

**Minutes of the Colorado Commission on Higher Education (CCHE) Meeting  
Colorado School of Mines  
November 4, 2010**

Chairman Jim Polsfut called the meeting to order at 9:45 am.

Commissioners Jim Polsfut, Larry Beckner, Happy Haynes, Richard Kaufman, Hereford Percy, BJ Scott and Greg Stevinson were in attendance. Also in attendance were Advisory Committee members Julie Marie Shepherd, Dr. Tony Larson, Dr. Diana Sirko, Kelly Fox, Ruth Annette Carter and Dr. Abe Harraf. Senator Evie Hudak attended via conference call.

Commissioner Beckner moved to approve the minutes of the October 7, 2010 CCHE meeting. The motion was seconded by Commissioner Stevinson and unanimously passed.

Kirsten Volpe, Senior Vice President for Finance and Administration of the Colorado School of Mines, welcomed the Commission to the campus. She talked about the 35% increase from last year in applications. The school reached a record enrollment of 5,100 combined undergraduate, graduate and non-degree students this year and the freshmen class came in with exceptionally high ACT, SAT and GPA scores.

#### **DISCUSSION ITEM**

Higher Education Strategic Plan (HESP) Presentation – Deputy Director Dr. Kim Poast introduced the HESP report being presented to the CCHE and the Governor today. She then introduced the co-chair of the HESP Steering Committee, Jim Lyons. Mr. Lyons walked the CCHE through the 10-month process of formulating a strategic plan for the state's higher education system. He referenced the four subcommittees that addressed the individual aspects of the plan: sustainability, mission and governance, pipeline and access and affordability. Each of these sub-committees—made up of businessmen and women, education professionals and ordinary citizens—met many times. There was public comment at the meetings and the Department solicited feedback via a website. The Steering Committee took the recommendations from the subcommittees and put them into a synthesized set of recommendations that are persuasive and understandable.

Mr. Lyons spoke of the higher education system being in crisis; not just a funding crisis but a crisis of public support. The HESP report makes it clear that the people of the state are going to have to decide what kind of system of higher education they want and what they are willing to pay for. The Steering Committee has recommended the next Governor and incoming legislature consider a measure or measures on the ballot next November. He stated that there were no easy answers to correcting the problems with the system, but if the public wants a state that has economic vitality and has a future for our young people, there is no more important infrastructure issue than higher education. Mr. Lyons stressed the need for action now.

Dr. Poast acknowledged other members of the HESP Steering Committee present: Commissioners Jim Polsfut and Greg Stevinson, Jane Rawlings, Russ George, Teresa Pena and Don Elliman. She also acknowledged members of the sub-committees present: Dr. Dave Svaldi, Dr. Steve Jordan, Commissioner BJ Scott, Vice Chair Hereford Percy, Dr. Abe Harraf, Ms. Kelly Fox and Mr. Mark Superka.

Chairman Polsfut acknowledged the staff members who worked with the subcommittees: Inta Morris, Mark Cavanaugh, Gully Stanford and Janet Gullickson.

Commissioner Beckner stressed the importance of educating the public. He complimented the report's authors on addressing the importance of local governance and lamented that the report did not speak enough to the good things being done in the system of higher education, whether exceeding performance contract goals or finding ways to be efficient in this economic downturn.

Dr. Poast said the next step is to examine how to implement the plan's recommendations, including CCHE policy, legislative changes and possibly voter initiatives.

Commissioner Haynes asked about engaging the entire state in the ambitious goals outlined in the report. Mr. Lyons replied that there will be a public process if the legislature addresses these issues in the next session. He also spoke about the challenge of convincing the public of the funding shortages faced by higher education, when all that is reported in the media are new buildings being erected and campuses bustling with students.

Steering group member Russell George added that the campaign to inform the public will be a teaching process. The goal is to have the majority of the voting public understand the necessity of changing the higher education system.

The Governor's Chief Operating Officer Don Elliman, an Ex-Officio member of the Steering group, admitted that this may be a particularly difficult time to start this effort, but the key to economic development in the state is education. If the higher education funding issue is not resolved, Colorado is consigned to a long term decline in the economic growth and quality of life for its citizens. An important statistic is the projection that 80% of the new jobs that will be available in Colorado in the next decade will require some form of post-secondary degree. The urgency is dramatic and the public in Colorado must view higher education as a public good worthy of support.

