

**Minutes of the Colorado Commission on Higher Education (CCHE) Meeting
University of Colorado – Boulder (CU-Boulder)
December 2, 2010**

Chairman Jim Polsfut called the meeting to order at 1:15 pm.

Commissioners Jim Polsfut, Larry Beckner, Jill Brake, David Edwards, Patricia Pacey, Regina Rodriguez, Happy Haynes, Richard Kaufman, Hereford Percy, BJ Scott and Greg Stevinson were in attendance. Also in attendance were Advisory Committee members Professor Mike Minsic, Dr. Tony Larson, Kelly Fox, Ruth Annette Carter and Dr. Abe Harraf. Lt. Governor-Elect Joe Garcia was also in attendance.

Commissioner Percy moved to approve the minutes of the October 21, 2010 CCHE/State Board of Education special meeting. The motion was seconded by Commissioner Brake and unanimously passed.

Commissioner Scott moved to approve the minutes of the November 4, 2010 CCHE meeting. The motion was seconded by Commissioner Percy and unanimously passed.

Dr. Philip DiStefano, Chancellor of CU-Boulder, welcomed the Commission to the campus. He talked about the east campus, which focuses on biotechnology, atmospheric and space science, energy and sustainability, geosciences and occupational sciences. At the main CU campus, 848 of the 5,000 enrolled freshmen are first generation and 19 percent are students of color. CU has also had a record number of graduate students enroll this fall. He said that 20 of CU's doctoral programs are in the top 20 percent nationally according to a recent National Research Council report. CU is excited about the CU Guarantee program beginning in the spring. The program guarantees admission to eligible community college students for any arts and science program.

EXECUTIVE DIRECTOR REPORT

Director Munn discussed the Higher Education presentation to the Joint Budget Committee (JBC) on November 30, 2010. Questions from the JBC related to the strategic plan and to some facts and figures within the system of higher education. The most pointed discussion was when a member of the JBC mentioned a potential \$97 million revenue shortfall and would the allocation formula hold up at \$457 million as opposed to \$555 million. Director Munn had responded that higher education had experienced its fair share of cuts and that he certainly hoped more would not be forthcoming. He also mentioned that it is difficult to answer how the allocation formula would hold up with additional cuts. Director Munn had said that he certainly doesn't want to see the \$457 million number, but should that be the case, the Department would try to figure out how to address the State's needs and concerns at that funding level.

CONSENT ITEMS

Five-Year State Funded Capital Program Lists

Proposal to Offer a Doctor of Philosophy Degree in Rehabilitation Science at the University of Colorado, Denver

Two-Year Cash Funded Capital Program Lists

Vice Chair Percy moved to approve the consent items. The motion was seconded by Commissioner Edwards and unanimously passed.

ACTION ITEMS

Financial Accountability Plan Appeal Process – Mark Cavanaugh, Chief Financial Officer, presented this item recommending a denial and appeal process in place before looking at the Financial Accountability Plans. In an effort to keep the process moving, the FAP Review Subcommittee has proposed a 10 business day period for institutions to respond to a denial of their FAP. The institution can either accept the Commission's denial or take 10 days to respond to the enumerated reasons for the denial. The CCHE would discuss the denial and appeal at the next CCHE meeting and that decision would be final.

Commissioner Edwards moved to approve the Financial Accountability Plan Appeal Process. The motion was seconded by Commissioner Percy and unanimously passed.

Chairman Polsfut asked that the Commission take action item on the Financial Accountability Plan for Mesa State College out of order so that representatives from Mesa State could return to Grand Junction.

Approval of Financial Accountability Plan (FAP) for Mesa State College – Mark Cavanaugh, Chief Financial Officer, presented the Mesa State College FAP, which is the first of six to be considered today. Department staff and the CCHE FAP Review Subcommittee have completed the review process of these six FAPs.

Mesa State College (MSC) tuition setting authority request:

1. MSC is not seeking the authority to raise tuition above 9 percent if state funding remains at the currently forecasted levels for FY12 or decreases by 10 percent or less.
2. If state funding decreases by more than 10 percent, MSC is requesting the authority to increase resident undergraduate tuition by .49 percent for each additional 1 percent of reduction in state funding beyond 10 percent.
3. At this time, MSC does not anticipate tuition increases above 9 percent for the period of time for FY13 through FY16.

CCHE FAP Subcommittee Recommendation: Approve the tuition authority requested for FY 2011-12 through FY 2015-16. As part of this approval, MSC will provide to the Commission an

update on the strategies adopted by the MSC Board of Trustees to implement the tuition increase for FY 2011-12 and FY 2012-13. MSC will also provide to the Commission regular updates on the actions taken to protect low and middle income students and underserved student populations.

Pat Doyle, Chief Financial Officer, and Derrick Wagner, Director of Strategic Initiatives, from Mesa State College were present for questions.

Commissioner Edwards moved to approve the Mesa State College FAP for five years. The motion was seconded by Vice Chairman Percy and unanimously passed.

