



COLORADO

**Colorado Commission on
Higher Education**

Department of Higher Education

CCHE AGENDA

October 29, 2015 – 1:00 pm

University of Northern Colorado

501 20th Street, Greeley, Colorado

University Center – Panorama Room

CALL-IN NUMBER: 1-877-820-7831

PARTICIPANT CODE: 128479#

1560 Broadway, Suite 1600 • Denver, Colorado 80202 • (303) 862.3001

LT. GOV. JOSEPH A. GARCIA, EXECUTIVE DIRECTOR



Colorado Commission on Higher Education
October 29, 2015 – 1:00 pm
University of Northern Colorado
501 20th Street, Greeley, Colorado
University Center – Panorama Room

- 1:00 – 1:45pm* **I. Opening Business – (45 minutes)**
- A. Attendance
 - B. Approval of the Minutes for the September 3, 2015 Commission Meeting
 - C. Welcome by Kay Norton, President, University of Northern Colorado
 - D. Reports
 - i. Chair
 - ii. Vice Chair
 - iii. Commissioners
 - iv. Commission Subcommittee
 - v. Advisory Committee
 - E. Executive Director Report
 - F. Public Comment
- 1:45 – 1:50pm* **II. Consent Items (5 minutes)**
- A. Recommend Approval of MA in Russian Studies at University of Colorado-Boulder – Dr. Ian Macgillivray
 - B. Recommend Approval of MS in Athletic Training at University of Colorado -Colorado Springs - Dr. Ian Macgillivray
 - C. Recommend Approval of B.S. in Exercise Science at University of Colorado- Colorado Springs - Dr. Ian Macgillivray
 - D. Recommend Approval of M.S. in Palliative Care at University of Colorado Denver - Dr. Ian Macgillivray
 - E. Recommend Approval of Master of Health Administration at Metropolitan State University of Denver – Dr. Ian Macgillivray
 - F. Recommend Approval of Master of Business Administration at Metropolitan State University of Denver – Dr. Ian Macgillivray
 - G. Recommend Approval of B.S. in Advanced Manufacturing Sciences at Metropolitan State University of Denver – Dr. Ian Macgillivray



- H. Degree Authorization Act – Recommend Approval for a Status Change and Name Change for Institute of Logistical Management – Heather DeLange
- I. Degree Authorization Act – Recommend Approval for the Renewal of Authorization – Heather DeLange
- J. Recommend Approval of the 2016 Commission Meeting Schedule

1:50 – 2:10pm **III. Presentation (20 minutes)**

- A. Jump Start Colorado – Jeff Kraft & Ken Jenkins, Office of Economic Development and International Trade

2:10 – 2:40pm **IV. Discussion Item (30 minutes)**

- A. New Post-secondary Workforce Readiness (PWR) definition - Carl Einhaus Director of Student Affairs and Misti Ruthven, Colorado Department of Education, Director of Postsecondary Readiness

2:40 – 4:40pm **V. Action Items (120 minutes)**

- A. New and Continuing State-Funded Capital Projects and Priority List, FY 2016-17 –Andrew Rauch
- B. Improvements to the Higher Education Funding Allocation Formula
- C. Annual State Tuition Policy Development Process – Diane Duffy and Todd Haggerty
- D. FY 2016-17 General Fund Budget Request– Diane Duffy and Tonya Covarrubias





Chair, Richard Kaufman
Vice Chair, Patricia L. Pacey
John Anderson
Luis Colon
Jeanette Garcia
Allegra Haynes
Monte Moses
C. Hereford Percy
James T. Polsfut
Regina Rodriguez
BJ Scott

COLORADO COMMISSION ON HIGHER EDUCATION BY-LAWS

September 10, 1965
(Amended January 14, 1966)
(Amended February 25, 1972)
(Amended June 1, 1978)
(Amended July 1, 1993)
(Amended October 7, 2004)
(Amended May 6, 2011)

Section 1. Organization and Meetings

- 1.1 **Organization:** The Commission shall consist of eleven members appointed by the Governor with the consent of the Senate. The members of the Commission are selected on the basis of their knowledge of and interest in higher education and shall serve for four-year terms. No member of the Commission may serve more than two consecutive full four-year terms.
- 1.2 **Officers:** The officers of the Commission shall be the Chair, Vice Chair, and Secretary, as may be designated by the Commission. The Secretary shall be the Executive Director of the Department.
- 1.3 **Election and Terms of Officers:** All officers shall be elected at the May meeting of the Commission to serve a term of one year, except the Secretary whose term shall be coterminous with his or her term as Executive Director.
- 1.4 **Regular Meetings of the Commission:** The Commission shall adopt at the October Commission meeting a schedule of regular meetings of the Commission for the following year.
- 1.5 **Notice of Meetings:** Any meetings at which the adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs or at which a majority or quorum of the body is in attendance, or is expected to be in attendance, shall be held only after full and timely notice to the public. In addition to any other means selected by the Commission for giving notice to the public, the Commission shall post notice of its



meetings at the office of the Colorado Department of Higher Education located at 1560 Broadway, Suite 1600, Denver, Colorado 80202. Notices shall be posted no less than two days prior to the holding of the meeting. The posting shall include specific agenda information where possible.

- 1.6 Special Meetings: Special meetings of the Commission may be held at the call of the Chair on two days' notice, or at the request of five members of the Commission who may petition the Chair to call such a meeting. Notice of special meetings shall be made electronically or by telephone and posted at the office of the Colorado Department of Higher Education no less than two days prior to the meeting date.
- 1.7 Conduct of Meetings: The Chair shall preside at all meetings at which he or she is present. In the Chair's absence, the Vice Chair shall preside, and in the event both are absent, those present shall elect a presiding officer. All meetings shall be conducted in accordance with all State laws and regulations. The parliamentary rules contained in Colorado Commission on Higher Education (CCHE) Robert's Rules of Order, latest revision, shall govern in all cases to which they are applicable, except as modified herein.
- 1.8 Attendance at Meetings: The term of any member of the Commission who misses more than two consecutive regular Commission meetings without good cause shall be terminated and his successor appointed in the manner provided for appointments under C.R.S. §23-1-102.
- 1.9 Preparation of Agenda: Agenda shall be prepared by the Executive Director of the Department with the approval of the Chair. At a regular or special meeting, an item of business may be considered for addition to the agenda by a majority vote of the Commissioners present.
- 1.10 Minutes of the Commission: The Secretary shall maintain an accurate set of minutes of Commission meetings, which shall include a complete record of all actions taken by the Commission. Such minutes shall be annually bound and constitute a permanent record. After the minutes of each meeting are completed, they shall be reviewed by the Executive Director and after approval, posted on the CCHE website and made available to the public for inspection upon written request.

Section 2. Duties and Responsibilities of Officers

- 2.1 Chair of the Commission: The Chair of the Commission shall preside at meetings of the Commission at which he or she is in attendance. The Chair shall approve all agendas for regular and special meetings of the Commission as prepared by the Executive Director.
- 2.2 The Vice Chair: The Vice Chair shall perform all duties of the Chair in the Chair's absence.
- 2.3 The Secretary/Executive Director: In addition to performing those duties established by law, the Executive Director of the Department shall: (a) serve as the Secretary of the Commission, (b) meet with the officers and staff of institutions of higher learning as the needs dictate for a mutual discussion of the matters affecting the



responsibilities of the Commission, (c) meet with appropriate state and federal groups and/or officials on matters pertaining to the Commission, (d) meet with appropriate committees of the general assembly on matters pertaining to the Commission's responsibilities, (e) appoint such professional staff as in his or her judgment are required and are within the budget approved by the Commission and for which funds are available, (f) prepare an annual operating budget and work program for approval by the Commission, (g) implement the policies of the Commission and communicate those policies to interested parties as appropriate.

Section 3. The Advisory Committee

- 3.1 There is hereby established an advisory committee as provided by law (C.R.S. 23-1-103).
- 3.2 **Advisory Committee Members:** The advisory committee shall consist of not less than thirteen members, to be designated as follows: (a) Six members shall be appointed from the general assembly, including three senators, two of whom shall be from the majority party, appointed by the President of the Senate, and three representatives, two of whom shall be from the majority party, appointed by the Speaker of the House of Representatives. Said six members shall be appointed for terms of two years or for the same terms to which they were elected to the general assembly, whichever is the lesser. Successors shall be appointed in the same manner as the original members; (b) One member shall be selected and designated by the Commission to represent the faculty in the state and one member shall be selected and designated by the Commission to represent the students in the state; (c) Not more than five additional members representing educational or other groups may be selected and designated by the Commission to serve on the advisory committee.
- 3.3 **Notice and Agendas:** All members of the advisory committee shall receive agendas and background material and be notified of all public meetings of the Commission and shall be invited to attend for the purpose of suggesting solutions for the problems and needs of higher education and maintaining liaison with the general assembly.
- 3.4 **Meetings of the Advisory Committee:** The advisory committee shall meet with the Commission separate from a regular Commission meeting and shall do so as often as necessary to provide assistance to the Commission.
- 3.5 **Recommendations of the Advisory Committee:** The members of the advisory committee shall have full opportunity to present their views on any matter before the Commission.

Section 4. Change in Bylaws

- 4.1 Bylaws shall be subject to amendment at any meeting of the Commission provided any such proposed change is listed on the agenda in accordance with the procedure outlined herein. Bylaw changes must be approved by a majority of the Commission.



INSTITUTION/CEO INFORMATION

INSTITUTION	CEO	LOCATION
Adams State College	Dr. Beverlee McClure, President	Alamosa
Aims Community College	Dr. Leah Bornstein, President	Greeley
Community College System	Nancy McCallin, President	Denver
1) Arapahoe CC	Dr. Diana Doyle, President	Littleton
2) Northwestern CC	Russell George, President	Rangely
3) CC of Aurora	Dr. Betsy Oudenhoven, President	Aurora
4) CC of Denver	Dr. Everette Freeman, President	Denver
5) Front Range CC	Andy Dorsey, President	Westminster
6) Lamar CC	John Marrin, President	Lamar
7) Morgan CC	Dr. Kerry Hart, President	Ft. Morgan
8) Northeastern JC	Jay Lee, President	Sterling
9) Otero JC	Jim Rizzuto, President	La Junta
10) Pikes Peak CC	Dr. Lance Bolton, President	Colorado Springs
11) Pueblo CC	Patty Erjavec, President	Pueblo
12) Red Rocks CC	Dr. Michele Haney, President	Lakewood
13) Trinidad State JC	Dr. Charles Bohlen, Inter. Pres.	Trinidad
Colorado Mesa University	Tim Foster, President	Grand Junction
Colorado Mountain College	Dr. Carrie Besnette Hauser	Glenwood Sprgs
Colorado School of Mines	Paul Johnson, President	Golden
Colorado State System	Dr. Tony Frank, Interim Chancellor	Denver
1) CSU-Ft Collins	Dr. Tony Frank, Interim Preside	Fort Collins
2) CSU-Pueblo	Dr. Lesley DiMare, President	Pueblo
CU System	Bruce Benson, President	Denver
1) CU – Boulder	Dr. Philip DiStefano, Chanc.	Boulder
2) UCCS	Dr. Pam Shockley-Zalabak, Ch.	Colorado Springs
3) UCD	Don Elliman, Chanc.	Denver
4) UC-Anschutz	Don Elliman, Chanc.	Aurora, Denver

Ft. Lewis College	Dr. Dene Kay Thomas, Pres.	Durango
Metro State University of Denver	Dr. Steve Jordan, President	Denver
UNC	Kay Norton, President	Greeley
Western State Colorado University	Dr. Gregory Salsbury, President	Gunnison

Current CCHE Commissioners and Advisory Committee Members 4/15

Chairman Monte Moses - (R-6th Dist.) term ends June 2019
Vice Chair Luis Colon - (R-4th Dist.) term ends June 2017
Commissioner John Anderson - (R-3rd Dist.) term ends June 2015
Commissioner Maia Babbs - (U-7th Dist.) term ends June 2019
Commissioner Renny Fagan - (D-7th Dist.) term ends June 2019
Commissioner Jeanette Garcia - (D-3rd Dist.) term ends June 2015
Commissioner Richard Kaufman - (D-6th Dist.) term ends June 2016
Commissioner Vanecia Kerr – (D- 6th Dist.) term ends June 2018
Commissioner Tom McGimpsey - (R-2nd Dist.) term ends June 2017
Commissioner Paula Sandoval (D-1st Dist.) term ends June 2018
Commissioner B J Scott - (R-5th Dist.) term ends June 2016

Sen. Nancy Todd
Sen. Owen Hill
Sen. Chris Holbert
Rep. Jeni Arndt
Rep. Mike Foote
Rep. Kevin Priola
Mr. Wayne Artis, Faculty Representative
Dr. Toni Larson, IHEC Representative
Mr. Steve Kreidler, CFO Representative
Dr. Barbara Morris, Academic Council Representative
Dr. Keith Owen, K-12 Representative
Ms. Melissa Wagner, Parent Representative
Ms. Stacie Amaya, Student Representative

Higher Education Glossary

529 Savings Plan - 529 plans are more than just savings accounts. These state-sponsored college savings plans were established by the federal government in Section 529 of the Internal Revenue Code to encourage families to save more for college. They offer unique state and federal tax benefits you can't get from other ways to save, making them one of the best ways to save for college.

Accuplacer - A suite of computer-adaptive placement tests that are used as assessment tools at institutions to evaluate the level of course work for a student. Students measured as needing additional course work will be assigned to remediation.

Admission Standard - includes both Freshman and Transfer standard. The freshman standard applies to all in-state and out-of-state new freshmen applicants and to transfer applicants with 12 or fewer college credit hours, except freshmen and transfer applicants who meet one of the admissions standards index exemptions. The transfer standard applies to all degree-seeking undergraduate transfer applicants with more than 12 college credit hours who do not meet one of the exemptions

Admission Window - Defined in Admission policy, "The maximum allowable percentage of admitted students who are not required to meet the CCHE admission standards within a specific fiscal year is referred to as the admissions window. Separate windows exist for the freshmen and transfer standards. The allowable percentage is determined by the Commission." The percentages vary by institution.

CAP4K - SB08-212, Preschool to Postsecondary Education Alignment Act; Colorado Achievement Plan for Kids.

CHEA - Council for Higher Education Accreditation. As described on their website, CHEA is "A national advocate and institutional voice for self-regulation of academic quality through accreditation, CHEA is an association of 3,000 degree-granting colleges and universities and recognizes 60 institutional and programmatic accrediting organizations."

CIP - Classification of Instructional Program; The purpose of which is to provide a taxonomic scheme that will support the accurate tracking, assessment, and reporting of fields of study and program completions activity. (Relevant in Role & Mission)

CLEP - College Level Examination Program; Earn college credit for passing a subject specific examination.

COA - Cost of Attendance; in the context of financial aid, it is an estimate of what it will reasonably cost the student to attend a given institution for a given period of time.

Concurrent Enrollment – A high school student enrolled for one or more classes at a college or university in addition to high school courses.

Dually Enrolled - A student enrolled at two institutions at the same time. This may affect enrollment reports when both institutions count that student as enrolled.

EFC - Expected Family Contribution; in the context of financial aid, it is calculated by a federally-approved formula that accounts for income, assets, number of family members attending college, and other information.

FAFSA - Free Application for Federal Student Aid. This is a free service provided by the Federal government under the Department of Education and students are not charged to complete/file the FAFSA.

FAP – Financial Aid Plan (HESP specific)

FERPA - Family Educational Rights and Privacy Act, view federal website. The Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99) is a Federal law that protects the privacy of student education records. The law applies to all schools that receive funds under an applicable program of the U.S. Department of Education.

FFS – Fee-For-Service Contracts; A portion of the College Opportunity Fund program in addition to COF stipends, this contract provides funding to certain higher education institutions to supplement high cost programs and purchase additional services (such as graduate programs).

Floor - In reference to the admission window, the floor is the minimum requirements for admission without requiring an exception of some kind. This usually coincides with the Index score.

FTE - Full-time Equivalent; a way to measure a student's academic enrollment activity at an educational institution. An FTE of 1.0 means that the student is equivalent to full-time enrollment, or 30 credit hours per academic year for an undergraduate student.

GEARUP - Gaining Early Awareness and Readiness for Undergraduate Programs; A Federal discretionary grant program designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education.

Guaranteed Transfer, GT Pathways - gtPATHWAYS applies to all Colorado public institutions of higher education, and there are more than 900 lower-division general education courses in 20 subject areas approved for guaranteed transfer. Courses are approved at least twice per academic and calendar year and apply the next semester immediately following their approval.

HB 1023 - In most cases, refers to HB 06S-1023, which declares "It is the public policy of the state of Colorado that all persons eighteen years of age or older shall provide proof that they are lawfully present in the United States prior to receipt of certain public benefits."

HB 1024 - In most cases, refers to HB 06-1024, which declares "On or before September 1, 2006, each governing board of a state institution of higher education shall submit to the Colorado commission on higher education and the education committees of the senate and the house of representatives, or any successor committees, a report regarding underserved students".

HB 1057 - In most cases, refers to HB 05-1057, which declares "a college preparation program operating within the school district that the college preparation program shall provide to the Colorado commission on higher education, on or before December 31 of each school year, a report specifying each student, by unique identifying number."

HEAR - Higher Education Admission Requirements, 2008-2010.

Index, Index Score - This index score is a quantitative evaluation that is part of a larger student application evaluation. The score is generated from academic achievement (GPA or High School Rank) and college placement tests (ACT or SAT). You can calculate your index score online. Index varies by institution depending on that institutions selection criteria.

IPEDS - Integrated Postsecondary Education Data System; Run by NCES, this system collects statistical data and information on postsecondary institutions. The Colorado Department of Higher Education submits aggregated data on public institutions to IPEDS.

Need - In the context of student financial aid, Need is calculated by the difference between the COA (Cost of Attendance) and the EFC (Expected Family Contribution)

NCATE - National Council for Accreditation of Teacher Education; NCATE is the profession's mechanism to help establish high quality teacher preparation.

NCLB - No Child Left Behind; The No Child Left Behind Act of 2001 (NCLB) reauthorized the Elementary and Secondary Education Act (ESEA) -- the main federal law affecting education from kindergarten through high school.

PSEO - Post Secondary Enrollment Option; A program that offers concurrent enrollment in college courses while in high school.

PWR - Postsecondary and Workforce Readiness; Definition was created during the SB08-212 CAP4K meetings.

QIS - Quality Indicator System; Implemented in HB96-1219, the specific quality indicators involved in QIS are similar to those used in the variety of quality indicator systems found in other states: graduation rates, freshmen retention and persistence rates, passing scores or rates on tests and licensure examinations, undergraduate class size, faculty teaching workload rates, and institutional support/administrative expenditures.

REP - Regional Education Provider; Colorado Statute authorizes Adams State College, Fort Lewis College, Mesa State College and Western State College to function as regional

educational providers and “have as their primary goal the assessment of regional educational needs...” Regional education providers focus their attention on a certain geographical area.

SB 3 – In most cases refers to SB10-003, the Higher Education Flexibility Bill.

SB 212 - In most cases, refers to HB 08-212, the CAP4K legislation.

SBE - State Board of Education; As described on their website, "Members of the Colorado State Board of Education are charged by the Colorado Constitution with the general supervision of the public schools. They have numerous powers and duties specified in state law. Individuals are elected on a partisan basis to serve six-year terms without pay."

SFSF – State Fiscal Stabilization Fund; A component of the ARRA legislation and funding.

SURDS - Student Unit Record Data System

WICHE - Western Interstate Commission for Higher Education; A regional research and policy organization that assists students, policymakers, educators, and institutional, business and community leaders. WICHE states include: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming.

WUE - Western Undergraduate Exchange Program, managed by WICHE



**Minutes of the Colorado Commission on Higher Education (CCHE) Meeting
University of Colorado – Colorado Springs
September 3, 2015**

I. OPENING BUSINESS

Chairman Monte Moses called the meeting to order at 1:10pm

A. Attendance

Chairman Moses, Vice Chair Colon, Commissioners John Anderson, Maia Babbs, Renny Fagan, Jeanette Garcia, Richard Kaufman, Vanecia Kerr, Tom McGimpsey, Paula Sandoval and BJ Scott attended the meeting. Also in attendance were CCHE Advisory Committee members Wayne Artis, Mark Cavanaugh, Steve Kreidler, and Melissa Wagner.

B. Minutes

Commissioner Kaufman moved to approve the minutes of the August 7, 2015 CCHE meeting. The motion was seconded by Commissioner Scott and passed unanimously.

C. Welcome by Dr. Pam Shockley-Zalabak, Chancellor of University of Colorado - Colorado Springs (UCCS)

D. Chair, Vice Chair, Commissioners and Advisor Reports

- **Student & Academic Affairs Subcommittee** - Commissioner Anderson, Chairman of the Student & Academic Affairs Subcommittee reported that they have a new member, Commissioner Dick Kaufman.
- **Fiscal Affairs and Audit Subcommittee** – Commissioner Scott, Chairman of the Fiscal Affairs & Audit Subcommittee, asked for new members to join their committee
- Faculty Advisor Wayne Artis reported that the Colorado Faculty Advisory Council will meet in October 16th at Pikes Peak Community College.
- Commissioner Colon reported that he visited Medellin, Colombia to Columbia participate in discussions around the role of higher education in promoting innovation and cooperation in the communities in which they



are at. It was a very productive trip sponsored by the Department of State. What caught the attention of the institutions of higher education in Medellin was the Bachelor of Innovation program offered at UCCS. There is opportunity for conversations around that topic.

E. Executive Director Report

Lt. Governor Joe Garcia, Executive Director, reported the following to the Commission:

- There will be two conference calls for the Commissioners and DHE staff to further discuss the tuition policy and the v2.0 funding allocation model. The first on October 5th and the second on October 15th.
- The College Matters effort underway in Denver that has been approved by the mayor and city council and will be on the Denver ballot. This is a sales tax backed initiative and the Commission should be aware of those efforts.
- The Department has received a grant from the Lumina Foundation to host the statewide convening on Guided Pathways to Success, an event sponsored by Complete College America. This event is very consistent with the master plan goals of increasing attainment, increasing persistence and completion. It is set for November 3rd. It will be at the Tivoli Student Center in the Community College of Denver's new confluence building. Speakers are going to include Jaime Marisotas from the Lumina Foundation, Tim Rennick from Georgia State and Larry Able from Florida State University.
- Division Updates:
 - Jessica Bralish was joined the DHE staff as the new Communications Director. Jessica had previously worked with the state legislature as their communications director.
 - The annual Governing Board Summit will take place on October 8th and 9th at the History Colorado Museum in Denver.
 - Although there is little information on the Pueblo marijuana tax yet, one Pueblo county commissioner talked about using taxes on marijuana grown, consumed, or sold in Pueblo to support post-secondary opportunities.

