

1 **DRAFT CCHE MASTER PLAN, 2012-2022**

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4 **Letter from Commission (inside cover)**

5

6 In 1949, the President’s Commission on Higher Education reported to President Harry S.
7 Truman that “American colleges and universities...can no longer consider themselves merely
8 the instrument for producing the intellectual elite; they must become the means by which
9 every citizen, youth and adult is enabled and encouraged to carry his education, formal and
10 informal, as far as his native capacities permit.” In part to facilitate this newfound purpose and
11 address the needs of ever increasing numbers of students and institutions, many states
12 established coordinating boards for their systems of higher education. These agencies are
13 charged with studying the needs of all citizens, all regions, and all institutions. Unlike campus-
14 level governing boards, these coordinating boards were not necessarily given responsibilities to
15 manage academic programs or provide direct administrative oversight, but rather to coordinate
16 policies intended to serve all students across institutions and carry out many of the laws
17 developed by state legislatures to support the needs of rapidly expanding postsecondary
18 systems.

19

20 Since its founding in 1965, the Colorado Commission on Higher Education has been the only
21 official postsecondary body charged with the responsibility to examine the needs of the entire
22 state and coordinate policies that benefit students enrolled at all institutions. We recognize
23 that, if we do not speak for the entire system of higher education and the students served by it,
24 it is unlikely that anyone else will. Consequently, we accept our duty with the highest sense of
25 responsibility to the citizens of, and with great respect for, the campuses in the state.

26

27 In fulfilling the charge given to us by the General Assembly, we, the Commission, must
28 periodically prepare a statewide master plan, a document that presents both a meaningful
29 vision of, and outline for, practicable, measurable activities. According to Colorado statute, the
30 Commission must identify in the master plan, the “needs of the state with regard to higher
31 education” and the priorities for meeting them (C.R.S. 23-1-108[1.5][b][1]). The master plan
32 must also serve as a framework upon which the state’s accountability system rests. For
33 example, in Senate Bill 10-003, which provided historic flexibility to institutions, the General
34 Assembly made its expectations for the master plan known by declaring that:

35

36 The master plan must...include accountability measures that will demonstrate that
37 students receive high-value and high-quality educational services that are provided with
38 the efficiency necessary to reduce attrition and increase retention and enable students

1 to attain their degrees in a reasonable period of time, and to help ensure students
2 achieve post-graduation success (Senate Bill 10-003)

3
4 Additionally, it is important to recognize that one of the charges given to the Commission was
5 to “take into account the final report of the higher education strategic planning steering
6 committee appointed by the governor.” This report, entitled The Degree Dividend, effectively
7 identified many of the broad needs of the state with regard to higher education. Therefore, we
8 began our work where the Degree Dividend left off. We attempted to focus our efforts on the
9 short- and longer-term steps necessary to address the challenges found in the Degree Dividend.
10 Specifically, we focused our efforts on the development of system-wide goals upon which
11 performance could be measured.

12
13 In order to identify the performance goals, the Commission addressed a narrow list of
14 objectives that are broadly accepted, meaningful, and will profoundly improve postsecondary
15 outcomes for the residents of Colorado. In developing these performance goals, we seek to
16 give deference to the unique features of the campuses in the state’s system of higher education
17 and, in most instances, avoid specific numeric targets. With the exception of the state’s
18 completion goal—the first and foremost goal in this plan—our goals focus on annual
19 improvement, recognizing that improvements take time, focused efforts, and resources.

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21 As part of this process, we asked the following kinds of questions:

- 22
- 23 • Should the higher education system be accessible to all, or only to those with adequate
24 personal financial means?
 - 25
 - 26 • Is higher education merely a private good benefitting each individual who attends a
27 college or university or is it a public good that benefits Colorado’s communities and the
28 state?
 - 29
 - 30 • How can higher education effectively demonstrate its stewardship of public resources?
- 31

32 This Commission considers the goals described in this master plan to be more than an
33 aspirational list of appealing ideas. This plan presents a new and shared promise for the
34 General Assembly, the institutions of higher education, the Commission on Higher Education,

1 and the residents of the state of Colorado. Consequently, this Commission considers the
2 achievement of these goals as a priority list of ambitious, yet achievable, commitments that will
3 improve opportunities for all Coloradans.

4 This master plan is not unilateral. This Commission considers itself jointly responsible for the
5 achievement of the goals in it and holds itself accountable for their realization.

