

**TOPIC: PRELIMINARY GOALS FOR 2012 CCHE MASTER PLAN**

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**I. SUMMARY & BACKGROUND**

On August 4 & 5, 2011, the Colorado Commission on Higher Education held its annual retreat at Fort Lewis College in Durango, Colorado. The objective of this retreat was to begin the process of identifying the primary goals of the CCHE's statewide master plan, which would then be more broadly discussed and refined with the assistance and full participation of the larger postsecondary community.

Following a presentation from the National Center for Higher Education Management System (NCHEMS), a discussion of Colorado's previous four master plans as well as other states' current master plans, consideration of constituent feedback collected by Engaged Public, the facilitators for the retreat, and an exhaustive conversation about the priorities identified in "The Degree Dividend," the CCHE arrived at four preliminary objectives for its 2012 Master Plan.

Using the framework found in the Degree Dividend, the CCHE arrived at the following four preliminary goals for its 2012 Master Plan:

1. Increase degree attainment across Colorado in order to meet future workforce demands. The objective of this goal is to identify projected workforce demand, net of the in-migration of talent to the state, which could be used to both benchmark the state's needs and evaluate future progress.
2. Close gaps in degree attainment among students from traditionally underserved communities, in particular, Latinos, students from rural communities, and students from lower socioeconomic households.
3. Improve outcomes in remedial education by successfully aligning the state's postsecondary admission and remedial policies with the state's K-12 system, by assisting the state's school districts in identifying and addressing students' developmental needs before graduating from high school, and by scaling up successful innovations in remedial/developmental placement and instruction.
4. Pursue public funding that will allow public institutions of higher education to meet projected enrollment demands while maintaining current productivity efficiencies. In addition, pursue public funding to lower the burden on students by achieving a mix of revenues that equals 50 percent state funds and 50 percent tuition and fees. Importantly, while remaining very mindful of the current fiscal conditions in the state and on public campuses, the Commission noted that the potential inability of the state to meet this goal in the near term should not invalidate the previous three goals. In

other words, the CCHE argued that each of the goals should be treated as independent of one another.

Notably, upon completing the process to identify the just mentioned initial goals, it was observed that, while unique to the current conditions of the state, the goals closely resemble those found in nearly all of the CCHE's previous master plans. Going all the way back to 1986, the CCHE has made arguments to increase degree attainment, promote greater accessibility, improve efficiencies, and increase state support. This observation both reinforced the importance of the goals as well as, more solemnly, reflected their problematical endurance.

## **II. STAFF ANALYSIS**

On December 2, 2011, the CCHE will join the chief executive officers and governing board members of Colorado's public colleges and universities to discuss the four preliminary goals for its 2012 Master Plan. In preparation for that event, at the September, October, and November CCHE meetings, staff at the Department of Higher Education will prepare information for the CCHE that will begin to more fully explicate the challenges and opportunities in the proposed goals as well as provide examples of how such goals might be reflected in performance targets and/or questions for further discussion.

To this end, the following is intended to (a) provide examples of possible statewide target goals that reflect the CCHE's four proposed statewide priorities as well as (b) present an example of the ways in which goals one and four could be illustrated in the 2012 master plan. Please note that these examples are for discussion purposes only and are not intended for action by the CCHE at this time.

*Potential Statewide Goals:* If the CCHE were to adopt the proposed state goals that came out of the 2011 annual retreat, the following benchmarks might be considered for purposes of illustrating specific state-level performance goals.

- By 2025, XX% of the Colorado population ages 25-64 will have a college degree or certificate.
- By 2025, the education attainment gaps between whites and minorities ages 25-64 will be less than XX%.
- By 2025, the education attainment gap between populations ages 25-64 in counties with the lowest educational attainment levels and those with the highest attainment levels will be reduced by XX%.
- By 2025, the proportion of recent high school graduates requiring remediation upon entry into the postsecondary education system will be reduced by XX%
- By 2025, the proportion of total revenue to public colleges and universities from state sources will equal 50%.

- By 2025, the total cost per degree in the state's public colleges and universities will be equal to or lower than the total cost per degree in 2011.

*Illustrating the Financial Impact of Achieving Goals One and Four:* Turning to estimates of the revenues needed to achieve goals one and four. The CCHE's preliminary goals one and four argue that the state's degree attainment goal should be tied to a specific target and that the state's revenue goal should be benchmarked against projected enrollment demands while maintaining current productivity efficiencies in the system. The analysis in Attachment A provides one possible operational illustration of these goals. The National Center for Higher Education Management Systems (NCHEMS) prepared the analysis in Attachment A.

For purposes of illustration, the analysis in Attachment A assumes that the degree attainment goal for the state is consistent with that adopted by the Obama Administration, or 60% attainment by the year 2025. According to the analysis in Attachment A, if the 60% figure were used as a benchmark, we would assume that the production of degrees in the state would need to increase by approximately 3.1% each year, or an additional 230,000 degrees, of which approximately 151,000 (66%) would be created by the public sector. If accomplished, this would require an estimated \$650,000,000 in additional state revenues in 2025 at current costs per degree. If, however, the state were to concurrently pursue a goal of recalibrating the mix of revenues to public colleges and universities to 50% tuition and 50% state support (i.e., COF), the net incremental revenue to the system would grow to \$844,000,000 in 2025. Again, this projection assumes that total revenue per student remains unchanged. In other words, this assumes that the costs per degree would remain constant.

### **III. STAFF RECOMMENDATION**

**No recommendation. For discussion only.**

### **STATUTORY AUTHORITY**

C.R.S. 23-1-108: Duties and Powers of the Commission with Regard to Systemwide Planning