F. Public Comment

Frank Watrous, Senior Policy Analyst with The Bell Policy Center, informed the Commission that the Center is very interested in the tuition policy work staff is doing and appreciate the efforts. He was pleased to see the one page tuition policy discussion draft listing the impact on students and families. The Center urges the Commission to keep that particular value in front of mind as the discussions continue.

Students' and families' perspectives, both of nontraditional and traditional students, are very important for you to consider as you move forward.

The Center is also pleased to see another bachelor of applied science degree agenda item. The Bell Policy Center in 2014 strongly supported the legislation that permitted the community college system and Aims Community College to offer bachelor of applied science degrees. These degrees are important options for students who are career and technical oriented and wish to pursue their careers. These degrees are also important for industry.

II. Consent Items

- A. Recommend Reauthorization of Educator Preparation Unit and Programs at Rocky Mountain College of Art and Design – Dr. Robert Mitchell**
- B. Recommend Reauthorization of Educator Preparation Unit and Programs at Denver Seminary – Dr. Robert Mitchell**
- C. Recommend Reauthorization of Educator Preparation Unit and Programs at Metropolitan State University of Denver - Dr. Robert Mitchell**
- D. Recommend Approval of Agricultural Education and Fermentation Statewide Transfer Articulation Agreements and Degrees with Designation– Maia Blom**
- E. Recommend Approval of Bachelor of Applied Science in Dental Hygiene at Community College of Denver and Pueblo Community College – Dr. Ian Macgillivray**
- F. Two-Year Cash Funded Capital Program List Amendment – Colorado State University – Fort Collins – Andrew Rauch**
- G. Two-Year Cash Funded Capital Program List Amendment – Pikes Peak Community College – Andrew Rauch**

Commissioner Kaufman moved to approve consent items A through G. The motion was seconded by Commissioner Garcia and unanimously passed.

III. Discussion Items

- A. Review Staff Drafts of Preliminary Concepts for State Tuition Policy - Diane Duffy and Todd Haggerty**

Staff shared the working draft document and staff drafts of preliminary concepts for meeting the state tuition policy requirement as required by HB 14-1319. Staff also went over the Tuition policy framework and philosophy and a list of values were developed at the August 6th-7th CCHE retreat.

Staff reiterated that the Governing boards have the responsibility and authority over the financial management of their institutions. A major component of sound financial management is the setting of tuition. Since institutions have unique roles and missions and differing student needs, governing boards are best equipped to set tuition and hold a fiduciary duty to their respective institutions.

However, it is the role of the Commission to provide a statewide perspective and to ensure that affordability for students and the financial health of our public institutions of higher education is properly balanced.

Implicit in the role of achieving affordability and financial health is the level of state investment in higher education. Staff, noting direction from the Commission, explained the tuition policy framework and process that begins with the level of state general fund investment.

Commissioners asked several questions about rate vs. revenue limes, and the timing of the tuition limit setting process. Additionally, several questions about institutional flexibility were raised along with questions about linking the model allocation and tuition. In response to this question, Ms. Duffy replied that there is interplay between the two factors but it is too early in the process to know what exactly that will look like as we continue to work on version 2.0. Lt. Governor Garcia acknowledged the complexity of performance based funding, highlighting there is no simple solution to funding an underperforming institution. He also stated that he would continue to push for a simple logical approach.

Regarding tuition flexibility for institutions, Advisor Kreidler stated that just because institutions have flexibility doesn't mean that they are automatically going to exercise that right. He also noted that he and all the other CFOs are aware of price sensitivity and are constantly striving to keep prices low for students and to not price themselves out of the market.

Chairman Moses asked if assuming there was a cap and accountably plan for flexibility, how many requests could DHE staff review in one budget cycle? Both Lt. Governor Garcia and Ms. Duffy said there was no specific number given but it would be determined by the criteria required by CCHE.

B. Review State Budget Calendar and Update on Funding Allocation Model –
Diane Duffy, CFO and Todd Haggerty, Lead Analyst.

Mr. Haggerty updated the Commission on meetings and discussions on the funding allocation model for FY16-17 to date with the goal of strengthening and simplifying the model. Both Mr. Haggerty and Ms. Duffy explained the importance of the College Opportunity Fund (COF) as a fee-for-service contract in which we buy back services from the institutions governing boards. Ms. Duffy mentioned HB14-1319 changed the portion of the fee-for- service contract and broke it into two parts: the Role and Mission and Performance. This is the environment in which the funding allocation model is being developed. Ms. Duffy also mentioned the TABOR enterprise status of higher education institutions.

Mr. Haggerty then gave a high level overview of how funds are appropriated to institutions, including an explanation of a “block grant plus type” formula. Ms. Duffy noted that it would be vastly more complicated to try to fund special education programs and local district junior colleges within the model.

Mr. Haggerty explained that for the current fiscal year, FY15-16, total appropriations were approximately \$530 million, which is broken into three components: COF stipend, Role and Mission and Performance. FY15-16 COF appropriation was \$290 million; Role and Mission was \$139 million and the Performance portion was \$92 million. He then further explained COF stipends follow resident undergraduate students on a credit hour basis; Role and Mission recognizes cost structures unique to institutions; and Performance seeks to measure outcomes, which are based on counts, such as completion of certain degrees, credentials, retention, progress and transfers.

Moving forward, the Department is considering feedback from Joint Budget Committee (JBC) and from institutional governing boards to create a model that is more transparent, intuitive and in line with state-wide policy goals and Master Plan goals.

Lt. Governor Garcia sought to emphasize the JBC's inputs for the FY15-16 model, asking how many requests for information (RFIs) were received from the JBC. Mr. Haggerty replied that nine RFIs were received specifically in regards to the model. The Lt. Governor followed up with his understanding of the JBC's feedback, which was that the JBC understood the short timeframe in which the FY15-16 model was developed and expects improvements in the FY16-17 model to be made.

Some of the changes for this fiscal year have been; moving away from a weighted credit hour structure, instead creating a base-type figure for Role and Mission; and placing more emphasis on actual counts (degrees, retention, completions, transfer retentions and progress to degree), so that this becomes a truly volume driven allocation model.

Following Todd's presentation Commissioner Garcia asked about Department efforts to find an alternative to Underrepresented Minority factor that eliminated from the funding model by the JBC. Mr. Haggerty replied that the department is still actively looking to close the attainment gap. The Data and Research team is looking into this issue. Lt. Governor Garcia added that meetings have occurred with the Center for Urban Education, UCD, CCD and MSU-Denver to improve outcomes and equity across different racial and ethnic groups.

Vice Chair Colon asked about the calculation of the Role and Mission base amount. Mr. Haggerty replied this has been discussed at length by the model review team in an effort to simplify the process while still addressing all the various factors. Vice Chair Colon cautioned that base amounts can lack transparency and stability. Mr. Haggerty agreed but noted that it is difficult to go from an old way of funding to a new way of funding so quickly, and that funding decisions made over the last 15-20 years have impacted institutions, such that a model without a base jeopardizes the sustainability. Chairman Moses said that version 1.0 of the funding model had the benefit of roughly \$65 million in new revenue. He noted that version 2.0 has the distinct possibility of zero or even a cut in general fund appropriation.

Chairman Moses questioned the viability of the model in a budgetary reduction cycle. Mr. Haggerty responded that conversations over the past four months and continuing into the fall are grappling with this possibility. Lt. Governor Garcia noted that HB14-1319 is a performance model and not simply an allocation model; it would be simpler if all institutions were similar. The guardrails insulate general fund dependent schools in a flat or declining funding environment

Chairman Moses then asked how CCHE and the department will transfer recommendations regarding tuition policy and the funding allocation model, separately or as one. Mr. Haggerty responded that it would ideally be as one, and by tying all of the different pieces together by the November 1st budget request deadline.

IV. Action Item

A. Degree Authorization Act – Request for Provisional Authorization for the Relay Graduate School of Education – Heather DeLange, Academic policy Officer for the Degree Authorization Act.

Under the Degree Authorization Act and the procedures found in CCHE policy Section 1, Part J, the department staff processed Relay Graduate School of Education’s application for authorization to operate in Colorado and recommend provisional authorization based on Colorado law. Relay GSE is a non-profit institution of higher education offering graduate degrees in education that holds regional accreditation through the Middle States Commission on Higher Education, as well as specialized accreditation at its other sites from the National Council for Accreditation of Teacher Education through 2020. Relay GSE meets the criteria outlined in statute and policy to establish a campus in Colorado in order to offer its Master of Arts and teaching degree, including the bonding requirement.

Institutions may request full authorization from the commission once an accreditation site visit at the Colorado campus has occurred and after completing the process staff determine that Relay meets the statutory requirements and standards to establish its Colorado campus.

Relay GSE operates in seven states. Their mission is to teach teachers and school leaders to develop in their K-12 students the academic skills and knowledge to succeed in college. They work with graduate students who are teachers. This is a two-year master’s degree program. The first year they will be full time teachers under the tutelage of a mentor teacher in a K-12 school while attending Relay GSE part time. In the second year teachers will be at the helm of their own K-12 classroom, take part time course work and receive their Master of Arts in Teaching degree at the end of the program. The graduation rate is 82%.

Relay GSE began in partnership of Hunter College in New York and now are independent.

Questions:

Commissioners McGimpsey asked how the school values compliance and if there was a compliance officer. Dr. Billie Gastic, Chief Research Officer, replied that they have a compliance officer who oversees state regulatory reporting requirements, regional accreditation and state reporting. The commissioner also asked if issues get to management quickly. Dr. Gastic replied yes and stated there is quite a bit of transparency.

Advisor Artis asked Therese Zosel-Harper, future Dean of Teaching and Learning, to discuss how successful the school has been in preparing teachers for charter schools. Ms. Zosel-Harper replied that the Relay GSE curriculum can meet the needs of many teachers in urban environments and said that an added benefit is graduate students working with charter partners have a point person responsible for the teaching residents and teacher development. Mr. Artis also asked how much of the program can be done online. Ms. Zosel-Harper replied that 40% of the program is online.

Chairman Moses asked if teachers in the first year are guaranteed a job for their second year, irrespective of the behavior or performance in the first year. Ms. Zosel-Harper answered they are not guaranteed a job but their students pass through four gateways during the first year with the fourth one being a culminating observation where they have demonstrated they are prepared to lead a classroom as a full time teacher. She said the vast majority are hired, the placement rate being very high.

Commissioner Kerr asked what happens to a student who doesn't meet the requirements in the first year. Ms. Zosel-Harper replied that the first three gateways are meant to facilitate conversations with the students about their intent to continue in the profession. If the student does not feel ready by the fourth gateway, the school is prepared to offer a three year program for graduate students who do not meet expectations after the first year.

Advisor Artis asked what the retention rate in the profession of the teachers who go through the program. Dr. Gastic replied that over 90% of the teachers who graduate the program continue in the profession.

Commissioner Anderson moved to approve provisional authorization for the Relay Graduate School of Education. The motion was seconded by Commissioner Garcia and unanimously passed.

The meeting was adjourned at 1:00pm.

TOPIC: RECOMMEND APPROVAL OF MASTER OF ARTS IN RUSSIAN STUDIES AT UNIVERSITY OF COLORADO BOULDER

PREPARED BY: IAN MACGILLIVRAY, DIRECTOR OF ACADEMIC AFFAIRS

I. SUMMARY

This item recommends approval for University of Colorado Boulder (UCB) to offer a Master of Arts in Russian Studies.

II. BACKGROUND

COMMISSION AUTHORITY

The Colorado Commission on Higher Education's role and responsibility in the review and approval of new academic programs at institutions operating under a performance contract is defined in §23-5-129(6)(b), which states that new and modified program proposals shall be reviewed and approved only on the basis of fit with the institution's statutory role and mission.

III. STAFF ANALYSIS

OVERVIEW OF PROPOSED PROGRAM

The following is summarized from UCB's proposal:

Russian Studies is the interdisciplinary study of the language and culture of the Russian Federation, the successor state to the Soviet Union. We propose to develop an interdisciplinary MA in Russian Studies, to be housed in the Department of Germanic and Slavic Languages and Literatures (GSSL). Russia is one of the main areas of opportunity in the global economy and Russian has been listed as one of the four languages of strategic importance to the United States. The strategic importance of Russian language and cultural literacy has rapidly increased since Russia's annexation of Crimea (March 2014), its engagement in the conflict in Ukraine as a proxy conflict with European Union and the US (ongoing), as well as President Vladimir Putin's aggressively nationalist domestic policy that has squashed nascent democratic institutions, marginalized large groups of the population, and spawned large-scale human and civil rights abuses. The news media spotlight highlighted a drastic lack of US cadres with sufficient preparation in Russian area studies both in the diplomatic and military agencies. Our program can become a proactive participant in professional training of such specialists and preparation of a new generation of educators needed in the new political climate. Our main goals are the following: 1) Develop high-level cultural competence critical for careers associated with Russia in such fields as politics, military, security, education, international business and jobs at agencies of the federal government, as well as various NGOs. This goal will be achieved by acquainting students

with the major trends and phenomena of Russian culture, as well as with interrelations between Russian history, politics and culture in the 19th-21st centuries. 2) Raise students' level of Russian language proficiency to "Advanced Mid" in reading, speaking, writing and listening, according to the ACTFL (American Council of Teachers of Foreign Languages) standards. We expect that, during the period of their study, students will spend one summer in Russia fulfilling some program requirements through study abroad. This will further enhance their cultural competence and language proficiency.

Additional information on this proposed degree, unrelated to fit with statutory role and mission, is in Appendix A.

ROLE AND MISSION SUPPORT

This degree supports UCB's statutory role and mission, which states:

(a) The Boulder campus of the University of Colorado shall be a comprehensive graduate research university with selective admission standards. The Boulder campus of the University of Colorado shall offer a comprehensive array of undergraduate, master's, and doctoral degree programs. The Boulder campus of the University of Colorado has exclusive authority to offer graduate programs in law. The Colorado commission on higher education, in consultation with the board of regents, shall designate those graduate level programs that are the primary responsibility of the Boulder campus of the University of Colorado. The university has the responsibility to provide on a statewide basis, utilizing when possible and appropriate the faculty and facilities of other educational institutions, those graduate level programs. The commission shall include in its funding recommendations a level of general fund support for these programs. (23-20-101, C.R.S.)

Pursuant to Colorado Revised Statutes 23-5-129(6)(b), department staff finds the proposed degree is consistent with the institution's statutory role and mission. University of Colorado Board of Regents approved the program at its September 11, 2015 meeting.

IV. STAFF RECOMMENDATION

Staff recommends that the Commission approve the Master of Arts in Russian Studies at University of Colorado Boulder.

V. STATUTORY AUTHORITY

C.R.S. §23-5-129 Governing boards - performance contract - authorization – operations

(6) While operating pursuant to a performance contract negotiated pursuant to this section, the governing board of a state institution of higher education:

(b) Need not consult with nor obtain approval from the Colorado commission on higher education to create, modify, or eliminate academic and vocational programs offered by the

institution, so long as such creations, modifications, and eliminations are consistent with the institution's statutory role and mission. Institutions shall submit information to the department demonstrating that the creation or modification of an academic or career and technical education program is consistent with the institution's statutory role and mission. The Colorado commission on higher education shall have the authority to override the creation or modification of an academic or vocational program if the change made by the governing board is inconsistent with the institution's statutory role and mission.

APPENDIX:

Appendix A: Supplemental Information

APPENDIX A: SUPPLEMENTAL INFORMATION

This supplemental information is unrelated to the proposed degree's fit with the institution's statutory role and mission. The following is summarized from the institution's proposal:

EVIDENCE OF NEED

Most professionals working with Russian language have some post-baccalaureate education. Currently, CU-Boulder students who wish to pursue careers related to Russian Studies must leave Colorado to pursue graduate work. Our best undergraduates apply to out-of-state graduate programs, where they are seen as competitive candidates. Recent graduating seniors in our undergraduate program have received excellent offers for funded graduate study from Slavic programs at Yale, Columbia, Stanford, Georgetown and the University of North Carolina. However, many of these highly motivated students would have preferred to stay at CU-Boulder to complete a BA/MA in Russian Studies.

DUPLICATION

At present, neither the University of Colorado system nor any other university in the Rocky Mountain region offers graduate degrees in Russian Studies or Russian Language and Literature. The nearest MA programs in Russian are at the University of Kansas, University of Arizona and University of Oregon. Thus, the MA program in Russian Studies at CU will serve the needs not only of Colorado, but also of such states as Nebraska, Wyoming, Nevada, Utah, Idaho, Montana and Minnesota.

TOPIC: RECOMMEND APPROVAL OF MASTER OF SCIENCE IN
ATHLETIC TRAINING AT UNIVERSITY OF COLORADO
COLORADO SPRINGS

PREPARED BY: IAN MACGILLIVRAY, DIRECTOR OF ACADEMIC AFFAIRS

I. SUMMARY

This item recommends approval for University of Colorado Colorado Springs (UCCS) to offer a Master of Science in Athletic Training.

II. BACKGROUND

COMMISSION AUTHORITY

The Colorado Commission on Higher Education's role and responsibility in the review and approval of new academic programs at institutions operating under a performance contract is defined in §23-5-129(6)(b), which states that new and modified program proposals shall be reviewed and approved only on the basis of fit with the institution's statutory role and mission.

III. STAFF ANALYSIS

OVERVIEW OF PROPOSED PROGRAM

The following is summarized from UCCS's proposal:

The Helen and Arthur E. Johnson Beth-El College of Nursing and Health Sciences at the University of Colorado Colorado Springs proposes that the campus establish a Master of Science in Athletic Training (MSAT) program. The MSAT will be a professional preparation degree program in the Department of Health Sciences leading to eligibility for national certification as an Athletic Trainer through the Board of Certification, Inc. (BOC). The MSAT will be offered concurrently with the BS in Health Care Science: Strength and Conditioning option. The program may also serve as a 2-year stand-alone master's degree program for students who already hold a baccalaureate degree. The MSAT will be interdisciplinary in nature with the current UCCS strength and conditioning program. Additionally, the program will contribute to the interprofessional education programming being developed at UCCS among a variety of health professions such as nutrition, psychology, nursing and medicine. The curriculum also will be designed with an integrated educational approach to more realistically model athletic training practice by blending the typical injury assessment and rehabilitation courses, rather than offering these as separate individual courses. The proposed MSAT program would benefit UCCS by 1) by providing national certification opportunities for UCCS students, 2) enhancing the future Sports Medicine and Performance Center of the Health

and Wellness Village development on North Nevada through interprofessional experiences, and 3) allowing UCCS to provide distinctive education for athletic training in the region.

Additional information on this proposed degree, unrelated to fit with statutory role and mission, is in Appendix A.

ROLE AND MISSION SUPPORT

This degree supports UCCS's statutory role and mission, which states:

(c) The Colorado Springs campus of the university of Colorado shall be a comprehensive baccalaureate and specialized graduate research university with selective admission standards. The Colorado Springs campus shall offer liberal arts and sciences, business, engineering, health sciences, and teacher preparation undergraduate degree programs, and a selected number of master's and doctoral degree programs. (23-20-101, C.R.S.)

Pursuant to Colorado Revised Statutes 23-5-129(6)(b), department staff finds the proposed degree is consistent with the institution's statutory role and mission. University of Colorado Board of Regents approved the program at its September 11, 2015 meeting.

IV. STAFF RECOMMENDATION

Staff recommends that the Commission approve the Master of Science in Athletic Training at University of Colorado Colorado Springs.

V. STATUTORY AUTHORITY

C.R.S. §23-5-129 Governing boards - performance contract - authorization – operations

(6) While operating pursuant to a performance contract negotiated pursuant to this section, the governing board of a state institution of higher education:

(b) Need not consult with nor obtain approval from the Colorado commission on higher education to create, modify, or eliminate academic and vocational programs offered by the institution, so long as such creations, modifications, and eliminations are consistent with the institution's statutory role and mission. Institutions shall submit information to the department demonstrating that the creation or modification of an academic or career and technical education program is consistent with the institution's statutory role and mission. The Colorado commission on higher education shall have the authority to override the creation or modification of an academic or vocational program if the change made by the governing board is inconsistent with the institution's statutory role and mission.

APPENDIX:

Appendix A: Supplemental Information

APPENDIX A: SUPPLEMENTAL INFORMATION

This supplemental information is unrelated to the proposed degree's fit with the institution's statutory role and mission. The following is summarized from the institution's proposal:

EVIDENCE OF NEED

The U.S. Bureau of Labor Statistics predicts 21% employment growth (faster than average) for Athletic Trainers between 2012 and 2022; however, UCCS currently does not provide professional preparation athletic training education. A fall 2014 survey of current UCCS prehealth science majors indicated that there is great interest in athletic training education, yet UCCS currently cannot prepare them for entry into the athletic training profession. Many students (72.64%) indicated they would consider athletic training as their major if UCCS offered the degree. Several students stated they plan to transfer to an institution that offers an undergraduate professional athletic training program (12.26%) or pursue an MSAT after UCCS (17.92%). If 25% of these current UCCS students considered athletic training as a major, enrollment projections would easily be met.

DUPLICATION

There are only 31 professional master's athletic training programs nationwide, with no program in the state of Colorado, so the professional MSAT program at UCCS would also be the only one of its kind in the state as of the date of this proposal.

TOPIC: RECOMMEND APPROVAL OF BACHELOR OF SCIENCE IN EXERCISE SCIENCE AT UNIVERSITY OF COLORADO COLORADO SPRINGS

PREPARED BY: IAN MACGILLIVRAY, DIRECTOR OF ACADEMIC AFFAIRS

I. SUMMARY

This item recommends approval for University of Colorado Colorado Springs (UCCS) to offer a Bachelor of Science in Exercise Science.

II. BACKGROUND

COMMISSION AUTHORITY

The Colorado Commission on Higher Education's role and responsibility in the review and approval of new academic programs at institutions operating under a performance contract is defined in §23-5-129(6)(b), which states that new and modified program proposals shall be reviewed and approved only on the basis of fit with the institution's statutory role and mission.

III. STAFF ANALYSIS

OVERVIEW OF PROPOSED PROGRAM

The following is summarized from UCCS's proposal:

The primary objective is to provide an undergraduate education for individuals seeking careers in a wide variety of health fields. Some of the most common career and job opportunities under the umbrella of exercise science include: exercise physiologist, medical physician, occupational therapist, physical therapist, physician assistant, cardiac rehabilitation specialist and strength and conditioning specialists. Given the growing focus on health and wellness investments and initiatives, education, community partnerships, and research at UCCS, the addition of a BS in Exercise Science not only leverages our existing efforts and resources, but provides a uniquely-positioned and strong option in Southern Colorado for undergraduate students with interest in these areas whether they intend to pursue post-baccalaureate study or enter the workforce.