Steering Group member Jane Rawlings said it is vitally important not just for economic development but also for the economic maintenance of the state. She believes we must start educating the public now.

CCHE Advisor Dr. Sirko stressed the importance of the state moving beyond the sense of having it all for nothing and return to the days of understanding that every responsibility has an obligation, which is an appropriate part of citizenry.

Dr. Munn made four specific points: 1) much of the pipeline work is underway, having been driven the last four years by the P20 initiative; 2) quite a bit of groundwork has been laid by staff regarding closing the achievement gap; 3) a lot of work is going on in the state around some of the overall funding issues; and 4) in terms of marketing to the public, the Governor will shortly announce a month-long campaign called Complete College Colorado, which builds upon many themes in the strategic plan and will talk about the value of completing post-secondary degrees. This campaign is partnering with businesses and communities around the state.

Dr. Steve Jordan, President of Metropolitan State College of Denver, came to the table to express appreciation for all the work that went into the strategic planning process.

**Public Comments:** Mr. Richard Jolk and Tom Buckholtz, both graduates of the School of Mines, spoke of the need for a pedestrian bridge for the campus, financial transparency and the importance of financial aid for programs in institutions making a direct contribution to green energy. Director Munn suggested two forums for these issues: the School's Board of Trustees, and public comment on the School's performance contract review.

## **CONSENT ITEMS**

**Approval Of Science Teacher Preparation Program At University of Colorado Denver**

**Proposal to Offer a Doctor of Philosophy Degree in Telecommunications at the University of Colorado, Boulder**

**Revised Two-Year Cash Funded Capital Program List – Colorado Community College System**

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

## **ACTION ITEMS**

**Application for Participation in the State-Funded Financial Aid Program** – Celina Duran, Financial Aid Administrator, informed the Commission that the Department received an application for state-funded financial aid from Naropa University. Based on its application and supporting material, the Naropa University meets CCHE's guidelines for initial participation. If the Commission approves the Naropa University into the state financial aid program, they will be eligible for a pilot grant (\$15,000) for fiscal year 2011-2012.

Commissioner Scott moved to approve Naropa University as eligible for state-funded financial aid. The motion was seconded by Commissioner Haynes and unanimously passed.

**Approval of Financial Accountability Plan (FAP) for Metropolitan State College of Denver**– Mark Cavanaugh, Chief Financial Officer, presented the first of three FAPs for CCHE approval. Mr. Cavanaugh explained that the review sub-committee comprised of CCHE

members Vice Chair Hereford Percy, Dave Edwards and Greg Stevinson, reviewed FAPs for Metropolitan State College of Denver, Ft. Lewis College and Colorado State University. Generally, the FAP must demonstrate how an institution's governing board will protect low and middle income students if the institution determines that it will seek a tuition increase of greater than nine percent. Department staff and the CCHE FAP Review Subcommittee have completed the review process for three governing boards:

**Metropolitan State College of Denver (MSCD) tuition setting authority request:**

1. For FY 2011-12, assuming that state funding remains at \$555 million, Metro is requesting a resident tuition increase of 21 percent and a non-resident increase of 9 percent.
2. The net or actual tuition increase requested for FY 2011-12 is 12.5 percent after converting and reducing \$5.28 million in technology and registration student fees (subject to the approval of the Metro State Board of Trustees).
3. For FY 2012-13, Metro is requesting a straight 13 percent resident tuition increase.
4. The remaining planning period (FY2013-14 – FY2015-16) assumes a 9 percent resident tuition increases.

**CCHE FAP Subcommittee Recommendation:** Approve the tuition authority requested for FY 2011-12 through FY 2015-16. As part of this approval, MSCD will provide to the Commission regular updates on the actions taken to protect low and middle income students and underserved student populations.

