

The Degree Dividend

Building our economy and preserving our quality of life:
Colorado Must Decide

Colorado's Strategic Plan for Higher Education

Letter from co-chairs

Dear Coloradans:

A vibrant economy. Quality jobs. People who are prepared to create them and fill them. This is the future we all want to see for our state.

As fellow citizens, we believe Colorado's quality of life and prosperity -- for us and for those who follow us -- will depend on the choices we make about education. In particular, we believe our decisions on higher education – how we fund it and what we demand of it – will be key to our future, now more than ever.

Earlier this year, Governor Ritter called a group of us together to develop a strategic plan for higher education in our state. He asked us to look at what our needs will be in the future, listen to people across the state, review what's working and what's not today, and recommend strategies for going forward.

He asked us to focus on reaching his goal to keep us nationally and internationally competitive by doubling the number of degrees and certificates by 2020. This joins with President Obama's goal to increase the percentage of degree holders aged 25-34 to 60% by 2020.

We know that there is a “**Degree Dividend**” for investments in higher education – a value to all of us in thriving public institutions of higher learning and in people who complete their education at them, especially in the future we see ahead of us. We have focused our report on how to make the most of these investments.

Our conclusion is that without changing the course our state is now on, we are destined for a future we don't want. We need to invest more. We need to increase the number of students obtaining certificates and degrees. We need to improve access for all types of students – from adults needing retraining to students who are the first in their families to attend college. We need to prepare students for education beyond high school better and earlier. And, we need more effective governance structures to optimize our investments.

Our report is a roadmap, developed by citizens from across the state, for how to reap “degree dividends” for our state. On behalf of our committee, we thank everyone who helped us with this effort – educators, students, and administrators at our public and private institutions as well as business and community leaders. It is our collective hope that you will learn some things, as we did, from our work, and that you will take our recommendations to heart and put them into practice. Thank you.

Executive Summary

Looking forward.

We live in a state that is changing. Our population is growing and its composition is also shifting dramatically. In addition, jobs of the future -- and the skills we will need to fill them -- will also be different than they are today.

Today – Economic assets supporting our quality of life. Efficient spending.

- We have built important economic assets for our state in our public higher education institutions over time that are helping to drive our economy and provide benefits to our quality of life.
- Our higher education leaders have focused on the efficient spending of state dollars, in the face of rising enrollment and declining state funding.

Today – Falling behind.

- Colorado's financial support for higher education has been declining and is now dramatically off track. It is also shifting the burden of higher education costs to students and families.
- In Colorado, many students are not being served well or at all. Our largest, growing ethnic group is furthest behind and historically, as a group, has not gone to college.
- We are losing students as they move through the educational pipeline. Many are not retained through to completion of a certificate or degree or take too long to obtain them. Many are not prepared for college level work, requiring remedial courses before they can begin their college classes.
- We need to allow each higher education institution to realize its mission and to thrive, within an effective and interdependent system that also advances priorities for the state as a whole. Our current governance system does not effectively balance these needs or lead to the level of coordination we need given today's challenges.

Executive Summary

Planning for success – two key levers.

As we look to what our higher education priorities should be going forward, we see two critical levers – more funding and more focus on completion of degrees and certificates.

Recommendation 1 – Colorado must increase its investment and ensure affordability of higher education. We cannot afford to be last.

- Colorado is currently last in the nation in state funding and is on the path of an Accelerated Erosion scenario, where funding is likely to be significantly reduced. We support a “competitive scenario” to bring us into the top third of states nationally.
- We endorse the following principles regarding how we allocate state funds within our higher education system in order to maximize our investment. In addition, at any funding level, we believe that a substantial percentage of state funding should be given directly to students to spend where they believe their academic needs will best be met and to motivate Colorado’s colleges and universities to meet those needs.
- Specifically, we recommend that:
 - College Opportunity Funds (COF) and state financial aid funds should be maximized and include incentives for state priorities.
 - Funds should be linked to measurable progress to spur innovation through outcome based rewards.
 - Certain graduate programs should be funded through “fee for service”.
 - Efficiencies should continue to be implemented.
 - A state fund should be created to match locally raised funding.
 - State funding should be considered with a view to the system.

Recommendation 2 – Colorado must reduce regional, income and ethnic gaps in college admission, retention and completion.

- We need to better incent and coordinate actions – occurring in pockets throughout our state’s institutions – to increase access to higher education for all Coloradans. This includes focus on the right entry point to meet each individual’s goals and needs, and the right pathways to complete their education. It means retaining them once they enter college and prioritizing completion of a credential of higher education – a certificate or degree.
- Specifically, we recommend that we:
 - Support multiple entry points into college.
 - Allow for flexible pathways to completion of degrees and certificates.
 - Make college affordable for all students who meet admission requirements.
 - Provide support structures for students, including adults, to stay on track and complete their education.

Executive Summary

Recommendation 3 – Colorado must identify systemic ways to improve the educational pipeline.

- We need to better prepare students for college level work when they arrive at college. To do that, we need to start earlier in their education to get them on a path toward college. We also need to support the best approaches to remedial education in higher education – as many students will still need that support out of high school. In addition, we need to serve many adult learners who may be entering college long after high school to obtain new skills or a certificate or degree later in life.
- Specifically, we recommend that we:
 - Focus on college earlier.
 - Increase alignment and collaboration across P-20 education and workforce systems.
 - Expand effective remediation efforts.
 - Use common data and assessments.
 - Address capacity to meet demands.

Recommendation 4 – The governance of higher education should be structured to allow for the advancement of state priorities.

- We need to keep and improve upon our integrated, tiered system of higher education, which has different admission criteria for students entering institutions at each tier. To govern this system, we need to implement a more effective governance approach that better balances institutional needs with statewide needs. We need an effective oversight body with the responsibility to develop and direct policy to reach statewide goals and the ability to hold the system accountable for implementing these policies successfully.
- Specifically, we recommend that we:
 - Maintain current governance structure pending review within 18 months.
 - Enhance responsibility and authority of the CCHE.
 - Review governance and institutional missions.
 - Implement performance funding.
 - Require consultation with the CCHE in appointment of Executive Director of the CDHE.

Vision and Mission

We envision a Colorado with a globally competitive system of higher education that builds our economy and enhances our quality of life for our citizens by:

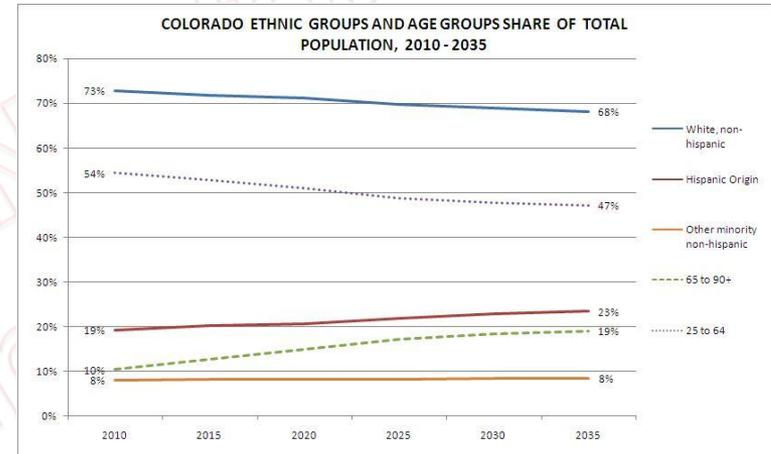
- Meeting the current and future needs of our workforce and our business community;
- Providing access to every qualified student through a tiered system of institutions;
- Maximizing quality, efficiencies, collaborations and affordability;
- Offering seamless transitions to appropriate levels of learning for all students; and
- Developing responsible citizens for a successful civic enterprise.

Looking Forward

We live in a state that is changing. Our population is growing and its composition is also shifting dramatically. In addition, jobs of the future -- and the skills we will need to fill them -- will also be different than they are today.

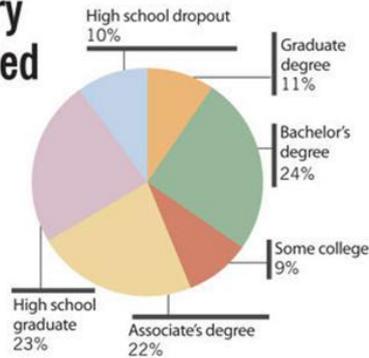
Our demographics are shifting.

There will be more of us.	By 2035, the state's population is expected to grow to 7.7 million. In July, 2010, the population was 5.1 million.	13% increase
Our population will be older.	The population aged 18-24 will be smaller (9.6%). Adults aged 65 and older are expected to grow from ½ million to 1.5 million by 2035.	265% increase
We will be more ethnically diverse.	The fastest growing demographic is Hispanics, expected to be 23% of total population by 2035. People of color will comprise 31.8% by 2035.	31.8% by 2035



Postsecondary training needed

A Georgetown University study found that about two-thirds of Colorado jobs in 2018 will require workers with at least some college education. About 43 percent of those jobs will be in sales, management or professions such as law.



Source: Georgetown University Center on Education and the Workforce

Times-Call

The jobs and skills needed to fill them are shifting.

- We have kept pace with occupational demands due to the in-migration of workers into the state.
- It is expected, however, that in the future there will be more jobs to fill and their composition will be different.
- By 2035, 45% of the labor force will shift due to a combination of retirements and new demands.
- The higher education requirements of jobs are also expected to shift.
- By 2018, nearly 70% of jobs in Colorado will require higher education and training, ranking Colorado 5th in the nation in higher education needs.
- The highest growth areas will require an associate's or bachelor's degree.