Additional information on this proposed degree, unrelated to fit with statutory role and mission, is in Appendix A.

ROLE AND MISSION SUPPORT

This degree supports UCCS's statutory role and mission, which states:

(c) The Colorado Springs campus of the University of Colorado shall be a comprehensive baccalaureate and specialized graduate research university with selective admission standards. The Colorado Springs campus shall offer liberal arts and sciences, business, engineering, health sciences, and teacher preparation undergraduate degree programs, and a selected number of master's and doctoral degree programs. (23-20-101, C.R.S.)

Pursuant to Colorado Revised Statutes 23-5-129(6)(b), department staff finds the proposed degree is consistent with the institution's statutory role and mission, can be completed with 120 credit hours, and is also consistent with gtPathways. University of Colorado Board of Regents approved the program at its September 11, 2015 meeting.

IV. STAFF RECOMMENDATION

Staff recommends that the Commission approve the Bachelor of Science in Exercise Science at University of Colorado Colorado Springs.

V. STATUTORY AUTHORITY

C.R.S. §23-5-129 Governing boards - performance contract - authorization – operations

(6) While operating pursuant to a performance contract negotiated pursuant to this section, the governing board of a state institution of higher education:

(b) Need not consult with nor obtain approval from the Colorado commission on higher education to create, modify, or eliminate academic and vocational programs offered by the institution, so long as such creations, modifications, and eliminations are consistent with the institution's statutory role and mission. Institutions shall submit information to the department demonstrating that the creation or modification of an academic or career and technical education program is consistent with the institution's statutory role and mission. The Colorado commission on higher education shall have the authority to override the creation or modification of an academic or vocational program if the change made by the governing board is inconsistent with the institution's statutory role and mission.

APPENDIX:

Appendix A: Supplemental Information

APPENDIX A: SUPPLEMENTAL INFORMATION

This supplemental information is unrelated to the proposed degree's fit with the institution's statutory role and mission. The following is summarized from the institution's proposal:

EVIDENCE OF NEED

Perhaps the best indicator of the need for this program is the growing number of prospective students who inquire about an Exercise Science degree at UCCS. The UCCS Office of Student Recruitment estimates that approximately 20-30 prospective freshmen inquire about an exercise science program at UCCS each year. Additionally, a recent survey of undergraduate Health Science students, found that 41% would have chosen an Exercise Science Degree if it had been available when they enrolled at UCCS as freshman. Figures from the 2012 US Department of Labor Bureau of Labor Statistics predict very robust job growth in all areas of exercise science. Employment of exercise physiologists is projected to grow 19 percent by 2022, faster than the average for all occupations.

DUPLICATION

There are nine other undergraduate programs in Exercise Science in the State of Colorado; however, there are none in the CU system (a search of the SURDS database reveals five). The other Exercise Science programs in the state are not equivalent to the proposed UCCS program by virtue of curriculum depth and/or geographic distance. Most would require graduating students to take additional basic science coursework to be competitive for graduate programs and none has the unique connections and opportunities afforded by UCCS's location and relationships with sport and athletic populations and organizations, and the rapid growth of the health and wellness enterprise on our campus. We feel strongly that our geographic location and affiliations with the United States Olympic Committee, 27 Olympic National Governing Bodies, the City for Champions UCCS Sports Medicine and Performance Building, and Wounded Warrior Program will set us apart from other programs in the state and attract many new students.

TOPIC: RECOMMEND APPROVAL OF MASTER OF SCIENCE IN
PALLIATIVE CARE AT UNIVERSITY OF COLORADO DENVER

PREPARED BY: IAN MACGILLIVRAY, DIRECTOR OF ACADEMIC AFFAIRS

I. SUMMARY

This item recommends approval for University of Colorado Denver (UCD) to offer a Master of Science in Palliative Care.

II. BACKGROUND

COMMISSION AUTHORITY

The Colorado Commission on Higher Education's role and responsibility in the review and approval of new academic programs at institutions operating under a performance contract is defined in §23-5-129(6)(b), which states that new and modified program proposals shall be reviewed and approved only on the basis of fit with the institution's statutory role and mission.

III. STAFF ANALYSIS

OVERVIEW OF PROPOSED PROGRAM

The following is summarized from UCD's proposal:

The program will prepare healthcare providers to deliver specialist palliative care for patients and families living with serious and life-limiting illness. The degree will require 36 credit hours, most of which will be delivered on-line. Palliative Care has been recognized as an important and scarce resource in healthcare systems throughout the United States. Research and reviews, such as the 2014 Institute of Medicine Report (IOM) "Dying in America," have repeatedly documented that the care provided for patients and families at end-of-life fails to meet the need for the "Delivery of Person-Centered, Family Oriented Care" and that patients who received palliative care were more likely to have their preferences for care honored with better pain and non-pain symptom control. In order to address this need, the Master of Science Degree in Palliative Care will prepare providers—physicians, nurses, physician assistants, and pharmacists—to become Palliative Care (PC) Community Specialists. PC Community Specialists will receive education and skills that will enable them to provide high quality palliative consultation and care to patients and families in their own communities, giving those patients and families the choice of treatment outside an academic tertiary medical center.

Additional information on this proposed degree, unrelated to fit with statutory role and mission, is in Appendix A.

ROLE AND MISSION SUPPORT

This degree supports UCD's statutory role and mission, which states:

(b) The Denver campus of the university of Colorado shall be an urban comprehensive undergraduate and graduate research university with selective admission standards. The Denver campus shall offer baccalaureate, master's, and a limited number of doctoral degree programs, emphasizing those that serve the needs of the Denver metropolitan area. The Denver campus has statewide authority to offer graduate programs in public administration and exclusive authority in architecture and planning. (23-20-101, C.R.S.)

Pursuant to Colorado Revised Statutes 23-5-129(6)(b), department staff finds the proposed degree is consistent with the institution's statutory role and mission. University of Colorado Board of Regents approved the program at its September 11, 2015 meeting.

IV. STAFF RECOMMENDATION

Staff recommends that the Commission approve the Master of Science in Palliative Care at University of Colorado Denver.

V. STATUTORY AUTHORITY

C.R.S. §23-5-129 Governing boards - performance contract - authorization – operations

(6) While operating pursuant to a performance contract negotiated pursuant to this section, the governing board of a state institution of higher education:

(b) Need not consult with nor obtain approval from the Colorado commission on higher education to create, modify, or eliminate academic and vocational programs offered by the institution, so long as such creations, modifications, and eliminations are consistent with the institution's statutory role and mission. Institutions shall submit information to the department demonstrating that the creation or modification of an academic or career and technical education program is consistent with the institution's statutory role and mission. The Colorado commission on higher education shall have the authority to override the creation or modification of an academic or vocational program if the change made by the governing board is inconsistent with the institution's statutory role and mission.

APPENDIX:

Appendix A: Supplemental Information

APPENDIX A: SUPPLEMENTAL INFORMATION

This supplemental information is unrelated to the proposed degree's fit with the institution's statutory role and mission. The following is summarized from the institution's proposal:

EVIDENCE OF NEED

The workforce issues related to an inadequate supply of physicians and other providers who are training in Palliative and Hospice Care are well-documented. There are a limited number of Palliative Medicine fellowships and it is very difficult for mid-career physicians, nurses, and physician assistants to obtain training without taking an extended leave from their practices. At present, Graduate Medical Education (GME) and the American Board of Internal Medicine (ABIM) will not accommodate trainees' requests for part-time fellowship schedules, which would allow additional training with part-time community practice. Currently, there are annually 300-350 palliative medicine fellows in training; a limited number (~12) of opportunities for specialty training in hospice/palliative care for advanced practice nurses (clinical nurse specialists and nurse practitioners); and no programs available for physician assistants.

DUPLICATION

A Master Degree of Palliative Care is not offered in the state of Colorado, and there are no such programs elsewhere in the U.S. There is a graduate palliative care curriculum concentration for Advance Practice Nurses in the College of Nursing, University of Colorado Anschutz Medical Campus. This proposed program is working collaboratively with the College of Nursing to ensure that it not only complements the current content offered for advance practice nurses but also offers an opportunity for nurses in practice to complete interdisciplinary study that would enhance their future practice in the workforce.

TOPIC: RECOMMEND APPROVAL OF MASTER OF HEALTH ADMINISTRATION AT METROPOLITAN STATE UNIVERSITY OF DENVER

PREPARED BY: IAN MACGILLIVRAY, DIRECTOR OF ACADEMIC AFFAIRS

I. SUMMARY

This item recommends approval for Metropolitan State University of Denver (MSU Denver) to offer a Master of Health Administration.

II. BACKGROUND

COMMISSION AUTHORITY

The Colorado Commission on Higher Education's role and responsibility in the review and approval of new academic programs at institutions operating under a performance contract is defined in §23-5-129(6)(b), which states that new and modified program proposals shall be reviewed and approved only on the basis of fit with the institution's statutory role and mission.

III. STAFF ANALYSIS

OVERVIEW OF PROPOSED PROGRAM

The following is summarized from MSU Denver's proposal:

The Master of Health Administration (MHA) is a professional degree conferred upon students who meet the prescribed competencies after completing a course of study surrounding management in the health industry typically involving hospitals, health services organizations, public health infrastructure, health care consulting, and medical corporations.

Additional information on this proposed degree, unrelated to fit with statutory role and mission, is in Appendix A.

ROLE AND MISSION SUPPORT

This degree supports MSU Denver's statutory role and mission, which states:

There is hereby established a university at Denver, to be known as Metropolitan state university of Denver, which shall be a comprehensive institution with modified open admission standards at the baccalaureate level; except that nontraditional students at the baccalaureate level who are at least twenty years of age shall only have as an admission requirement a high school diploma, the successful completion of a high school

equivalency examination, as defined in section 22-33-102 (8.5), C.R.S., or the equivalent thereof. Metropolitan state university of Denver shall offer a variety of liberal arts and science, technical, and educational programs. The university may offer a limited number of professional programs. In furtherance of its role and mission, Metropolitan state university of Denver may offer master's degree programs that address the needs of its urban service area. (23-54-101, C.R.S.)

Pursuant to Colorado Revised Statutes 23-5-129(6)(b), department staff finds the proposed degree is consistent with the institution's statutory role and mission. Metropolitan State University of Denver's governing board approved the program at its September 18, 2015 meeting.

IV. STAFF RECOMMENDATION

Staff recommends that the Commission approve the Master of Health Administration at Metropolitan State University of Denver.

V. STATUTORY AUTHORITY

C.R.S. §23-5-129 Governing boards - performance contract - authorization – operations

(6) While operating pursuant to a performance contract negotiated pursuant to this section, the governing board of a state institution of higher education:

(b) Need not consult with nor obtain approval from the Colorado commission on higher education to create, modify, or eliminate academic and vocational programs offered by the institution, so long as such creations, modifications, and eliminations are consistent with the institution's statutory role and mission. Institutions shall submit information to the department demonstrating that the creation or modification of an academic or career and technical education program is consistent with the institution's statutory role and mission. The Colorado commission on higher education shall have the authority to override the creation or modification of an academic or vocational program if the change made by the governing board is inconsistent with the institution's statutory role and mission.

APPENDIX:

Appendix A: Supplemental Information

APPENDIX A: SUPPLEMENTAL INFORMATION

This supplemental information is unrelated to the proposed degree's fit with the institution's statutory role and mission. The following is summarized from the institution's proposal:

EVIDENCE OF NEED

Based on the Bureau of Labor Statistics (2014) data, the employment of medical and health services managers is expected to grow by 23 percent from 2012 to 2022, faster than the average for all occupations. There are more than 120,000 health care workers (with less than a terminal degree) in Colorado according to the Bureau of Health Workforce, National Center for Health Workforce Analysis. In addition, more than 5,200 students are majoring in health and wellness-related areas as undergraduates at Metropolitan State University of Denver and approximately 1,000 students have graduated from the undergraduate Health Care Management Program, creating a pool of potential applicants for a graduate program.

DUPLICATION

The MHA at Metropolitan State University of Denver will provide an affordable option for health care workers who want to advance in their careers. MSU Denver offers a flexible option for working, non-traditional, economically-challenged, diverse students, as evidenced by the undergraduate Health Care Management Program serving 48% students from underrepresented minorities. Other related programs in the state (Regis University, University of Denver, University of Colorado, Denver) serve different populations based on their characteristics: cohort-based, full-time, highly-selective, primarily Caucasian students and/or expensive.

TOPIC: RECOMMEND APPROVAL OF MASTER OF BUSINESS ADMINISTRATION AT METROPOLITAN STATE UNIVERSITY OF DENVER

PREPARED BY: IAN MACGILLIVRAY, DIRECTOR OF ACADEMIC AFFAIRS

I. SUMMARY

This item recommends approval for Metropolitan State University of Denver (MSU Denver) to offer a Master of Business Administration.

II. BACKGROUND

COMMISSION AUTHORITY

The Colorado Commission on Higher Education's role and responsibility in the review and approval of new academic programs at institutions operating under a performance contract is defined in §23-5-129(6)(b), which states that new and modified program proposals shall be reviewed and approved only on the basis of fit with the institution's statutory role and mission.

III. STAFF ANALYSIS

OVERVIEW OF PROPOSED PROGRAM

The following is summarized from MSU Denver's proposal:

The Master of Business Administration (MBA) is a professional degree conferred upon students who meet prescribed competencies after completing a course of study surrounding management in the business sector. MSU Denver's proposed part-time, flexible program is designed to meet the needs of underserved students employed full-time.

Additional information on this proposed degree, unrelated to fit with statutory role and mission, is in Appendix A.

ROLE AND MISSION SUPPORT

This degree supports MSU Denver's statutory role and mission, which states:

There is hereby established a university at Denver, to be known as Metropolitan state university of Denver, which shall be a comprehensive institution with modified open admission standards at the baccalaureate level; except that nontraditional students at the baccalaureate level who are at least twenty years of age shall only have as an admission requirement a high school diploma, the successful completion of a high school

equivalency examination, as defined in section 22-33-102 (8.5), C.R.S., or the equivalent thereof. Metropolitan state university of Denver shall offer a variety of liberal arts and science, technical, and educational programs. The university may offer a limited number of professional programs. In furtherance of its role and mission, Metropolitan state university of Denver may offer master's degree programs that address the needs of its urban service area. (23-54-101, C.R.S.)

Pursuant to Colorado Revised Statutes 23-5-129(6)(b), department staff finds the proposed degree is consistent with the institution's statutory role and mission. Metropolitan State University of Denver's governing board approved the program at its September 18, 2015 meeting.

IV. STAFF RECOMMENDATION

Staff recommends that the Commission approve the Master of Health Administration at Metropolitan State University of Denver.

V. STATUTORY AUTHORITY

C.R.S. §23-5-129 Governing boards - performance contract - authorization – operations

(6) While operating pursuant to a performance contract negotiated pursuant to this section, the governing board of a state institution of higher education:

(b) Need not consult with nor obtain approval from the Colorado commission on higher education to create, modify, or eliminate academic and vocational programs offered by the institution, so long as such creations, modifications, and eliminations are consistent with the institution's statutory role and mission. Institutions shall submit information to the department demonstrating that the creation or modification of an academic or career and technical education program is consistent with the institution's statutory role and mission. The Colorado commission on higher education shall have the authority to override the creation or modification of an academic or vocational program if the change made by the governing board is inconsistent with the institution's statutory role and mission.

APPENDIX:

Appendix A: Supplemental Information

APPENDIX A: SUPPLEMENTAL INFORMATION

This supplemental information is unrelated to the proposed degree's fit with the institution's statutory role and mission. The following is summarized from the institution's proposal:

EVIDENCE OF NEED

The Master of Business Administration (MBA) degree is a staple of the U.S. economy, with one of the largest number of degrees conferred per year in the U.S. and a steady annual growth rate of around 20% (National Center for Education Statistics). While the market for MBA programs could be considered mature, the MBA "product" continues to change to meet changing market needs and new programs continue to enter the market successfully. A survey of 4,300 MBA employers showed a 14% increase in MBA job opportunities globally in 2013, including a 2% growth in North American (TopMBA.com Jobs and Salary Trends Report 2014). The average MBA compensation in the U.S. is \$98,300 (ibid). Despite some news reports about a glut of MBA graduates, GMAC reports that 95% of 2013 MBA graduates of full-time programs were employed by September of that year (GMAC 2013). A survey earlier in the year showed that about 60% of students had received a job offer before graduation; while the numbers are fairly consistent across program type, the part-time program actually showed the highest pre-graduation employment rate at 67% (ibid). With the average cost of MBAs ranging from \$40,000 to \$60,000 a year for full time (MBAPrograms.org), the issue of value creates an opportunity for MSU Denver, as we can provide a degree program that costs less, allows students to continue to work, and is supported by a strong and growing reputation in the state. A competitively priced MBA provides opportunities for underserved students to progress in the job market.

DUPLICATION

The MBA at Metropolitan State University of Denver will provide an affordable option for those who want to advance their careers. MSU Denver offers a flexible option for working, non-traditional, economically-challenged, diverse students. Other programs in the state (University of Colorado Denver, Regis University, University of Denver) serve different populations based on their characteristics: cohort-based, full-time, all online, highly selective, primarily Caucasian students and/or expensive.

TOPIC: RECOMMEND APPROVAL OF BACHELOR OF SCIENCE IN
ADVANCED MANUFACTURING SCIENCES AT
METROPOLITAN STATE UNIVERSITY OF DENVER

PREPARED BY: IAN MACGILLIVRAY, DIRECTOR OF ACADEMIC AFFAIRS

I. SUMMARY

This item recommends approval for Metropolitan State University of Denver (MSU Denver) to offer a Bachelor of Science in Advanced Manufacturing Sciences.

II. BACKGROUND

COMMISSION AUTHORITY

The Colorado Commission on Higher Education's role and responsibility in the review and approval of new academic programs at institutions operating under a performance contract is defined in §23-5-129(6)(b), which states that new and modified program proposals shall be reviewed and approved only on the basis of fit with the institution's statutory role and mission.

III. STAFF ANALYSIS

OVERVIEW OF PROPOSED PROGRAM

The following is summarized from MSU Denver's proposal:

The Advanced Manufacturing Sciences (AMS) baccalaureate degree emphasizes both theoretical and practical applications, providing MSU Denver students with a solid foundation in core skills, knowledge and dispositions to facilitate employability in advanced manufacturing (AM) professional positions. The curriculum was developed in direct consultation with a large team of advanced manufacturing industry stakeholders and addresses the workforce needs identified by that group. The hands-on emphasis of the curriculum allows students to experience the integration of multi-disciplinary theory and practice and will provide the AM industry with well-rounded, creative, technically strong and collaborative graduates.

Additional information on this proposed degree, unrelated to fit with statutory role and mission, is in Appendix A.

ROLE AND MISSION SUPPORT

This degree supports MSU Denver's statutory role and mission, which states:

There is hereby established a university at Denver, to be known as Metropolitan state university of Denver, which shall be a comprehensive institution with modified open admission standards at the baccalaureate level; except that nontraditional students at the baccalaureate level who are at least twenty years of age shall only have as an admission requirement a high school diploma, the successful completion of a high school equivalency examination, as defined in section 22-33-102 (8.5), C.R.S., or the equivalent thereof. Metropolitan state university of Denver shall offer a variety of liberal arts and science, technical, and educational programs. The university may offer a limited number of professional programs. In furtherance of its role and mission, Metropolitan state university of Denver may offer master's degree programs that address the needs of its urban service area. (23-54-101, C.R.S.)

Pursuant to Colorado Revised Statutes 23-5-129(6)(b), department staff finds the proposed degree is consistent with the institution's statutory role and mission and meets Pathways requirements as well as the 120 credit cap for baccalaureate degrees. Metropolitan State University of Denver's governing board approved the program at its May 5, 2015 meeting.

IV. STAFF RECOMMENDATION

Staff recommends that the Commission approve the Master of Health Administration at Metropolitan State University of Denver.

V. STATUTORY AUTHORITY

C.R.S. §23-5-129 Governing boards - performance contract - authorization – operations

(6) While operating pursuant to a performance contract negotiated pursuant to this section, the governing board of a state institution of higher education:

(b) Need not consult with nor obtain approval from the Colorado commission on higher education to create, modify, or eliminate academic and vocational programs offered by the institution, so long as such creations, modifications, and eliminations are consistent with the institution's statutory role and mission. Institutions shall submit information to the department demonstrating that the creation or modification of an academic or career and technical education program is consistent with the institution's statutory role and mission. The Colorado commission on higher education shall have the authority to override the creation or modification of an academic or vocational program if the change made by the governing board is inconsistent with the institution's statutory role and mission.

APPENDIX:

Appendix A: Supplemental Information

APPENDIX A: SUPPLEMENTAL INFORMATION

This supplemental information is unrelated to the proposed degree's fit with the institution's statutory role and mission. The following is summarized from the institution's proposal:

EVIDENCE OF NEED

The AMS degree has been created to address a well-documented workforce need for Colorado Aerospace parts and systems manufacturing and all advanced manufacturing industries. The September 2014 Denver Office of Economic Development report on Advanced Manufacturing Industry Occupations for Colorado provides evidence of a substantial regional workforce demand for individuals with degrees associated with advanced manufacturing. The report is based on data from EMSI (Census, BLS, BEA, NCES), and the Colorado Department of Labor and Employment (CDLE). The report provides information on desired bachelor's degrees, desired skills as well as Industry Projections for future workforce needs.

While the innovative AMS degree is not directly represented in the data, many of the skills and associated degrees are represented in the report. For example, Mechanical Engineer positions (closely associated with the AMS degree) are projected to show a growth of 39% for the period from 2010-2020. The median percentage of growth for the same period in all positions associated with the AMS degree is 37%. Additionally, the Colorado Manufacturer's Directory reports the state gained 3513 industrial jobs or 1.7% between June of 2012 and June of 2013. The analysis reports that Colorado is now home to 6,510 manufacturers and 210,050 related jobs. While there are not figures available to report on individuals who have earned the AMS degree, since it is a new innovative model, the AMS degree directly addresses this growing Industry demand.

The recently released Metro Denver Economic Development report indicates that Colorado ranked as the third-largest space economy in the United States in 2014, behind only California and Florida. Colorado is also home to more than 400 companies and suppliers providing space-related products and services. Advanced manufacturing is Colorado's fourth largest industry and the average annual salary for manufacturing jobs is \$60,000. The new AMS degree will benefit MSU Denver students by preparing them to compete for many professional positions in Aerospace and other advanced manufacturing industries. An additional workforce concern identified by the AM industry is the lack of a diverse workforce. Students-of-color represent 32% of MSU Denver's 6,000 STEM students. The diversity of the MSU Denver STEM students of which AMS majors are a part has also garnered industry interest.

