

TOPIC: CCHE MASTER PLAN

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I. SUMMARY

This discussion item is an ongoing conversation around master planning.

II. BACKGROUND

Pursuant to state law (CRS 23-1-108) and recent Commission action, the CCHE is required to complete its master planning work by December 15, 2011, the result of which will be used as the policy foundation that will guide future CCHE policies and decisions as well as activities at Colorado state institutions of higher education (note: SB 11-052, as currently amended, would move the completion date of the master plan to March 15, 2012). In addition, the master plan will become the basis for the development and implementation of new performance contracts, which will be executed in 2012.

The master plan process, as adopted by the CCHE at its December 2, 2010 meeting, must address the following components:

1. The adoption of a comprehensive strategic plan, “The Degree Dividend” (completed on December 2, 2010)
2. Narrowing strategic strategies to develop specific institution level plans; and,
3. Ongoing evaluation to maintain accountability and address changing conditions.

The following is a revised general timeline for the completion of the Commission’s work. This timeline accommodates the timelines articulated in SB 11-052 (as currently amended), though the status of that bill may not be known until June 2011:

1. **April & May, 2011:** At regularly scheduled commission meetings, identify priorities for inclusion in the master plan (note: the 86th Colorado General Assembly ends May 11, 2011). In April, DHE staff will collaborate with campus CEOs to discuss the recommendations established and recommend policy priorities not otherwise addressed in the HESP report (see addendum for HESP recommendations).
2. **June & July, 2011:** *No Commission Meetings.* Staff will collect information to inform policy priorities established in the HESP and identified by the CCHE. During this time, DHE staff will convene and gather input from various stakeholders, including chief financial officers, student services personnel, faculty and instructional leaders, legislators, governing board members, students, K-12 constituents, and other stakeholder groups, such as foundations, access organizations, and student affinity groups.

3. **August, 2011:** At the CCHE retreat, commissioners will consider stakeholder feedback and begin to refine their policy priorities. These policy priorities will be shared with campus constituents, legislators, and higher education governing board members.
4. **September, 2011:** To ensure the timely delivery of performance contracts, DHE staff, in consultation with campus administrators and attorneys, will begin the process of developing a framework for performance contracts that will be executed in 2012.
5. **October/November, 2011:** DHE staff will organize a summit to ensure that campus CEOs, governing board members, and CCHE commissioners have an opportunity to discuss potential master plan policy priorities directly.
6. **November/December, 2011:** CCHE members to discuss preliminary draft of master plan priorities, which will be disseminated to campus colleagues and governing board members for their reaction and comment.
7. **January, 2012:** DHE staff will organize a retreat for CCHE members to discuss and finalize master plan priorities and performance targets. DHE staff will disseminate CCHE proposed master plan to system governing boards for comment (pursuant to the 30-day comment period found in to SB 11-052, as amended).
8. **February, 2012:** CCHE considers comments from governing boards.
9. **March, 2012:** CCHE takes action on its final Master Plan, which will then be delivered to the Colorado General Assembly.
10. **April-June, 2012:** Execution of new performance contracts with Governing Boards.

This proposed timeline is subject to change pursuant to the outcome of SB 11-052 and may be amended as needed to meet the expectations of state laws and to accommodate the needs of system governing boards and institutions.

This agenda item is intended to provide the Commission with an overview of the key recommendations that were highlighted in the Higher Education Strategic Plan, and those priorities identified in statute (C.R.S. 23-1-108: Duties and powers of the commission with regard to system wide planning).

III. STAFF RECOMMENDATION

This is a discussion item, no recommendation.

IV. ADDENDUM

Summary of recommendations from the Higher Education Strategic Plan (HESP)

HESP Recommendations

Two Key Levers

1. 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 percent to 9 percent of the general fund.
- 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.

*Options identified to generate revenue for higher education in Colorado (2 or more needed)
{HESP supports the goal of bringing the state funding for higher education to the "competitive scenario"- top 1/3 nationally in tuition + state support}*

Revenue source	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

2. Completion rates for degrees and certificates must increase.

- 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 percent by 2020.
- Increasing student completion by an average of 5 percent per year over ten years will result in approximately 670,000 additional degrees and certificates.
- This will also require a significant change in our current completion rates and how success is measured.
 - Our full-time graduation rate at four-year research institutions ranges from 31-42 percent in four years, and 59-73 percent in six years, depending on the institution.
 - At four-year state colleges, the average rate is about 14 percent in four years and 37 percent in six years for full-time students.
 - At two-year community colleges, the average rate is about 25 percent in two or more years, without considering part-time students or those transferring to four-year institutions.
 - These rates are lower statewide for Hispanic and low-income students or those who transfer to four-year institutions.

