

**TOPIC: PROPOSED PERFORMANCE CONTRACT REVIEW PROCESS**

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**I. SUMMARY**

At its December 3, 2009 meeting, the Commission discussed adopting a work plan to better define and accomplish its policy goals. This agenda item presents one item for that workplan—a process for reviewing performance contracts with the institutions of higher education

**II. BACKGROUND**

In 2005, pursuant to C.R.S. 23-5-129, the CCHE entered into performance contracts with the institutions of higher education as a mechanism to provide accountability in exchange for flexibility. The contracts were all termed to expire in 2009. In recognition of the impending strategic planning process, the CCHE and the institutions entered into agreements to extend the contracts for an additional 16 months, expiring in 2011.

The specific purposes of a performance contract review process include, without limitation:

1. Establish a baseline of knowledge for Commissioners on statewide and specific institution compliance;
2. Review the effectiveness and propriety of delineated goals and the performance contract process;
3. Develop a working list of goals to be considered for contract renewal; and
4. Provide staff and institutions with an appropriate timeframe to prepare for any contemplated changes.

Staff propose the following format for review:

1. The Department prepares a written report addressing basic contract compliance, significant changes in circumstances since contract execution, trend data and recommendations for future goals;
2. The Departments presents to the CCHE on its written report;
3. Subject institutions are invited to comment on the DHE report and presentation before the CCHE.
4. The public is provided an opportunity to comment limited to the report and presentation.

### **Proposed Timeline**

February – CCHE approves goals, process and timeline for contract review.

March – DHE provides an overview on contract goals, state performance and institution reporting and compliance process. There are thirteen performance contracts. Review of each contract can be accomplished over a nine month timeframe. The review schedule will be established by staff in consultation with the institutions.

April – Institution contract review

May – Institution contract review

June – Institution contract review

July – Institution contract review

August – Institution contract review

September – Institution contract review

October – Institution contract review

November – Institution contract review

December – Institution contract review

January 2011 – Production of a summary report on lessons learned and next steps to be taken.

### **III. STAFF RECOMMENDATIONS**

**Staff recommends that the Commission adopt the goals and timelines proposed Performance Contract Review Process.**

### **STATUTORY AUTHORITY**

C.R.S. 23-5-129