Today – Economic assets supporting our quality of life

We have built important economic assets for our state in our public higher education institutions over time that are helping to drive our economy and provide benefits to our quality of life.

Higher Education and its public Institutions – Economic Assets and Social Benefits

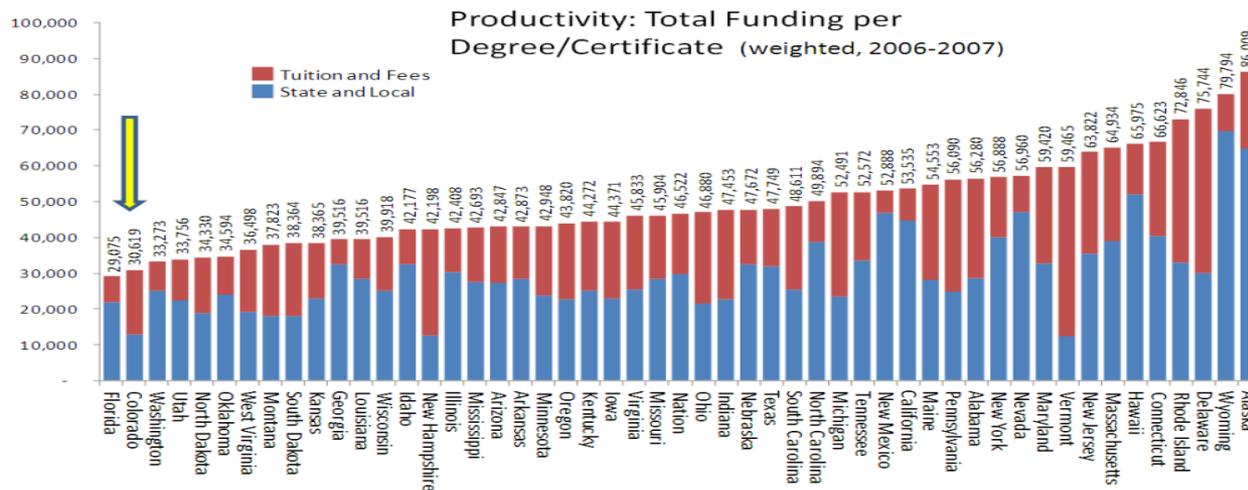
Fuel the economy	Colorado's public higher education institutions support nearly 98,000 jobs, which contribute \$4.25 billion in wages and salaries and almost \$387 million in state and local taxes to the Colorado economy annually. Private non-profit institutions support an additional 5,000 jobs. Each dollar paid to higher ed will generate another \$.97 in wages and salaries for employees in other industries as it circulates through the economy.
Create jobs	The public higher education sector is one of the largest employers in the state, bigger than Natural Resources/ Mining, Heavy Construction, Computers/Electronics, Telecommunications or Federal Government. It accounts for over half of state government jobs.
Sustain regional vitality	The regional impact of public higher education is enormous. In some areas, institutions account for 20% or more of personal income to the area, are among the largest employers, and generate millions in local tax revenue.
Drive innovation & attract investments	Our universities are global leaders in research and the advancement of technologies, and their research expenditures total hundreds of millions of dollars per year. Research expenditures for CU and CSU each exceeded \$300 million in 2009-2010. With Mines and UNC, our research universities are performing cutting edge research in energy, biotechnology, electronics, infectious diseases and a host of other areas.
Benefit society	Increases: personal income and economic strength, levels of workforce participation, health, productivity and dollars to the state, as well as volunteerism and civic, cultural and artistic involvement. Decreases: rates of incarceration, participation in Medicaid and other social service programs.
Build financial security	Education improves job security and increased earnings potential. Those with some degree of higher education (an associate degree or more) earn more than those with high school or less.

Today – Efficient spending

Our higher education leaders have focused on the efficient spending of state dollars, in the face of rising enrollment and declining state funding.

Public Higher Education Institutions – Efficiently spending state dollars.

- Colorado is the second most efficient state in the nation in terms of how much it costs to produce a degree or certificate.
- For some time, our institutions have faced increasing enrollment and declining revenue.
 - At our community colleges, state funding has declined by 25% since 1991. During that same time period, resident enrollment has increased by over 49%. The most dramatic growth has been at colleges located in the Denver metropolitan area.
 - At four-year state colleges, state funding has declined by 21%, while enrollment has increased over 22% during this time.
 - Similarly, our four-year research institutions have faced a 27% decrease in funding, with a corresponding 24% increase in enrollment during this time.
- In the face of these changes, education leaders have focused on priorities and become increasingly creative, including in how they deliver services, such as successful on-line approaches. For example:
 - CCCOnline is an online degree program within the community colleges system. It has more than doubled in student growth since 2005, and is currently serving more than 46,000 students per year.
 - CSU Global, an online degree completion institution which started in 2008 is currently serving over 3800 students per year.
 - In fiscal year 2010, online students represent approximately 21% of the total public student headcount enrollment.

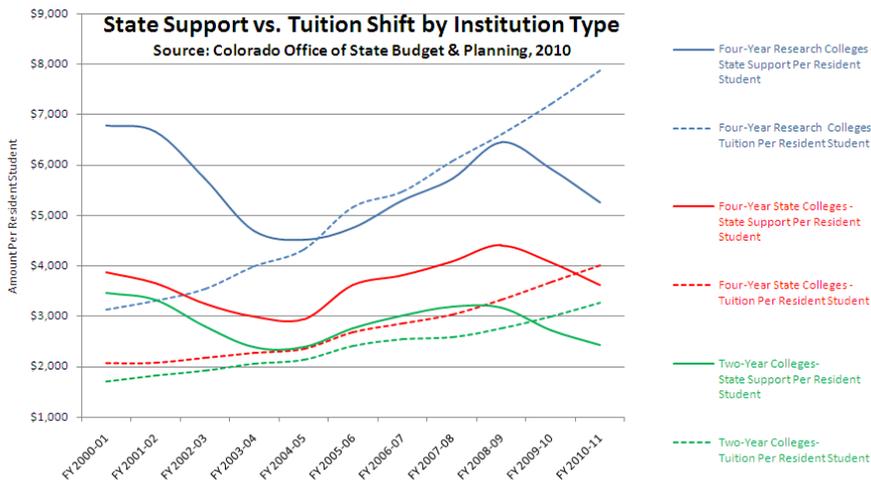
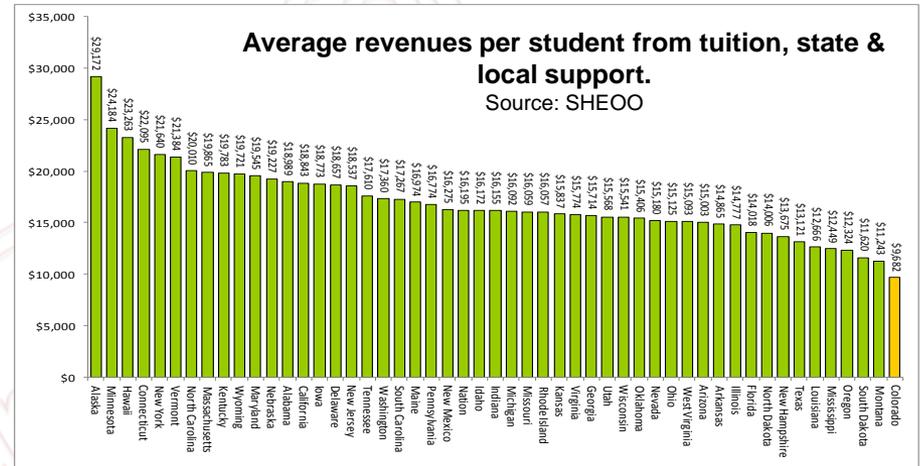


Today – Falling Behind

Colorado's financial support for higher education has been declining and is now dramatically off track. It is also shifting the burden of higher education costs to students and families.

Funding is not competitive nationally.

- Colorado is last in the nation in state funding for four year institutions, behind states like Mississippi and Arkansas.
- Colorado is fourth from the bottom in state funding for two year institutions.
- Since FY89-90, state support for higher education has decreased from 20.3% to 9% of the state general fund.
- Relative to other state services, this is a reduction in general fund of 55%.
- Since 1980, Colorado has reduced its state financial investment in higher education by nearly 70%, from \$10.52 per \$1000 of personal income to a current rate of \$3.20.
- The national average of personal income dedicated to higher education is \$12.28 per \$1,000.



Costs are being shifted to students and families.

Since 2001, the total resident student share of costs (tuition) across all public institutions has nearly doubled.

- Four-year Research institutions - from 31.6% to 63.9%
- Four-year state colleges - from 33.8% to 55.7%
- Two-year colleges - from 33% to 60.1%

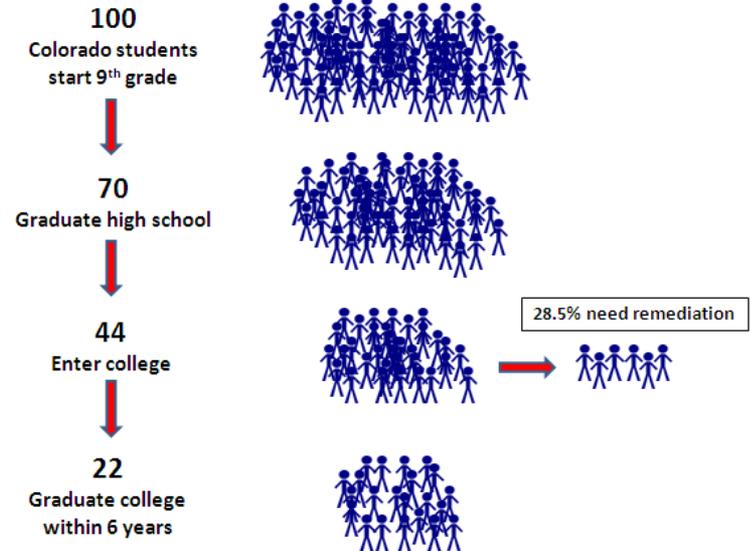
Note: these figures do not include student fees that vary widely across the state.