DUPLICATION

While Colorado Community Colleges offer trade skill development courses for the advanced manufacturing workforce the AMS degree program is designed to prepare professional level employees for AM entities. There are full engineering degrees offered at all the major universities in Colorado but this non-engineering professional degree addresses a different employment niche. During Industry Advisory Board meetings and subsequent additional meetings with AM employers an evolving trend toward the AM industry needing non-engineer but baccalaureate prepared professional employees has become clear. The AMS degree is the only program in the state structured this way.



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Washington, DC 20036
202.234.5100 | deac.org

July 23, 2015

Dr. David Lady
Provost
William Loveland College
441 East 4th Street
Loveland, CO 80537

Dear Dr. Lady:

The Distance Education Accrediting Commission (DEAC or the Commission) met on June 26, 2015 and considered the Chair's Report from the April 1, 2015 Change of Legal Status and Degree follow-up on-site examination and the institutional response. I am pleased to inform you that the Commission confirmed the institution's change in legal status to a nonprofit 501(c) 3 organization in the state of Colorado and approved the Master's of Business Administration program.

The Commission appreciates your continuing support of DEAC.

Sincerely,

Leah K. Matthews
Executive Director

**TOPIC: DEGREE AUTHORIZATION ACT – RECOMMEND APPROVAL
OF A STATUS CHANGE FOR THE INSTITUTE OF LOGISTICAL
MANAGEMENT**

PREPARED BY: HEATHER DELANGE, ACADEMIC POLICY OFFICER

I. SUMMARY

This consent item recommends an authorization status change from provisional to full authorization for the Institute of Logistical Management. Since receiving provisional authorization from the Colorado Commission on Higher Education (CCHE), the institution has fulfilled its requirement for an accreditation site visit at its Colorado campus and has subsequently received accreditation.

II. BACKGROUND

The Colorado Commission on Higher Education (CCHE) has statutory responsibility for administration of Title 23, Article 2 of the Colorado Revised Statutes, commonly referred to as the Degree Authorization Act (DAA). The Act sets out the terms by which the Commission may authorize accredited private colleges and universities, out-of-state public colleges and universities, and seminaries and bible colleges to operate in Colorado.

The DAA outlines the Department’s jurisdiction over private education programs available to the residents of the state of Colorado. The DAA establishes standards to (1) prevent misrepresentation, fraud, and collusion in offering educational programs to the public and (2) protect, preserve, foster, and encourage the educational programs offered by private educational institutions, which meet generally recognized criteria of quality and effectiveness as determined through voluntary accreditation.

Institutions with provisional authorization must provide Department staff with the documentation demonstrating compliance with statute and policy on an annual basis until the accreditation site visit occurs and accreditation is granted. Once the accrediting agency approves and accredits the new location, the institution may apply for full authorization. After full authorization is approved by the CCHE the institution will move to a renewal schedule that coincides with the reaffirmation of accreditation cycle.

III. STAFF ANALYSIS

CCHE Policy, Section I, Part J requires institutions with provisional authorization to host an accreditation site visit at their Colorado location and receive approval from the accrediting agency in order to move from provisional authorization to full authorization.

The Institute of Logistical Management received provisional authorization from the CCHE June 7, 2013. Since then, the institution worked with the Distance Education Accrediting Commission (DEAC), a U.S. Department of Education recognized accrediting agency, to schedule the site visit at the Colorado location.

The DEAC conducted the site visit at the Colorado location in June and awarded accreditation at their June 6, 2015 meeting for the Institute of Logistical Management. Additionally the DEAC approved the institution's request to offer a Master's of Business Administration program at its Colorado campus.

The Institute of Logistical Management applied for and received approval for a tax status change and a name change with the DEAC. The Institute of Logistical Management is now named William Loveland College. The DEAC confirmed the institution's change in legal status to a nonprofit 501(c) 3 organization in the state of Colorado.

IV. STAFF RECOMMENDATIONS

Staff recommends approval Full Authorization for the Institute of Logistical Management, renamed William Loveland College.

STATUTORY AUTHORITY

§23-2-103.3 (2)

To operate in Colorado, a private college or university shall be institutionally accredited on the basis of an on-site review by a regional or national accrediting body recognized by the United States department of education; except that a private college or university may operate for an initial period without accreditation if the commission determines, in accordance with standards established by the commission, that the private college or university is likely to become accredited in a reasonable period of time or is making progress toward accreditation in accordance with the accrediting body's policies. The commission may grant a provisional authorization to a private college or university to operate for an initial period without accreditation. The private college or university shall annually renew its provisional authorization and report annually to the commission concerning the institution's progress in obtaining accreditation.

ATTACHMENTS

Attachment A – Letter of Accreditation from the DEAC

TOPIC: DEGREE AUTHORIZATION ACT – RECOMMENDATION OF APPROVAL FOR THE RENEWAL OF AUTHORIZATION

PREPARED BY: HEATHER DELANGE, ACADEMIC POLICY OFFICER

I. SUMMARY

This consent item recommends renewal of authorization for 33 institutions authorized under the Degree Authorization Act.

II. BACKGROUND

The Colorado Commission on Higher Education (CCHE) has statutory responsibility for administration of Title 23, Article 2 of the Colorado Revised Statutes, commonly referred to as the Degree Authorization Act (DAA). The Act sets out the terms by which the Commission may authorize accredited private colleges and universities, out-of-state public colleges and universities, and seminaries and bible colleges to operate in Colorado.

The DAA outlines the Department's jurisdiction over private education programs available to the residents of the state of Colorado. The DAA establishes standards to (1) prevent misrepresentation, fraud, and collusion in offering educational programs to the public and (2) protect, preserve, foster, and encourage the educational programs offered by private educational institutions, which meet generally recognized criteria of quality and effectiveness as determined through voluntary accreditation.

A private college or university that has its accreditation reaffirmed without sanction and continues to meet the minimum standards, or a seminary or religious training institution that continues to meet the minimum operating standards, of the DAA is presumed qualified for renewal of authorization and department staff shall recommend that the CCHE renew the institution's authorization for three additional years.

III. STAFF ANALYSIS

Pursuant to statute and policy, all authorized institutions under the DAA must renew authorization periodically. The renewal period varies by the type of authorization that the institution holds from the CCHE.

Full Authorization

Fully authorized private colleges or universities are required to apply for renewal of authorization in accordance with the schedule for institutional reaccreditation or every three years, whichever is longer. A private college or university that has had its accreditation

reaffirmed without sanction, is in compliance with §23-2-103.8, C.R.S., and is not subject to investigation is presumed qualified for renewal of authorization.

Institutions must provide Department staff with the following documentation for the consideration of reauthorization:

- Self-evaluation report or similar;
- Accreditation site team's report;
- Institution's response to site visit report; and,
- Final determination letter from the accrediting agency.

Staff recommends the following institutions for renewal of full authorization:

- Aspen University
- Colorado School of Traditional Chinese Medicine
- Institute of Taoist Education and Acupuncture
- Naropa University
- National American University
- Southwest Acupuncture College

Provisional Authorization

Until an institution is fully compliant with all requirements for full authorization provisional authorization may be granted. Private colleges and universities that hold provisional authorization are required to annually renew their authorization until:

- The accrediting agency has conducted an on-site visit at the Colorado site;
- The accrediting agency has awarded accreditation for the Colorado site; and,
- The CCHE awards full authorization.

Staff recommends renewal of provisional authorization for the following institutions:

- CollegeAmerica – Colorado Springs
- CollegeAmerica – Denver
- CollegeAmerica – Fort Collins
 - CollegeAmerica remains accredited but on probation by the Accrediting Commission of Career Schools and Colleges (ACCSC). The ACCSC will consider the institution's corrective actions and compliance at its November 2015 meeting to determine whether it meets accrediting standards.
- Strayer University
 - Strayer University received provisional authorization in April 2013 but has not yet established a physical location in Colorado.

Probationary Authorization

Probationary authorization may be awarded to institutions that held full authorization at one time but failed to continue meeting minimum standards. This authorization allows the institution to continue to operate, with closer monitoring, while working to reinstate minimum standards. Private colleges or universities that have been placed on probation by the CCHE are required to annually renew authorization until such time that the CCHE lifts the probation action.

Staff recommends the following institution for renewal of Probationary Authorization:

- American Pathways University
 - American Pathways University lost its full authorization when the U.S. Department of Education ceased recognizing its accrediting agency. Since then, the institution has continuously worked toward accreditation status with another accreditor. ACCSC conducted an orientation visit and the institution is moving forward in the process of accreditation but has not yet received accreditation.

Places of Business (with no instruction in Colorado)

Private colleges or universities that have authorization as a place of business by the CCHE, but do not provide instruction within Colorado, are required to annually renew their authorization. Institutions must submit the following documentation for renewal:

- Current description of activities occurring at the Colorado site;
- Statement of institutional mission and relevance of the mission to the Colorado site;
- Statement from the institution's institutional accrediting agency regarding the institution's accreditation status;
- Statement from any other authorizing agency regarding the institution's standing;
- Number of employees at the Colorado site;
- Future plans for the Colorado site; and,
- Current enrollment agreement, if applicable.

Staff recommends the following institution for renewal of Place of Business Authorization:

- ECPI University

Seminaries and Religious Training Institutions

Seminaries and religious training institutions are required to apply for renewal of authorization every three years. Renewal of authorization shall demonstrate that the seminary or religious training institution continues to meet the minimum operating standards specified in statute and CCHE policy, Section I, Part J. A seminary or religious training institution that continues to meet the minimum operating standards is presumed qualified for renewal of authorization and

staff shall recommend renewal of authorization for three additional years. Institutions must submit the following documentation for renewal:

- An updated list of program offerings;
- Confirmation of non-profit status;
- Confirmation of tax-exempt status pursuant to Colorado State Law; and
- Updated contact information.

Staff recommends the following seminaries or religious training institutions for renewal of authorization until 2018:

- Bear Valley Bible Institute of Denver
- Camp Gunnison, Inc.
- Centered Life Counseling, Education and Spiritual Care
- Central American Theological Seminary
- Chambers College
- Charis Bible College
- Colorado Theological Seminary
- Front Range Bible Institute
- Fuller Theological Seminary
- Golden Gate Baptist Theological Seminary
- Holmes Institute
- Household of Faith University
- Iliff School of Theology
- International Baptist College and Seminary
- LifeSpring School of Ministry
- Master's Divinity School
- Nazarene Bible College
- New Geneva Theological Seminary
- Rocky Mountain Bible College and Seminary
- Sangre de Cristo Seminary
- Summit Christian College

IV. STAFF RECOMMENDATIONS

Staff recommends approval for all institutions listed above in Section III of this consent agenda item.

STATUTORY AUTHORITY

§23-2-103.3 C.R.S.

(5) A private college or university that has authorization from the commission pursuant to this section and maintains its accreditation shall apply to the department for reauthorization in accordance with the schedule for reaccreditation by its accrediting body or every three years, whichever is longer. A seminary or religious training institution shall apply for reauthorization every three years. A private college or university or seminary or religious training institution that seeks reauthorization shall submit an application in accordance with the procedures and policies adopted by the commission and shall pay the reauthorization fee established by the commission pursuant to section 23-2-104.5.

(b) (I) A private college or university that has had its accreditation reaffirmed without sanction, is in compliance with section 23-2-103.8, and is not subject to investigation pursuant to section 23-2-103.4 is presumed qualified for renewal of authorization, and the department shall recommend renewal for a period of three years or the length of the institution's accreditation, if applicable, whichever is longer.

(II) A seminary or religious training institution that continues to meet the minimum operating standards specified in this section is presumed qualified for renewal of authorization, and the department shall recommend that the commission renew the institution's authorization for three additional years.

TOPIC: RECOMMEND APPROVAL OF THE 2016 COMMISSION MEETING SCHEDULE

PREPARED BY: SUZANNE STARK, EXECUTIVE ASSISTANT

I. SUMMARY

The Colorado Commission on Higher Education will meet monthly during 2016 for regular Business meetings, with the exception of January and July. The Commission's Annual Retreat will be held in August 2016.

Teleconference or special meetings may be scheduled during the year, based upon need.

Listed below is the 2016 meeting schedule for the Commission. During the months of February through May 2016, the Commission will meet on the first Friday of the month. During the months of June through December 2016, the Commission will meet on the first Thursday of the month. All meetings are scheduled to begin at 1:00pm.

COLORADO COMMISSION ON HIGHER EDUCATION 2016 MEETING SCHEDULE

<u>MONTH</u>	<u>LOCATION</u>
Friday, February 5 th at 1:00pm	TBD
Friday, March 4 th at 1:00pm	TBD
Friday, April 1 st at 1:00pm	TBD
Friday, May 6 th at 1:00pm	TBD
Thursday, June 2 nd at 1:00pm	TBD
August – Annual Retreat	TBD
Thursday, Sept. 1 st at 1:00pm	TBD
Thursday, Oct. 6 th at 1:00pm	TBD
Thursday, Nov. 3 rd at 1:00pm	TBD
Thursday, Dec. 1 st at 1:00pm	TBD

III. STAFF RECOMMENDATIONS

Staff recommends that the Commission approve the 2016 meeting schedule.

IV. STATUTORY AUTHORITY

§23-1-102 (6), C.R.S. – *The commission shall meet as often as necessary to carry out its duties as defined in this article.*

TOPIC: RURAL JUMP START COLORADO (SB 15-282)

PREPARED BY: KACHINA WEAVER

I. SUMMARY

Representatives from the Colorado Office of Economic Development and International Trade (OEDIT) will be sharing with the Commission information on a new program being implemented called the Rural Jump Start program.

II. BACKGROUND

Created pursuant to SB 15-282, the Rural Jump Start program will allow institutions of higher education servicing economically distressed counties to collaborate with local governments and certain types of new local businesses that compliment offered courses of study. This collaboration, if approved by CEDC, will provide the business and its employees with certain tax benefits for 4 years.

The State of New York has a similar program known as [“Start Up NY”](#), which was implemented through legislation in 2013. Colorado’s program “Rural Jump Start” is specifically focused on distressed counties and providing incentives for new businesses to locate within them.

III. STAFF ANALYSIS

This program is still in its infancy, rules have not yet been promulgated. Staff will continue to work with OEDIT as needed to ensure they have the information important to implementing the program.

IV. STAFF RECOMMENDATIONS

No action needed at this time, this presentation is informational only.

V. STATUTORY AUTHORITY

SB 15-282, see complete text of bill attached.

ATTACHMENT(S):

- A. SB 15-282
- B. OEDIT Fact Sheet
- C. OEDIT List of IHE’s and Counties
- D. OEDIT List of Counties and Corresponding IHE’s
- E. OEDIT List of Institutions by Type

NOTE: The governor signed this measure on 5/13/2015.

An Act

SENATE BILL 15-282

BY SENATOR(S) Scott and Johnston, Cadman, Scheffel, Crowder, Donovan, Garcia, Grantham;
also REPRESENTATIVE(S) Duran and Willett, DelGrosso, Becker K., Brown, Conti, Coram, Danielson, Esgar, Fields, Garnett, Hamner, Kraft-Tharp, Lee, Lontine, Melton, Mitsch Bush, Pettersen, Primavera, Priola, Rankin, Rosenthal, Ryden, Salazar, Singer, Tate, Vigil, Wilson, Windholz, Winter, Young.

CONCERNING THE ESTABLISHMENT OF A RURAL JUMP-START PROGRAM IN HIGHLY DISTRESSED COUNTIES OF THE STATE FOR NEW BUSINESSES THAT BRING NEW JOBS TO THE STATE, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** article 30.5 to title 39 as follows:

ARTICLE 30.5 **Rural Jump-Start Zone Act**

39-30.5-101. Short title. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "RURAL JUMP-START ZONE ACT".

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

39-30.5-102. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(a) WHILE OVERALL THERE ARE IMPROVEMENTS TO THE COLORADO ECONOMY, THERE STILL EXISTS A SIGNIFICANT CONTRACTION OF LOCAL ECONOMIES IN CERTAIN AREAS OF THE STATE;

(b) IMPORTANTLY, THOSE AREAS ARE EXPERIENCING INCREASED ECONOMIC DOWNTURN AS MEASURED BY CHANGES IN SUCH FACTORS AS POPULATION, EMPLOYMENT, WEEKLY WAGE, ASSESSED VALUE OF ALL PROPERTY, AND CONCENTRATION OF PUPILS ELIGIBLE FOR FREE LUNCH; AND

(c) COLORADO'S MANY DIVERSE ASPECTS ARE WHAT MAKE IT SUCH A UNIQUE AND WONDERFUL STATE, WITH VARYING ECONOMIC SECTORS AND REGIONS MAKING ITS STRENGTH GREATER THAN THE SUM OF ITS PARTS. IT IS IMPERATIVE THAT ALL SECTORS OF THE STATE BE KEPT INDEPENDENTLY STRONG AND BE GIVEN THE CHANCE TO IMPROVE, PROSPER, AND CONTRIBUTE TO THE WHOLE, FROM WHICH ALL BENEFIT. THE GENERAL ASSEMBLY IS COMMITTED TO REACHING OUT TO ALL SUCH AREAS TO ENSURE THIS GOAL IS MET.

(2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT ESTABLISHING CERTAIN RURAL JUMP-START ZONES IS BEST SUITED TO BRING ABOUT THE ECONOMIC VITALITY SO CRITICALLY NEEDED IN THOSE REGIONS.

(3) THE GENERAL ASSEMBLY FINDS THAT, BY ATTRACTING BUSINESSES THAT ARE COMPLETELY NEW TO COLORADO, ECONOMIC GROWTH WILL OCCUR IN DISTRESSED COUNTIES WITHOUT NEGATIVELY IMPACTING OTHER AREAS OF THE STATE AND, WHILE CERTAIN TAXES, SUCH AS BUSINESS PERSONAL PROPERTY TAXES, WILL NOT BE COLLECTED WITHIN THE RURAL JUMP-START ZONE, THE NET IMPACT OF THOSE UNCOLLECTED TAXES WILL RESULT IN A NET POSITIVE IMPACT TO THE STATE, THE DISTRESSED COUNTY, AND THE INTERESTED MUNICIPALITY.

39-30.5-103. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "COLORADO ECONOMIC DEVELOPMENT COMMISSION" OR "COMMISSION" MEANS THE COLORADO ECONOMIC DEVELOPMENT

COMMISSION CREATED IN SECTION 24-46-102, C.R.S.

(2) "CREDIT CERTIFICATE" MEANS A STATEMENT ISSUED BY THE COMMISSION CERTIFYING THAT THE NEW BUSINESS OR NEW HIRE QUALIFIES FOR AN INCOME TAX CREDIT ALLOWED IN SECTION 39-30.5-105. THE CREDIT CERTIFICATE SHALL NOT SPECIFY THE AMOUNT OF THE CREDIT, BUT MUST SPECIFY THAT THE NEW BUSINESS OR NEW HIRE IS ELIGIBLE FOR THE CREDIT.

(3) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

(4) "DISTRESSED COUNTY" MEANS A COUNTY WITH A POPULATION OF LESS THAN TWO HUNDRED FIFTY THOUSAND AND THAT REFLECTS INDICATORS OF ECONOMIC DISTRESS SUCH AS:

(a) PER CAPITA INCOME THAT IS SUBSTANTIALLY BELOW THE STATEWIDE AVERAGE;

(b) LOCAL GROSS DOMESTIC PRODUCT OR SIMILAR PERFORMANCE MEASURES THAT ARE SUBSTANTIALLY BELOW THE STATEWIDE AVERAGE OVER THE PRECEDING FIVE-YEAR PERIOD;

(c) UNEMPLOYMENT LEVELS THAT ARE SUBSTANTIALLY ABOVE THE STATEWIDE AVERAGE OVER THE PRECEDING FIVE-YEAR PERIOD;

(d) A NET LOSS OF PEOPLE OF WORKFORCE AGE MEASURED OVER THE PRECEDING FIVE-YEAR PERIOD, OR A FAILURE TO RECOVER FROM A LOSS OVER THE PRECEDING TEN-YEAR PERIOD; OR

(e) A COUNTYWIDE CONCENTRATION OF PUPILS ELIGIBLE FOR FREE LUNCH PURSUANT TO THE FEDERAL "NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., GREATER THAN THE STATEWIDE AVERAGE CONCENTRATION OF PUPILS ELIGIBLE FOR FREE LUNCH.

(5) "GUIDELINES" MEANS THE GUIDELINES DEVELOPED BY THE COMMISSION AS SPECIFIED IN SECTION 39-30.5-104 (1).

(6) "MUNICIPALITY" MEANS A MUNICIPALITY AS DEFINED IN SECTION 31-1-101 (6), C.R.S., WITH BOUNDARIES WHOLLY OR PARTLY WITHIN THE DISTRESSED COUNTY'S BOUNDARIES.

(7) "NEW BUSINESS" MEANS A BUSINESS THAT:

(a) IS NOT OPERATING IN THE STATE AT THE TIME IT SUBMITS ITS APPLICATION TO A STATE INSTITUTION OF HIGHER EDUCATION TO PARTICIPATE IN THE RURAL JUMP-START ZONE PROGRAM;

(b) IS NOT MOVING EXISTING JOBS INTO THE RURAL JUMP-START ZONE FROM ANOTHER AREA IN THE STATE;

(c) HIRES AT LEAST FIVE NEW HIRES;

(d) IS NOT SUBSTANTIALLY SIMILAR IN OPERATION TO AND DOES NOT DIRECTLY COMPETE WITH THE CORE FUNCTION OF A BUSINESS THAT IS OPERATING IN THE STATE AT THE TIME THE NEW BUSINESS SUBMITS ITS APPLICATION TO A STATE INSTITUTION OF HIGHER EDUCATION TO PARTICIPATE IN THE RURAL JUMP-START ZONE PROGRAM; AND

(e) ADDS TO THE ECONOMIC BASE AND EXPORTS GOODS AND SERVICES OUTSIDE THE DISTRESSED COUNTY.

(8) "NEW HIRE" MEANS AN INDIVIDUAL WHO HAS PERFORMED LABOR OR SERVICES IN THE RURAL JUMP-START ZONE FOR THE NEW BUSINESS FOR MORE THAN SIX MONTHS FROM THE DATE HIRED AND FOR WHICH SUCH INDIVIDUAL RECEIVES A FEDERAL FORM W-2 AND WHERE THE JOB PERFORMED BY THE INDIVIDUAL:

(a) IS EITHER A FULL-TIME, WAGE-PAYING JOB OR IS EQUIVALENT TO A FULL-TIME, WAGE-PAYING JOB REQUIRING AT LEAST THIRTY-FIVE HOURS PER WEEK; AND

(b) HAS A SALARY OR COMPENSATION EQUAL TO OR GREATER THAN THE COUNTY AVERAGE ANNUAL WAGE.

