

**Minutes of the Colorado Commission on Higher Education (CCHE) Meeting
Denver Metro Chamber of Commerce
June 3, 2010**

Chairman James Polsfut called the meeting to order at 1:10 pm.

Commissioners James Polsfut, Hereford Percy, Dave Edwards, Patty Pacey, Regina Rodriguez and Greg Stevinson were in attendance. Commissioner Jill Brake attended via conference call. Also in attendance were Advisory Committee members Senator Evie Hudak, Dr. Abe Harraf, Kelly Fox, Dr. Toni Larson, Ruth Annette Carter and JulieMarie Shepherd.

Chairman Polsfut welcomed new members Senator Hudak, Kelly Fox, Ruth Annette Carter and Dr. Harraf to the CCHE Advisory Committee.

Commissioner Percy moved to approve the minutes of the May 7, 2010 meeting. The motion was seconded by Commissioner Edwards and unanimously passed.

Tamra Ward, Denver Metro Chamber of Commerce's Senior Vice President, Public Affairs and Communications, welcomed the CCHE to the Chamber. Ms. Ward stated that the Chamber is in agreement that the ties between higher education and the business community in the state are critical, that they ensure our workforce is solid and help keep Colorado competitive. She reminded us that the Chamber's former CEO thought so much of academia that he is now the Chancellor of the Colorado State University System. She assured the Commission that the Chamber's membership strongly believes it must help ensure a sustainable higher education system in Colorado.

Higher Education Strategic Plan (HESP) Report: Director Rico Munn reported that the HESP subcommittees are progressing well. He said that the public forum initially planned for June will be rescheduled to a later date in the fall. He said there would be a skeletal outline of the strategic plan report available in the next several weeks.

Executive Directors Report: Director Munn made the CCHE aware of three grant proposals that Department staff are working on: 1) a grant from the Lumina Foundation to continue work encouraging non-traditional students to complete their degrees; 2) Colorado Gear Up is seeking so-called "Innovation III" dollars from the Federal government to expand Gear Up's programs; and 3) the College Access Challenge Grant from the Department of Education, a renewal of a grant the Department received two years ago.

Public Comments: Mr. George Walker of Denver spoke to the Commission about Chancellor Roy Wilson resigning from the University of Colorado Health Sciences Center. Mr. Walker believes that Dr. Wilson is the "highest level black man of Asian descent to be pushed out of the CU system." Chairman Polsfut stated that Dr. Wilson's employment and departure are not under the Commission's authority.

WORKPLAN ITEM

Review of Performance Contracts for Western State College and University of Northern Colorado – Dr. Cheryl Lovell, Chief Academic Officer, reported that the Department was half-way through the performance contract reviews. Dr. Lovell reported on some general observations made by staff during the process. During the past five years, the CCHE and institutions had jointly established metrics and institutions had made progress on many of their goals. The institutions have worked diligently to respond to the contractually agreed upon indicators and goals. She suggested that multiple data streams being utilized are redundant and suggested that only a statewide data reporting mechanism should be used.

Commissioner Stevinson noted that he was involved in three of the performance contract negotiations and the process had been a contentious one. He suggested that contention was no longer evident.

Dr. Lovell then proceeded with the summarized reports on Metropolitan State College of Denver and Mesa State College. President Jay Helman from Western State College and President Kay Norton from University of Northern Colorado were available for comments and questions from the Commissioners.

Chairman Polsfut requested that Dr. Lovell provide the Commission with an ongoing list of “output learnings” from the discussions of the performance reviews at each meeting.

Proposed Revision to Workplan – Director Munn recommended that the components of the workplan items outlined at the December 3, 2009 CCHE meeting be revised due to the unanticipated workload attached to the implementation of SB3 and the strategic planning process. The first revision is to remove the institution innovation item. The significant changes of SB3 regarding operational efficiencies negate the need to highlight efficiencies done in the past. The other revision is regarding the achievement gap. Mr. Munn suggested that the CCHE not remove the item, but be aware that some of the Commission’s work with SB3 relates centrally to how institutions are protecting lower and middle income students and how they will be dealing with the issue of closing the gap. The Commissioners agreed with the Director’s assessment.