Today – Falling Behind

We are losing students as they move through the educational pipeline. Many are not retained through to completion of a certificate or degree or take too long to obtain them. Many are not prepared for college-level work, requiring remedial courses before they can begin their college classes.

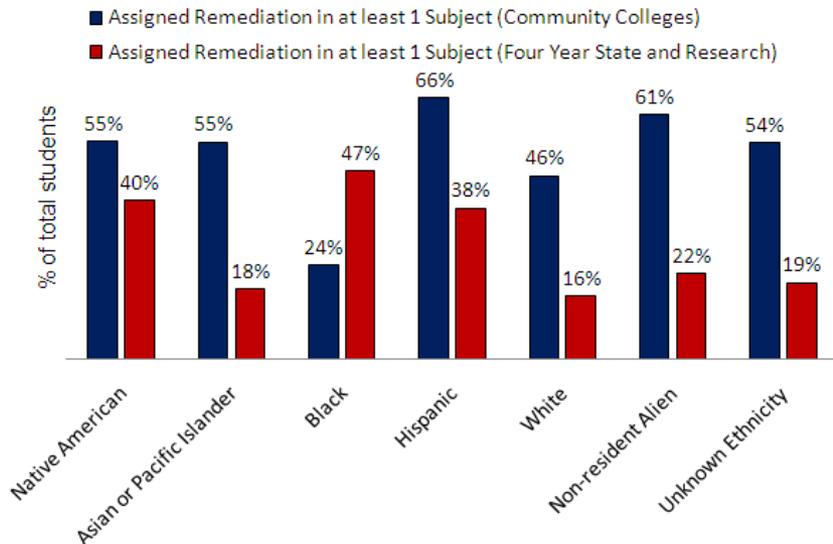
Our educational pipeline is broken.

- Too many students are not making their way through their higher education to completion of a certificate or degree.
- The most prominent “leaks” are in the transition into the first year of college from high school and past the first year in college.
- It is taking too long for students to obtain a higher education credential in the form of certificates or degrees.
- Over 635,000 adults in Colorado have accumulated some college credits, but have not completed a certificate or degree.



Colorado Remediation Rates by Ethnicity, Fall 2008

Source: CDHE



Many students are not prepared for college level work.

- High percentages of students require remedial courses before they can perform at the college level, at a substantial cost -- \$13M or more for both high school and adult remediation.
- Across all of public higher education in Colorado, an average of 28.5% of new students require remedial education.
- On average, 52.7% of community college new students require remediation.
- Those in remedial courses often do not complete their education.
- For example, of 100 first time students enrolled in the lowest level of remedial math (8th grade level) only 4 will graduate with a two year degree in three years.

Today – Falling Behind

We need to allow each higher education institution to realize its mission and to thrive, within an effective and interdependent system that also advances priorities for the state as a whole. Our current governance system does not effectively balance these needs or lead to the level of coordination we need given today's challenges.

Our governance system is not keeping pace with statewide needs or with the growth of private schools.

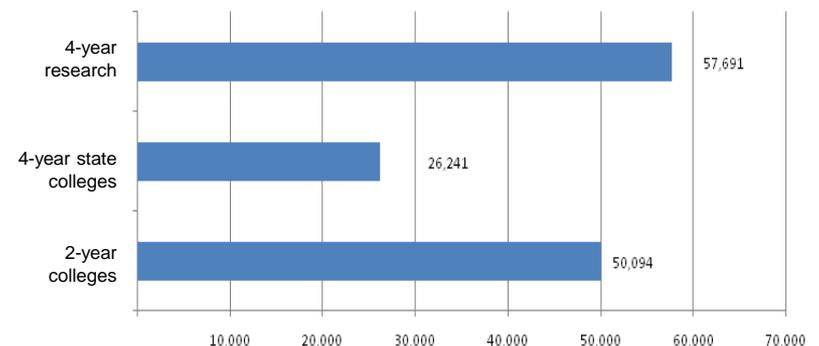
- Colorado's public system of higher education has grown organically around a complex system of governing board structures.
- It is comprised of 28 colleges and universities: 13 four-year institutions and 15 two-year institutions.
- These institutions are under the direction of 12 governing boards, which are either elected or appointed by the Governor.
- In addition, there are over 400 private higher education schools in Colorado.
 - These are comprised of 300 occupational schools, privately owned and operated, charging tuition to teach vocational or occupational skills primarily. Governance of these schools is under limited regulation by the state and its appointed board of commissioners.
 - They also include over 100 private accredited or religious-exempt schools which operate with independent governing boards, offering undergraduate and graduate degree programs.
- Private institutions have seen dramatic growth in recent years. Some are serving our citizens very well with unique offerings that address needs not served by our public institutions. Other, predominantly for-profit institutions, are charging a lot with limited success in terms of completion by their students, who are taking on significant debt, with disproportionately high default rates.
- We need more effective governance of for-profit private institutions as a whole to strike the right balance for our citizens.

Our system provides for decentralized decision making, with limited coordination statewide.

- Some policy requires a statewide view, which is not the responsibility of any one college.

One example:

- Our students are concentrated at the research and community college level.
- Resources and capacity to serve the greatest areas of demand in the middle of the "hourglass" are limited.
- The current alignment of institutional missions may not be the best way to serve the demographic of students expected to attend college.
- Specifically, our middle tier of institutions may be able to do more than they are today to serve key populations, either as an entry point or pathway to further education.
- Our ability to direct statewide policy to address these populations and institutions is limited.



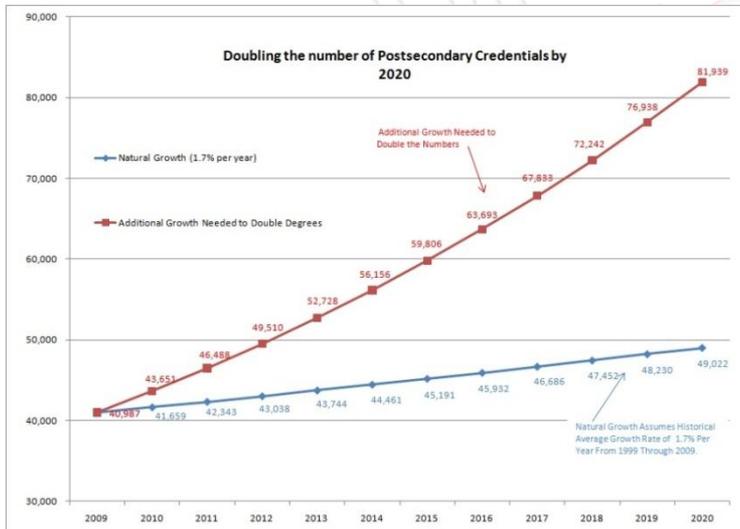
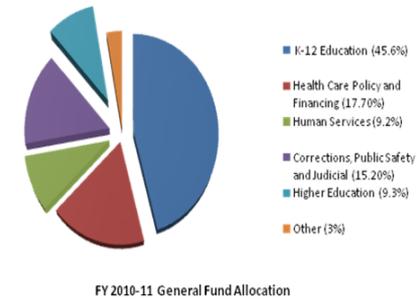
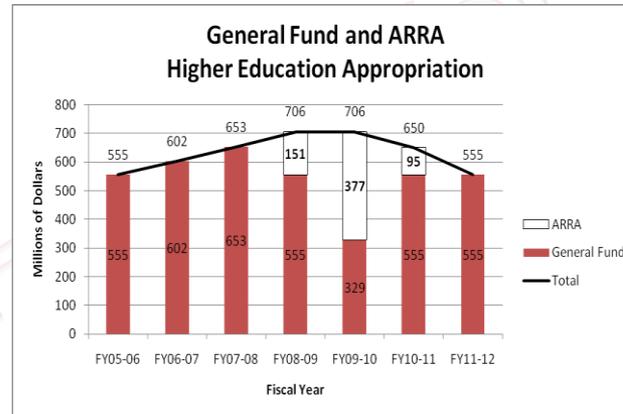
FTE Resident Undergraduate Enrollment 2008-09 based on tiers

Planning for success – two key levers

As we look to what our higher education priorities should be going forward, we see two critical levers – more funding and more focus on completion of degrees and certificates.

Funding cliff needs to be averted.

- Colorado's higher education system has used funds from the federal American Recovery and Reinvestment Act of 2009 (ARRA) to backfill state support that was redirected to other state priorities.
- Since 1990, state support has declined from 20% to 9%.
- Unlike many states, there are few dedicated funding streams for higher education in Colorado.
- With a few exceptions, there are not mechanisms for generating local financial support for higher education in Colorado.



Completion rates for degrees and certificates must increase.

- Our state goal is to double the number of degrees and certificates by 2020.
- Our national goal is to increase the percentage of degree holders aged 25-34 to 60% by 2020.
- Increasing student completion by an average of 5% per year over ten years will result in approximately 670,000 additional degrees and certificates.
- This will position us to meet these goals and market demand.
- This will also require a significant change in our current completion rates.
- Our graduation/certificate completion rate at four-year research institutions ranges from 31-42% in 4 years, and 59-73% in 6 years, depending on the institution.
- At four-year state colleges, the average rate is about 14% in 4 years and 37% in 6 years.
- At two-year community colleges, the average rate is about 25% in 2 years and 44% in 4 years, without considering part-time students.
- These rates are lower at all of our institutions for Hispanic and low-income students.