(9) "RURAL JUMP-START ZONE" MEANS AN AREA WITHIN THE BOUNDARIES OF A DISTRESSED COUNTY THAT IS EITHER:

(a) IN ONE OR MORE INCORPORATED PORTIONS OF THE DISTRESSED COUNTY IF THE MUNICIPALITY PROVIDES THE COMMISSION WITH A GENERAL RESOLUTION AS DESCRIBED IN SECTION 39-30.5-106 AGREEING TO PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR CREDITS TO OFFSET THE IMPOSITION

OF BUSINESS PERSONAL PROPERTY TAX ON AND, IF THE MUNICIPALITY WISHES, TO OFFSET THE IMPOSITION OF ANY OTHER MUNICIPAL TAX ON ALL NEW BUSINESSES IN ORDER TO BE A PARTICIPANT IN THE RURAL JUMP-START ZONE PROGRAM;

(b) IN ONE OR MORE INCORPORATED PORTIONS OF THE DISTRESSED COUNTY IF THE MUNICIPALITY PROVIDES THE COMMISSION WITH A LIMITED RESOLUTION AS DESCRIBED IN SECTION 39-30.5-106 THAT INDICATES THE MUNICIPALITY AGREES TO ONLY PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR CREDITS TO OFFSET THE IMPOSITION OF BUSINESS PERSONAL PROPERTY TAX ON AND, IF THE MUNICIPALITY WISHES, TO OFFSET THE IMPOSITION OF ANY OTHER MUNICIPAL TAX ON A SPECIFIC NEW BUSINESS IN ORDER TO BE A LIMITED PARTICIPANT IN THE RURAL JUMP-START ZONE PROGRAM; OR

(c) IN THE UNINCORPORATED PORTIONS OF THE DISTRESSED COUNTY.

(10) "RURAL JUMP-START ZONE PROGRAM" MEANS THE RURAL JUMP-START ZONE PROGRAM CREATED IN THIS ARTICLE.

(11) "STATE INSTITUTION OF HIGHER EDUCATION" MEANS A STATE INSTITUTION OF HIGHER EDUCATION AS DEFINED IN SECTION 23-18-102 (10), C.R.S., A JUNIOR COLLEGE, OR AN AREA VOCATIONAL SCHOOL THAT:

(a) HAS A CAMPUS LOCATED IN THE DISTRESSED COUNTY; OR

(b) INCLUDES A DISTRESSED COUNTY IN THE COMMUNITY COLLEGE'S SERVICE AREA OR THE REGIONAL EDUCATION PROVIDER'S SERVICE AREA.

39-30.5-104. Rural jump-start zone program requirements - commission guidelines - definitions. (1) (a) THE COMMISSION SHALL DEVELOP GUIDELINES FOR THE ADMINISTRATION OF THE RURAL JUMP-START ZONE PROGRAM CREATED IN THIS ARTICLE, INCLUDING, BUT NOT LIMITED TO:

(I) APPLICATION REQUIREMENTS;

(II) GUIDELINES REGARDING THE ISSUING OF CREDIT CERTIFICATES;
AND

(III) GUIDELINES CONCERNING THE PROCESS BY WHICH THE COMMISSION WILL DETERMINE WHETHER A NEW BUSINESS IS NOT SUBSTANTIALLY SIMILAR IN OPERATION TO AND DOES NOT DIRECTLY COMPETE WITH THE CORE FUNCTION OF A BUSINESS THAT IS OPERATING IN THE STATE AT THE TIME THE NEW BUSINESS SUBMITS ITS APPLICATION TO A STATE INSTITUTION OF HIGHER EDUCATION TO PARTICIPATE IN THE RURAL JUMP-START ZONE PROGRAM.

(b) THE GUIDELINES MUST BE POSTED ON THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT'S WEB SITE NO LATER THAN DECEMBER 1, 2015.

(c) IN DEVELOPING THE GUIDELINES, THE COMMISSION SHALL FOLLOW THE POLICIES OF THE COLORADO COMMISSION ON HIGHER EDUCATION REGARDING SERVICE AREAS AND REGIONAL EDUCATION PROVIDERS.

(2) NO LATER THAN DECEMBER 1, 2015, THE COMMISSION SHALL DETERMINE WHICH OF THE STATE'S COUNTIES ARE DISTRESSED COUNTIES. IF A DISTRESSED COUNTY IS INTERESTED IN PARTICIPATING IN THE RURAL JUMP-START ZONE PROGRAM, THE DISTRESSED COUNTY SHALL PROVIDE THE COMMISSION WITH A RESOLUTION DESCRIBED IN SECTION 39-30.5-106.

(3) EACH DISTRESSED COUNTY SHALL RETAIN ITS DESIGNATION AS A DISTRESSED COUNTY FOR THREE YEARS FROM THE DATE OF THE DESIGNATION. AFTER THE THREE-YEAR PERIOD, THE COMMISSION SHALL REVIEW THE DESIGNATION. IF THE COMMISSION DETERMINES THAT THE COUNTY IS NO LONGER DISTRESSED, THE NEW BUSINESS AND THE NEW HIRES RETAIN THE BENEFITS SPECIFIED IN SECTION 39-30.5-105 FOR THE REMAINING PORTION OF THE FOUR-YEAR PERIOD OUTLINED IN THAT SECTION, OR THE REMAINING EXTENDED PERIOD IF THE COMMISSION GRANTS AN EXTENSION OF THE PERIOD PURSUANT TO SECTION 39-30.5-105 (1) (a) (II), (2) (a) (II), OR (3) (b).

(4) (a) A STATE INSTITUTION OF HIGHER EDUCATION INTENDING TO PARTICIPATE IN THE RURAL JUMP-START ZONE PROGRAM SHALL ADOPT A CONFLICT OF INTEREST POLICY. THE CONFLICT OF INTEREST POLICY MUST PROVIDE THAT:

(I) A REPRESENTATIVE OF THE STATE INSTITUTION OF HIGHER EDUCATION MAY NOT USE THE RELATIONSHIP BETWEEN THE STATE

INSTITUTION OF HIGHER EDUCATION AND THE NEW BUSINESS AS A MEANS FOR INUREMENT OR PRIVATE BENEFIT TO THE REPRESENTATIVE OF THE STATE INSTITUTION OF HIGHER EDUCATION, ANY RELATIVE OF SUCH REPRESENTATIVE, OR ANY BUSINESS INTERESTS OF SUCH REPRESENTATIVE;

(II) A PERSON WHO ENGAGES IN THE BUSINESS OF SELLING GOODS OR SERVICES TO A STATE INSTITUTION OF HIGHER EDUCATION, AN EMPLOYEE OF SUCH PERSON, OR A PERSON WITH A BUSINESS INTEREST IN SUCH PERSON'S BUSINESS SHALL NOT VOTE ON OR PARTICIPATE IN THE ADMINISTRATION BY THE STATE INSTITUTION OF HIGHER EDUCATION OF ANY TRANSACTION WITH SUCH BUSINESS; AND

(III) (A) UPON BECOMING AWARE OF AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST, A REPRESENTATIVE OF THE STATE INSTITUTION OF HIGHER EDUCATION SHALL ADVISE THE CHIEF ACADEMIC OFFICERS OR EXECUTIVE DIRECTOR OF THE INSTITUTION OF THE CONFLICT.

(B) EACH STATE INSTITUTION OF HIGHER EDUCATION SHALL MAINTAIN A WRITTEN RECORD OF ALL DISCLOSURES MADE PURSUANT TO SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (III).

(C) BY JANUARY 31, 2016, AND BY JANUARY 31 OF EACH YEAR THEREAFTER, A STATE INSTITUTION OF HIGHER EDUCATION SHALL PROVIDE THE RECORD MAINTAINED UNDER SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (III) TO THE COMMISSION.

(b) FOR THE PURPOSES OF A CONFLICT-OF-INTEREST POLICY DEVELOPED UNDER PARAGRAPH (a) OF THIS SUBSECTION (4):

(I) "BUSINESS INTEREST" MEANS THAT A REPRESENTATIVE:

(A) OWNS OR CONTROLS TEN PERCENT OR MORE OF THE STOCK OF THE ENTITY; OR

(B) SERVES AS AN OFFICER, DIRECTOR, OR PARTNER OF THE ENTITY.

(II) "RELATIVE" MEANS ANY PERSON LIVING IN THE SAME HOUSEHOLD AS THE REPRESENTATIVE OF THE STATE INSTITUTION OF HIGHER EDUCATION, ANY PERSON WHO IS A DIRECT DESCENDANT OF THE REPRESENTATIVE'S GRANDPARENTS, OR THE SPOUSE OF SUCH

REPRESENTATIVE.

(III) "REPRESENTATIVE OF THE STATE INSTITUTION OF HIGHER EDUCATION" MEANS ANY EMPLOYEE WITH DECISION-MAKING AUTHORITY OVER THE RURAL JUMP-START ZONE PROGRAM.

(5) A NEW BUSINESS SHALL APPLY TO A STATE INSTITUTION OF HIGHER EDUCATION TO PARTICIPATE IN A RURAL JUMP-START ZONE PROGRAM. THE STATE INSTITUTION OF HIGHER EDUCATION SHALL REQUIRE THE NEW BUSINESS TO PROVIDE DOCUMENTATION THAT THE NEW BUSINESS MEETS THE DEFINITION OF NEW BUSINESS AS SPECIFIED IN SECTION 39-30.5-103 (7) AND THAT THE NEW HIRES WILL MEET THE DEFINITION OF NEW HIRE AS SPECIFIED IN SECTION 39-30.5-103 (8). IF THE STATE INSTITUTION OF HIGHER EDUCATION APPROVES THE NEW BUSINESS, THEN THE STATE INSTITUTION OF HIGHER EDUCATION SHALL APPLY TO THE COMMISSION FOR THE APPROVAL OF A RURAL JUMP-START ZONE AS SPECIFIED IN SUBSECTION (6) OF THIS SECTION AND APPROVAL OF THE NEW BUSINESS FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS AS SPECIFIED IN SUBSECTION (7) OF THIS SECTION.

(6) (a) UPON APPROVING A NEW BUSINESS AS SPECIFIED IN SUBSECTION (5) OF THIS SECTION, THE STATE INSTITUTION OF HIGHER EDUCATION SHALL SUBMIT A COMPLETE WRITTEN APPLICATION FOR APPROVAL FOR A RURAL JUMP-START ZONE TO THE COMMISSION BY THE DEADLINE ESTABLISHED IN THE COMMISSION'S GUIDELINES. THE APPLICATION MUST INCLUDE:

(I) IDENTIFICATION OF THE STATE INSTITUTION OF HIGHER EDUCATION AND IDENTIFICATION OF EITHER THE DISTRESSED COUNTY IN WHICH A CAMPUS IS LOCATED OR THE DISTRESSED COUNTY THAT IS INCLUDED IN THE COMMUNITY COLLEGE'S SERVICE AREA OR THE REGIONAL EDUCATION PROVIDER'S SERVICE AREA;

(II) IDENTIFICATION OF THE NEW BUSINESS AND DOCUMENTATION INDICATING THAT REQUIREMENTS FOR THE NEW BUSINESS HAVE BEEN MET, INCLUDING AN ESTIMATE OF THE NUMBER OF NEW HIRES THAT THE NEW BUSINESS ANTICIPATES IT WILL HIRE;

(III) SATISFACTORY DOCUMENTATION THAT THERE EXISTS A RELATIONSHIP BETWEEN THE NEW BUSINESS AND THE STATE INSTITUTION OF

HIGHER EDUCATION. SUCH DOCUMENTATION MUST SHOW THAT:

(A) THE RELATIONSHIP WILL RESULT IN POSITIVE BENEFITS TO THE COMMUNITY AND THE LOCAL ECONOMY; AND

(B) THE MISSION AND ACTIVITIES OF THE NEW BUSINESS ALIGN WITH OR FURTHER THE ACADEMIC MISSION OF THE STATE INSTITUTION OF HIGHER EDUCATION.

(IV) IDENTIFICATION OF THE MUNICIPALITIES WITH BOUNDARIES WHOLLY OR PARTLY WITHIN THE DISTRESSED COUNTY'S BOUNDARIES;

(V) A RESOLUTION AS DESCRIBED IN SECTION 39-30.5-106 FROM EACH INTERESTED MUNICIPALITY;

(VI) A DESCRIPTION OF THE RURAL JUMP-START ZONE BOUNDARIES; AND

(VII) ANY OTHER INFORMATION THAT THE COMMISSION DEEMS NECESSARY AS SPECIFIED IN THE COMMISSION'S GUIDELINES.

(b) A STATE INSTITUTION OF HIGHER EDUCATION MAY ALSO SUBMIT A COMPLETE WRITTEN APPLICATION FOR APPROVAL FOR A RURAL JUMP-START ZONE TO THE COMMISSION BY THE DEADLINES ESTABLISHED IN THE COMMISSION'S GUIDELINES WHEN SUCH STATE INSTITUTION OF HIGHER EDUCATION HAS NOT YET APPROVED A NEW BUSINESS AS SPECIFIED IN SUBSECTION (5) OF THIS SECTION. IN THIS CASE, THE APPLICATION MUST INCLUDE:

(I) IDENTIFICATION OF THE STATE INSTITUTION OF HIGHER EDUCATION AND IDENTIFICATION OF EITHER THE DISTRESSED COUNTY IN WHICH A CAMPUS IS LOCATED OR THE DISTRESSED COUNTY THAT IS INCLUDED IN THE COMMUNITY COLLEGE'S SERVICE AREA OR THE REGIONAL EDUCATION PROVIDER'S SERVICE AREA;

(II) IDENTIFICATION OF THE MUNICIPALITIES WITH BOUNDARIES WHOLLY OR PARTLY WITHIN THE DISTRESSED COUNTY'S BOUNDARIES;

(III) A RESOLUTION AS DESCRIBED IN SECTION 39-30.5-106 FROM EACH INTERESTED MUNICIPALITY;

(IV) A DESCRIPTION OF THE RURAL JUMP-START ZONE BOUNDARIES;
AND

(V) ANY OTHER INFORMATION THAT THE COMMISSION DEEMS NECESSARY AS SPECIFIED IN THE COMMISSION'S GUIDELINES.

(7) (a) THE COMMISSION SHALL, AT A PUBLIC MEETING PROPERLY NOTICED, REVIEW EACH APPLICATION FOR A RURAL JUMP-START ZONE SUBMITTED BY A STATE INSTITUTION OF HIGHER EDUCATION. BASED ON THE APPLICATION SUBMITTED AND THE COMMISSION'S GUIDELINES, THE COMMISSION MAY APPROVE THE RURAL JUMP-START ZONE AND MAY APPROVE THE NEW BUSINESS FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS SPECIFIED IN SECTION 39-30.5-105; EXCEPT THAT THE COMMISSION MAY NOT APPROVE MORE THAN THREE RURAL JUMP-START ZONES FOR THE 2016 CALENDAR YEAR AND MAY NOT APPROVE ANY RURAL JUMP-START ZONES OR APPROVE ANY NEW BUSINESSES FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS ON AND AFTER JANUARY 1, 2021. THE COMMISSION MAY ONLY APPROVE A NEW BUSINESS FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS IF THE COMMISSION IS SATISFIED THAT THE NEW BUSINESS MEETS THE DEFINITION OF NEW BUSINESS AS SPECIFIED IN SECTION 39-30.5-103 (7), THAT THE NEW HIRES WILL MEET THE DEFINITION OF NEW HIRE AS SPECIFIED IN SECTION 39-30.5-103 (8), AND THAT THE NEW BUSINESS WILL BE LOCATED IN THE RURAL JUMP-START ZONE FOR WHICH THE STATE INSTITUTION OF HIGHER EDUCATION SOUGHT APPROVAL.

(b) (I) A NEW BUSINESS THAT RECEIVES APPROVAL AS SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (7) FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS MUST SUBMIT A REQUEST FOR THE ISSUANCE OF A CREDIT CERTIFICATE BY THE DEADLINES ESTABLISHED IN THE COMMISSION'S GUIDELINES. THE REQUEST MUST INCLUDE AN ESTIMATED AMOUNT, AS CALCULATED BY THE NEW BUSINESS, OF THE INCOME TAX CREDITS FOR THE NEW BUSINESS AND ANY NEW HIRES AND THE SALES AND USE TAX REFUNDS ALLOWED IN SECTION 39-30.5-105 AND AN ESTIMATED AMOUNT, AS CALCULATED BY THE NEW BUSINESS, OF INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS PROVIDED BY LOCAL GOVERNMENTS AS SPECIFIED IN SECTION 39-30.5-106.

(II) THE COMMISSION SHALL NOT ISSUE MORE THAN A TOTAL OF TWO HUNDRED CREDIT CERTIFICATES IN ONE INCOME TAX YEAR FOR ALL NEW

HIRES EMPLOYED BY ALL NEW BUSINESSES IN EACH RURAL JUMP-START ZONE THAT RECEIVE APPROVAL AS SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (7); EXCEPT THAT THE COMMISSION HAS THE DISCRETION TO INCREASE THIS LIMIT TO THREE HUNDRED CREDIT CERTIFICATES IF THE NEW BUSINESS IS IN ONE OF THE FOURTEEN INDUSTRIES THAT THE COMMISSION TARGETS FOR ECONOMIC DEVELOPMENT IN THE STATE.

(III) IF THE BENEFIT IS FOR NEW HIRES, THE COMMISSION SHALL PROVIDE THE CREDIT CERTIFICATES FOR SUCH NEW HIRES DIRECTLY TO THE NEW BUSINESS, AND THE NEW BUSINESS SHALL PROVIDE A COPY OF THE CREDIT CERTIFICATE TO THE NEW HIRE WITH THEIR FEDERAL FORM W-2.

(IV) IF THE COMMISSION DETERMINES THE NEW BUSINESS OR NEW HIRE NO LONGER MEETS THE REQUIREMENTS SET FORTH IN THIS ARTICLE, THE COMMISSION SHALL NOT ISSUE CREDIT CERTIFICATES FOR THE INCOME TAX CREDITS ALLOWED IN SECTION 39-30.5-105 (1) AND (2) AND SHALL NOT NOTIFY THE DEPARTMENT THAT THE NEW BUSINESS IS ELIGIBLE FOR THE SALES AND USE TAX REFUND ALLOWED IN SECTION 39-30.5-105 (3).

(8) THE COMMISSION MAY REVIEW A NEW BUSINESS OR NEW HIRE UP TO TWELVE MONTHS FOLLOWING THE ISSUANCE OF ANY CREDIT CERTIFICATES TO ENSURE THE REQUIREMENTS IN THIS ARTICLE ARE BEING MET.

(9) THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101, C.R.S., MAY MAKE RECOMMENDATIONS TO THE COMMISSION REGARDING ANY OF THE COMMISSION'S DUTIES AND RESPONSIBILITIES OUTLINED IN THIS ARTICLE, MAY PROVIDE STAFF ASSISTANCE TO THE COMMISSION, AND MAY ASSIST THE COMMISSION IN ADMINISTERING THE PROVISIONS OF THIS ARTICLE.

39-30.5-105. Rural jump-start zone program benefits. (1) **New business income tax credit.** (a) (I) IF A NEW BUSINESS LOCATES IN A RURAL JUMP-START ZONE DURING THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2016, BUT BEFORE JANUARY 1, 2021, AND THE COMMISSION HAS APPROVED THE NEW BUSINESS FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS AS SPECIFIED IN SECTION 39-30.5-104 (7) (a), THEN EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (a), THE NEW BUSINESS IS ENTITLED TO RECEIVE AN ANNUAL INCOME TAX CREDIT IN AN AMOUNT EQUAL TO ONE HUNDRED

PERCENT OF THE INCOME TAXES IMPOSED BY ARTICLE 22 OF THIS TITLE ON THE INCOME DERIVED FROM ITS ACTIVITIES IN THE RURAL JUMP-START ZONE FOR FOUR CONSECUTIVE INCOME TAX YEARS BEGINNING WITH THE FIRST INCOME TAX YEAR DESIGNATED BY THE COMMISSION IN THE FIRST CREDIT CERTIFICATE. THE COMMISSION SHALL CONDUCT AN ANNUAL REVIEW TO VERIFY THAT THE NEW BUSINESS CONTINUES TO MEET THE REQUIREMENTS SET FORTH IN THIS ARTICLE AND SHALL ISSUE A CREDIT CERTIFICATE TO THE NEW BUSINESS FOR EVERY INCOME TAX YEAR DURING THE FOUR-YEAR PERIOD ONLY IF THE COMMISSION IS SATISFIED THE REQUIREMENTS ARE BEING MET.

(II) A NEW BUSINESS MAY SEEK AN EXTENSION OF THE FOUR-YEAR BENEFITS PERIOD SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) BY COMPLETING A WRITTEN APPLICATION TO THE COMMISSION. THE EXTENSION MAY NOT EXCEED AN ADDITIONAL FOUR YEARS. THE APPLICATION FOR EXTENSION MUST INCLUDE AN EXPLANATION OF THE NEW BUSINESS' NEED FOR THE EXTENSION AND ANY OTHER INFORMATION THE COMMISSION DEEMS NECESSARY. IN DECIDING WHETHER TO GRANT THE EXTENSION, THE COMMISSION MUST CONSIDER THE STATE OF THE ECONOMY IN THE RURAL JUMP-START ZONE, THE ESTIMATED DEMAND FOR TAX CREDITS ALLOWED IN THIS SECTION FOR OTHER NEW BUSINESSES, AND THE IMPORTANCE OF THESE CREDITS IN INCENTIVIZING THE NEW BUSINESS. THE EXTENSION APPLICATION MUST BE CONSIDERED AT A REGULARLY SCHEDULED MEETING OF THE COMMISSION WHERE THE PUBLIC IS ALLOWED TO COMMENT.

(b) TO CLAIM THE INCOME TAX CREDIT ALLOWED IN THIS SECTION, THE NEW BUSINESS SHALL ATTACH A COPY OF THE CREDIT CERTIFICATE TO ITS STATE INCOME TAX RETURN. NO TAX CREDIT IS ALLOWED UNDER THIS SECTION UNLESS THE NEW BUSINESS PROVIDES THE COPY OF THE CREDIT CERTIFICATE WITH ITS FILED STATE INCOME TAX RETURN.

(c) IF A NEW BUSINESS HAS INCOME BOTH FROM OPERATIONS WITHIN THE RURAL JUMP-START ZONE AND OPERATIONS OUTSIDE OF THE RURAL JUMP-START ZONE, THE NEW BUSINESS SHALL APPORTION ITS INCOME BETWEEN THE OPERATIONS WITHIN AND OUTSIDE THE RURAL JUMP-START ZONE IN ACCORDANCE WITH RULES PROMULGATED BY THE DEPARTMENT IN ORDER TO CALCULATE THE AMOUNT OF INCOME TAX CREDIT. SUCH RULES SHALL CALCULATE THE VALUE OF THE CREDIT, AS NEARLY AS PRACTICABLE, TO BE EQUAL TO THE TAX DUE ON THE INCOME GENERATED BY THE NEW

BUSINESS THAT RELATES TO ITS ACTIVITIES IN THE RURAL JUMP-START ZONE ON THE BASIS OF THE NEW BUSINESS' PROPERTY AND PAYROLL IN THE RURAL JUMP-START ZONE RELATIVE TO ITS PROPERTY AND PAYROLL EVERYWHERE.

