

Minutes of the Colorado Commission on Higher Education (CCHE) Meeting  
Legislative Services Building  
March 4, 2011

Chairman Polsfut called the meeting to order at 1:15pm.

Chairman Jim Polsfut, Vice Chairman Hereford Percy, Commissioners, Happy Haynes, Richard Kaufman, Patty Pacey, Regina Rodriguez and BJ Scott were in attendance. Commissioners Greg Stevinson attended via conference call. Also in attendance were CCHE Advisory Committee members Senator Evie Hudak, Senator Rollie Heath, Representative Nancy Todd, Representative Don Beezley, Ruth Annette Carter, Dr. Abe Harraf, Dr. Toni Larson, Michael Mincic and Dr. Diana Sirko. Advisor Julie Marie Shepherd participated by conference call.

Chairman Percy moved to approve the minutes of the February 4, 2011 minutes. The motion was seconded by Commissioner Rodriguez and passed unanimously.

Andy Dorsey, President of Front Range Community College, reported a 40% enrollment growth at the campus this year and informed CCHE that the school is now offering three new energy programs at their Ft. Collins campus and enrolled 20 students in the programs in the Fall of 2010.

Julie Bell, National Conference of State Legislators, presented a report on performance funding. Performance funding is much talked about in state legislatures right now. About 20 states already have some kind of performance based funding in states and another 10 or so are looking at implementing new systems. Performance funding is appealing to legislatures because it tries to achieve three important goals of interest: improving college completion rates; increasing higher education accountability; and better linking higher education and economic development.

- College Completion rates continue to be too low. While individual institutions are doing a great job, the collective state college completion numbers are not improving.
- Tight state budgets means legislators are looking for more stable funding for the future. Performance funding isn't a way to justify budget cuts, but to reform higher education funding for the future.
- Linking dollars to outcomes. Performance funding provides this opportunity
- Linking higher education and workforce/economic development. Many states are using performance funding to do this.

Current programs being considered in the states are different from early programs in that:

- A larger percent of funding is devoted to performance (10-100%)
  - It is part of core or "base" funding, not in addition to base funding
  - Focus on student outcomes, not internal institutional improvements
- Most common indicators are:

- Student achievement (retention, course completion, graduation, on-time graduation, success of low income and minority students, special fields (i.e. stem)
- Transfer – overall numbers, retention and success after transfer
- Institutional improvement – campus defined and based programs that improve student performance
- Workforce pre/job placement (job placement, passage of licensure exams,)
- For community colleges – examples of success such as retention to second year, passing college level math, passing remedial education.
- Fundamental principles in designing a system:
  - Part of an overall reform initiative
  - Linked to a state strategic plan
  - Developed by a broad group
  - Grounded in good data
  - Recognizes different institutions and missions – no one size fits all
  - Indicators/amount/review process provide for flexibility but also stability.

## **CHAIR REPORT**

Chairman Polsfut welcomed back Representative Nancy Todd as a CCHE advisor and introduced legislators Representatives Cherilyn Peniston and Beth McCann, who were in attendance.

## **PUBLIC COMMENT**

George Walker of Denver spoke to the Commission about the importance of funding for higher education and the potential need to raise taxes for this funding. He also stated that he believes Bill Gates has attacked the public school system.

## **CONSENT ITEMS**

### **Approval to Offer Drama Teacher Endorsement Program at Fort Lewis College State Guaranteed General Education Courses**

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

## **ACTION ITEMS**

**Degree Authorization Act: Westwood College Authorization Status Change** – Heather DeLange, Degree Authorization Act Officer, presented an update on the operational status of Westwood College. This change is in response to a recent vote by the Accrediting Commission of Career Schools and Colleges (ACCSC), which granted renewal of accreditation to Westwood College. At its February 2011 meeting, the ACCSC voted to grant Westwood College-Denver North renewal of accreditation for a

period of three years going forward from November 1, 2010. The ACCSC's decision to confer accreditation includes conditions that require Westwood College-Denver North to submit reports that demonstrate the school's continued compliance with ACCSC's standards.