In order for us to meet these challenges and rise to our opportunities, we are going to have to change course. If not, we believe we are destined for a result we will regret and which will not put our state and fellow citizens in a position to be competitive in the years ahead.

We will need to proceed, over time, with a course correction. We believe it will require more investment, with increased focus on priorities, creativity and accountability for results. We believe it will also require us to innovate and think differently to increase access to higher education for students of all ages and circumstance, to strengthen our educational pipeline into college, and to achieve more effective governance.

We present the following recommendations as our best advice on what we can do together to get us back on the right course for our future.

Recommendation 1 – Colorado must increase its investment and ensure affordability of higher education. We cannot afford to be last.

We need to create a sustainable funding source for higher education, at a level to make Colorado competitive nationally and internationally, as we cannot afford to be last in the nation. We also need to invest in financial aid at a level that will allow any student who meets admission requirements to obtain a higher education degree or certificate.

Colorado is currently on the path of the “accelerated erosion” scenario.

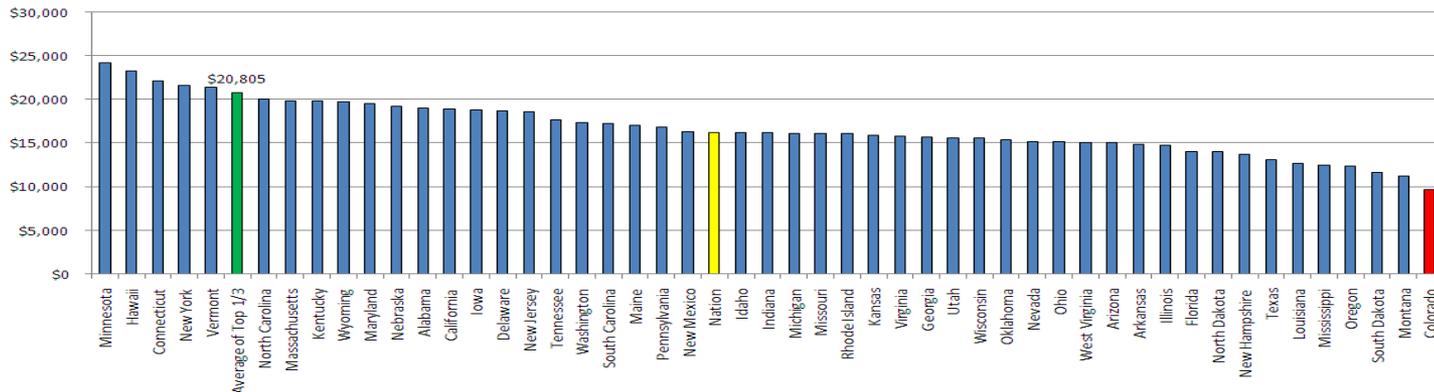
Funding Scenarios	Assumptions	Average per student funding
Competitive	State funding is brought to \$1.5 billion to raise Colorado from the bottom into the top third of states in the nation.	\$9,366
Restoration	State funding is brought to \$1 billion, the level it would have been if funding had kept up with inflation. This would restore an inflation “gap” of 39% (or ~\$476M).	\$6,475
Losing Ground	Funding stays at the FY 10/11 level of \$760M in state general funds and federal ARRA funds.	\$4,000
Accelerated Erosion	Funding continues to decline, with other state priorities taking priority. On this course, funding would be less than \$550M and could go to zero. Any available funds should be targeted to financial aid. Schools and programs may either close or be privatized, with no state support. Access will be limited.	>\$3,400, down to \$0

Options to raise revenue.	Potential Revenue
Restore income and sales tax rates to 5.0% and 3.0%, respectively	\$445 M
Expand sales tax to specific services	\$550 M
Implement 1.0% surcharge on extraction	\$150 M
Implement a 4.0 Mill levy statewide	\$350 M
Implement a 4.0 Mill levy in counties where an institution of higher education is located	\$240 M

We support the “competitive scenario” to bring us into the top third of states nationally.

**Average Per Student Funding
(Tuition + State Support)**

Source: State Higher Education Executive Officers



Recommendation 1 – Colorado must increase its investment and ensure affordability of higher education.

We endorse the following principles regarding how we allocate state funds within our higher education system in order to maximize our investment. In addition, at any funding level, we believe that a substantial percentage of state funding should be given directly to students to spend where they believe their academic needs will best be met and to motivate Colorado’s colleges and universities to meet those needs.

<p>1. College Opportunity Funds (COF) and state financial aid funds should be maximized and include incentives for state priorities.</p>	<p>Funds should be maximized in two ways:</p> <ul style="list-style-type: none"> • Through COF, by providing COF funds to all resident students, with additional incentives – accruing directly to institutions who meet the incentive criteria -- for enrollment that meets specific state needs such as a) serving low and middle income students, b) meeting workforce needs, c) funding graduate students, etc. These incentives would be calculated as a proportion of the basic COF and be the same regardless of the institution the student attends. • Through financial aid by, for example, providing financial aid incentives to students who obtain a degree or certificate on time or early.
<p>2. Funds should be linked to measurable progress to spur innovation through outcome based rewards.</p>	<ul style="list-style-type: none"> • A portion of state funds should be allocated as rewards for measurable progress in outcome-based achievements in areas that further statewide educational and economic priorities, such as: a) degrees and certificates that meet workforce needs, b) improved student retention, c) certificate and degree completion; and d) better outcomes for low and middle income students. • Outcome based funding for institutions should be strengthened, especially as new state funding becomes available.
<p>3. Certain graduate programs should be funded through “fee for service”.</p>	<p>A portion of state funds should be allocated through “fee for service” contracts to prioritized graduate programs, such as CSU’s professional veterinary program and CU’s Anschutz medical campus, as these types of programs do not lend themselves to per student funding. Other graduate programs can be handled thru COF incentives. Any other “fee for service” allocations should be significantly reduced.</p>
<p>4. Efficiencies should continue to be implemented.</p>	<p>There should be a continued focus on achieving institutional and statewide efficiencies such as:</p> <ul style="list-style-type: none"> • coordinating purchases from system-wide price lists resulting in economies of scale and lower prices, • consolidating administrative operations, • Implementing innovations such as online course delivery to meet student needs at lower cost while maintaining quality, and • demonstrating ongoing savings and efficiencies annually.
<p>5. A state fund should be created to match locally raised funding.</p>	<p>The state should create a matching fund where local voters’ financial commitment to local institutions can be matched with state assistance. Such a matching fund should be used to account for local revenue capacity variances.</p>
<p>6. Consider state funding with view to the system.</p>	<ul style="list-style-type: none"> • Consider state appropriations, tuition policy, state financial aid and institutional subsidies, as well as the state’s tiered system, when assessing policy changes.

Note: The state provides General Fund support to governing boards through two mechanisms: COF stipends and fee for service contracts. The COF stipend is a per credit hour amount that is provided to resident undergraduates who are enrolled. It operates as an offset to their total tuition (student share of tuition + COF stipend). Through COF, the state funds undergraduate education. Graduate education and specific high cost programs are funded through the fee for service contract that each governing board negotiates directly with the Department of Higher Education. The state also funds a variety of financial aid programs. The majority of state financial aid supports two programs: direct need based financial aid and work-study.

Recommendation 2 – Colorado must reduce regional, income and ethnic gaps in college admission, retention and completion.

We need to provide better incentives and coordinate action – occurring in pockets throughout our state’s institutions – to increase access to higher education for all Coloradoans. This includes focus on the right entry point to meet each individual’s goals and needs, and the right pathways to complete their education. It means retaining them once they enter college and prioritizing completion of a credential of higher education – a certificate or degree.

Key Strategies	Highlighted Tactics
1. Support multiple entry points into college.	<ul style="list-style-type: none"> • Guarantee admission to all qualified Colorado students into a higher education institution in Colorado somewhere within our integrated, tiered system. • Send notice, proactively, to students and families stating that, based on admission criteria established for such tier, the student has qualified for admission to college.
2. Allow for flexible pathways to completion of degrees and certificates.	<ul style="list-style-type: none"> • Allow all qualified students to move to public institutions with more selective admission criteria if they meet transparent and uniform transfer requirements. • Develop seamless transfer standards – from the student’s perspective – for movement from two year to four year institutions for qualified students, and institute them statewide. • Put in place and support practices which allow for dual admittance in “partner” higher education institutions, and concurrent enrollment with high schools statewide.
3. Make college affordable for all students who meet admission requirements.	<ul style="list-style-type: none"> • Work to ensure that a student’s choice of schools at all tiers is based on merit, not affordability: • For qualified, low income students, meet 100% of their financial need, through a combination of loans, grants and self help and without use of parent or private loans. • Simplify and improve the process for obtaining financial aid. • Make more financial aid available and target it according to needs of the state. • Devote more financial aid dollars to work study, certificate, part time and adult learners. • Design and implement student “shared commitments”, such as turning loans to grants if certain performance is met or if students graduate early or “on time”. • Reinstigate some “merit-based” loans/grants, and asses their impact on retention.
4. Provide support structures for students, including adults, to stay on track and complete their education.	<ul style="list-style-type: none"> • Put into practice statewide, universally at all institutions “supportive services” targeted to low income or first generation students, with emphasis on mentoring and advising. • Develop and implement “Individual Career and Academic Plans” to put and keep students on track to complete their education. • Strengthen Adult Basic Education through funding and expertise in cooperation in with Pre-K-12.