Approve the Higher Education Master Plan – Dr. Kim Poast, Deputy Director, presented the statutory requirement for the CCHE to develop a Master Plan for Higher Education and submit it to the Governor and General Assembly on or before December 15, 2010. Department staff recommend that the CCHE adopt a master plan for the system that incorporates three components. After some deliberation about whether the Master Plan should be a process or a definitive document, the Commission amended the recommended motion to read: “that the CCHE adopt a master plan process for the system that incorporates the following three components: 1) a comprehensive strategic plan, the *Degree Dividend*, which is hereby adopted; 2) narrowing strategies to develop specific institutional level plans to be completed by no later than 12/31/2011; and 3) ongoing evaluation to maintain accountability and to address changing conditions.”

Vice Chairman Percy moved to approve the motion that the CCHE adopt a master plan process. The motion was seconded by Commissioner Scott and unanimously passed.

Chairman Polsfut requested a letter be written on his behalf thanking the Strategic Planning committee members for their work on the Higher Education Strategic Plan (HESP).

Chairman Polsfut requested a motion of an expression of gratitude for those involved in the HESP process. The motion was seconded by Commissioner Haynes and unanimously passed.

Degree Authorization Act – Westwood College – Heather DeLange, Degree Authorization Act Officer, presented an update on the operational status of Westwood College. The Accrediting Commission on Career Colleges and Schools has not yet released the notification letter outlining actions it has taken. The letter will be available to the public on or around December 8. Ms. DeLange presented three possible actions for the Commission to take at this time: take action now based on information presented at the October meeting; defer action until the notification of action letter is received and then call a special meeting; or defer action until the next regular CCHE meeting on January 7. DHE staff recommend deferring action until receipt of the notification of action letter and then calling a special meeting.

Mike Feeley from Brownstein, Hyatt, Farber, Schreck was present representing Westwood College and available for questions.

Commissioner Stevinson moved to approve the staff recommendation of holding a special meeting once the notification from the accreditation body has been received. The motion was seconded by Commissioner Brake and unanimously passed.

Approval of Financial Accountability Plans (FAP) - Mark Cavanaugh, Chief Financial Officer, presented an overview of FAPs for five institutions, and the Commission took action, as follows.

University of Northern Colorado (UNC) tuition setting authority request:

1. UNC is requesting the authority to increase resident undergraduate tuition at an average of 15 percent for FY12 and FY13 if state funding remains at currently forecasted levels.
2. The tuition increase is based on class differentials and will vary by major.
3. Resident undergraduate tuition could increase by an average of 12 percent in FY14 and 9 percent for FY15 and FY16.

CCHE FAP Subcommittee Recommendation: Approve the tuition authority requested for FY 2011-12 through FY 2012-13. As part of this approval, UNC will provide to the Commission an update on the strategies adopted by the UNC Board of Trustees to implement the tuition increase for FY 2011-12 and FY 2012-13. UNC will also provide to the Commission regular updates on the actions taken to protect low and middle income students and underserved student populations.

Kay Norton, President of UNC, was present for questions.

Commissioner Edwards moved to approve the University of Northern Colorado FAP for two years. The motion was seconded by Commissioner Haynes and unanimously passed.

Western State College (WSC) tuition setting authority request:

1. WSC is requesting the authority to increase resident undergraduate tuition by 11.6 percent through the five year planning period, if state funding remains at currently forecasted levels for FY 2011-12.
2. If state funding deteriorates below forecasted levels by approximately 10 percent, and remains at that level, WSC is requesting the flexibility to consider raising tuition rates by up to 16 percent through the five year planning period.
3. Non-resident undergraduate tuition would increase by 5 percent over the same period.

CCHE FAP Subcommittee Recommendation: Approve the tuition authority requested for FY 2011-12 through FY 2012-13. As part of this approval, the WSC will provide to the Commission an update on the strategies adopted by the WSC Board of Trustees to implement the tuition increase in FY 2011-12 and FY 2012-13 and provide regular updates on actions taken to protect low and middle income students and underserved student populations.

Jay Helman, President, and Brad Baca, Chief Financial Officer and Vice President for Finance, from Western State College were present for questions.

Commissioner Edwards moved to approve the Western State College FAP for two years. The motion was seconded by Commissioner Haynes and unanimously passed.

Adams State College (ASC) tuition setting authority request:

1. ASC is requesting the authority to increase resident undergraduate tuition by 11 percent through the five year planning period, if state funding remains at currently forecasted levels for FY 2011-12.
2. If state funding deteriorates below forecasted levels by approximately 10 percent, and remains at that level, ASC is requesting the flexibility to consider raising tuition rates by up to 25 percent in FY2012, 20 percent in FY 2013, 12 percent in FY 2014, and 9 percent in FY 2015 and FY 2016.

CCHE FAP Subcommittee Recommendation: Approve the tuition authority requested for FY 2011-12 through FY 2012-13. As part of this approval, the ASC will provide to the Commission an update on the strategies adopted by the ASC Board of Trustees to implement the tuition increase in FY 2011-12 and FY 2012-13 and provide regular updates on actions taken to protect low and middle income students and underserved student populations.