6

7 While this plan lays out goals that, if met, achieve the legislature’s intention to help ensure that
8 the system is effective in accomplishing post graduation success for all students, it does not
9 attempt to provide an answer to every pressing policy question or predict the ways in which
10 future policies will be formed. To address these matters, we have included a workplan that
11 outlines the activities we will take on in response to the charges conveyed by the Colorado
12 General Assembly.

13

14 Ultimately, this master plan is not a plan for a particular institution or system of institutions. It
15 does not offer recommendations for campus practices or instructional activities. It does not
16 focus on the needs of any one institution or system of institutions. Instead, it presents the
17 priorities that we believe are the most pressing for the educational performance and economic
18 vitality of Colorado. In short, it is a plan for the future of the state of Colorado.

19

20 **Executive Summary**

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22 The Commission quickly came to agreement on a primary goal: to increase the number
23 Coloradans aged 25-34 that hold high-quality postsecondary credentials—certificates and
24 degrees— to 66 percent, a goal that is in synch with the requirements of state law (23-1-108
25 [1.5][c][I]). The goal is also in agreement with the opinion of the Lumina Foundation for
26 Education, which argues that “The United States risks an unprecedented shortage of college-
27 educated workers in coming years. With the global economy demanding more and more highly
28 skilled workers, economists and labor experts say increasing college attainment is a national
29 imperative.”¹

30

31 The Commission observed that Colorado ranks third in the nation with regard to the percentage
32 of citizens with a college degree at 46 percent, a figure that is projected to grow to 51 percent
33 by 2025². Despite this improvement, leading economists estimate that to meet the workforce

¹ Lumina Foundation (2012). A Stronger Nation Through Degrees.

² Lumina Foundation (2012). A Stronger Nation Through Degrees.

1 demands of the state’s employers 67 percent of the state’s workforce will need a high-quality
2 postsecondary credential or degree.³

3

4 In addition to this principal goal, the Commission identified three complementary areas of
5 critical concern to the postsecondary system: improving student progress and momentum;
6 diminishing historical disparities among students from certain populations; and demonstrating
7 the need and justification for improved investments in the postsecondary sector.

8

9 The Commission’s four goals are as follows:

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11 **Goal 1:** Increase the attainment of high quality postsecondary credentials across the
12 academic disciplines and throughout Colorado by at least 1,000 new certificates and
13 degrees each year to meet anticipated workforce demands by 2025.

14

15 **Goal 2:** Improve student success through better outcomes in basic skills education,
16 enhanced student support services and reduced average time to credential for all students.

17

18 **Goal 3:** Enhance access to, and through, postsecondary education to ensure that the
19 system reflects the changing demographics of the state while reducing attainment gaps
20 among students from underserved communities.

21

22 **Goal 4:** Develop resources, through increases in state funding, that will allow public
23 institutions of higher education to meet projected enrollment demands while promoting
24 affordability, accessibility and efficiency.

25

26 This plan is organized into three primary sections. The first section provides a general
27 introduction to the needs of the postsecondary system and some context for the changes
28 currently taking place in it. The second section presents the Commission’s primary
29 performance goals and indicators that will demonstrate progress toward their attainment. The
30 last section outlines the ways in which the Commission will participate in the accomplishment
31 of the goals presented in the second section of this plan as well as the activities intended to
32 address the various additional requirements of state law.

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³ Georgetown University Center on Education and Workforce (2010). Projections of Jobs and Education Requirements Through 2018.

1 **Introduction**

2

3 The benefits of a high quality higher education system that is accessible to all Coloradans are
4 well-established.

5

6 Adults with post-secondary degrees and certificates earn higher incomes than those without
7 such credentials. They have lower unemployment rates and better health outcomes. They rely
8 on fewer social services and public safety nets. They create jobs that yield tax revenue and
9 contribute toward building a stronger economy and a better society. That is, the contributions
10 they make to their communities and their state far exceed their consumption of public goods.

11

12 Higher education also plays a pivotal role in improving the quality of life of communities across
13 the state. Universities and colleges are integral to the economic and cultural successes of their
14 home communities. The successful university and college system ensures that businesses have
15 the educated and diverse workforce they need to grow, compete and thrive in a global
16 marketplace. Colleges and universities attract business and investment capital and foster
17 economic growth through industry collaborations. The strength of local educational systems
18 and the quality of a region's workforce are top considerations for businesses studying the
19 development of new, or closures of existing, operations.