Recommendation 2 – Colorado must reduce regional, income and ethnic gaps in college admission, retention and completion.

At current funding levels, gaps in all areas are growing. College costs are outpacing students abilities to pay and the system of higher education is becoming more complex for students to access. Reducing the gaps will take a concerted investment in both targeted student support programs and financial aid programs.

Key Strategies		Feasibility of strategies under each funding scenario			
		Continued Erosion	Losing Ground	Restoration	Competitive
1.	Support multiple entry points into college.	x	x	⚠	✓
2.	Allow for flexible pathways to completion of degrees and certificates.	x	⚠	⚠	✓
3.	Make college affordable to all students who meet admission requirements.	x	x	⚠	✓
4.	Provide support structures for students, including adults, to stay on track and complete their education.	x	x	⚠	✓
Tracked to Funding Scenarios					
Legend: x - no progress on this measure; ⚠ ability to progress is uncertain; ✓ - ability to make significant progress					

Recommendation 3 – Colorado Must Identify Systemic Ways to Improve the Educational Pipeline

We need to better prepare students for college level work when they arrive at college. To do that, we need to start earlier in their education to get them on a path toward college. We also need to support the best approaches to remedial education in higher education – as many students will still need that support out of high school. In addition, we need to serve many adult learners who may be entering college long after high school to obtain new skills or a certificate or degree later in life.

Key Strategies	Highlighted Tactics
1. Focus on college earlier.	<ul style="list-style-type: none"> • Provide earlier access to career and college preparatory information (particularly for Latino students and English Language learners) with a focus on increasing 1) awareness of the value of higher education, b) academic preparation, and c) financial literacy and capacity. • Assess and enhance options for early access to “college level” work, including concurrent enrollment, advanced placement, international baccalaureate, and other accelerated coursework in high school. • Align/streamline processes for credentialing teachers of concurrent enrollment courses. • Value “accelerated coursework” for all students in educator preparation and professional development. • Determine student “readiness” for college level work sooner, including using assessments in 11th grade or earlier and Individual Career and Academic Plans (ICAP). • Put career cluster and pathway models into practice and support them statewide.
2. Increase alignment and collaboration across P-20 education and workforce systems.	<ul style="list-style-type: none"> • Offer seamless transitions to appropriate levels of learning for all students, including coordinating higher education “readiness” expectations, and measurements and services between CDHE and CDE, in collaboration with governing boards, school districts and boards of cooperative educational services (BOCES). • Incent stronger collaborations between higher education institutions and school districts, regional services areas (RSA) and BOCES, including expanding early, universal access to college level course work and ensuring teacher prep programs address realistic 21st century higher education preparation. • Align policies from admissions and remediation through completion, with a focus on porous aspects of transitions, from elementary school through postsecondary. • Coordinate and align college admissions policies with jointly adopted standards to ensure assignment of students to levels of higher education for which they are prepared. • Create online transfer center and streamline credit transfer policies and processes. • Strategically align with current P-20 efforts in progress including CAP4K (SB 212), postsecondary and workforce readiness, such as establishing common metrics and assessments.
3. Expand effective remediation efforts.	<ul style="list-style-type: none"> • Review and refine state approaches to developmental (remedial) education and invest in strategies to meet diverse student needs. • Identify and expand effective remediation programs, including early assessment of needs in order to move students effectively and successfully into and through to completion of degree and certificate programs. • Recognize significant costs associated with remediation as well as its impact on completion; commence remediation in a timely manner
4. Use common data and assessments.	<ul style="list-style-type: none"> • Design and put into practice common metrics, standards for data collection and sharing statewide, and assessments across P-20 and workforce systems that effectively evaluate where students are in the pipeline.
5. Address capacity to meet demands.	<ul style="list-style-type: none"> • Review capacity of higher education to meet future demands, including undertaking a statewide space utilization review and leading promotion of collaborative uses of physical facilities and continued development of alternative delivery approaches, such as on line program delivery.

Recommendation 3 – Colorado Must Identify Systemic Ways to Improve the Educational Pipeline

We must continue current efforts to align our entire education system -- from primary school through higher education, in such areas as student readiness and assessments. We can and are doing that now in many sectors of our system. However, in order to increase momentum and meaningfully improve students successful movement through the state’s educational pipeline, we must invest in systemic alignment and meaningfully increase the capacity to serve more students coming into the higher education system.

Key Strategies		Feasibility of strategies under each funding scenario			
	Tracked to Funding Scenarios	Continued Erosion	Losing Ground	Restoration	Competitive
1. Focus on college earlier.		✗	⚠	✓	✓
2. Increase alignment and collaboration across P-20 education and workforce systems.		✗	⚠	⚠	✓
3. Expand effective remediation efforts.		✗	✗	⚠	✓
4. Use common data and assessments.		✗	✗	✓	✓
5. Address capacity to meet demands.		✗	✗	⚠	✓
Legend: ✗ - no progress on this measure; ⚠ ability to progress is uncertain; ✓ - ability to make significant progress					

Recommendation 4 – The Governance of Higher Education Should Be Structured to Allow for The Advancement of State Priorities

We need to keep and improve upon our integrated, tiered system of higher education, which has different admission criteria for students entering institutions at each tier. To govern this system, we need to implement a more effective governance approach that better balances institutional needs with statewide needs. We need an effective oversight body with the responsibility to develop and direct policy to reach statewide goals and the ability to hold the system accountable for implementing these policies successfully.

Key Strategies	Highlighted Tactics
1. Maintain current governance structure pending review.	<ul style="list-style-type: none"> • Maintain the current higher education governance structure, including institutional and system governing boards, pending a review of the system. • This structure should continue to include a statewide oversight board – the Colorado Commission on Higher Education (CCHE) with authority to implement broad statewide policy for higher education.
2. Enhance responsibility and authority of the CCHE.	<ul style="list-style-type: none"> • Enhance the responsibility and authority of the CCHE in higher education policy to include: • Articulating and advocating a vision for higher education and setting forth an agenda for higher education that is responsive to the state's demographics, labor market, and economic development needs, • Serving as the leadership body on such policy issues as ensuring access to and successful completion of higher education course work for all Coloradoans, • Compiling data on higher education, using common indicators and metrics, for the purposes of describing higher education in the state and ensuring accountability to meet state goals, • Negotiating performance contracts with each institution to ensure state goals are being met, and • Coordinating with governing boards toward the goal of aligning strategic plans and state goals and priorities.
3. Review governance and institutional missions.	<ul style="list-style-type: none"> • Require the CCHE to undertake a review of the system and recommend to the state legislature a potential realignment to a more efficiently and productively meet the current and future needs of students. CCHE should maintain clarity and focus on mission for all institutions and specifically: • Examine the role and mission, and the research and graduate designations, of all institutions, and • Study the Auraria Higher Education Center and whether it remains the most effective structure to meet higher education needs in the Denver regional area.
4. Implement performance funding.	<ul style="list-style-type: none"> • Implement a finance policy whereby a portion of state funding to institutions and students is based on performance against specific state goals set forth by the CCHE.
5. Require consultation with the CCHE in appointment of Executive Director of the CDHE.	<ul style="list-style-type: none"> • The Governor will appoint the Executive Director of the Colorado Department of Higher Education in consultation with the CCHE.

Recommendation 4 – The Governance of Higher Education Should Be Structured to Allow for The Advancement of State Priorities

Carefully examining governance structures and increasing the authority of the CCHE can happen without significantly increasing state dollars to higher education. However, to cooperatively move forward as a system, there must be an investment in institutions and governing boards charged with meeting state goals. The state cannot meaningfully implement a performance funding structure without a substantial increased investment in higher education.

Key Strategies		Feasibility of strategies under each funding scenario			
		Continued Erosion	Losing Ground	Restoration	Competitive
<p>1. Maintain current governance structure pending review.</p> <p>2. Enhance responsibility and authority of the CCHE.</p> <p>3. Review governance and institutional missions</p> <p>4. Implement performance funding.</p> <p>5. Require consultation with CCHE in appointment of Executive Director of the Colorado Department of Higher Education.</p>	Tracked to Funding Scenarios			✓	✓
		✗			✓
			✓	✓	✓
		✗	✗		✓
		✓	✓	✓	✓
		Legend:	✗ - no progress on this measure;	 ability to progress is uncertain;	✓ - ability to make significant progress

HESP Charge and Process

Higher Education Strategic Planning Committee (HESP)

By statute (CRS-23-1-108) the Colorado Commission on Higher Education (CCHE) is required to develop a master plan for the system of postsecondary institutions every four years. The last master plan was completed by the CCHE in 1999, and updated in 2001 Blue Ribbon Commission 2002. In order to meet the legislative requirements, Governor Bill Ritter Jr., by executive order, appointed a twelve member bi-partisan steering committee in December, 2009.

The HESP was chaired by citizen volunteers Jim Lyons and Dick Monfort, and comprised of representation from business and industry, higher education institutions, nonprofit organizations and members of the Colorado Commission on Higher Education (CCHE).

