

**Minutes of the Colorado Commission on Higher Education (CCHE) Meeting  
Colorado State University – Ft. Collins  
October 8, 2009**

Chairman James Polsfut called the meeting to order at 10:15 am.

Commissioners James Polsfut, Hereford Percy, Patricia Pacey, Happy Haynes, and Michael Plachy were in attendance. Commissioners BJ Scott and Greg Stevinson attended via teleconference, as did Advisory Committee members, Representative Kevin Priola and Darryl Bonds. Also in attendance were Advisory Committee members Senator Bob Bacon, Representative Randy Fischer, Dr. Alan Lamborn, Bill Mansheim, JulieMarie Shepherd, Toni Larson and Donna Theimer.

Commissioner Percy moved to approve the minutes of the September 10, 2009 meeting. The motion was seconded by Commissioner Stevinson and unanimously passed.

**Chair Report:** Chairman Polsfut introduced Inta Morris, interim executive director of the department, and thanked her for her service. Chairman Polsfut reported that he and Ms. Morris presented at a meeting of the Long-Term Fiscal Stability Commission on October 2, 2009 on the present status of higher education funding.

**Commissioners Report:** Commissioner Pacey participated in a panel on October 7 at a meeting of the Higher Education Association of the Rockies to discuss the state fiscal situation. Vice Chairman Percy also attended. The focus of the meeting was on finding new revenue streams for education.

The Commissioners discussed the importance of the higher education strategic planning process that had been deferred due to leadership changes at the department. Commissioners stressed the need for this process to be collaborative and to include the legislature, the Commission, the institutions and their governing boards and the Governor's office.

**Advisory Members Reports:** Both Representative Fischer and Senator Bacon welcomed the Commission to their district. Senator Bacon addressed the importance of educating the public on the dire economic circumstances of higher education funding in Colorado.

Dr. Tony Frank, President of Colorado State University - Fort Collins, welcomed the Commission to the campus. Dr. Frank eschewed the usual format of giving the Commissioners a brief overview of the programs offered by the school and instead informed the Commission of his cabinet's decision to maintain students and having a world class land grant research university as a first priority during this difficult time of budget cuts.

**Public Comment:** George Walker of Denver expressed his views on the lack of funding for higher education in the state of Colorado.

## **PRESENTATION ITEM**

**Race To the Top Update** – Dr. Matt Gianneschi, Senior Policy Analyst for Governor Ritter, updated the Commission on the Race to the Top, the largest federal competitive investment in school reform to date. He explained that the American Recovery and Reinvestment Act includes this \$4 billion fund and that states will compete for grants to develop comprehensive reform strategies across four education areas to improve student achievement outcomes. These four areas are: standards and assessments, data systems to support instruction, great teachers and leaders, and turning around struggling schools. Dr. Gianneschi reported that Colorado is well positioned to receive the grant monies as the state has already been addressing the reform areas required prior to the announcement of the competition.

## **ACTION/CONSENT ITEMS**

**Proposal To Offer M.A.T. In Education At University Of Northern Colorado** – Dr. Ian Macgillivray, Academic Policy Officer for Teacher Education, prepared this item for approval.

**Proposal To Offer Instructional Technology Teacher Preparation At Colorado State University Pueblo** – Dr. Ian Macgillivray prepared this item for approval.

Commissioner Scott moved to approve the action/consent items. The motion was seconded by Vice Chairman Percy and unanimously passed.

## **INFORMATION ITEM**

**September 2009 Revenue Forecast Update** - Diane Lindner, Chief Financial Officer, informed the Commission of the quarterly revenue forecast presented by Legislative Council on September 21, 2009. The forecast shows a shortfall in the current fiscal year of \$560.7 million. The state must reduce spending by an additional \$240.7 million over the \$320 million in FY09-10 reductions the Governor proposed on August 24, 2009 which was done in response to the previous quarterly revenue forecast in June. The Legislative Council forecast assumes the entire FY09-10 shortfall of \$560.7 million is handled with one time sources or revenue and then carries forward into FY10-11, contributing to a forecasted FY10-11 shortfall of \$1.3 billion over the amount currently budgeted to in FY09-10. The Governor's August 24<sup>th</sup> proposal includes an \$80.9 million cut to the governing boards, local district colleges, and the area vocational schools, in addition to the \$150 million cut already made for FY09-10. In the August proposal, the higher education cut was contingent upon receiving a waiver from the Federal government from the maintenance of effort clause of the American Recovery and Reinvestment Act (ARRA) because the proposal would reduce state support for higher education below the FY05-06 level. This cut would be fully backfilled with ARRA funds in FY09-10 and with General Fund in FY10-11. This waiver request has been submitted to, but not yet approved by, the Federal Department of Education. Without the waiver, the Governor's reduction of \$80.9 million cannot be made without forfeiting the ARRA State Fiscal Stabilization Funds.