20

21 In short, the state's colleges and universities are the engines that drive economic
22 competitiveness in the national and global market and hold the key to the state's economic
23 future.

24

25 Accordingly, it is our strong opinion that higher education is and should be treated as an
26 investment, not a simple cost.

27

28 Today, Colorado's higher education system is at a critical crossroads. The state's public
29 investment in colleges and universities has shrunk dramatically. The result has been higher
30 tuition and fees and increased cost to students and families. The increased costs limit access for
31 lower and middle income families, reducing higher education opportunities at a time when we
32 should be educating more of our citizens, not fewer.

33

34 Funding is not the only challenge, however. Too many students are not academically prepared
35 for the rigors of college level work. Too many enroll in college, but fail to persist to graduation.
36 And, too often, access, persistence, and success in postsecondary education remains elusive for
37 students from traditionally underserved populations.

38

1 Collectively, these shortcomings have the potential to jeopardize Colorado’s economic future.
2 Lengthy discussion of these issues among stakeholders in 2010 produced The Degree Dividend,
3 a detailed 2010 report that documents the mismatch between Colorado’s aspirations and its
4 current delivery of higher education.

5

6 The Degree Dividend identified three chronic challenges:

7

8 • **Public investment:** Colorado is currently among the bottom states in funding its
9 institutions of higher learning.

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11 • **Attainment gap:** Colorado has the second largest degree attainment gap in the country
12 –that is, the gap between the educational attainment of white students and the
13 attainment of the next largest ethnic group, which in Colorado is Hispanic/Latino. In
14 other words, Colorado’s system performs far better for white students than it does for
15 Hispanics or those from low-income families.

16

17 • **Student success:** According to the most recent census, there are nearly 3.3 million
18 adults aged 25 and older in Colorado. Eighty-nine percent of that population has a high
19 school diploma or higher, yet only 36% hold a bachelor’s degree or higher. Just over 22%
20 have some college credit, but have not attained a degree or certified credential of any
21 kind.

22 This master plan reiterates and reinforces these familiar themes. This plan also recommends a
23 path forward for the CCHE and the institutions that will yield a more performance-oriented
24 system and that will earn increased levels of public awareness and, we trust, support.

25

26 It is a fact: performance matters, and the Commission and the institutions must demonstrate
27 that public investments in higher education return more positive benefits for individuals,
28 businesses, and the community at large than most other public investments. Through this
29 demonstration of value and performance, the public will be assured that its investment in
30 higher education is paying long-term dividends to the economic and civic vitality of the state of
31 Colorado.

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1 **What Has History Taught Us?**

2

3 Though the obstacles facing the state as it emerges from the Great Recession are considerable,
4 challenges are not new to higher education. In fact, many of the most significant leaps forward
5 in the nation's higher education system have been in direct response to significant challenges.

6

7 During the Civil War, President Abraham Lincoln signed the Morrill Land-Grant Act, which, in
8 direct response to historic needs for industrial growth as well as the expansion of highly
9 educated citizenry, provided the stimulus for incredible advancements in human capital and
10 technological innovations in new states and territories and triggered unprecedented
11 proliferation in the number of institutions of higher learning, including our own Colorado State
12 University, the state's first public university.

13

14 Following World War II, the establishment of the GI Bill offered tuition subsidies as a benefit to
15 returning veterans, opening up access to higher education to hundreds of thousands of
16 Americans. The demand led directly to the dramatic expansion of the public colleges and
17 universities, in particular, the community college system and a broad growth of the nation's
18 middle class. Within a generation of the end of World War II, the most rapid expansion of
19 Colorado's public postsecondary sector took place, including the founding of Aims Community
20 college, Colorado Mountain College, Community College of Denver, Arapahoe Community
21 College, Colorado Northwestern Community College, Front Range Community College, Pikes
22 Peak Community College, Morgan Community College, and Metropolitan State University of
23 Denver, and the University of Colorado - Colorado Springs. Prior to World War II, only six
24 percent of adults in the United States held a college degree. After the war, in large part
25 because of the G.I. Bill, this number more than doubled, a fact that contributed to one of the
26 most rapid national economic expansions of any country at any time.