The Governor charged the steering committee with defining state higher educational needs and examining institutional missions; reviewing the governance and structure of the system of higher education; addressing higher education funding; and increasing and improving student access and success. In addition, the Higher Education Steering Committee was charged with addressing two key completion oriented agendas:

Colorado: To double the number of degrees and certificates by 2020

United States: To increase the percentage of degree holders aged 25-34 to 60% by 2020

The Steering Committee developed four subcommittees to address specific areas:

- 1) The Mission & Governance subcommittee was charged with identifying the proper role, mission and governance structure of the state's higher education system;
- 2) The Pipeline subcommittee was charged with addressing the role of the system in decreasing remediation, expanding transition programs, removing barriers for nontraditional learners, and increase completion;
- 3) The Accessibility subcommittee was charged with addressing the role of the state and institutions in continuing to provide access to students, particularly those most vulnerable groups which include ethnic minorities, low income, and those with geographic barriers; and
- 4) the Sustainability subcommittee was charged with making recommendations related to Colorado higher education funding as it relates to state goals.

HESP Public Forums and Support

Public Forums

September 14, Sangre de Cristo Arts Center, Pueblo
October 5, Northeastern 18-The Plainsman Grill, Sterling
October 13, Aims Community College-Theater, Greeley
October 14, Western State College, Gunnison
October 19, Mesa State College, Grand Junction
October 21, Law Offices of Rothgerber, Johnson & Lyons, LLP, Denver

Support from many groups

Field/Subject Experts

Dr. Geri Anderson, **Community Colleges of Colorado**
Nella Bea Anderson, **Western State College**
Elaine Baker, **Community Colleges of Colorado**
Julie Bell, **National Conference of State Legislatures (NCSL)**
Deb Blake, **Colorado Department of Education**
Andy Carlson, **Colorado Department of Higher Education**
Joe Cruz, **ACT**
Jennifer Dounay, **Education Commission of the State (ECS)**
Celina Duran, **Colorado Department of Higher Education**
Dr. Rhonda Epper, **Community Colleges of Colorado**
Oscar Felix, **Colorado State University**
Richard Garcia, **Statewide Parent Coalition**
Elizabeth Garner, **Colorado State Demographer**
Dr. Matt Gianneschi, **Community College of Aurora**
Jami Goetz, **Colorado Department of Education**
Dennis Jones, **National Center for Higher Education Management Systems (NCHEMS)**
John Karakoulakis, **Colorado Department of Higher Education**
Patrick Lane, **Western Interstate Commission for Higher Education (WICHE)**
Dr. Toni Larson, **Independent Higher Education of Colorado**
Dr. Paul Lingenfelter, **State Higher Education Executive Officers (SHEEO)**
David Longaneker, **Western Interstate Commission for Higher Education (WICHE)**
Dr. Janet Lopez, **University of Colorado at Denver**
Dr. Cheryl Lovell, **Colorado Department of Higher Education**
Ian MacGillivray, **Colorado Department of Higher Education**
Ricardo Martinez, **Padres Unidos**
Jerry Mason, **Arapahoe Community College**
Aims McGuinness, **National Center for Higher Education Management Systems (NCHEMS)**
Matt McKeever, **Colorado Department of Higher Education**
Scott Mendlesberg, **GEAR UP**

Levia Nahary, **ACT**
Arturo Perez, **National Conference of State Legislatures (NCSL)**
Julia Pirnack, **College in Colorado**
Andrea Reeve, **Colorado State University**
Ryan Ross, **TRiO/ Educational Opportunity Center**
Todd Saliman, **Governor's Office of State Planning and Budgeting**
Dr. Frank Sanchez, **University of Colorado at Denver**
Scott Stump, **Community Colleges of Colorado**
Dr. Becky Takeda-Tinker, **Colorado State University, Global Campus**
Rana Tarkenton, **Denver Scholarship Foundation**
Tim Taylor, **Colorado Succeeds**
Dawn Taylor-Owens, **College in Colorado**
Dr. Paul Teske, **University of Colorado at Denver**
Paul Thayer, **Colorado State University**
Bruce Vandal, **Education Commission of the State (ECS)**
Frank Waterous, **Bell Policy Center**
Terry Whitney, **College Board**
Mary Wickersham, **Governor's Policy Office**

Legislative Advisory Group

Senator Bob Bacon, 14th District (Larimer)
Senator Keith King, 12th District (El Paso)
Representative Tom Massey, 60th District (Chaffee, Custer, Freemont, Park, Pueblo, Saguache)
Representative Karen Middleton, 42nd District (Arapahoe)
Representative Beth McCann, 8th District (Denver)
Representative Ken Summers, 22nd District (Jefferson)
Senator Gail Schwartz, 5th District (San Luis Valley, etc)

Additional Thanks:

National Center for Higher Education Management Systems (NCHEMS)
James Jacobs
Susie Sidwell
Chris Adams- TAG Strategies
Richard Jividen
Sue Samuelson

Other Stakeholders:

Associated Students of Colorado, Chief Executive Officers, Chief Financial Officers, Chief Academic Officers, Student Affairs Stakeholders, Data Advisory Group, Financial Aid Advisory Committee, and many many others

Back Cover

Building our economy and preserving our quality of life:
Colorado Must Decide

Colorado's Strategic Plan for Higher Education

The Degree Dividend

Building our economy and preserving our quality of life:
Colorado Must Decide

Colorado's Strategic Plan for Higher Education

Appendix

Subcommittee Recommendations

Note: The following pages contain the verbatim recommendations as they came out of the various subcommittees. All recommendations were considered by the Higher Education Strategic Planning Group, but may not have been included in the final report.

Implementation – Accessibility Subcommittee

Recommendation #1

Integrated System: Colorado requires an integrated higher education system to meet its needs. An effective oversight body with a system view is needed to identify state needs, direct policy to address them, and enforce accountability.

Maintain clarity of and focus on mission

- Colorado residents and students should be able to easily understand -- and rely on -- the mission and quality of education (certificates to degrees) to be achieved at each of Colorado's public institutions.

Adhere to tiered selectivity

- Colorado's current tiered system, with open to highly selective admission requirements, should be preserved but revised to fewer tiers with clearer, focused selectivity requirements.
- Rather than presenting barriers, the tiered selectivity should be used as a vehicle to ensure higher education in Colorado meets Colorado's accessibility needs for all of its citizens.

Consider state funding with view to the system

- State appropriations, tuition policy, state financial aid and institutional subsidies should be considered together when assessing policy changes.
- Funding streams should be integrated, including COF, federal, state, local and institutional student financial aid, and tuition and fees, to ensure access for targeted students.
- Colorado's tiered system should be used as a mechanism for the state to target funding as it deems appropriate.

Assure financial access for targeted populations

- State and institutional financial aid funding, policies and practices should be overseen centrally to ensure goals for access and completion for targeted populations are met and aligned with economic development needs.
- Advocacy for more funding for student financial aid should be paramount, including appeals to business and industry as well as foundations and the federal government.
- Students and families should be informed of the costs, benefits, and potential return on their higher education investments.

Implementation – Accessibility Subcommittee

Recommendation #2

Student Educational Access: Colorado students need flexible entry points and paths to completion.

Entry points – Before admission:

- Student “readiness” for college level work should be determined sooner, including using assessments in 11th grade or earlier.
- Career cluster/pathway models should be in practice, transparent, and supported statewide regardless of the educational institution.
- Supportive services should be in place before post secondary education.
- Targeted “awareness” campaign should be developed and implemented designed to “break” barriers suggesting that “higher education is not for us”.
- Efforts must continue to create pathways through higher education completion for students regardless of their immigration status.

Entry points – “Deemed” admission:

- All qualified students should be guaranteed admission into Colorado’s integrated system of public higher education institutions.
- Students who satisfy defined admission requirements for each tier of the system should be deemed to be admitted to a school in that tier as well as colleges below that tier.
- Notice should be sent, proactively, to students and families stating that, based on admission criteria established for such tier, the student has been admitted to college.

Paths to completion -- Movement between institutions and tiers:

- All qualified students should be able to move to public institutions with more selective admission criteria (up the pyramid) if they meet transparent and uniform transfer requirements.
- Transfer to public institutions from two year to four year institutions of qualified students should be developed from the student’s perspective, should be seamless and should be instituted statewide.
- Dual admittance in “partner” higher education institutions should be in practice statewide and supported
- Concurrent enrollment with high schools should be statewide practice and supported.

Implementation – Accessibility Subcommittee

Recommendation #3

Student Financial Access: Students need affordable opportunities to complete higher education.

Choice at all tiers based on merit, not affordability:

- Students who qualify for admission on merit should find that institution affordable to attend according to their financial needs.
- Students attending public institutions at the top of the pyramid should be charged competitive market tuition and fees. “Opportunity slots” should be accessible at upper tier institutions, to be paid for by institutional subsidies and to be filled by a diverse pool of students.
- For qualified, low income students, 100% of their financial need should be met, through a combination of loans, grants and self help and without use of parent or private loans.
- Just as with federal Pell grants, need-based financial aid should be awarded to students directly and should be portable to any Colorado public, regionally accredited, non-profit higher education institution.

Better, easier process:

- Students should be assisted with financial planning, including requiring them to use FASFA 4caster in 11th grade and providing them statements detailing expected costs and financial aid potential.
- Financial aid information should be shared sooner through vehicles that reach targeted groups (e.g. social networking, multi-lingual).
- One statewide application form, if necessary, should be used, and timing of Pell and state aid calendar should be aligned.

More financial aid, better use of it:

- State financial aid funding for undergraduate education should be increased to better meet needs.
- Current ~\$100 M in state financial aid for undergraduate education needs to be used for higher impact:
- More dollars should be devoted to work study, certificate, part time and adult learners.
- Student “shared commitments”, such as turning loans to grants if certain performance met or if students graduate early or “on time”, should be in place.
- Some “merit-based” loans/grants should be reinstated, and their impact on retention should be assessed.