(d) THE COMMISSION SHALL, IN A SUFFICIENTLY TIMELY MANNER TO ALLOW THE DEPARTMENT TO PROCESS RETURNS CLAIMING THE INCOME TAX CREDITS ALLOWED BY THIS SECTION, PROVIDE THE DEPARTMENT WITH AN ELECTRONIC REPORT OF EACH NEW BUSINESS THAT THE COMMISSION APPROVED FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS AS SPECIFIED IN SECTION 39-30.5-104 (7) (a) FOR THE PRECEDING CALENDAR YEAR THAT INCLUDES THE FOLLOWING INFORMATION:

(I) THE TAXPAYER'S NAME; AND

(II) THE TAXPAYER'S SOCIAL SECURITY NUMBER OR THE TAXPAYER'S COLORADO ACCOUNT NUMBER AND FEDERAL EMPLOYER IDENTIFICATION NUMBER.

(e) IF A NEW BUSINESS RECEIVING AN INCOME TAX CREDIT ALLOWED IN THIS SUBSECTION (1) IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, S CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE COMMISSION SHALL ISSUE CREDIT CERTIFICATES THAT ALLOCATE THE CREDIT AMONG THE NEW BUSINESS' PARTNERS, SHAREHOLDERS, MEMBERS, OR OTHER CONSTITUENT ENTITIES IN ACCORDANCE WITH THEIR OWNERSHIP INTERESTS. THE NEW BUSINESS SHALL CERTIFY TO THE COMMISSION, AND THE COMMISSION SHALL PROVIDE TO THE DEPARTMENT NO LATER THAN THE JANUARY 15 FOLLOWING EACH INCOME TAX YEAR FOR WHICH THE NEW BUSINESS IS CLAIMING A CREDIT, THE IDENTITY AND OWNERSHIP PERCENTAGE, INCLUDING SUCH IDENTIFYING INFORMATION AS THE DEPARTMENT MAY REQUIRE, OF EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER CONSTITUENT ENTITY OF THE NEW BUSINESS.

(2) **New hire income tax credit.** (a) (I) EXCEPT AS PROVIDED IN SECTION 39-30.5-104 (7) (b) (II) AND SUBPARAGRAPH (II) OF THIS PARAGRAPH (a), IF A NEW HIRE IS EMPLOYED BY A NEW BUSINESS, AND THE COMMISSION HAS APPROVED THE NEW BUSINESS FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS AS SPECIFIED IN SECTION 39-30.5-104 (7) (a), FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2016, BUT BEFORE JANUARY 1, 2021, NEW HIRES ARE ENTITLED TO RECEIVE AN INCOME TAX CREDIT IN AN AMOUNT EQUAL TO ONE

HUNDRED PERCENT OF THE INCOME TAXES IMPOSED BY ARTICLE 22 OF THIS TITLE ON THE NEW HIRE'S WAGES PAID BY THE NEW BUSINESS FOR WORK PERFORMED IN THE RURAL JUMP-START ZONE FOR FOUR CONSECUTIVE INCOME TAX YEARS BEGINNING WITH THE FIRST INCOME TAX YEAR IN WHICH THE NEW HIRE IS EMPLOYED BY THE NEW BUSINESS. THE COMMISSION SHALL CONDUCT AN ANNUAL REVIEW TO VERIFY THAT THE NEW HIRE AND THE NEW BUSINESS CONTINUE TO MEET THE REQUIREMENTS SET FORTH IN THIS ARTICLE AND SHALL ISSUE A CREDIT CERTIFICATE TO THE NEW BUSINESS FOR EACH NEW HIRE FOR EVERY INCOME TAX YEAR DURING THE FOUR-YEAR PERIOD ONLY IF THE COMMISSION IS SATISFIED THE REQUIREMENTS ARE BEING MET.

(II) A NEW BUSINESS MAY SEEK AN EXTENSION OF THE FOUR-YEAR BENEFITS PERIOD SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) BY COMPLETING A WRITTEN APPLICATION TO THE COMMISSION. THE EXTENSION MAY NOT EXCEED AN ADDITIONAL FOUR YEARS. THE APPLICATION FOR EXTENSION MUST INCLUDE AN EXPLANATION OF THE NEW BUSINESS' NEED FOR THE EXTENSION AND ANY OTHER INFORMATION THE COMMISSION DEEMS NECESSARY. IN DECIDING WHETHER TO GRANT THE EXTENSION, THE COMMISSION MUST CONSIDER THE STATE OF THE ECONOMY IN THE RURAL JUMP-START ZONE, THE ESTIMATED DEMAND FOR TAX CREDITS ALLOWED IN THIS SECTION FOR OTHER NEW BUSINESSES, AND THE IMPORTANCE OF THESE CREDITS IN INCENTIVIZING THE NEW BUSINESS. THE EXTENSION APPLICATION MUST BE CONSIDERED AT A REGULARLY SCHEDULED MEETING OF THE COMMISSION WHERE THE PUBLIC IS ALLOWED TO COMMENT.

(b) TO CLAIM THE INCOME TAX CREDIT ALLOWED IN THIS SECTION, THE NEW HIRE SHALL ATTACH A COPY OF THE CREDIT CERTIFICATE TO THE NEW HIRE'S STATE INCOME TAX RETURN. NO TAX CREDIT IS ALLOWED UNDER THIS SECTION UNLESS THE NEW HIRE PROVIDES THE COPY OF THE CREDIT CERTIFICATE WITH HIS OR HER FILED STATE INCOME TAX RETURN.

(c) THE COMMISSION SHALL, IN A SUFFICIENTLY TIMELY MANNER TO ALLOW THE DEPARTMENT TO PROCESS RETURNS CLAIMING THE CREDIT ALLOWED BY THIS SECTION, PROVIDE THE DEPARTMENT WITH AN ELECTRONIC REPORT OF EACH NEW HIRE RECEIVING A CREDIT CERTIFICATE AS ALLOWED IN THIS SECTION FOR THE PRECEDING CALENDAR YEAR THAT INCLUDES THE FOLLOWING INFORMATION:

(I) THE NEW HIRE'S NAME; AND

(II) THE NEW HIRE'S SOCIAL SECURITY NUMBER.

(3) **New business sales and use tax refund.** (a) EACH NEW BUSINESS IS ELIGIBLE FOR A REFUND FOR ALL SALES AND USE TAXES IMPOSED UNDER PARTS 1 AND 2 OF ARTICLE 26 OF THIS TITLE ON THE PURCHASE OF ALL TANGIBLE PERSONAL PROPERTY ACQUIRED BY THE NEW BUSINESS AND USED EXCLUSIVELY WITHIN THE RURAL JUMP-START ZONE. EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (3), THE NEW BUSINESS IS ELIGIBLE FOR THE REFUND ALLOWED IN THIS PARAGRAPH (a) FOR FOUR CONSECUTIVE YEARS BEGINNING WITH THE DATE THE COMMISSION APPROVED THE NEW BUSINESS FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS AS SPECIFIED IN SECTION 39-30.5-104 (7) (a).

(b) A NEW BUSINESS MAY SEEK AN EXTENSION OF THE FOUR-YEAR PERIOD SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (3) BY COMPLETING A WRITTEN APPLICATION TO THE COMMISSION. THE EXTENSION MAY NOT EXCEED AN ADDITIONAL FOUR YEARS. THE APPLICATION FOR EXTENSION MUST INCLUDE AN EXPLANATION OF THE NEW BUSINESS' NEED FOR THE EXTENSION AND ANY OTHER INFORMATION THE COMMISSION DEEMS NECESSARY. IN DECIDING WHETHER TO GRANT THE EXTENSION, THE COMMISSION MUST CONSIDER THE STATE OF THE ECONOMY IN THE RURAL JUMP-START ZONE, THE ESTIMATED DEMAND FOR SALES AND USE TAX REFUNDS ALLOWED IN THIS SECTION FOR OTHER NEW BUSINESSES, AND THE IMPORTANCE OF THE REFUND IN INCENTIVIZING THE NEW BUSINESS. THE EXTENSION APPLICATION MUST BE CONSIDERED AT A REGULARLY SCHEDULED MEETING OF THE COMMISSION WHERE THE PUBLIC IS ALLOWED TO COMMENT.

(c) THE COMMISSION SHALL PROVIDE THE DEPARTMENT WITH A LIST OF EVERY NEW BUSINESS ELIGIBLE FOR THE SALES AND USE TAX REFUND ALLOWED IN THIS SUBSECTION (3).

(4) **Restrictions on other credits.** NOTWITHSTANDING ANY LAW TO THE CONTRARY, IF A NEW BUSINESS CLAIMS THE RURAL JUMP-START ZONE PROGRAM BENEFITS ALLOWED IN THIS SECTION, THE NEW BUSINESS MAY NOT CLAIM ANY OTHER TAX INCENTIVE THAT THE NEW BUSINESS IS ELIGIBLE FOR IN THIS TITLE AS A RESULT OF ESTABLISHING THE NEW BUSINESS IN THE STATE, INCLUDING TAX INCENTIVES FOR THE NEW HIRES HIRED BY THE NEW

BUSINESS.

39-30.5-106. Rural jump-start zone - local government requirements. (1) BEFORE THE COMMISSION MAY APPROVE A RURAL JUMP-START ZONE AS SPECIFIED IN SECTION 39-30.5-104, THE FOLLOWING MUST OCCUR:

(a) AN INTERESTED DISTRESSED COUNTY MUST ADOPT A RESOLUTION AFFIRMING THAT IT WILL PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO NEW BUSINESSES TO ELIMINATE THE BUSINESS PERSONAL PROPERTY TAX IMPOSED ON ALL NEW BUSINESSES BY THE DISTRESSED COUNTY. THE DISTRESSED COUNTY MAY ADOPT AN ADDITIONAL RESOLUTION AFFIRMING THAT IT CHOOSES TO PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO ALL NEW BUSINESSES TO ELIMINATE ANY OTHER TAX IMPOSED ON OR PAID BY SUCH NEW BUSINESSES IN THE DISTRESSED COUNTY.

(b) INTERESTED MUNICIPALITIES WITHIN AN INTERESTED DISTRESSED COUNTY MUST ADOPT EITHER:

(I) A GENERAL RESOLUTION AFFIRMING THAT IT WILL PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO ALL NEW BUSINESSES TO ELIMINATE THE BUSINESS PERSONAL PROPERTY TAX IMPOSED ON NEW BUSINESSES BY THE INTERESTED MUNICIPALITY. THE INTERESTED MUNICIPALITY MAY ADOPT AN ADDITIONAL RESOLUTION AFFIRMING THAT IT CHOOSES TO PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO ALL NEW BUSINESSES TO ELIMINATE ANY OTHER TAX IMPOSED ON OR PAID BY SUCH NEW BUSINESSES IN THE INTERESTED MUNICIPALITY.

(II) A LIMITED RESOLUTION AFFIRMING THAT IT WILL PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO A SPECIFIC NEW BUSINESS TO ELIMINATE THE BUSINESS PERSONAL PROPERTY TAX IMPOSED ON THE SPECIFIC NEW BUSINESS BY THE INTERESTED MUNICIPALITY. THE INTERESTED MUNICIPALITY MAY ADOPT AN ADDITIONAL RESOLUTION AFFIRMING THAT IT CHOOSES TO PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO THE SPECIFIC BUSINESS TO ELIMINATE ANY OTHER TAX IMPOSED ON OR PAID BY THE SPECIFIC BUSINESS IN THE INTERESTED MUNICIPALITY.

39-30.5-107. Rural jump-start zone reporting requirements.

(1) THE COMMISSION SHALL ANNUALLY POST ON THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT'S WEB SITE, AND INCLUDE IN THE COMMISSION'S ANNUAL REPORT REQUIRED TO BE PRESENTED TO THE GENERAL ASSEMBLY PURSUANT TO SECTION 24-46-104 (2), C.R.S., THE FOLLOWING INFORMATION REGARDING ANY RURAL JUMP-START ZONE PROGRAM BENEFITS ALLOWED UNDER THIS ARTICLE:

(a) THE DISTRESSED COUNTY AND INTERESTED MUNICIPALITIES THAT MAKE UP THE RURAL JUMP-START ZONE;

(b) THE STATE INSTITUTION OF HIGHER EDUCATION THAT SUBMITTED THE APPLICATION;

(c) THE NAME OF THE NEW BUSINESS;

(d) THE TYPE OF NEW BUSINESS;

(e) THE TAX YEAR FOR WHICH THE FIRST CREDIT CERTIFICATE IS ISSUED OR THE DATE THE SALES AND USE TAX REFUND IS AUTHORIZED;

(f) THE NUMBER OF NEW HIRES HIRED;

(g) THE AVERAGE SALARY OR HOURLY WAGE OF EACH NEW HIRE;

(h) AN ESTIMATED AMOUNT, AS CALCULATED BY THE NEW BUSINESS, OF THE INCOME TAX CREDITS FOR THE NEW BUSINESS AND ANY NEW HIRES AND THE SALES AND USE TAX REFUNDS ALLOWED IN SECTION 39-30.5-105, AND AN ESTIMATED AMOUNT, AS CALCULATED BY THE NEW BUSINESS, OF INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS PROVIDED BY LOCAL GOVERNMENTS AS ALLOWED IN SECTION 39-30.5-106; AND

(i) ANY OTHER ECONOMIC BENEFITS RESULTING FROM THE RURAL JUMP-START ZONE PROGRAM.

(2) ANY NEW BUSINESS LOCATED IN A RURAL JUMP-START ZONE MUST SUBMIT AN ANNUAL REPORT TO THE COMMISSION IN A FORM AND AT SUCH TIME AND WITH SUCH INFORMATION AS PRESCRIBED BY THE COMMISSION IN ITS GUIDELINES. SUCH INFORMATION SHALL BE SUFFICIENT FOR THE COMMISSION TO MONITOR THE CONTINUED ELIGIBILITY OF THE NEW

BUSINESS AND THE NEW HIRES TO CONTINUE TO PARTICIPATE IN THE RURAL JUMP-START ZONE PROGRAM AND TO RECEIVE THE RURAL JUMP-START ZONE PROGRAM BENEFITS.

39-30.5-108. Severability. IF ANY PROVISION OF THIS ARTICLE OR THE APPLICATION THEREOF TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID, SUCH INVALIDITY DOES NOT AFFECT OTHER PROVISIONS OR APPLICATIONS OF THIS ARTICLE THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF THIS ARTICLE ARE DECLARED TO BE SEVERABLE.

SECTION 2. Appropriation. For the 2015-16 state fiscal year, \$125,983 is appropriated to the office of the governor. This appropriation is from the general fund and is based on an assumption that the office will require an additional 1.0 FTE. To implement this act, the office may use this appropriation to support the Colorado economic development commission in implementing the rural jump-start zone program.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Bill L. Cadman
PRESIDENT OF
THE SENATE

Dickey Lee Hullinghorst
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____

John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO



Overview of the Program

The Rural Jump-Start Zone program (based on Senate Bill 15-282) is a tax relief program for new businesses and new hires who locate into certain designated areas called Jump-Start zones. The program offers the following benefits:

- Relief from state income taxes for the new business
- Relief from the state sales & use tax for the business
- Relief from county and municipal business personal property tax
- Relief from state income taxes for the employee

This program is jointly administered by the Colorado Office of Economic Development and International Trade (OEDIT), the Colorado Economic Development Commission (EDC), and the Colorado Department of Revenue.

The Rural Jump-Start Zone Tax Credit program is not yet active. This program is scheduled to start accepting applications in December of 2015. The zones that make up the program have not yet been determined.

Program Structure

This program is a joint effort between institutes of higher education, counties, municipalities, businesses and employees.

Institutes of Higher Education

The institutes of higher education (IHE's) are the two and four year public colleges in Colorado, as well as certain specialty schools. The IHE's play a key role in this program, as every business that applies to the program must apply through an IHE and be endorsed by that IHE. The IHE's have are associated with specific counties, so not every IHE can work in every zone.

Counties

In order to participate in this program, a county must be designated as economically distressed by the EDC. Having been so designated, the county must pass a resolution to offer tax relief. The list of economically distressed counties has not yet been determined. When the list is finalized, it will be published on the web page.

Municipalities

In order to participate in this program, a municipality must first be located in a county that has passed a resolution to participate. Furthermore, the municipality must pass a resolution to participate as well. No municipality can be forced to participate in the program, and a municipality is not enrolled in the program simple because its county is.

Businesses

A business that wishes to participate in this program must be a new business that is locating into the Jump-Start zone. Furthermore, the business must apply to the IHE and be endorsed by the IHE.

Employees

Employees who wish to participate in the program must be working for a business that has been approved by the EDC. Employees must be making at least the county median wage, and must work for the new business for six months to receive benefits.

Learn more at www.advancecolorado.com/jumpstart

Rural Jump-Start Program

List of IHEs and the Counties that they cover for the RJS Program

Only counties under 250,000 people listed

Date Printed: Monday, October 19, 2015

Adams State University

Alamosa
Archuleta
Baca
Bent
Conejos
Costilla
Crowley
Custer
Fremont
Huerfano
Kiowa
Las Animas
Mineral
Otero
Prowers
Pueblo
Rio Grande
Saguache

Colorado Mesa University

Delta
Eagle
Garfield
Grand
Jackson
Mesa
Moffat
Montrose
Ouray
Pitkin
Rio Blanco
Routt
San Miguel
Summit

Colorado Mountain College

Chaffee
Eagle
Garfield
Grand
Jackson
Lake
Pitkin
Routt
Summit

Colorado NW Community College

Moffat
Rio Blanco
Routt

Colorado State University

Pueblo

Delta-Montrose Technical College

Delta
Gunnison
Hinsdale
Montezuma
Ouray
Saguache
San Miguel

Fort Lewis College

Archuleta
Dolores
La Plata
Montezuma
San Juan
San Miguel

Front Range Community College

Broomfield

Lamar Community College

Baca
Cheyenne
Kiowa
Prowers

Morgan Community College

Kit Carson
Lincoln
Morgan
Washington
Yuma

Northeastern Junior College

Logan
Phillips
Sedgwick
Washington
Yuma

Otero Junior College

Bent
Crowley
Otero

Pikes Peak Community College

Elbert
Kit Carson
Teller

Pueblo Community College

Archuleta
Custer
Dolores
Fremont
La Plata
Montezuma
Pueblo
San Juan

Red Rocks Community College

Clear Creek
Gilpin
Park

Trinidad State Junior College

Alamosa
Conejos
Costilla
Huerfano
Las Animas
Mineral
Rio Grande
Saguache

Western Colorado Community College

Delta
Gunnison
Hinsdale
Mesa
Montrose
Ouray
San Miguel

Western State Colorado University

Chaffee
Gunnison
Hinsdale
Lake
Saguache

Rural Jump-Start Program

List of Counties and IHEs that can work with the RJS Program in that County

Only counties under 250,000 people listed

Date Printed: Monday, October 19, 2015

Alamosa County

- Adams State University
- Trinidad State Junior College

Archuleta County

- Adams State University
- Fort Lewis College
- Pueblo Community College

Baca County

- Adams State University
- Lamar Community College

Bent County

- Adams State University
- Otero Junior College

Broomfield County

- Front Range Community College

Chaffee County

- Colorado Mountain College
- Western State Colorado University

Cheyenne County

- Lamar Community College

Clear Creek County

- Red Rocks Community College

Conejos County

- Adams State University
- Trinidad State Junior College

Costilla County

- Adams State University
- Trinidad State Junior College

Crowley County

- Adams State University
- Otero Junior College

Custer County

- Adams State University
- Pueblo Community College

Delta County

- Colorado Mesa University
- Delta-Montrose Technical College
- Western Colorado Community College

Dolores County

- Fort Lewis College
- Pueblo Community College

Eagle County

- Colorado Mesa University
- Colorado Mountain College

Elbert County

- Pikes Peak Community College

Fremont County

- Adams State University
- Pueblo Community College

Garfield County

- Colorado Mesa University
- Colorado Mountain College

Gilpin County

- Red Rocks Community College

Grand County

- Colorado Mesa University
- Colorado Mountain College

Gunnison County

- Delta-Montrose Technical College
- Western Colorado Community College
- Western State Colorado University

Hinsdale County

- Delta-Montrose Technical College
- Western Colorado Community College
- Western State Colorado University

Huerfano County

- Adams State University
- Trinidad State Junior College

Jackson County

- Colorado Mesa University
- Colorado Mountain College

Kiowa County

- Adams State University
- Lamar Community College

Kit Carson County

- Morgan Community College
- Pikes Peak Community College

La Plata County

- Fort Lewis College
- Pueblo Community College

Lake County

- Colorado Mountain College
- Western State Colorado University

Las Animas County

- Adams State University
- Trinidad State Junior College

Lincoln County

- Morgan Community College

Logan County

- Northeastern Junior College

Mesa County

- Colorado Mesa University
- Western Colorado Community College

Mineral County

- Adams State University
- Trinidad State Junior College

Moffat County

- Colorado Mesa University
- Colorado NW Community College

Montezuma County

- Delta-Montrose Technical College
- Fort Lewis College
- Pueblo Community College

Montrose County

- Colorado Mesa University
- Western Colorado Community College

Morgan County

- Morgan Community College

Otero County

- Adams State University
- Otero Junior College

Ouray County

- Colorado Mesa University
- Delta-Montrose Technical College
- Western Colorado Community College

Park County

- Red Rocks Community College

Phillips County

- Northeastern Junior College

Pitkin County

- Colorado Mesa University
- Colorado Mountain College

Prowers County

- Adams State University
- Lamar Community College

Pueblo County

- Adams State University
- Colorado State University
- Pueblo Community College

Rio Blanco County

- Colorado Mesa University
- Colorado NW Community College

Rio Grande County

- Adams State University
- Trinidad State Junior College

Routt County

- Colorado Mesa University
- Colorado Mountain College
- Colorado NW Community College

Saguache County

- Adams State University
- Delta-Montrose Technical College
- Trinidad State Junior College
- Western State Colorado University

San Juan County

- Fort Lewis College
- Pueblo Community College

San Miguel County

- Colorado Mesa University
- Delta-Montrose Technical College
- Fort Lewis College
- Western Colorado Community College

Sedgwick County

- Northeastern Junior College

Summit County

- Colorado Mesa University
- Colorado Mountain College

Teller County

- Pikes Peak Community College

Washington County

- Morgan Community College
- Northeastern Junior College

Yuma County

- Morgan Community College
- Northeastern Junior College

Rural Jump-Start Program

List of Institutes of Higher Education by Type

Date Printed: Monday, October 19, 2015

IHE Type: Area Vocational School

Delta-Montrose Technical College
Emily Griffith Technical College
Pickens Technical College

IHE Type: Regional Education Provider

Adams State University
Colorado Mesa University
Fort Lewis College
Western State Colorado University

IHE Type: Community College

Arapahoe Community College
Colorado NW Community College
Community College of Aurora
Community College of Denver
Front Range Community College
Lamar Community College
Morgan Community College
Northeastern Junior College
Otero Junior College
Pikes Peak Community College
Pueblo Community College
Red Rocks Community College
Trinidad State Junior College
Western Colorado Community College

IHE Type: Four Year (Non-REP)

Colorado School Mines
Colorado State University
Metro State University of Denver
University of Colorado
University of Northern Colorado

IHE Type: Junior College

Aims Community College
Colorado Mountain College

TOPIC: POSTSECONDARY AND WORKFORCE READINESS DEFINITION

PREPARED BY: MISTI RUTHVEN, DIRECTOR OF POSTSECONDARY READINESS FOR THE COLORADO DEPARTMENT OF EDUCATION, AND CARL EINHAUS, DIRECTOR OF STUDENT AFFAIRS

I. SUMMARY

This item is a discussion of new PWR definition proposals, with an action item to request approval of the finalized new definition occurring at the December 3rd, 2015 CCHE meeting.