27

28 In addition, the 1965 Higher Education Act, a bill forged from the struggles for equality and
29 justice that took place during the Civil Rights Era, opened the door to higher education to
30 millions of citizens previously unable to gain access to many public and private institutions of
31 higher education. This act created many of the nation's foremost financial aid programs,
32 including what is now the Pell Grant program, and challenged all states to view education not
33 as a private good for the privileged few, but a public good for the needs of all. By 1970, in part
34 because of the opportunities provided by the 1965 Higher Education Act, the average
35 educational attainment of African-American youth age 20-24 had increased by more than 25%
36 compared to that of older (25 and above) African-Americans. In fact, the average educational

1 attainment of African-American youth (age 20-24) exceeded the average educational
2 attainment of older white citizens (25 and above) and trailed that of younger white citizens by
3 less than one-half of a year (12.7 years of education compared to 12.3 years)⁴.

4
5 These surges in expansion of the higher education system were the result of intentional,
6 visionary public policies and direct public investments. In each case, there was clear recognition
7 that public investments would yield powerful dividends—and the results show they were right.

8
9 Drawing upon the lessons from history, Colorado has an opportunity today to respond to the
10 current economic uncertainty and ongoing contractions in spending on public higher education.
11 The state’s investment in higher education has slipped from 68 percent of the total cost of
12 college in 2000 to 34 percent of the total cost in 2011, meaning that the burden carried by the
13 student has increased from 32 percent of the total cost to 68 percent. In the last five years, the
14 state has reduced funding for higher education from \$706 million to \$513 million, a reduction
15 of 27 percent in total dollars, but recent strong enrollment growth, results in an even bigger
16 reduction of 36 percent per resident student (full time equivalent).

17
18 In the face of these very real and significant challenges, what many experts call the “new
19 normal” in higher education, public institutions throughout Colorado have proven their
20 resiliency and resourcefulness. They have maintained quality, preserved access and reduced
21 costs. For this, the institutions deserve recognition. Nevertheless, important challenges lie
22 ahead, and failing to meet them may result in disintegration of a system built upon the bold,
23 uniquely American foundational belief that all citizens, from military veterans to low income
24 inner-city youth, deserve the opportunity to improve their station in life through education.

25
26 **Going Forward**

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28 Colorado’s public institutions have done such a good job that Colorado’s higher education
29 system appears healthier than it is. That is, the system’s successes obscure a more somber
30 reality. Our institutions outperform their national peers in numerous rankings. Enrollments are
31 strong, even reaching historically high levels at some institutions. Colleges and universities
32 operate more efficiently than their peers in nearly every sector. Resident tuition is about
33 average compared to public colleges and universities in other states, graduates are fully

⁴ United States Decennial Census (1970), available at
<http://www.census.gov/hhes/socdemo/education/data/cps/1970/tab-199.pdf>

1 prepared to compete with the best and the brightest, and our institutions attract research
2 dollars that result in ground breaking discoveries in areas of national importance.

3

4 Beneath these statistics, the reality is worrisome. Success in higher education remains elusive
5 for too many. Rising tuition and related costs create an unprecedented financial burden on
6 Colorado families, a situation made all the more challenging in light of the state's current
7 economic climate. Student debt load and student loan default rates are rising rapidly.
8 Colorado has the third highest student loan default rate in the nation. The population of
9 college graduates today does not reflect Colorado's collective belief that a pathway should exist
10 for every student to pursue learning to his or her highest potential. Nor does our state's
11 investment in higher education reflect the belief that an investment in higher education is
12 pivotal to strengthening our economy.

13

14 After years of declining public investment in the infrastructure and operations of higher
15 education, the goal of maintaining high-quality, accessible and affordable higher education
16 opportunities for Coloradans is at risk.

17

18 These trends aren't new. The Degree Dividend put the issue on the table in simple terms:
19 *taxpayers have every right to expect that public institutions of higher education serve all*
20 *students.*

21

22 **The Four Goals**

23

24 In August 2011, the CCHE began a yearlong process to fulfill the immediate charge from the
25 Colorado General Assembly to identify the needs of the state with regard to the system of
26 higher education and the top priorities for the state system of higher education in meeting
27 those needs. The CCHE began this process by consulting The Degree Dividend, the report from
28 the Higher Education Strategic Planning committee, which was adopted by the CCHE in late
29 2011.