CONSENT ITEMS

Western State College – Proposal to offer a Master of Fine Arts degree in Creative Writing

Metropolitan State College of Denver – Proposal to offer a Bachelor of Arts degree in Women’s Studies

ARRA Recovery Bonding Program Report to DOLA

State Guaranteed General Education Courses, Review Cycle VII, Round III

Revised Two-Year Cash Funded Capital Program List – Western State College

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

ACTION ITEM

FY 2011 Financial Aid Allocations – Celina Duran, Financial Aid Administrator, presented two financial aid allocation models. She reminded the Commission that the two models are in response to the Commissioner’s interest in seeing alternatives, given that no new funding was allocated in the 2010 legislative session. With the current economic conditions and the increase in enrollment, the amount paid per full time equivalent (FTE) student has decreased for need-based financial aid.

The first model is based on 2006 CCHE policy for allocation of financial aid, with allocations held flat for the next year projection. The total FY10-11 General Fund Financial Aid appropriation is \$93,202.814. The second model shows the same total amount but with \$3.5 million taken from the private proprietary schools and redistributed among the public, non-profit institutions.

Mr. Steve Durham, representing the Colorado Association of Career Colleges and Schools, testified that the 16 private proprietary schools request that the CCHE not vote to change the financial aid model. He stated that the \$3.5 million in financial aid that the schools receive is the only state aid provided to the students and is less than four percent of the total provided in state aid.

Representatives and students from three of the private for profit schools—DeVry University, the Art Institute of Colorado and Colorado Technical University—spoke about the financial hardship they would see should the financial aid dollars no longer be available to the students. They also noted concern about the timing of the change, as it would affect students in the 2010-2011 academic year.

Commissioner Pacey stated that she has concerns about the costs of proprietary schools relative to public institutions. As a commission, the CCHE serves both the students and the institutions and believes the monies should go to more accessible, more affordable schools. Although sensitive to the timing of the option, she requested more information from the proprietary schools about graduation rates, student debt load and cost differences.

Commissioner Rodriguez said she shares Commissioner Pacey’s concerns and suggested the CCHE consider the issue again as they review next year’s allocations.

Commissioner Edwards moved to maintain the status quo for FY10-11 by adopting the first financial aid model that includes financial aid allocations for the private proprietary schools. The motion was seconded by Commissioner Percy and approved by a vote of six to one.

INFORMATION ITEM

Update on Implementation of SB 3 – Director Munn reviewed general guidance that the Commission had given to staff at the May 20, 2010 special meeting regarding implementation of SB3. The first issue was drafting of a Financial Allocation Plan (FAP) template for the institutions to use; the second was the date upon which staff would be receiving FAPs from

institutions; and the third was developing principals for allocation of state funds. The Commission was provided a draft version of the FAP template showing feedback from both the CCHE and the institution CEOs. Staff will present allocation models for discussion at the July 8, 2010 CCHE meeting.

Director Munn said that his discussions with CEOs also included the 50 percent plans called for under SB3. Legislative guidance on those plans is broad and does not speak to any specific allocation if there is a 50 percent reduction to higher education funding. Director Munn suggested the CCHE might issue guidance to the institutions in either a letter or memo. Staff will provide a draft form to the Commission for consideration. Director Munn expects more in-depth discussion about these issues at the upcoming June 17th special meeting.

Director Munn also suggested the Commission may want to form a subcommittee to do some of the work related to the implementation of SB3.

Prior to closing the meeting, Chairman Polsfut suggested the CCHE consider an August 5th date for the August meeting/retreat.

Commissioner Percy moved to adjourn. The motion was seconded by Commissioner Edwards. The meeting was adjourned at 3:50 pm.