In 2009 the State Board of Education and Colorado Commission on Higher Education adopted a description of “postsecondary and workforce readiness” (PWR). C.R.S. 22-7-1008(3)(a) dictates that this description be revisited every six years. Both the Department of Education (CDE) and Colorado Department Higher Education (CDHE) need to approve of any revisions by the end of December.

II. BACKGROUND

Working with WestEd – a nonprofit, public research and development agency - and 2Revolutions – an education design lab that designs and launches “Future of Learning” models – CDE and CDHE conducted two stakeholder convenings to discuss the current PWR Definition and guide informed conversations regarding potential revisions. The convenings were held in Denver and occurred on June 4th, 2015 and August 27th, 2015. The stakeholders represented included educators and administrators in K-12 and higher education, policymakers, as well as workforce and agency partners.

The current PWR Definition follows:

“Postsecondary and workforce readiness” describes the knowledge, skills, and behaviors essential for high school graduates to be prepared enter college and the workforce and to complete in the global economy.

Those in attendance at the convenings sought to make the PWR definition more workforce focused and to simplify the wording to make it less “education-ese”. The two convenings resulted in four proposed revised PWR definitions.

Input regarding these definitions, as well as the components of definitions, were solicited by WestEd via a survey sent to parents, educators, business and industry leaders, community-based and non-profit organizations, and policymakers in September 2015.

The following two definitions received the highest votes, they are both very similar.

- *Definition A: In partnership with families, communities, schools, and businesses, Colorado high school graduates demonstrate, through a rich body of evidence, the knowledge and skills needed to succeed in postsecondary settings and the workforce.*
- *Definition B: Colorado high school graduates demonstrate the knowledge and skills necessary to enter and advance in economically viable career pathways as lifelong learners and contributing citizens.*

CDE and CDHE staff continue to refine these definitions and will have a final definition for action during the December CCHE meeting.

III. STAFF ANALYSIS

Based on the thorough vetting with relevant stakeholders, CDE and CDHE staff are confident the revised PWR definition will be more clear to the entire Colorado community and more workforce inclusive.

IV. STAFF RECOMMENDATION

This item is a discussion item only; no formal action is required by the Commission until the December meeting.

V. STATUTORY AUTHORITY

C.R.S. 22-7-1008(3)(a) On or before July 1, 2015, and on or before July 1 every six years thereafter, the state board and the commission shall review, negotiate a consensus, and adopt any appropriate revisions to the description of postsecondary and workforce readiness. The state board and the commission shall ensure that any revisions adopted pursuant to this paragraph (a) meet the requirements for the description of postsecondary and workforce readiness specified in subsection (1) of this section.

TOPIC: NEW AND CONTINUING STATE-FUNDED CAPITAL PROJECTS
AND PRIORITY LIST, FISCAL YEAR 2016-17

PREPARED BY: ANDREW RAUCH, LEAD FINANCE ANALYST

I. SUMMARY

State law, C.R.S. 23-1-106(7)(a), requires the Colorado Commission on Higher Education (CCHE) to annually submit a recommended capital construction priority list to the General Assembly's Capital Development Committee (CDC) by November 1st.

The Commission's Fiscal Affairs and Audit Standing Committee (FAA) and Department staff reviewed a total of thirty-one (31) new or continuing state funded capital construction requests for FY 2016-17. Of these 31 projects, five are continuation projects and twenty-six (26) are previously unfunded. Of the twenty-six previously unfunded projects, six are information technology projects. Eleven projects require program plan approval, and four projects are seeking a program plan waiver for being under the \$2 million threshold for a program plan.

On October 14th, the Fiscal Affairs and Audit Standing Committee recommended to the CCHE a prioritized list of capital requests asking for \$289,893,754 in state funds with a total institutional cash contribution of \$112,375,279 (see Attachment A).

Once approved by the CCHE, department staff will forward the final CCHE prioritization list to Capital Development Committee (CDC), the Joint Budget Committee (JBC), and the Governor's Office of State Planning and Budgeting for integration into the Governor's budget request. For FY2016-2017, OSPB limited the CCHE submission of projects to its top 20 priorities.

II. BACKGROUND

Last year the Commission recommended a list of 28 ranked capital requests totaling \$349,908,319 in state funds and \$195,214,790 in cash contributions to the CDC. Approximately \$107.5 million was appropriated for nine higher education projects. An additional \$9,980,671 was allocated for 17 Level I controlled maintenance projects at institutions. The total amount of capital construction funding, including controlled maintenance, allocated to higher education was \$117.4 million. The table below is a detailed breakdown of FY 2015-16 state capital construction funding by system.

FY 2015-16 Capital Funding: System Breakdown					
	Capital Construction		Controlled Maintenance		Total Appropriation
Institution	Number of Projects	Long Bill Appropriation	Number of Projects	Long Bill Appropriation (CM Level 1)	
Auraria Higher Education Center	0	\$ 0	1	\$ 408,753	\$408,753
Fort Lewis College	1	\$ 8,293,345	1	\$ 467,321	\$8,760,666
Colorado State University System	1	\$ 23,694,678	2	\$ 1,942,378	\$25,637,056
University of Colorado System	2	\$ 24,608,699	4	\$ 2,573,590	\$27,182,289
Metro State University of Denver	1	\$ 14,720,872	0	\$ -	\$14,720,872
Colorado Mesa University	1	\$ 3,000,000	1	\$ 211,072	\$3,211,072
Adams State University	0	\$ -	0	\$ -	\$ -
Western State Colorado University	0	\$ -	0	\$ -	\$ -
Colorado Community College System	1	\$ 3,569,619	6	\$ 2,833,084	\$6,402,703
Colorado School of Mines	1	\$ 6,564,665	1	\$ 911,427	\$7,476,092
University of Northern Colorado	1	\$ 23,000,000	1	\$ 633,046	\$23,633,046
Higher Education Total	9	\$ 107,451,878	17	\$ 9,980,671	\$117,432,549

The capital construction process was revised for FY 2014-15 to provide a scoring mechanism, scoring criteria were revised prior to the FY 2015-16 process. The revisions made reflect best practices for project prioritization. The criteria have remained unchanged since then and any project that was not considered a continuation project was scored in this manner. A continuation project is defined by CCHE as a capital request that is:

1. Appropriated in a previous year's Long Bill with Capital Construction or General Funds and the institution received funding for that project;
2. Appropriated in a previous year's Long Bill with Capital Construction or General Funds and the institution did not receive funds because the project was de-appropriated due to state budget cuts; or,
3. Included as the out-year funding from a prior request. The out-year funding must have been included in a prior CC-C request (the capital budget request form) that was funded for the initial year.

The CCHE approved criteria are for building projects and, as noted by a member of the FAA, may not adequately address Information Technology projects. Therefore, staff anticipates a need to address scoring criteria for Information Technology projects.

The FAA Standing Committee's recommended priorities are detailed in the attached document. Note that under C.R.S. 23-1-106(5) (b), projects costing less than \$2,000,000 do not require project plan approval from the Commission. This year, four projects met that requirement and were prioritized alongside requests with costs exceeding \$2,000,000.

III. STAFF ANALYSIS

For FY 2016-17, department staff received and reviewed a total of 31 new or continuing state funded capital construction requests (see Attachment A). The five projects at the top of the prioritized list are continuation projects.

Continuation projects are ranked ahead of other projects to help institutions plan for capital budgets more effectively. Their placement on the list is based on when the project first received funding and then its ranking on last year's CCHE list.

Eleven submissions require program approval while six projects do not meet the \$2 million threshold for a program plan.

For FY 2016-17, the total funding amount requested by institutions of higher education is \$402,269,033, which includes \$289,893,754 in state funds. The total funding requested for the top twenty projects, which will be submitted to OSPB, is \$290,576,172 and \$194,607,172 in state funding.

To develop the priority list, staff used the CCHE approved criteria. Criteria were adopted to provide an objective and analytical review of higher education's capital needs. The CCHE approved criteria are:

- Health, Life Safety, and Code Issues
- Other Fund Sources
- Space Needs

- A Clear Identification of Beneficiaries
- Achieves Goals
- Governing Board Priority

A draft priority list was developed and shared with the FAA Committee and institutions on September 9, 2015. Institutions were invited to provide proposed scoring changes as long as supporting documentation was used to support their proposed change. On September 25, 2015, the FAA took action to approve the prioritized list.

However, shortly after the FAA's September 25th meeting, Colorado Mesa University approached staff regarding a late-breaking opportunity for a partnership with a local science center that would impact their Engineering and Computer Science Building. This opportunity provided an additional cash match for the project, and therefore, impacted the prioritization list.

After consulting with Fiscal Affairs and Audit members, the Lieutenant Governor in his role as DHE's Executive Director, and other staff, the prioritization process was reopened for an additional few days. This decision was made to align with the CCHE's role as a coordinating entity by allowing the flexibility to address this late opportunity in a way that was as fair as possible for all institutions.

On October 14, 2015, the FAA took action to reapprove the prioritization list to reflect the second round of institutional proposed scoring changes.

IV. STAFF RECOMMENDATION

Staff recommends that the Commission take the following four actions:

- 1. Approve the following request for a waiver from program planning requirements:**
 - **CCD – Technology Infrastructure**
 - **LCC – Technology Infrastructure**
 - **OJC – Technology Infrastructure II**
 - **PCC – Critical Core Technology Infrastructure**
- 2. Approve the following eleven new or revised program plans:**
 - **UC-Anschutz – Interdisciplinary Building**
 - **UC-Boulder – Aerospace Engineering Science Building**
 - **CSM – Green Center Renovation**
 - **CMU – Computer Science and Engineering Building**
 - **AHEC – King Center Renewal**
 - **ASU – Plachy Hall**
 - **ASU – Nielsen Library**
 - **CSU-P – Information Technology Upgrades and Security**
 - **UNC – Wireless and Network Infrastructure Upgrades**

- **UCD – Engineering and Physical Science Building**
 - **UCCS – Engineering and Physical Science Building**
3. **Approve the FY 2016-17 capital priority list as recommended by the Fiscal Affairs and Audit Standing Committee included as Attachment A and grant the Department the ability to make any necessary technical adjustments to project amounts based on revenue forecasts, and report these changes to the Commission.**
 4. **Acknowledge and forward to the Governor’s Office and the General Assembly the complete list reflecting number and costs for all higher education capital projects submitted in FY 2016-2017 for informational purposes.**

V. STATUTORY AUTHORITY

C.R.S. §23-1-106 Duties and powers of the commission with respect to capital construction and long-range planning.

(1) Except as permitted by subsections (9) and (10) of this section, it is declared to be the policy of the general assembly not to authorize any activity requiring capital construction or capital renewal for state institutions of higher education unless approved by the commission.

(2) The commission shall, after consultation with the appropriate governing boards of the state institutions of higher education and the appropriate state agencies, have authority to prescribe uniform policies, procedures, and standards of space utilization for the development and approval of capital construction or capital renewal programs by institutions.

(3) The commission shall review and approve facility master plans for all state institutions of higher education on land owned or controlled by the state or an institution and capital construction or capital renewal program plans for projects other than those projects described in subsection (9) or (10) of this section. The commission shall forward the approved facility master plans to the office of the state architect. Except for those projects described in subsection (9) or (10) of this section, no capital construction or capital renewal shall commence except in accordance with an approved facility master plan and program plan.

(4) The commission shall ensure conformity of facilities master planning with approved educational master plans and facility program plans with approved facilities master plans.

(5) (a) The commission shall approve plans for any capital construction or capital renewal project at any state institution of higher education regardless of the source of funds; except that the commission need not approve plans for any capital construction or capital renewal project at a local district college or area vocational school or for any capital construction or capital renewal project described in subsection (9) or (10) of this section.

(b) The commission may except from the requirements for program and physical planning any project that requires less than two million dollars of state moneys.

(6) (a) The commission shall request annually from each governing board of each state institution of higher education a five-year projection of capital construction or capital renewal projects to be constructed but not including those projects described in subsection (9) or (10) of this section. The projection must include the estimated cost, the method of funding, a schedule for project completion, and the governing board-approved priority for each project. The commission shall determine whether a proposed project is consistent with the role and mission and master planning of the institution and conforms to standards recommended by the commission.

(b) The commission shall request annually from the governing board of each state institution of higher education a two-year projection of capital construction projects to be undertaken pursuant to subsection (9) or (10) of this section and estimated to require total project expenditures exceeding two million dollars. The projection must include the estimated cost, the method of funding, and a schedule for project completion for each project. A state institution of higher education shall amend the projection prior to commencing a project that is not included in the institution's most recent projection.

(7) (a) The commission annually shall prepare a unified, five-year capital improvements report of projects to be constructed, but not including those capital construction or capital renewal projects to be undertaken pursuant to subsection (9) or (10) of this section, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the office of the state architect, the capital development committee, and the joint budget committee, consistent with the executive budget timetable, together with a recommended priority of funding of capital construction or capital renewal projects for the system of public higher education. The commission shall annually transmit the recommended priority of funding of capital construction or capital renewal projects to the capital development committee no later than November 1 of each year.

(b) Except as provided in subsection (5) of this section, it is the policy of the general assembly to appropriate funds only for capital construction or capital renewal projects approved by the commission.

(c) (I) The commission annually shall prepare a unified, two-year report for capital construction or capital renewal projects described in subsection (9) or (10) of this section and estimated to require total project expenditures exceeding two million dollars, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the governor, the capital development committee, and the joint budget committee, consistent with the executive budget timetable.

(II) (A) The commission shall submit the two-year projections prepared by each state institution of higher education for each two-year period to the office of state planning and budgeting and the capital development committee. The capital development committee shall conduct a hearing in each regular legislative session on the projections and either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each projection.

(B) A state institution of higher education may submit to the staff of the capital development committee, the commission, and the office of state planning and budgeting an amendment to its approved two-year projection. The capital development committee shall conduct a hearing on the amendment within thirty days after submission during a regular legislative session of the general assembly or within forty-five days after submission during any period that the general assembly is not in regular legislative session. The capital development committee shall either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each amendment.

ATTACHMENTS:

- Attachment A - Fiscal Affairs and Audit Standing Committee Recommended FY 2016-17 State Funded Capital Priorities

Attachment A: Fiscal Affairs and Audit Standing Committee Recommended FY 2016-17 State Funded Capital Priorities

Priority	Inst	Project Name		Prior Appropriations	Current Request	Out Year Requests (Summed Across All Years if Multiple Years)	Total	Cumulative Current State Funds	Number of Projects
Continuation 1	CSU-FC	Chemistry Phase III	CCF	\$38,694,678	\$12,471,940	\$0	\$51,166,618	\$12,471,940	1
			CF	\$5,400,000	\$0	\$0	\$5,400,000		
			TF	\$44,094,678	\$12,471,940	\$0	\$56,566,618		
Continuation 2	MSU-Denver	Aerospace Engineering Sciences Building	CCF	\$20,000,000	\$0	\$0	\$20,000,000	\$12,471,940	2
			CF	\$16,404,160	\$23,595,840	\$0	\$40,000,000		
			TF	\$36,404,160	\$23,595,840	\$0	\$60,000,000		
Continuation 3	CMU	Health Sciences	CCF	\$3,000,000	\$9,230,212	\$0	\$12,230,212	\$21,702,152	3
			CF	\$0	\$2,505,000	\$0	\$2,505,000		
			TF	\$3,000,000	\$11,735,212	\$0	\$14,735,212		
Continuation 4	UNC	Campus Commons	CCF	\$23,000,000	\$15,000,000	\$0	\$38,000,000	\$36,702,152	4
			CF & FF	\$21,030,740	\$14,502,929	\$0	\$35,533,669		
			TF	\$44,030,740	\$29,502,929	\$0	\$73,533,669		
Continuation 5	PCC	Davis Academic Building	CCF	\$3,569,619	\$5,807,143	\$0	\$9,376,762	\$42,509,295	5
			CF	\$0	\$0	\$0	\$0		
			TF	\$3,569,619	\$5,807,143	\$0	\$9,376,762		
1	FRCC	Larimer Campus Health Care and Career Center	CCF	\$0	\$19,657,338	\$0	\$19,657,338	\$62,166,633	6
			CF	\$0	\$6,906,633	\$0	\$6,906,633		
			TF	\$0	\$26,563,971	\$0	\$26,563,971		
1	UC-Anschutz	Interdisciplinary Building	CCF	\$0	\$22,800,000	\$22,797,598	\$45,597,598	\$84,966,633	7
			CF	\$0	\$30,823,115	\$43,579,287	\$74,402,402		
			TF	\$0	\$53,623,115	\$66,376,885	\$120,000,000		
3	UC-Boulder	Aerospace Engineering Science Building	CCF	\$0	\$4,834,369	\$23,456,347	\$28,290,716	\$89,801,002	8
			CF	\$0	\$668,931	\$51,440,353	\$52,109,284		
			TF	\$0	\$5,503,300	\$74,896,700	\$80,400,000		
4	CSM	Green Center Renovation	CCF	\$0	\$6,021,857	\$17,829,014	\$23,850,871	\$95,822,859	9
			CF	\$0	\$0	\$35,776,306	\$35,776,306		
			TF	\$0	\$6,021,857	\$53,605,320	\$59,627,177		
5	CMU	Computer Science and Engineering Building	CCF	\$0	\$5,000,000	\$18,483,207	\$23,483,207	\$100,822,859	10
			CF	\$0	\$2,462,688	\$6,859,828	\$9,322,516		
			TF	\$0	\$7,462,688	\$25,343,035	\$32,805,723		

Priority	Inst	Project Name		Prior Appropriations	Current Request	Out Year Requests (Summed Across All Years if Multiple Years)	Total	Cumulative Current State Funds	Number of Projects
6	CSU-FC	Warner College of Natural Resources	CCF	\$0	\$10,000,000	\$0	\$10,000,000	\$110,822,859	11
			CF	\$0	\$10,817,437	\$0	\$10,817,437		
			TF	\$0	\$20,817,437	\$0	\$20,817,437		
7	PPCC	Student Learning	CCF	\$0	\$4,847,735	\$0	\$4,847,735	\$115,670,594	12
			CF	\$0	\$1,703,260	\$0	\$1,703,260		
			TF	\$0	\$6,550,995	\$0	\$6,550,995		
8	CCD	Technology Infrastructure	CCF	\$0	\$993,179	\$0	\$993,179	\$116,663,773	13
			CF	\$0	\$348,955	\$0	\$348,955		
			TF	\$0	\$1,342,134	\$0	\$1,342,134		
8	WSCU	Savage Library	CCF	\$0	\$10,724,584	\$0	\$10,724,584	\$127,388,357	14
			CF	\$0	\$200,000	\$0	\$200,000		
			TF	\$0	\$10,924,584	\$0	\$10,924,584		
10	OJC	Agricultural Sciences Building	CCF	\$0	\$1,393,800	\$0	\$1,393,800	\$128,782,157	15
			CF or FF	\$0	\$400,000	\$0	\$400,000		
			TF	\$0	\$1,793,800	\$0	\$1,793,800		
10	ACC	Learning Commons	CCF	\$0	\$1,748,166	\$2,239,173	\$3,987,339	\$130,530,323	16
			CF	\$0	\$614,221	\$786,736	\$1,400,957		
			TF	\$0	\$2,362,387	\$3,025,909	\$5,388,296		
12	AHEC	King Center Renewal	CCF	\$0	\$41,370,000	\$0	\$41,370,000	\$171,900,323	17
			CF	\$0	\$420,000	\$0	\$420,000		
			TF	\$0	\$41,790,000	\$0	\$41,790,000		
13	ASU	Plachy Hall Renewal	CCF	\$0	\$4,314,450	\$0	\$4,314,450	\$176,214,773	18
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$4,314,450	\$0	\$4,314,450		
14	CSU-FC	Shepardson Renovation	CCF	\$0	\$4,527,223	\$20,068,278	\$24,595,501	\$180,741,996	19
			CF	\$0	\$0	\$9,000,000	\$9,000,000		
			TF	\$0	\$4,527,223	\$0	\$33,595,501		
15	ASU	Nielsen Library Renovation	CCF	\$0	\$13,865,176	\$0	\$13,865,176	\$194,607,172	20
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$13,865,176	\$0	\$13,865,176		
Twenty Project Cutoff for OSPB			CCF		\$194,607,172				
			CF		\$95,969,009				
			TF		\$290,576,181				

Priority	Inst	Project Name		Prior Appropriations	Current Request	Out Year Requests (Summed Across All Years if Multiple Years)	Total	Cumulative Current State Funds	Number of Projects
16	CMU	Performing Arts Renovation	CCF	\$0	\$8,007,041	\$0	\$8,007,041	\$202,614,213	21
			CF	\$0	\$787,456	\$0	\$787,456		
			TF	\$0	\$8,794,497	\$0	\$8,794,497		
17	CMU	Trigeneration	CCF	\$0	\$6,256,888		\$6,256,888	\$208,871,101	22
			CF	\$0	\$618,814		\$618,814		
			TF	\$0	\$6,875,702	\$0	\$6,875,702		
18	CSU-P	Psychology Building	CCF	\$0	\$16,519,873	\$0	\$16,519,873	\$225,390,974	23
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$16,519,873	\$0	\$16,519,873		
19	CSU-P	Information Technology Upgrades and Security	CCF	\$0	\$3,944,430	\$0	\$3,944,430	\$229,335,404	24
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$3,944,430	\$0	\$3,944,430		
20	UNC	Wireless and Network Infrastructure Upgrade	CCF	\$0	\$3,123,300	\$0	\$3,123,300	\$232,458,704	25
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$3,123,300	\$0	\$3,123,300		
21	UCD	Engineering and Physical Sciences Building	CCF	\$0	\$45,114,407		\$45,114,407	\$277,573,111	26
			CF	\$0	\$15,000,000		\$15,000,000		
			TF	\$0	\$60,114,407	\$0	\$60,114,407		
22	UCCS	Engineering and Physical Sciences Building	CCF	\$0	\$7,551,960	\$22,827,394	\$30,379,354	\$285,125,071	27
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$7,551,960	\$22,827,394	\$30,379,354		
23	LCC	Technology Infrastructure	CCF	\$0	\$644,400	\$0	\$644,400	\$285,769,471	28
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$644,400	\$0	\$644,400		
23	OJC	Technology Infrastructure II	CCF	\$0	\$637,500	\$0	\$637,500	\$286,406,971	29
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$637,500	\$0	\$637,500		
25	PCC	Critical Core Technology Infrastructure	CCF	\$0	\$1,490,050	\$0	\$1,490,050	\$287,897,021	30
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$1,490,050	\$0	\$1,490,050		
26	LCC	Vocational Trades Building	CCF	\$0	\$1,996,733	\$0	\$1,996,733	\$289,893,754	31
			CF	\$0	\$0	\$0	\$0		
			TF	\$0	\$1,996,733	\$0	\$1,996,733		
Total			CCF	\$88,264,297	\$289,893,754	\$127,701,011	\$505,859,062		
			CF & FF	\$42,834,900	\$112,375,279	\$147,442,510	\$302,652,689		
			TF	\$131,099,197	\$402,269,033	\$246,075,243	\$808,511,751		

TOPIC: APPROVE IMPROVEMENTS TO THE HIGHER EDUCATION FUNDING ALLOCATION MODEL

PREPARED BY: TODD HAGGERTY

I. SUMMARY

This item is for approval of modifications to the higher education funding allocation model.