30

31 In addition, to support the development and implementation of the master plan, the CCHE
32 collected data including, but not limited to, research conducted by national policy organizations
33 and agencies or institutions of higher education in other states. Using this information, the
34 CCHE identified the issues of greatest concern to the state of Colorado, which underpin and
35 directly inform the four primary goals of this plan. These goals form the framework upon which
36 performance contracts will be created and a future performance funding system will be based,
37 in accordance with the specific requirements of C.R.S. 23-1-108(1.5)(b)(1).

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Improving Attainment

Goal 1: Increase the attainment of high quality postsecondary credentials across the academic disciplines and throughout Colorado by at least 1,000 new certificates and degrees each year to meet anticipated workforce demands by 2025.

Target: Reach 66 percent postsecondary credential attainment for Colorado citizens aged 25-34 by 2025 (1,000 additional undergraduate credentials per year).

Indicators of Progress:

- Graduation rates (cohort rate)
- Increased number of credentials (annual number)
- Increase STEM credentials (includes health) (either the proportion of total credentials awarded or the annual number of new degrees)

As the economy continues its rapid shift to information services and technology, colleges and universities are more critical than ever in preparing individuals for the workforce. As already noted above, by 2018, nearly 70 percent of jobs in Colorado will require some level of postsecondary education. In fact, economists estimate that the demand for college educated adults in Colorado is the fifth most intense among all states in the nation. In contrast, the same economists estimate that the demand for high school trained adults in Colorado is the second weakest in the nation.⁵

In spite of these trends, today only 51 percent of the adult population in the state has a degree or certificate. More than a third of Colorado’s adult population lacks any education after high school; 13 percent of adults lack a high school diploma or the equivalent.

After consulting with the postsecondary community in Colorado, the CCHE settled on a goal of 66 percent postsecondary credential attainment for citizens aged 25-34, or about two thirds of the population likeliest to participate in higher education. According to the National Center for Higher Education Management Systems, consultants to the CCHE’s master planning process, Colorado would need to add approximately 1,000 additional postsecondary credentials each year to meet the 66 percent goal by 2025. Accordingly, the CCHE believes that increasing credential attainment is the state’s top priority regarding higher education

⁵ Georgetown University Center for Education and the Economy (2012).

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This goal is the most critical for the state’s economic development in order to provide a well-educated workforce for the business community in the state. This goal should not be interpreted to diminish the critical importance of graduate-level training or training in STEM related disciplines, both of which are essential to the economic vitality of the state.

Improving Student Success

Goal 2: Improve student success through better outcomes in basic skills education, enhanced student support services and reduced average time to credential for all students.

Targets:

- Eliminate disparities in the completion rates of college-level English and mathematics courses between students originally assigned to remediation and those not assigned to remediation.
- Improve student persistence and credit hour accumulation.
- Reduce average credit hours to degree for undergraduate students.

Indicators of Progress:

- Successfully completing (grade of C or better) introductory gtPathways courses in English and mathematics
- Successfully completing the remedial sequence
- Persistence and retention rates
- Credit hour accumulation
- Successful transfer out

Colorado should rightfully be proud of the many accomplishments of its postsecondary system. Nonetheless, in spite of its recognition as one of the most highly educated states, Colorado ranks at or below average regarding student persistence and completion. That is, the system’s collective “throughput” is not yet exceptional.

1 Many students are not prepared for college-level work when they arrive; thus they require
2 remedial courses before they can begin their college level classes. The effectiveness of
3 remedial coursework—as evidenced by improvements in students’ success in credit bearing
4 English and mathematics courses and completion of a credential or degree—can, and must, be
5 improved. For example, according to the Community College Research Center at Columbia
6 University, only one in ten students requiring three terms of remedial mathematics will ever
7 pass an entry level, credit bearing course in mathematics.⁶

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9 Additionally, the evidence is very strong that students who complete at least 24 credit hours in
10 a given year (or 12 or more credit hours each semester)—what researchers describe as high
11 academic intensity—are far more likely to persist, successfully transfer, and complete a college
12 degree. Time is truly the enemy to successful college completion. Therefore, while many
13 students cannot enroll in college full time due to other family, work, or financial conditions, it is
14 clear that a primary driver for improving degree completion will be the ability to improve the
15 numbers of students who can—and do—complete at least 24 credit hours each year.