Recommendation 1: Affordability- Colorado must increase its investment and ensure affordability of higher education.

1a- College Opportunity Fund (COF) stipends and state financial aid funds should be maximized and include incentives for state priorities.

Funds should be maximized in two ways:

- 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, and c) funding graduate students. 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.

1b- Funds should be linked to measurable progress in spurring innovation through outcome-based rewards.

- 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.

1c- Certain graduate programs should be funded through “fee for service.”

- 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 through COF incentives. Any other “fee for service” allocations should be significantly reduced as state funds are stabilized.

1d- Efficiencies should continue to be implemented.

There should be a continued focus on achieving institutional and statewide efficiencies such as:

- 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.

1e- A state fund should be created to match locally raised funding.

- 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.

1f- State funding should be considered with a view to the system.

- State appropriations, tuition policy, state financial aid and institutional subsidies, as well as the state’s tiered system, should be considered when assessing policy changes.

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

2a- Support multiple entry points into college.

- 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.

2b- Allow for flexible pathways to completion of degrees and certificates.

- 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.
- Maximize alternative delivery methods such as online programs and collaborative partnerships with workforce centers.

2c- Make college affordable for all students who meet admission requirements.

- 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 percent 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 to meet the 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 criteria are met or if students graduate early or “on time.”
- Reconstitute some “merit-based” loans/grants, and assess their impact on retention.

2d- Provide support structures for students, including adults, to stay on track and complete their education.

- Put into practice statewide “supportive services,” universally at all institutions targeted to low-income or first-generation students, with an emphasis on mentoring and advising.
- Develop and implement “individual career and academic plans” (ICAPs) to put and keep students on track to complete their education.
- Strengthen adult basic education through funding and expertise in cooperation with Pre-K-12.

Recommendation 3: Quality- Colorado must identify systemic ways to improve the educational pipeline.

3a- Focus on college earlier.

- Provide earlier access to career and college preparatory information (particularly for Hispanic students and English language learners) with a focus on increasing: a) 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 (ICAPs).
- Put career cluster and pathway models into practice and support them statewide.

3b- Increase alignment and collaboration across P-20 education and workforce systems.

- 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.
- Incent stronger collaborations between higher education institutions and school districts, regional services areas (RSA) and boards of cooperative educational services (BOCES), including expanding early, universal access to college-level course work and ensuring that teacher prep programs address realistic 21st century higher education preparation.

- Align policies from matriculation through completion, with a focus on porous aspects of transitions, from elementary school through university.
- 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.
- Strategically align with current P20 efforts in progress including CAP4K (SB08-212), postsecondary and workforce readiness, establishing common metrics and assessments, etc.

3c- Expand effective remediation efforts.

- Review and refine state approaches to 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.

3d- Use common data and assessments.

- Design and put into practice common metrics as well as data collection and sharing standards that are consistent statewide and that can be used to track against national measurements.
- Develop and implement common assessments across P20 and workforce systems that effectively evaluate the level at which students are performing and how that relates to their grade level.

3e- Address capacity to meet demands.

- 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 online program delivery.

Recommendation 4: Accountability- The system of higher education should be structured to allow for the advancement of state priorities.

4a- Maintain current governance structure.

- Maintain the current higher education governance structure, including institutional and system governing boards.
- 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.

4b- Enhance responsibility and authority of the CCHE.

- 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.
- Coordinating with governing boards toward the goal of aligning strategic plans and state goals and priorities.

4c- Review institutional missions within 18 months.

- Require the CCHE to undertake a review of the system and recommend to the state legislature a potential realignment to 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.
 - Study the Auraria Higher Education Center and whether it remains the most effective structure to meet higher education needs in the Denver regional area.

4d- Implement performance funding.

- When at least restoration funding is achieved, implement a finance policy whereby a portion of state funding is based on performance of institutions and students against specific state goals set forth by the CCHE.

4e- Require consultation with the CCHE in appointment of the Executive Director of the CDHE.

- The Governor should appoint the Executive Director of the Colorado Department of Higher Education in consultation with the CCHE