## **ACTION ITEMS**

**Fiscal Year 2010-2011 Commission On Higher Education Operating Budget Request** – Diane Lindner Staff recommended the Commission approve and submit to the Joint Budget Committee (JBC) a FY10-11 budget request that restores the \$81 million reduction with General Fund and the original \$150 million reduction with ARRA funds, maintains current funding for the state's financial aid programs and allows 9% tuition rate increases for resident undergraduate students while placing no limits on the tuition rate or revenue increases for resident graduate students and nonresident students. The amount of the budget the Commission would request is for \$555 million.

The footnote to the Long Bill pertaining to the 9% tuition rate increase in the budget request read:

It is the intent of the General Assembly that any increase in the resident undergraduate tuition rate not exceed 9% per student or 9% per credit hour at the University of Colorado System, the Colorado State University System, the Colorado School of Mines, the University of Northern Colorado, Adams State College, Mesa State College, Metropolitan State College of Denver, Fort Lewis College, Western State College, and the Colorado Community College System. It is the intent of the General Assembly that the governing boards may increase resident graduate and all nonresident tuition rates to reflect market conditions and that any additional spending authority necessary to cover resident graduate and nonresident tuition rate increases will be addressed

through a supplemental appropriation during the 2011 legislative session. The General Assembly will not back-fill for nonresident tuition revenue lost if a nonresident tuition increase results in a net reduction in nonresident tuition revenues.

Commissioner Stevinson moved to approve the budget request. The motion was seconded by Commissioner Plachy and failed by a vote of zero yeas and nine nays.

The Commission amended the footnote to the Long Bill to be submitted to the JBC to read as follows:

It is the intent of the General Assembly that any increase in the *full time* resident undergraduate *average* tuition rate not exceed 9% at the University of Colorado System, the Colorado State University System, the Colorado School of Mines, the University of Northern Colorado, Adams State College, Mesa State College, Metropolitan State College of Denver, Fort Lewis College, Western State College, and the Colorado Community College System. It is the intent of the General Assembly that the governing boards may increase resident graduate and all nonresident tuition rates to reflect market conditions and that any additional spending authority necessary to cover resident graduate and nonresident tuition rate increases will be addressed through a supplemental appropriation during the 2011 legislative session. The General Assembly will not back-fill for nonresident tuition revenue lost if a nonresident tuition increase results in a net reduction in nonresident tuition revenues.

Commissioner Percy moved to approve the amended change and approve the budget request. The motion was seconded by Commissioner Stevinson and unanimously passed.

**New And Continuing State-Funded Capital Projects And Priority List, Fiscal Year 2010-11** – Dan Krug, Financial and Compliance Analyst, presented a prioritized list (as amended) of capital projects for state funding in FY2010-11. He informed the Commission that the department is currently not anticipating any state funding to become available for capital construction in FY10-11, however the list serves as a statement of need for higher education and will be used for planning when funding does become available. Mr. Krug explained that Department staff worked with the Commission’s Capital Subcommittee and all institutions in developing the list. The Department reviewed a total of 47 new or continuing state funded capital construction requests for FY10-11. The recommended priority list of 16 ranked capital requests totals \$202,521,243 in state funds, and an additional 28 unranked capital requests totals an additional \$280,440,907 in state funds.

Senator Bacon, who has served six years on the Capital Development Committee, noted that even with the priority list, the first of the 16 projects (University of Colorado’s Anschutz Medical Campus Certificates of Participation) is the only item that is going to be funded.

Commissioner Pacey moved to approve the FY capital priority list and forward the list to the Governor’s Office and OSPB. The motion was seconded by Commissioner Scott and unanimously passed.

## **PRESENTATION ITEM**

**Change in Colorado’s Concurrent Enrollment: HB 09-1319 Impact and Implementation** – Matt McKeever, Director of Extended Studies, gave an overview of Concurrent Enrollment (also known as dual enrollment) in Colorado. He informed the Commission that during the 2009 General Assembly session, legislation was passed that consolidates all of the concurrent enrollment programs into a coordinated statewide effort and provides more consistent guidelines for all participating institutions. Some of the highlights of the legislation include: a maximum credit hour limit for students in the fifth year program Accelerating Students

Through Concurrent Enrollment (ASCENT); the requirement that students create an academic plan to ensure the courses taken fit into their future plans for high school graduation, course work in college and the college they are planning to attend; a limit on remedial, or basic skills, course enrollment to 12<sup>th</sup> graders only; and specific to the ASCENT program, the requirement that students be selected by a high school administrator.

Institutes of higher education can choose whether they participate in a concurrent enrollment program. The State Board of Education is charged with creating policy guidelines that will direct the implementation of concurrent enrollment and the ASCENT program. An Advisory Board made up of appointees from the Governor's office, the executive director of the Department of Higher Education and the State Board of Education will establish guidelines for concurrent enrollment and ASCENT program and recommend legislative and policy changes.

The Commission is charged with creating policies based on guidance from the Advisory Board. Commissioners requested further briefing on the subject at the November 5<sup>th</sup> Commission meeting.

Commissioner Stevinson moved to adjourn the meeting. The motion was seconded by Commissioner Scott. The meeting was adjourned at 1:10 pm.