Bill Mansheim, Chief Financial Officer, from Adams State College was present for questions.

Commissioner Edwards moved to approve the Adams State College FAP for two years. The motion was seconded by Commissioner Haynes and unanimously passed.

University of Colorado System (CU System) tuition setting authority request:

1. Under the current FY 2011-12 allocation proposal, the CU System is not requesting the authority to raise undergraduate resident tuition above 9 percent.
2. If state funding is between \$142.9 million and \$158.5 million the CU System is requesting the authority to increase resident undergraduate tuition by up to 9.5 percent for FY 2011-12.
3. The CU System is not requesting the authority to increase resident undergraduate tuition above 9 percent in FY 2012-13 through FY 2015-16.

CCHE FAP Subcommittee Recommendation: Approve the tuition authority requested for FY 2011-12 through FY 2012-13. As part of this approval, the University of Colorado System will provide to the Commission an update on the strategies adopted by the CU Board of Regents to implement the tuition increase in FY 2011-12 and FY 2012-13 and provide regular updates on actions taken to protect low and middle income students and underserved student populations.

Kelly Fox, Chief Financial Officer, from the University of Colorado System was present for questions.

Commissioner Edwards moved to approve the University of Colorado System FAP for two years. The motion was seconded by Commissioner Haynes and unanimously passed.

Colorado Community College System (CCCS) tuition setting authority request:

1. CCCS is not seeking the authority to raise resident tuition above 9 percent if state funding remains at currently forecasted levels for FY 2011-12.
2. If state funding deteriorates below forecasted levels by approximately 10 percent, and remains at that level, CCCS is requesting the flexibility to consider raising tuition rates by up to 15.7 percent in FY2012.
3. CCCS is requesting the flexibility to consider raising tuition rates between 10.8 percent and 12.7 percent through FY 2012-13 depending on the availability of state funding.
4. 20 percent of additional revenues from increased tuition above 9 percent would go to student aid.

CCHE FAP Subcommittee Recommendation: Approve the tuition authority requested for FY 2011-12 through FY 2012-13. As part of this approval, the Colorado Community College System will provide to the Commission an update on the strategies adopted by the CU Board of Regents to implement the tuition increase in FY 2011-12 and FY 2012-13 and provide regular updates on actions taken to protect low and middle income students and underserved student populations.

Nancy McCallin, President, Mark Superka, Chief Financial Officer, Cliff Richardson, VP of Admin and Finance, and Jerry Anderson, Provost and VP of Academic and Student Services, from the Colorado Community College System were present for questions.

Commissioner Edwards moved to approve the Colorado Community College System FAP for two years. The motion was seconded by Commissioner Haynes and unanimously passed.

Endorse Colorado's Participation in Complete College America – Rico Munn, Executive Director, presented background information on Complete College America and recommended the Commission endorse Colorado's participation in this national consortium of states that are looking to identify common metrics to compare completion rates and move forward with a completion agenda.

Commissioner Haynes moved to endorse the recommendation to join Complete College America and ask Governor Bill Ritter, Jr. to explore with the incoming administration the submission of a letter naming CCHE as a designated point of contact for Colorado's participation. The motion was seconded by a Commissioner and unanimously passed.

DISCUSSION ITEM

Financial Aid Update – Celina Duran, Financial Aid Administrator, explained that staff have been working on a financial aid methodology for FY2011-2012. The Chief Financial Officers

(CFOs) and the Financial Aid Advisory Committee will meet next week to talk about options and how to address proprietary institutions. Staff will offer a recommendation to the Commission next month based on this further input from the CFOs and Financial Aid group.

Sandy Calhoun, Financial Aid Officer for CSU-Fort Collins, spoke on behalf of the Financial Aid Advisory Committee and summarized the Committee's discussions on the FY 2012 financial aid allocations. The Committee is considering a limit on financial aid for student at proprietary institutions. Most of the discussion among Committee members has been around whether or not to have a hold harmless provision for public institutions and if so, how much.

Executive Director Munn informed the Commission that it would be receiving a hard copy of the FY 2009-10 Financial Aid Report and reports from previous years as further background reading for a vote at the next meeting. Commissioners will also receive the history of the financial aid policy. Commissioner Stevinson requested the Commissioners have more time to discuss the issue before the vote, possibly at the next Special Meeting.

INFORMATION ITEMS

FY 2009-2010 Financial Aid Report – Celina Duran

FY 2010-2011 Tuition and Fees Report – Andy Carlsen

Concurrent Enrollment Advisory Board Annual Report – Matt McKeever

Adoption of the New Statewide Assessment System – Dr. Cheryl Lovell

Documents were handed out for each of the INFORMATION ITEMS.

The Commissioners agreed to hold 2011 meetings on the first Friday in the month from January through May and the first Thursday of the month from June through December, with the exception being the September 8 meeting.

Commissioner Edwards moved to adjourn. The motion was seconded by Vice Chair Percy. The meeting was adjourned at 4:45 pm.