**Ft. Lewis College** tuition setting authority request:

1. An overall rate increase of no more than 20 percent for resident students in FY 2011-12 and FY 2012-13 done through either the closure of the full time tuition window from 10-18 credit hours to 12-18 credit hours over two years or through a standard rate increase.
2. A rate increase of no more than 9 percent for resident students in FY 2013-14, FY 2014-15, and 2015-16.

**CCHE FAP Subcommittee Recommendation:** Approve the tuition authority requested for FY 2011-12 through FY 2012-13. Approve the final three years of the plan contingent upon a review of these first two years. As part of this approval, Fort Lewis College will provide to the commission an update on the strategy adopted by the Board of Trustees to implement the tuition increase in FY 2011-12 and FY 2012-13 and regular updates on any trends in their enrollment.

**Colorado State University (CSU) tuition setting authority request:**

1. At CSU Fort Collins, advance full-time tuition rate from 10 credit hours to 12 credit hours during FY 2011-12 which will translate to an increase of \$525 in tuition for a full time resident student per semester and is equal to 20% tuition increase over FY 2010-11.
2. During FY 2011-12, phase in new tuition differentials ranging from an estimated \$10 to \$100 per credit hour for higher cost courses. Once implemented, CSU

estimates that the new differential tuition authority will generate between \$4 and \$8 million.

3. CSU Pueblo is requesting authority to increase resident tuition per credit hour between 13-18 credit hours. This request is in addition to the 9 percent increase allowed under SB10-003 and equates to a maximum increase of 18.7 percent for a resident student taking 15 credit hours per term.

4. At this time, the CSU system does not anticipate tuition increases above 9 percent for FY 2012-13 through FY 2015-16 but requests the ability to consider increases up to 12 percent during this period.

**CCHE FAP Subcommittee Recommendation:** Approve the tuition authority requested for FY 2011-12 through FY 2015-16. As part of this approval, the CSU system will provide to the Commission regular updates on actions taken to protect low and middle income students and underserved student populations.

Metropolitan State College of Denver's President Steve Jordan, Ft. Lewis College President Dr. Dene Kay Thomas and Colorado State University Chancellor Joe Blake were present for questions.

Vice Chair Percy moved to approve the Metropolitan State College of Denver FAP. The motion was seconded by Commissioner Haynes and unanimously passed.

Commissioner Stevinson moved to approve the Ft. Lewis College FAP. The motion was seconded by Vice Chair Percy and unanimously passed.

Commissioner Stevinson moved to approve the Colorado State University FAP. The motion was seconded by Vice Chair Percy and unanimously passed.

**Approve submission of 50% plans** – Chad Marturano, Legislative Liaison, presented the updated draft of the 50% Plan System-Wide Overview. This overview will be the forward to the governing board specific plans in the final 50% plan report. The final report is due to the Joint Budget Committee and CCHE on November 10, 2010. This draft incorporated feedback from institutional CEOs and CFOs.

Commissioner Scott moved to approve the 50% Plan System-Wide Overview as a forward to the full 50% report to be submitted to the JBC by November 10, 2010. The motion was seconded by Commissioner Haynes and unanimously passed.

## **INFORMATION ITEM**

**Financial Aid Update** – Celina Duran explained that the intent of this information item was to provide an update on financial aid issues prior to recommendations that will be brought to the Commission in December. She spoke about the dramatic increase in Colorado of students who are eligible for financial aid, in particular Level 1 students, or the neediest students. She presented three models for financial aid allocation. The first model was the current allocation

methodology, which would result in more aid to the institutions with the largest growth in Level 1 students. The second and third models use the same methodology but incorporate different hold harmless provisions. Both of these models hold a percentage of the FY2010-2011 financial aid allocation harmless and distribute the remaining funds to acknowledge enrollment growth. These models dampen the swing of the allocation dollars across the institutions while providing some predictability; however, they do not fully acknowledge enrollment growth.

For the institutions seeking to raise tuition in Financial Accountability Plans, those institutions could experience General Fund reductions and financial aid reductions at same time. A dramatic shift in the amount of state financial aid available could hinder an institution's ability to protect low and middle income students.

Commissioner Stevinson moved to adjourn. The motion was seconded by Vice Chair Percy. The meeting was adjourned at 12:05 pm.