Implementation – Accessibility Subcommittee

Recommendation #4

Student Educational Completion: Success is earning the credential sought by the student.

Strategies for student completion:

- Collaboration and coordination between higher education and K-12 education around Higher Education Admissions Requirements, Senate Bill 08-212, and post-secondary academic preparation should be continued.
- “Supportive services” targeted to low income or first generation students should be the practice statewide, with emphasis on mentoring and advising.
- “Individual Career and Academic Plans” should be developed and implemented to put and keep students on track to complete their educations.
- Efforts should be focused on retaining students in the first two years of college.
- Adult Basic Education must be strengthened through funding and expertise in cooperation in with Pre-K-12.
- Performance targets must be set by institution for low income students, students of color, and according to the economic development needs of the state.

Funding focused on student completion:

- Revenue generated by market rate tuition and fees at those institutions at the top of the pyramid should be taken into consideration when allocating general fund dollars; general fund dollars for students in other tiers should be allocated to fund "supportive services" that help them stay on track and complete their education.
- Institutions should be funded, in part, on the percentage of students who graduated from high school from their geographic region who complete higher education certificates and degrees regardless of the institution attended.

Implementation – Sustainability Subcommittee

Recommendation #1

Colorado's economic future depends on maintaining a robust system of colleges and universities. Creating and sustaining a funding source for higher education must become a top state priority.

- Colorado is next to last in per student spending on our colleges and universities behind states like Mississippi and Arkansas.
- Since 1980, Colorado has reduced the investment to colleges and universities compared to other state services by 70 percent – far more than any other state.
- Colorado colleges and universities are persistently at risk of extinction because they have no reliable source of revenue.
- Colorado's relative total tax burden is low, but compared to most states we have a strong economy and enough wealth to improve our position nationally and demand greater performance from our colleges and universities. Today, Mississippi invests three times more in their colleges and universities than Colorado. Arkansas invests over two times more.
- Our colleges and universities must work as a system with leaders across the state on strategies to set aside a sustainable and dedicated funding source for basic operations and improved performance.

Recommendation #2

If Colorado wants colleges and universities that can perform and compete globally in terms of excellence, quality, performance and reputation, we need to invest beyond a bare minimum funding level.

- Doing more costs more. If high quality colleges and universities are a top priority for Colorado's citizens, it will take an investment beyond subsistence funding for basic operations.
- The margin of additional investment beyond basic operations need not be large, but if leveraged properly the return on a relatively small investment can be significant.
- Linking monetary rewards to measurable progress will spur innovation at Colorado colleges and universities to use state investments to further state priorities.
- The state's investment in higher education should be focused on state-wide priorities even at a subsistence level of support.
- Colorado is 49th out of 50 states in state support per \$1,000 of personal income. A state contribution of \$1.5B annually would raise Colorado to 27th nationally.

Implementation – Sustainability Subcommittee

Recommendation #3

\$760 million is recommended as a minimum, subsistence level of support necessary for sustaining basic operations and to allow low and middle income students basic access to Colorado’s colleges and universities.

- FY 2008-09 General Fund (\$706M) plus FY 2010-11 Financial Aid (\$104M) = \$810M, minus ongoing cost savings and efficiencies (\$50M) = \$760M,
- The minimum level identified includes restoring recent cuts of \$150 million and represents a very lean funding level relative to other states. At \$760 million of state funding, Colorado would still place 49 of 50 states relative to personal income.
- The \$760 million estimate assumes a reasonable growth factor to address increased costs going forward,
- Potential revenue sources that should be examined include those described in the table below.

<p><i>Restore income and sales tax rates to 5.0% and 3.0%, respectively</i> The states’ income and sales tax rates were reduced during the strong economy of the late 1990s when it was believed TABOR refunds would continue along with strong economic growth. The income tax rate was reduced from 5.0% to 4.75% and then to its current rate of 4.63%, while the sales tax rate was reduced to 2.9% from 3.0%. It is estimated that the restoration of these rates would provide \$445 million in new revenue that could be earmarked for higher education. The restoration of these rates would require voter approval; however, the restoration of a prior tax rate might be more sellable to the public than an increase of another tax rate or an increase of the income or sales tax rate in excess of 5.0% or 3.0%. Restoring both of these rates concurrently would presumably create a less volatile revenue stream than increasing the rate for either income or sales individually.</p>	<p><i>Expand sales tax to specific services</i> A Colorado Legislative Council analysis estimates that expanding the sales tax base to include services in addition to the goods that are primarily taxed currently would raise an additional \$550 million at the existing rate of 2.9%. A proposal could be presented to voters to expand the base of services taxed coupled with a reduction in the overall rate. The main rationale for expanding the sales tax base to services is that services make up a larger percentage of what people purchase in today’s economy compared to 30 – 40 years ago. Further, by not taxing services, a somewhat regressive disparity is created where a luxury service is not taxed, but the corresponding good is taxed. For example, a cleaning service is not subject to the sales tax, but the purchase of a vacuum cleaner is subject to the sales tax. Combining the expansion of the sales tax base with a reduction in the overall rate may also be more appealing to voters.</p>
<p><i>Implement 1.0% surcharge on extraction</i> As an alternative to increasing the severance tax rate or eliminating the property tax deduction that corresponds with severance taxes, a 1.0% surcharge on extraction could generate about \$150 million. This approach differs from Amendment 58, the 2008 failed ballot measure which proposed eliminating the property tax deduction and primarily putting the new revenue into a scholarship fund. The implementation of a 1.0% surcharge would equally impact extraction throughout the state, whereas increasing the overall rate or eliminating the property tax deduction does not.</p>	<p><i>Implement a 4.0 Mill levy statewide</i> A state wide 4.0 Mill increase would generate about \$350 million. This approach would require voter approval at the state level and is a recognition that the entire state benefits economically from higher education institutions.</p>

Implementation – Sustainability Subcommittee

Recommendation #4

At any funding level, the majority of state dollars should be given directly to the students to spend where they believe their academic needs will best be met and in order to motivate Colorado's colleges and universities to meet those needs.

- Funds through the College Opportunity Fund {COF} and Financial Aid should be maximized by:
 - Providing COF funds to all resident students with additional incentives for enrollment that meets specific state needs to educate low and middle income students, first generation students, to meet workforce needs, and to fund graduate students. The incentive portion of COF will accrue directly to institutions whose students meet the incentive criteria. COF incentives will be calculated as a proportion of the basic COF and be the same regardless of the institution the student attends.
 - Including incentives through financial aid for students to complete courses and graduate in a timely fashion.
- Link monetary rewards to measurable progress to spur innovation at Colorado colleges and universities to further state priorities.
 - Allocate a portion of state funds as performance rewards to institutions for measurable outcome achievements in areas that further statewide educational and economic priorities such as degrees and certificates that meet Colorado's current and future workforce needs; better student retention; course, certificate, and degree completion; and better outcomes for Colorado's low and middle income students.
- Allocate a portion of state funds thru fee for service contracts to the Colorado University Professional Veterinary Medical Program and University of Colorado Anschutz Medical Campus, given that these types of programs do not lend themselves to per student funding. Other graduate programs can be handled thru COF incentives. Significantly reduce any other fee for service allocations.
- Focus on institutional and statewide efficiencies such as:
 - coordinating purchases from system-wide price lists resulting in economies of scale and lower prices
 - consolidating administrative operations
 - implement innovations such as online course delivery of core courses to meet student needs at lower cost while maintaining quality
 - demonstrating ongoing savings and efficiencies annually
- Recognize that a new funding system may force institutions to make significant changes in how they operate and accomplish their missions, causing some institutions to merge functions or possibly close.

Implementation – Sustainability Subcommittee

Recommendation #5

Colorado’s colleges and universities are doing a good job reducing costs and are already far more efficient than most states. Colorado institutions should continue to seek ways to operate more efficiently so that more funding is directed to our classrooms and labs.

- Colorado colleges and universities are already very efficient – our state investment per certificate and degree is second lowest in the nation,
- Colorado colleges and universities are actively seeking ways to do more with less and create long-term savings.
- Colorado’s higher education system must leverage administrative efficiencies across the system, such as:
 - Coordinating purchases from system-wide price lists result in economies of scale and lower prices,
 - Consolidating administrative operations.
- Beyond administrative savings and efficiencies, Colorado institutions should actively seek and implement innovations such as online course delivery to meet diverse student’s needs at lowest cost while maintaining quality.
- As a goal, the system should be able to demonstrate ongoing savings and efficiencies annually.

Recommendation #6

Local communities that benefit socially and economically from higher education institutions in the community have an obligation to help financially support those institutions.

- The state should create a matching fund where local voters’ financial commitment to a local college or university can be matched with state assistance. Such a local commitment would be “equalized” to account for local revenue capacity variances.

Implementation – Mission & Governance Subcommittee

Recommendation #1

The Subcommittee recommends the Steering Group adopt the following mission for Higher Education in Colorado.

The mission of higher education in Colorado is to:

- Provide access to an internationally competitive post-secondary experience to any qualified Colorado student through a tiered system (i.e., community colleges, four-year colleges and research institutions);
- Maximize quality, efficiencies and affordability;
- Meet needs of the workforce, economy, and demographics of the state;
- Develop responsible citizens for a successful civic enterprise.

Recommendation #2

The Subcommittee recommends the state maintain the current governance structure of higher education, pending the outcome of a review of the system of colleges and universities called for in Recommendation 5, comprising a state-wide regulatory board with authority to implement broad state-wide policy for higher education. Governing boards, including elected local district junior college boards, and a state-level board for the state community college system should be retained.