The recommendation is for the Commission to require Westwood College share any additional reporting to the ACCSC with Department staff regarding the status of accreditation in the next three years, including, but not limited to, comprehensive reports and responses to and from both the college and the ACCSC. Staff recommends that the Commission change the status of Westwood College's authorization from Probationary Authorization to Full Authorization in response to the ACCSC's lifting its order of probation.

Commissioner Beckner moved to approve the recommendation. The motion was seconded by Commissioner Scott and unanimously passed.

**New Baccalaureate Degree Programs for Colorado Mountain College** – Dr. Cheryl Lovell and Margot Plotz presented a recommendation concerning Colorado Mountain College (CMC) offering its first two baccalaureate degrees; a Bachelor of Science in Business Administration and a Bachelor of Arts in Sustainability Studies. Dr. Lovell introduced Dr. Stan Jensen, President of CMC. Also present in the audience were Wes Duran, Board member of CMC, John Giardino, Legislative Liaison for CMC and CMC students.

Dr. Jensen stated that 90% of Colorado state legislators voted to approve SB10-101, allowing Colorado Mountain College (CMC) to offer up to 5 baccalaureate degrees that address the needs of the communities within the college's service area. Governor Ritter signed the SB10-101 into law in May of 2010. With approval from CCH and the Higher Learning Commission, CMC will become a dual purpose institution by continuing to fulfill their mission as a full service community college and beginning to offer baccalaureate degrees that respond to the needs of their 12,000 square mile district. Students will experience less travel and more rural access, and the resulting higher graduation and student success rates will help the state meet its higher education goals. CMC faculty, staff and community members have worked extremely hard to assure that their first baccalaureate programs will be a resounding success.

Commissioner Rodriguez moved to approve the recommendation. The motion was seconded by Vice Chairman Percy and unanimously passed.

## **INFORMATION ITEMS**

**Legislative Update** – Chad Marturano, Director of Legislative Affairs, brought the Commissioners' attention to SB11-052, Goals for Higher Education System, sponsored by Senator Heath and Representative Massey. Senator Heath and Julie Pelegrin, Office of Legislative Legal Services, explained amendment L.1107 to Bill 11-052. Generally, the amendment:

- Combines the language in existing law concerning goals and expectations and the process for adopting a new master plan with the language from SB52;

- Requires 25% of the overall funding for the state system of higher education to be based on institutional performance beginning FY2016-17;
- Moves portions of existing law into newly created statutory sections without substantive change;
- Combines the language in SB52 concerning the contents of the memorandum of expectations with existing language concerning performance contracts, repealing repetitive provisions concerning goals and expectations;
- Allows CCHE to request funding for underfunded enrollment growth, calculated for periods determined by CCHE;
- Repeals the “Higher Education Quality Assurance Act”, article 13 of title 23, C. R. C., as included in SB52; and
- Makes conforming amendments to reflect moving existing language into newly created statutory sections and repealing article 13 of title 23, C.R.S.

On March 14<sup>th</sup>, HB11-1155, the Lt. Governor as Head of Principal Department bill, will be heard in the Senate.

Mr. Marturano also updated the Commission on HB11-1168, the Equalize Public and Private COF Stipends bill, that would raise the COF stipends for students enrolled at COF eligible private colleges to the full rate of the subsidy, which most of the state public institutions are opposed to. This bill had its second reading in the House yesterday.

**Student Fees**-Mark Cavanaugh, Chief Financial Officer, told the Commission there will most likely be legislation coming out of the Legislative Audit Committee’s student fee audit. Mr. Cavanaugh is working with the institution’s CFOs to clean up the bill and start over with policy adopted at the February 4, 2011 CCHE meeting.