16
17 Finally, transferring among and between public institutions is no longer the exception, but
18 rather the rule for the majority of students. Historically, however, transfer students were
19 counted as a success neither at the institutions from which they transferred nor at the
20 institutions from which they graduated. The CCHE recognizes the importance of assessing the
21 various contributions institutions make in supporting transfer students and ensuring their
22 successful and timely completion. Thus, the CCHE shaped this second goal to meet the
23 legislative intent to “reduce attrition and increase retention and enable students to attain their
24 degrees in a reasonable period of time” by addressing several critical interim events, those that
25 occur after a student arrives on campus, and all of which complement the state’s principal goal
26 of improving completions. This second goal reflects the CCHE’s belief that student success is a
27 critical and collective responsibility.

28
29 ***Reducing Gaps***

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31 ***Goal 3: Enhance access to, and through, postsecondary education to ensure that the***
32 ***system reflects the changing demographics of the state while reducing attainment***
33 ***gaps among students from underserved communities.***

⁶ The Community College Research Center at Columbia University (2012), as presented by Complete College America.

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Target: Eliminate disparities in postsecondary access, progress, and completion between resident underserved students and resident non-underserved students.

Indicators of Progress:

- Increasing the number and proportion of newly enrolled students from traditionally underserved populations
- Reducing disparities in initial gtPathway course completion in English and math between underserved and non-underserved students
- Reducing disparities in persistence rates and credit hour attainment between underserved students and non-underserved students
- Reducing disparities in successful transfer and degree completion between underserved and non-underserved students
- Increasing retention and graduation rates for underserved students
- Increasing the share of degrees in STEM fields among students from underserved populations

Colorado’s demographic profile is changing rapidly. These changes are visible on campuses throughout the state and are even more pronounced in the state’s K-12 system. Our colleges and universities are enrolling increasing number of students who come from lo-w income and first-generation college-bound households, and increasing proportions of enrolled students represent communities historically underserved by colleges and universities, particularly the Hispanic/Latino community.

In spite of this progress, many students are not being served well or at all. Our largest growing ethnic group, Hispanic/Latino, has the lowest average educational attainment and the lowest college enrollment rate of any ethnic group in the state. Low-income students throughout the state are enrolled at a lower level than other groups in higher education, and their participation is overly representative at low cost “access” institutions. Other groups of students are also often underrepresented in the postsecondary system, including students from certain rural communities, adult students, and males.

Consequently, the CCHE determined that appropriate system-wide goals are to increase the diversity of students on our campuses to better reflect Colorado’s current populations and to

1 measure institutional performance in the closing of known gaps in achievement, in particular
2 those related to: college participation; performance in remedial and “gateway” courses in
3 English and mathematics; improving credit hour accumulation; and degree/certificate
4 completion. Success in meeting the state’s primary goal of increasing the college attainment
5 rate to 66 percent of all citizens ages 25-34 hinges on improving underserved students’ access
6 to, progress in, and graduation from colleges and universities in the state.

7

8 **Restoring Fiscal Balance**

9

10 **Goal 4: Develop resources, through increases in state funding that will allow public**
11 **institutions of higher education to meet projected enrollment demands while**
12 **promoting affordability, accessibility and efficiency.**

13

14 **Targets:**

- 15 • Increase the relative share of college costs shouldered by the state, and
16 reverse the trend of increasing the student’s burden, in order to bolster
17 access to degrees and credentials for those who would pursue them.
- 18 • Maintain the state’s national leadership in efficiency and productivity.

19

20 **Indicators of Progress:**

- 21 • Increased public funding for higher education.
- 22 • Efficiency and productivity will be maintained above peer levels.

23

24 In 2010, the Colorado General Assembly provided governing boards with unmatched flexibility
25 to set tuition rates in order to help the state’s postsecondary system deal with “immediate and
26 daunting economic challenges” (SB 10-003). Though temporary (the policy expires in the 2015-
27 16 fiscal year), this change in policy permitted public institutions in Colorado to preserve the
28 vitality and quality of a world-class system of higher education.

29

30 Nonetheless, it is a fact: A system of public higher education financed upon rapid annual
31 increases in tuition is unsustainable, imprudent, and ultimately limits access for low income and
32 middle income students.

33

1 Over the past decade, higher education institutions have relied increasingly on tuition and fee
2 revenues as a response to rapidly declining state support. The result has been that students
3 and families bear a far greater proportion of the total costs. While the state provided funding
4 equivalent to approximately two-thirds of the total cost only ten years ago, that proportional
5 amount has since decreased to less than one-third. The loss in state support has been replaced
6 by tuition and fees. This revenue shift has increased the average student loan amount for
7 recent graduates and elevated the state's student loan default rate. Further, students from
8 low income backgrounds have become increasingly sensitive to changes in college costs such
9 that the cost of attending college is the primary driver in making the decision to enroll, or not.

