

**TOPIC: PERFORMANCE CONTRACT REPORTING EXTENSION**

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**I. SUMMARY**

This action item recommends a simplified process for the reporting requirements found in current performance contracts, which were extended up to December 1, 2012 by the Colorado General Assembly.

**II. BACKGROUND**

Senate Bill 11-052 states, "...the performance contracts in effect as of July 1, 2010, shall remain in effect until renegotiated as provided in section 23-1-108(1.5) no later than December 1, 2012" [C.R.S. §23-5-129(5)(a.5)]. The department and institutions of higher education are on track to meet the December 1, 2012 deadline found in Senate Bill 11-052. In the meantime, current performance contracts require the preparation and submission of annual reports. These reports are due to the Department on December 31, 2011 (see reporting calendar at <http://highered.colorado.gov/Academics/PerformanceContracts>).

In light of the fact that a final evaluation on performance contract compliance entitled, "Final Performance Contract Review Report per CCHE Workplan," was prepared for and submitted to the Commission at its February 4, 2011 meeting—several months before existing performance contracts were extended by way of SB 11-052—Department staff have been planning ways for institutions to ensure ongoing compliance with existing performance contracts while reducing the need to produce reports concerning performance criteria that were originally designed for achievement in 2008 as well as recognizing that new performance criteria and performance contracts will be adopted by the Commission within the next 12 months.

**III. STAFF ANALYSIS**

Department staff propose the following methods for demonstrating ongoing compliance with current performance contract goals. For Goal 1 ("Access and Success"), the Department proposes to pull data from the Student Unit Record Data System (SURDS). To ease the burden of preparing an additional report, institutions would not be required to prepare and submit a supplemental report for this goal. For ensuring compliance with Goal 2 ("Quality in Undergraduate Education"), Goal 3 ("Efficiency of Operations"), Goal 4 ("Teacher Education") & Goal 5 ("Workforce and Economic Development"), Department staff suggest waiving specific

reporting requirements in lieu of a completed "Certification of Compliance." This document would be used by each governing board to certify that its institution or institutions continue to meet the performance goals found in their contracts. In cases where goals cannot be certified to have been met, institutions would be required to provide the Department with descriptions of why the goal or goals have not been met and what remedies the institution or institutions have initiated to ensure their fulfillment.

Department staff recommend that, if approved by the Commission, Certificates of Compliance be completed and returned to the Department no later than January 31, 2012.

**V. STAFF RECOMMENDATION**

**That the Commission approve the proposed process for monitoring performance contract compliance.**

**VII. STATUTORY AUTHORITY**

C.R.S. §23-5-129(2)(a)