding to
32 regional needs by expanding critical career programs e.g. Nursing and Teacher Education;
33 and, developing new high demand programs such as Construction Management and
34 Engineering.
35

36 **Metropolitan State College of Denver:** cites two interrelated initiatives begun in
37 FY2006-2007 to increase the retention of low income and disadvantaged students
38 increasing the credit hours taught by tenure and tenure-track faculty and its "First Year
39 Success" program to increase retention of Freshmen; the first requires approximately 60
40 new full-time tenured and tenure-track faculty annually through 2015 with \$2.8 million
41 needed to continue this initiative in FY2009, and \$1.3 million needed to expand the First
42 Year Success program with the aim to serve 16,500 students when the program is fully
43 operational. These initiatives are in addition to inflationary costs which were \$4.3 million
44 in the prior year.
45

1 **University of Colorado System:** noted its support of the allocation of state funds to higher
2 education based on recognized cost differences among academic programs, i.e., the use of
3 the CCHE/NCHEMS peer study to make informed allocation decisions. The study
4 indicates that among Colorado institutions CU receives the least state support per student
5 compared to its peer institutions. For example, at the School of Medicine state support per
6 medical student is \$24,413, compared to an average of \$111,456 at other public medical
7 schools. CU would like parity in allocation of state funds to universities and colleges. A
8 significant increase in state financial support is needed if the university is to continue to
9 provide a high quality education at an affordable tuition, and continued under-funding may
10 result in denying students from middle income families access to a CU education.

11
12 **University of Northern Colorado:** needs approximately \$4.7 million to fund increases in
13 basic educational and operational cost increases caused by external factors, such as utility
14 rates, personnel benefits and compliance with other Federal and State mandates, such as
15 accommodations for students with disabilities. UNC requests general fund support for
16 quality and access initiatives that focus on building capacity, enhancing the quality of
17 programs that address State needs, and intensifying efforts to recruit and retain
18 academically qualified students that reflect the diversity of the communities in our State,
19 all totaling \$20.7 million.

20 **Western State College:** notes that it faces funding challenges in meeting cost increases
21 mandated in several areas (staff salaries; utilities; insurance) as well as maintaining
22 competitive compensation levels to attract and retain faculty. Western needs: an additional
23 \$1.1 million through sources other than tuition revenues to enhance academic regional
24 programs including arts and development of a marketing plan to support recruitment and
25 enrollment goals; an additional \$100,000 toward its goal to improve access; and \$500,000
26 for capital maintenance to supplement state funding and address a controlled maintenance
27 backlog of \$9.8 million.

28 *Now therefore, be it resolved that:*

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30 While the Commission has endorsed the Department of Higher Education's budget request to the
31 Office of State Planning & Budgeting as a matter of fiscal reality, and while the Commission
32 recognizes and deeply appreciates that Governor Ritter has given higher education funding high
33 priority in his FY09 budget proposal, the Commission nonetheless wishes to state its view that
34 the funding proposed for the state's institutions of higher education is not sufficient to cover the
35 institutions' mandated costs and the initiatives essential to for public higher education in
36 Colorado to maintain the quality and capacity to serve the state's needs and assure its long-term
37 economic well-being.