10

11 The CCHE recognizes that, to preserve quality, access, and affordability—goals shared by all
12 institutions of higher education and the CCHE—public revenues to higher education must
13 increase. But, building public support for higher education will require more than simply
14 pointing to statistics of revenue deficiencies. It will require ongoing demonstrations of effective
15 stewardship, such as maintaining or improving productivity, maintaining quality, and
16 recognizing the ways in which changes in costs affect participation decisions. In other words, to
17 build the public's trust and confidence, we must focus less on the ways other states fund their
18 systems of higher education, and more on the ways in which improvements in funding help
19 Colorado's families.

20

21 Additionally, the Commission believes strongly that, while critically important to building public
22 confidence in the effectiveness of public higher education, measuring productivity alone isn't
23 enough. The Commission believes that it too has a responsibility to advocate for improved
24 public revenues to higher education. As was argued earlier in this plan, the Commission
25 believes strongly that higher education expenditures are investments, not costs. For these
26 reasons, the Commission adopted the fourth and final measurable goal of its master plan.

27

28 **Reaching Our Goals**

29

30 In addition to the near-term objective of identifying statewide goals that will form the basis of
31 the state's performance contracts and performance funding system, the CCHE has also been
32 charged by the Colorado General Assembly to carry out additional activities related to system-
33 wide planning and coordination that are not measureable in a traditional sense and will not be
34 used for institution-level performance or a performance funding system. These activities,
35 expressed below, form the preponderance of the CCHE's near-term workplan for the years
36 2012-2016.

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Financial Viability and Affordability As is discussed throughout this document, perhaps no single issue facing higher education in Colorado is of greater concern to the CCHE than ensuring the long term fiscal stability and affordability of the state system of higher education, ensuring the efficient allocation of available state resources to support institutions of higher education, and ensuring that the state’s institutions remain accessible and affordable to students with demonstrated financial need.

Though the CCHE does not possess the authority to generate new revenues or appropriate adequate funding to higher education, it does have the responsibility to advocate for sufficient resources for the system of higher education, to collaborate with campus representatives to develop a performance funding plan, and to ensure that financial aid is allocated in ways that support the state’s access and completion goals. To these ends, the CCHE commits to complete the following activities.

1. Beginning in November 2012, the CCHE will annually request operating revenues to meet projected enrollment and inflationary increases, based upon the College Opportunity Fund stipend value established in 2005.
2. Beginning in November 2012, the CCHE will annually request appropriations for state financial aid to meet projected changes in enrollments of resident need-eligible residents and changes in costs of attendance for resident full-time students.
3. By December 1, 2012 and each year thereafter, the CCHE will review and, if necessary, modify the allocation method applied to state need-based financial aid to ensure that the allocation of such funds reinforces and supports the achievement of the state’s performance goals.
4. By December 1, 2013, the CCHE will prepare a method to allocate performance-based operating revenue to public institutions of higher education. By September 1, 2013, prepare and disseminate to institutions and governing boards a draft of the proposed performance funding plan.

Aligning the K-12 and Higher Education State law demands that the state system of higher education be aligned with the system of elementary and secondary education. The purpose of this is to increase the rate at which students who graduate from Colorado high schools with the academic preparation necessary to perform college level work without remediation enroll in

1 and complete postsecondary and career and technical education. The policies through which
2 this is accomplished are primarily the Commission’s admission and remedial policies.
3 Consequently, the Commission commits to completing the following activities:

- 4
- 5 5. Implement supplemental instruction procedures by December 31, 2012.
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- 7 6. Complete revisions to the statewide remedial education policy by July 1, 2014
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- 9 7. Complete revisions to the statewide admission policy by July 1, 2014.

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11 These policy revisions will implement systemic approaches to strengthen the continuity of
12 education from elementary and secondary through postsecondary, such as the alignment and
13 use of the Common Core State Standards (Colorado Academic Standards), the expanded use of
14 statewide transfer agreements, the inclusion of national consortia assessments (Partnership for
15 the Assessment of Readiness for College and Careers [PARCC] and Smarter Balanced), the use of
16 credit earned through concurrent enrollment, and the implementation and expanded use of
17 reverse transfer procedures. As part of this process, the CCHE will specifically address
18 opportunities for students with disabilities, including intellectual disabilities, to participate in
19 postsecondary education.