Recommendation #3

The Subcommittee recommends that the Colorado Commission on Higher Education (CCHE) have greater authority in higher education policy. The CCHE should have the responsibility and authority as set forth below to:

- Articulate and advocate a vision for higher education in the state and set forth a public agenda for higher education that is responsive to the state's demographics, labor market, and economic development needs.
- Serve as the leadership body on such policy issues as ensuring access to and successful completion of higher education course work; creating an effective articulation and transfer system; supporting cost effective modes of delivery of education (e.g., online education); supporting the state's K-12 system to develop new strategies for successful transition to and completion of postsecondary education.
- Ensure access to and availability of specialized programs that fulfill statewide priorities, such as STEM (science, technology, engineering and math).
- Recognize and utilize the interaction of tuition, COF, state financial aid and performance funding to ensure state goals are being met.
- Make recommendations to the legislature regarding financial allocations to institutions, including those state-funded institutions that do not receive COF, performance funding or capital construction.

Implementation – Mission & Governance Subcommittee

Recommendation #3 Continued

- Compile data on postsecondary education, using common indicators and metrics, for the purposes of describing higher education in the state and ensuring accountability by the institutions to state goals.
 - The CCHE should conduct a thorough review of all data submitted by institutions to ensure that it is being submitted, compiled and utilized in the most efficient and informative manner.
- Negotiate performance contracts with each institution, utilizing data referenced above, that ensure institutions are contributing to meeting state goals and the state is meeting its obligations to the institutions.
- Continue to approve new degree programs to ensure their compliance with an institution's statutory role and mission.
- Coordinate with governing boards toward the goal of aligning strategic plans and state goals and priorities.

Recommendation #4

The Subcommittee recommends implementing a finance policy whereby a portion of state funding to institutions is based on each institution's performance against specific state goals set forth by the CCHE.

Performance contracts and fee for service policies should be structured to ensure that agreements negotiated between the CCHE and individual institutions are relevant and that institutions, students and the state are held accountable for their performance. While taking a system approach, individual agreements should be negotiated by the CCHE with each institution based on the role and mission of that institution. Agreements should serve both the traditional student (freshman entering college directly after graduating from high school) and the nontraditional student (students entering later in life and taking a less systematic path to graduation), and recognize the value of successfully transferring a qualified student from a two-year to four-year institution. State goals should reflect the need for:

- Increased enrollment and certificate and degree attainment by underrepresented and nontraditional students;
- increased certificate, degree and course completion;
- maintaining high quality graduate education and a first-rate research system.

Performance or outcome based funding for institutions can only be effective, and should only be implemented, when total state funding exceeds the base level of \$760 million.

Implementation – Mission & Governance Subcommittee

Recommendation #5

The subcommittee believes that the current alignment of institutional missions may not be the best way to serve the demographic of students expected to matriculate in our state institutions of higher education. The subcommittee believes there is insufficient resources and capacity to serve the greatest areas of demand for certificates, two-year degrees and baccalaureate degrees. **The CCHE should recommend to the Legislature a realignment of the system of colleges and universities to more efficiently and productively meet the current and future needs of the student population. More specifically and among other considerations:**

- The CCHE should examine the role and mission and the research designation of all research institutions and graduate programs.
- The CCHE should study the Auraria Higher Education Center and whether it remains the most effective structure to meet higher education needs in the Denver regional area.
- The CCHE should strongly encourage the state's university systems, the baccalaureate colleges and the community colleges to consider stronger cooperation, consolidation, and even merger as a means of better meeting the state's higher education needs with limited resources.
- The CCHE should develop its recommendations in consultation with institutional governing boards.
- Based on the state's demographic, financial and other data, the Subcommittee believes that these recommendations must be implemented within 18 months.

Recommendation #6

The Governor will appoint the Executive Director of the Colorado Department of Higher Education in consultation with the CCHE.

Implementation – Pipeline Subcommittee

Recommendation #1

The Colorado HE System should support statewide efforts towards increasing the Number and Diversity of Students of all ages pursuing Higher Education.

- **Align/synchronize all policies that relate to matriculation, remediation, retention, completion, graduation**
 - Conduct policy audit, with emphasis on clarifying and addressing the "porous" aspects of transitions between traditional levels of delivery (middle School, high School, technical & area vocational schools, community colleges, four year colleges and universities, including both public and private institutions)
- **Provide for earlier access to career and college prep, with emphasis on Latino students and English language learners: focus on awareness, academic preparation, financial literacy/capacity**
 - Expand/replicate successful college preparatory programs such as GEAR UP, TRiO, and student support services. Measure success, cost, return on investment, and reduction of redundancy.
 - Increase family educational efforts.
 - Extend ICAP requirement to Colleges and Workforce Centers
- **Encourage postsecondary institutions to develop strong collaborations with school districts, regional services areas (RSA) and boards of cooperative educational services (BOCES)**
 - Ensure teacher preparation programs address realistic 21st Century postsecondary preparation for all students.
 - Automatic notification from postsecondary institutions college acceptance based on meeting postsecondary and workforce readiness (currently Index score).
 - Notification to postsecondary of student readiness per ACT, SAT, and concurrent enrollment courses taken.
 - Guaranteed tuition funding for eligible students who meet admission requirements.
 - Guaranteed admission for students transferring from successful 2-year programs.
- **Coordinate and align college admissions policies with jointly adopted standards to ensure assignment of students to levels of postsecondary studies for which they are prepared.**
 - Recalibrate admissions index to accurately reflect selectivity and revisit definition and use of "window".
 - Adopt assessments which accurately reflect preparation.
 - Provide for admission of under-represented groups.

Implementation – Pipeline Subcommittee

Recommendation #2

The State of Colorado/ Colorado HE System must identify, invest in and expand efficient ways of delivering remediation/developmental education in order to move students effectively and successfully into degree/credit-bearing programs.

- **Review and refine state approaches to developmental (remedial) education and invest in strategies to meet diverse students' needs from basic education to "brush up/refreshers".**
 - Provide funds to Community Colleges to take the lead in redesigning developmental/remedial education. Clarify standards and timing for 030, 060, 090.
 - Allow for delivery options via four year colleges at the 090 level, and workforce centers for adult learners. Utilize targeted funding and collaborations.
 - Develop and adopt innovative approaches to delivery (e.g. modular, accelerated, online, and/or contextualized offerings).
 - Adopt minimum standards for open enrollment.
 - Notify P-12 schools of individual students' remediation needs.
- **Promote early assessment of need for credit recovery and/or developmental education needs, with emphasis on under-represented populations.**
 - Support early intervention.
 - Develop partnerships between secondary & postsecondary to align expectations, definitions, and assessments.
 - Expand online capacity.
- **Provide incentives for completion of remedial courses.**
- **Review and define and address "porous" zones between traditional delivery levels.**

Implementation – Pipeline Subcommittee

Recommendation #3

The Colorado HE System should partner with/collaborate with P-12 school districts in expanding early/universal access to College Level Coursework, for underserved populations.

- **Promote multiple options for acceleration.**
 - Track student progress toward matriculation, persistence, and graduation rates for students taking concurrent enrollment, advanced placement, international baccalaureate, and other accelerated coursework in high school. Currently no way to determine if accelerated coursework leads to postsecondary success.
 - Encourage students to try multiple options while in high school.
 - Allow students to take courses that interest them, selectively rather than sequenced to common core
- **Require MOUs on accelerated learning between postsecondary institutions LEAs**
 - Certify qualified high school teachers as adjunct professors.
 - Authorize high schools as accelerated sites.
 - Use financial incentives to expand Ascent within school districts.
 - Every student should take, at minimum, a certificate level course.
 - HE should develop course offering to promote matriculation without need of remediation.
 - Utilize college level placement exams (CLEP) for dual language students.
- **Educator preparation and professional development should include recognition of the value of accelerated coursework for all students.**
 - Ensure inclusion of training on concurrent enrollment in educator preparation

Implementation – Pipeline Subcommittee

Recommendation #4

The Department of Higher Education should take the lead in identifying promising practices and provide support to Higher Education Institutions (at all levels) to increase retention, completion and successful graduation.

- **Focus on improving persistence % between year 13 and 14. Look at 1st year experience programs.**
 - Invest existing dollars in initiatives with better outcomes for underrepresented students. (Performance Based Funding)
 - 1st to 2nd year completion.
 - Certification/completion.
 - Reward "pre-remediation"
 - Organize college and course offerings (including remedial courses) to fit students' readiness & interests.
 - Provide effective, coordinated college level services to address college dropout rates.
 - Engage Private Colleges and Occupational Schools.
- **Review P-12/HE structure to provide for seamless & successful sequence.**
 - Promote seamless transfer from 2-year to 4-year colleges and expedite completion.
 - Create Online Transfer Center.
 - Rework Admission Requirements, address Index, Window.
 - Ensure that Educator Prep Programs and PD prepare educators to understand interface of levels of achievement.
- **Create capacity along Front Range for expanded Technical, 2-year and Moderately Selective 4-year options, with capacity to address needs of greatest number of students.**
- **Configure COF to reward persistence and completion; and to promote success in under-represented populations.**

Recommendation #5

The Colorado HE system should establish common metrics and standards for data collection and sharing, which measure progress towards meeting the charge of increased admissions, retention and completion.

- Determine Matriculation, Remediation, Graduation data to be collected from Privates, DPOS and National Student Clearinghouse
- Review current data, establish common metrics & standards; Consolidate "planning" data and reports;
- Connect to other key databases, DPOS, CDLE, CareerReadiness