**FY2011-12 General Fund Allocation** – Mr. Cavanaugh presented this item to the Commission. In November, 2010, the Governor’s Office budget request for FY2011-12 recommended just over \$555 million General Fund for the institutions of higher education and based the governing board allocation on the “three-part” model approved by CCHE in September, 2010. There is an additional reduction of \$36 million for higher education necessary for statewide budget balancing, resulting in a total allocation of \$519 million in state support for FY2011-12. As a result, application of the “three-part” model has been applied to the lower \$519 million funding level, as it was in September, utilizing best available institution data.

The Commission drafted the following resolution to the Joint Budget Committee regarding the \$36 million cut to the higher education budget:

COLORADO COMMISSION ON HIGHER EDUCATION  
FISCAL YEAR 2011-12 BUDGET RESOLUTION

*WHEREAS*, Colorado’s colleges and universities are critical to the creation of good jobs and a competitive, sustainable economy; and

*WHEREAS*, Colorado is perennially among the lowest in the nation in state support of public colleges and universities; and  
*WHEREAS*, The average state investment to higher education per \$1,000 of personal income is \$7.28 and Colorado's financial investment in its public colleges and universities is less than \$3.75; and  
*WHEREAS*, \$36 million dollars in additional reductions to state support to the Fiscal Year 2011-12 budget are proposed for statewide budget balancing; and  
*WHEREAS*, this action will result in reductions totaling almost \$190 million since June 30, 2010, a 27 percent reduction to state support of Colorado higher education in two years; and  
*WHEREAS*, this action will result in over \$1,800 less per resident Full Time Equivalent student than in Fiscal Year 2008-09; and  
*WHEREAS*, Colorado is already the second most efficient state in the nation in the public funding required to produce a college degree or certificate; and  
*WHEREAS*, The families and students and the economy of rural Colorado depend on access to public colleges and universities.  
*Now, therefore, the Colorado Commission on Higher Education resolves:*  
That the state faces significant fiscal challenges and must balance the budget to available revenues, however, Colorado's public colleges and universities are at a breaking point,  
That any further reductions in the state investment in Colorado's public colleges and universities will jeopardize the state's economic competitiveness and long-term success, and  
That Colorado leaders across the state must come together and defend funding public colleges and universities as a top priority for the state and our economic well being.  
*Unanimously adopted this 4th day of March, 2011.*

Representative Todd suggested the resolution should be sent to the media to publicize the issue to the public.

Commissioner Haynes moved to adopt the resolution, submit it to the Joint Budget Committee and widely publicize it in the media. The motion was seconded by Vice Chairman Percy and unanimously passed.

## **DISCUSSION ITEMS**

2011 CCHE Work Plan / Master Planning – Dr. Kim Poast, Special Assistant for Planning and Projects, presented this item to inform the Commission of the following tentative timeline for finalizing a master plan:

- **April & May, 2011:** At regularly scheduled commission meetings, identify priorities for inclusion in the master plan (note: the 68th Colorado General Assembly adjourns sine die on May 11, 2011).
- **June & July, 2011:** *No Commission Meetings.* Staff will work on policy priorities identified

by the CCHE. Possible convening of Chief Executive Officers, Governing Boards and key stakeholders on institutional plan priorities.

- **August, 2011:** At the proposed CCHE retreat, commissioners will develop specific metrics for its master plan and refine priority areas.
- **September, 2011:** At the regularly scheduled CCHE meeting, Commissioners will consider an initial draft of the statewide master plan.
- **October, 2011:** At the regularly scheduled CCHE meeting, Commissioner will consider a revised draft of the statewide master plan. After this meeting, a draft statewide master plan will be shared with institutional/system Governing Boards.
- **November, 2011:** Presentation of final master plan for action by the CCHE.
- **December, 2011:** Staff will deliver a final report on the statewide master planning process, including policy documents, to the Colorado General Assembly. This report will include recommendations for statutory changes, if necessary.

Vice Chairman Percy moved to eliminate the June 2011 and July 2011 CCHE meetings and combine the August 2011 CCHE retreat with a CCHE business meeting. The motion was seconded by Commissioner Pacey and unanimously passed.

Vice Chairman Percy moved to adjourn. The motion was seconded by Commissioner Haynes the meeting was adjourned at 4:00 pm.