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21 **Evaluating System Needs** The CCHE has been charged with several responsibilities concerning
22 evaluating the needs and limitations of the public system of higher education. These
23 responsibilities include: reviewing the role and mission of the state’s institutions of higher
24 education; reviewing the governance structure of the state’s system of higher education;
25 addressing the workforce and economic development needs of the state within the system of
26 higher education; implementing strategies that strengthen the link between higher education
27 and economic development and innovation in the state; and improving and sustaining
28 excellence in postsecondary programs. In addition, the CCHE is charged with identifying ways
29 to provide access to postsecondary education for underserved communities and to reduce the
30 geographic disparities of students from rural environments. To address these responsibilities,
31 the CCHE commits to the following activity:

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- 33 8. On December 1, 2013 and once every three years thereafter, the CCHE will evaluate
- 34 the current and projected student and workforce demand for postsecondary
- 35 education, by type and level, and the roles and missions, locations, and service areas
- 36 of existing public colleges and universities, and prepare recommendations
- 37 concerning the ways in which the public system of postsecondary education could
- 38 address known or projected education shortages.

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Advocacy and Awareness As the only board in Colorado with a mission to address the needs to of the entire state and all of the postsecondary institutions located in it, the CCHE takes seriously its responsibility to provide timely, accurate, and influential information concerning system performance and accountability to the public. Accordingly, as stewards of the public interest, the CCHE commits to completing the following activities.

- 9. For each year that performance contracts are in place, the CCHE will prepare an annual report on institutional performance regarding the goals and metrics found in the Colorado Commission on Higher Education’s master plan and related performance contracts. Ensure that this report demonstrates the impacts changes in public revenues have had on institutions’ capabilities to meet performance targets.

- 10. Through a range of mediums and venues, the CCHE will improve the public’s awareness of the conditions of higher education in the state by illustrating institutions’ performance, demonstrating the impacts of changes in public revenues to higher education, identifying areas of opportunity to improve performance, and projecting the financial and academic needs of future students.

Conclusion

Colorado has a strong postsecondary education system that is producing high quality results for many. But, Colorado’s system of higher education must address some long-standing challenges if we hope to remain competitive in the national and global economy and continue to enjoy the quality of life to which Coloradans are accustomed.

Access to higher education and the attainment of a credential should not be reduced to an exclusive commodity available only to those with considerable financial means or those willing to accept large amounts of personal debt. Financing higher education should be treated as an investment in the economic and civic well-being of the state, not as an expense. Our future economic vitality demands that we recognize the benefits of increased credential attainment to the communities that are home to the state’s colleges and universities and to the state itself.

The issues that the Commission considers and addresses in this master plan are difficult. In answering all issues in the strongest affirmative, the Commission and the state’s system of higher education are committing themselves to years of hard work.

1 The strongest commitment to hard work is imperative because the Commission recognizes that
2 failure to act and to make progress on the areas addressed by this plan will result in significant
3 economic and social losses for Colorado. Businesses, individuals, and the future of the state
4 depend on the changes outlined in this plan

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6 In meeting these challenges, the Commission's role is not to direct the institutions of higher
7 education regarding how to run their campuses. Rather, the role of the Commission is to hold
8 institutions accountable, to provide support for, and foster improvements in, institutions
9 throughout the state, and to incent performance that all of the higher education stakeholders
10 have deemed to be the best interest of the state.

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12 To make the case for higher education to families and policy makers and to build urgency
13 concerning the system's most pressing concerns, we must shine a light on performance. While
14 not always easy, Colorado's system of public higher education must embrace transparency and
15 be willing to examine its strengths and shortcomings publicly so as to build awareness of
16 progress and galvanize the public's commitment to higher education.

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18 At this very difficult time in the state's and the nation's economic history, Colorado has an
19 opportunity to strengthen its already robust system of colleges and universities. It can ensure
20 that all Coloradans have the opportunity to become engaged, productive citizens. Though
21 comprehensive, this plan does not attempt to provide an answer to every pressing policy
22 question. It does not mandate strategies to which campuses must conform. Instead, it
23 constructs list of priorities and a plan for implementing policies that will allow Colorado to
24 maintain the quality of life all citizens have come to expect and enjoy.