II. BACKGROUND

Following the implementation of the new allocation formula for FY 2015-16, the Department, governing boards and CCHE recognized refinements were needed. Additionally, the Joint Budget Committee (JBC) provided nine Requests for Information (RFI) related to the funding allocation model. A majority of these RFIs focused on the complexity and lack of intuitiveness of Version 1.0 of the model. The issues raised in the RFIs were also conveyed by the JBC members during a Department update to the Committee on June 19, 2015.

In response, the Department engaged in an inclusive and collaborative process to discuss the development and implementation of any needed modifications. This has included the formation of a Funding Allocation Model Review Team (FAMRT), which is comprised of representatives from each governing board and OSPB. Since April, this team has spent many hours working to improve the model. In addition to technical corrections, Department staff and the FAMRT have worked to simplify and reduce volatility in the funding allocation model.

III. STAFF ANALYSIS

At the September 2015 CCHE meeting, staff briefed the Commission on two changes to the higher education funding allocation model that resulted from the collaborative process:

1. Change the Role & Mission portion of the allocation model by reducing the factors from three to two. This change eliminates the weighted student credit hours factor and the tuition stability factor, and replaces them with a “base-like” factor that captures “mission differentiation” and;
2. Change the Performance/Outcomes portion of the allocation model by capping the amount allocated through the productivity metric.

Needed Technical Changes

The FAMRT and DHE made a thorough technical review of every aspect of the model.

- Technical corrections/omissions were identified and vetted through the FAMRT.

- There were no objections to making the identified technical corrections to the operation of the model.

Needed Factor Changes

After analysis and conversations with the FAMRT, Department staff came to the conclusion that a more direct approach to the Role & Mission portion of the model and modifications to the Outcomes/Performance portion were required in order to create a simpler, less volatile model.

Modifications to Role & Mission

The Department brought forward a proposal to the Review Team that would change the Role & Mission portion of the allocation model, by reducing from three factors to two:

- Eliminate weighted student credit hours and the tuition stability factor, replacing them with a factor that captures “mission differentiation,” which is based on the outputs from the FY2015-16 funding allocation model and institution size that represents mission differentiation for each governing board (i.e., size, location, selectivity, cost of programs).

This change provides a counterbalance to the enrollment/volume driven nature of College Opportunity Fund (COF), Performance, and the current weighted credit hour structure on the Role & Mission side of the model.

Modifications to Outcomes/Performance

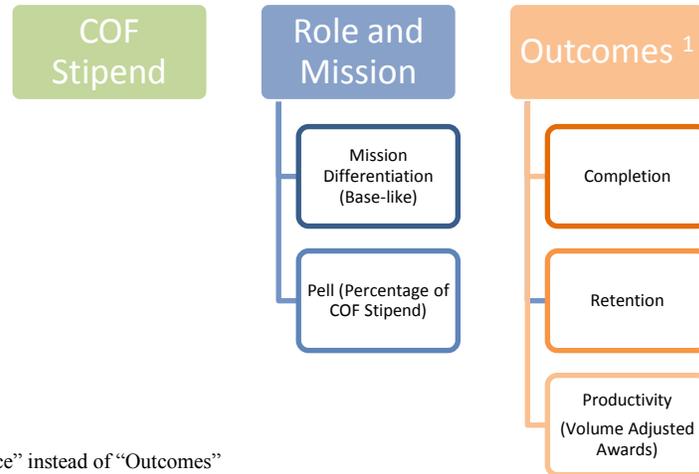
Within the Outcomes/Performance component, the influence of the metric called “Volume Adjusted Awards” hurt the intuitiveness of model 1.0. However, without this metric, the entire outcome/performance component of the model would be driven by counts - making it impossible for small institutions to compete in this section of the model.

Admittedly, the volume adjusted award metric was less than perfect, but it was added in version 1.0 to take into consideration institutional size, allowing all governing boards to compete within the outcomes/performance component. The FAMRT agreed to retain this metric in version 2.0 and appropriately rename it “productivity”, as it measures awards per FTE student, and to cap the dollar amount that runs through this metric. Capping the amount balances the importance of increasing award attainment (counts) and the efficiency of increasing award attainment (awards per FTE student).

The Funding Allocation Review Team approved the proposed changes, with one governing board undecided and one governing board in opposition to the change based on a philosophical objection to the structural changes.

In summary, the proposed changes are illustrated below:

CDHE Staff Recommendations for Version 2.0



¹ Legislation used the term “Performance” instead of “Outcomes”

IV. STAFF RECOMMENDATIONS

DHE staff recommends the Commission approve the technical and structural changes to version 2.0 of the model. The Commission will take separate action on the FY 2016-17 allocation.

V. STATUTORY AUTHORITY

§23-18-307 Budget provisions – reporting

(1) As part of the department's 2014 presentation to the legislative committees of reference pursuant to section 2-7-203, C.R.S., the department shall report its progress in implementing this part 3 and shall provide a draft of the factors and metrics, with their weights, that the commission is considering pursuant to section 23-18-306.

(2) (a) By November 1, 2014, the department and the commission shall submit a budget request that includes the total amount of funding requested for higher education for the 2015-16 state fiscal year and a draft of the factors and metrics, with their weights, that the commission is considering pursuant to section 23-18-306 but that does not include the specific allocation to each governing board.

(b) By January 15, 2015, the department and the commission shall submit an updated budget request that includes:

(I) A detailed description of the fee-for-service contract role and mission funding factors and the performance funding metrics and the values assigned to each factor and metric; and

(II) The fee-for-service contract provisions of section 23-18-303 as applied to each institution, including details of the funding requested for each institution for each role and mission funding factor and each performance funding metric.

(3) For the 2016-17 state fiscal year and each fiscal year thereafter, the department and the commission shall submit a budget request by November 1 of each year that includes:

(a) A detailed description of the fee-for-service contract, role and mission funding factors, and the performance funding metrics and the values assigned to each factor and metric; and

(b) The fee-for-service contract provisions of section 23-18-303 as applied to each institution, including details of the funding requested for each institution for each role and mission funding factor and each performance funding metric.

(4) In developing the annual general appropriations bill, the joint budget committee shall follow the provisions of section 23-18-303 in calculating the amounts of fee-for-service contracts, including the role and mission funding factors and performance funding metrics as determined by the commission, but may apply different weights to the factors and metrics than the values determined by the commission. If the joint budget committee alters the value of a factor or metric, the new value shall be applied to the determination of all fee-for-service contracts pursuant to section 23-18-303.

TOPIC: STATE TUITION POLICY PROCESS RECOMMENDATION

PREPARED BY: DIANE DUFFY AND TODD HAGGERTY

I. SUMMARY

This item is to approve a new annual tuition policy process. Staff is completing work on the complete State Tuition Policy Report, due to the General Assembly on November 1, which will be sent under separate cover by October 27, 2015.

II. BACKGROUND

HB 14-1319, tasked the Colorado Commission on Higher Education (CCHE) with developing a new performance-based allocation model by January 15, 2015, to allocate State funds to public institutions of higher education. The legislation also directed CCHE to submit to the General Assembly by November 1, 2015, new tuition policies that ensure both accessible and affordable higher education for Colorado residents, while reflecting the level of state funding for institutions and the need of each institution to enhance the financial position of the institution.

As part of the implementation plan for HB 14-1319, the Department established a Cost Driver and Analysis Expert Team to provide the CCHE and policy makers with a thorough analysis of what is driving costs of higher education in Colorado. Additionally, the topic of the CCHE's annual retreat, which was held August 6-7, was "affordability," with the primary goal of formulating a preliminary tuition policy.

The Commission reviewed a working draft document and provided further direction to staff during the September 3, 2015 CCHE meeting. Meetings were conducted with various stakeholders throughout the months of September and October. A special CCHE conference call was then held on October 5th to update Commissioners on the proposed Tuition Policy Process as well as the tuition recommendation that will accompany the budget request for FY 2016-17.

III. STAFF ANALYSIS

The Colorado Commission on Higher Education (CCHE) and the Department of Higher Education, in consultation with the Governing Boards and interested parties, conducted a comprehensive analysis of tuition policies that can be applied in Colorado to promote greater affordability, operational stability and funding flexibility at the state public postsecondary institutions.

The CCHE and DHE recommendations are as follows:

Tuition Policy Overview

Pursuant to statute, beginning in FY 2016-17 and each year thereafter, CCHE shall be required to include in the annual budget request tuition recommendations for resident

undergraduate students for each state institution of higher education. As part of this request, it is critical that tuition revenues are not appropriated and remain an informational item in the Long Bill.

Roles & Responsibilities

- Governing Boards have the responsibility and authority for the financial management of their institutions. A major component of sound financial management is the setting of tuition. Since institutions have unique roles and missions and differing student needs, governing boards are best equipped to set tuition and hold the fiduciary duty to their respective institutions.
- CCHE has the responsibility to exercise oversight to ensure that educational quality and student access are maintained.

Annual Business Cycle Approach - Determine Tuition Limit Recommendation

CCHE, in consultation with the governing boards and other interested parties, shall develop an annual process and methodology for setting tuition increase limits. Such a process shall take into consideration the following:

- The condition of the state general fund and state investment levels in higher education;
- The impact of tuition increases on student and families;
- The financial health and enhancing the quality of institutions; and
- Accountability and meeting completion goals.

Flexibility for Institutions

Governing boards will have the ability to request flexibility from tuition increase limits, through a Tuition Accountability Plan (TAP). The TAP will include price and tuition strategies; demonstrate how the governing board will work to protect low and middle income students in the state; and, how the tuition increase will help the institution meet the Commission's Master Plan Goals.

The Commission is required to review each request for tuition flexibility and either approve or deny the request for tuition increases, above the recommended tuition increase limit.

If the commission denies the request, the governing board shall not exceed the approved undergraduate resident tuition increase limit.

Business Cycle Calendar

The steps below mirror the state's budget cycle and integrate the tuition recommendation process with the General Fund appropriation process, while also including a mechanism for the Governing Boards to request additional flexibility above the tuition increase limit through a TAP (with CCHE approval).

1. CCHE works with governing boards to analyze budget request year costs (June, July).
2. Operating funding runs through the funding allocation model to determine allocations for the budget year (July, August).
3. CCHE submits to the Governor, General Fund and tuition limit/flexibility options (Aug, September).
4. Governor determines General Fund and tuition limit/flexibility request (October).
5. CCHE, along with the Office of State Planning and Budgeting, submits Governor's General Fund and tuition limit/flexibility request to Joint Budget Committee (November 1).
6. Governing Boards, based on the Governor's request, determine if additional flexibility is needed and if so, submit Tuition Accountability Plans to CCHE (December, January)
7. CCHE acts on Tuition Accountability Plans from governing boards that request additional flexibility (spring)

IV. STAFF RECOMMENDATIONS

DHE staff recommends the Commission approve this approach to develop annual tuition limit recommendations as described above and amend Commission policies to clearly outline the Commission's role and processes including the development of Tuition Accountability Plan forms, processes and procedures.

V. STATUTORY AUTHORITY

§23-18-306(5) The General Assembly finds and declares that it is vital that Colorado's higher education system is accessible and affordable for all Coloradans. The institutions' tuition policies are an important component of ensuring both the affordability and sustainability of Colorado's higher education system. With the expiration of tuition policies implemented pursuant to recent legislation, it is imperative that the commission and the governing boards of state institutions of higher education, as well as other interested parties, work cooperatively to structure an ongoing tuition policy for the state. Therefore, by November 1, 2015, the commission shall submit to the joint budget committee and to the education committees of the House of Representatives and the senate, tuition policies that ensure both accessible and affordable higher education for Colorado's residents. The tuition policies must also reflect the level of state funding for institutions and the need of each institution to enhance the quality of educational programs and offerings and strengthen the financial position of the institution. The commission shall develop the tuition policy recommendation in consultation with the governing boards of the institutions and other interested parties using an inclusive and transparent process.

Scenario #1: Flat

Governing Board	FY 15-16 Approps (COF and FFS)	FY 16-17 Total From COF Stipend	FY 16-17 Total From Role & Mission	FY 16-17 Total from Performance	FY 16-17 Total From Model (Pre Guardrails)	% Change from Prior Year (Pre Guardrails)
Adams	\$14,121,017	\$2,890,626	\$8,510,340	\$2,853,800	\$14,254,765	0.95%
Mesa	\$24,465,356	\$13,706,155	\$6,500,682	\$4,144,173	\$24,351,011	-0.47%
Mines	\$20,547,328	\$6,194,533	\$9,771,997	\$4,807,023	\$20,773,553	1.10%
CSU	\$80,845,813	\$43,047,716	\$20,546,221	\$17,056,183	\$80,650,120	-0.24%
CCCS	\$153,462,581	\$106,473,273	\$28,467,474	\$17,932,111	\$152,872,858	-0.38%
Ft. Lewis	\$11,822,422	\$4,041,098	\$5,046,259	\$2,492,511	\$11,579,868	-2.05%
Metro	\$50,153,399	\$32,248,782	\$9,817,499	\$9,119,909	\$51,186,189	2.06%
CU	\$122,018,746	\$62,352,540	\$31,925,706	\$29,341,897	\$123,620,143	1.31%
UNC	\$41,092,729	\$15,440,878	\$16,715,361	\$7,057,469	\$39,213,708	-4.57%
Western	\$11,643,992	\$2,967,276	\$6,757,260	\$1,946,535	\$11,671,071	0.23%
Total	\$530,173,383	\$289,362,876	\$144,058,800	\$96,751,611	\$530,173,286	

No Changes to Model Components

Scenario #2: 5% Increase

Governing Board	FY 15-16 Approps (COF and FFS)	FY 16-17 Total From COF Stipend	FY 16-17 Total From Role & Mission	FY 16-17 Total from Performance	FY 16-17 Total From Model (Pre Guardrails)	% Change from Prior Year (Pre Guardrails)
Adams	\$14,121,017	\$3,006,251	\$8,934,051	\$3,011,077	\$14,951,379	5.88%
Mesa	\$24,465,356	\$14,254,401	\$6,819,845	\$4,435,514	\$25,509,760	4.27%
Mines	\$20,547,328	\$6,442,314	\$10,259,103	\$5,142,881	\$21,844,298	6.31%
CSU	\$80,845,813	\$44,769,624	\$21,561,335	\$18,501,995	\$84,832,954	4.93%
CCCS	\$153,462,581	\$110,732,204	\$29,846,406	\$19,488,009	\$160,066,618	4.30%
Ft. Lewis	\$11,822,422	\$4,202,741	\$5,297,227	\$2,631,803	\$12,131,771	2.62%
Metro	\$50,153,399	\$33,538,733	\$10,293,630	\$9,853,101	\$53,685,465	7.04%
CU	\$122,018,746	\$64,846,642	\$33,501,497	\$31,897,545	\$130,245,683	6.74%
UNC	\$41,092,729	\$16,058,513	\$17,545,402	\$7,597,044	\$41,200,959	0.26%
Western	\$11,643,992	\$3,085,967	\$7,094,086	\$2,033,006	\$12,213,059	4.89%
Total	\$530,173,383	\$300,937,391	\$151,152,582	\$104,591,974	\$556,681,947	

Changes to Model Components:

- COF to \$78
- Mission Differentiation increase of 5%
- Performance increase of 5%

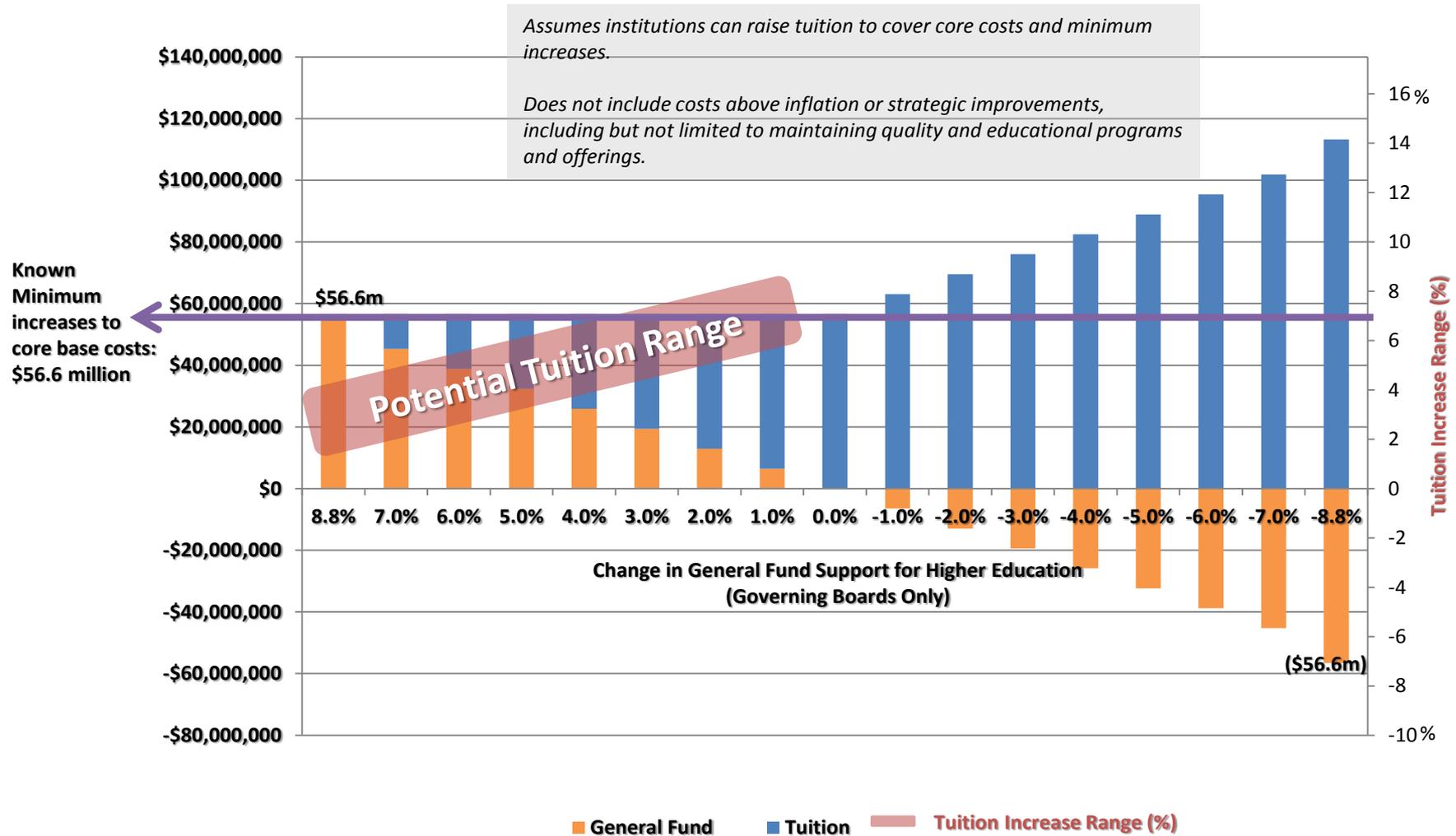
Scenario #3: 5% Decrease

Governing Board	FY 15-16 Approps (COF and FFS)	FY 16-17 Total From COF Stipend	FY 16-17 Total From Role & Mission	FY 16-17 Total from Performance	FY 16-17 Total From Model (Pre Guardrails)	% Change from Prior Year (Pre Guardrails)
Adams	\$14,121,017	\$2,775,000	\$8,086,629	\$2,696,522	\$13,558,152	-3.99%
Mesa	\$24,465,356	\$13,157,909	\$6,181,519	\$3,852,833	\$23,192,261	-5.20%
Mines	\$20,547,328	\$5,946,752	\$9,284,891	\$4,471,165	\$19,702,808	-4.11%
CSU	\$80,845,813	\$41,325,807	\$19,531,107	\$15,610,372	\$76,467,286	-5.42%
CCCS	\$153,462,581	\$102,214,342	\$27,088,543	\$16,376,213	\$145,679,098	-5.07%
Ft. Lewis	\$11,822,422	\$3,879,454	\$4,795,292	\$2,353,219	\$11,027,964	-6.72%
Metro	\$50,153,399	\$30,958,831	\$9,341,368	\$8,386,716	\$48,686,914	-2.92%
CU	\$122,018,746	\$59,858,438	\$30,349,915	\$26,786,250	\$116,994,603	-4.12%
UNC	\$41,092,729	\$14,823,243	\$15,885,319	\$6,517,895	\$37,226,456	-9.41%
Western	\$11,643,992	\$2,848,585	\$6,420,434	\$1,860,063	\$11,129,083	-4.42%
Total	\$530,173,383	\$277,788,360	\$136,965,017	\$88,911,248	\$503,664,625	

Changes to Model Components:

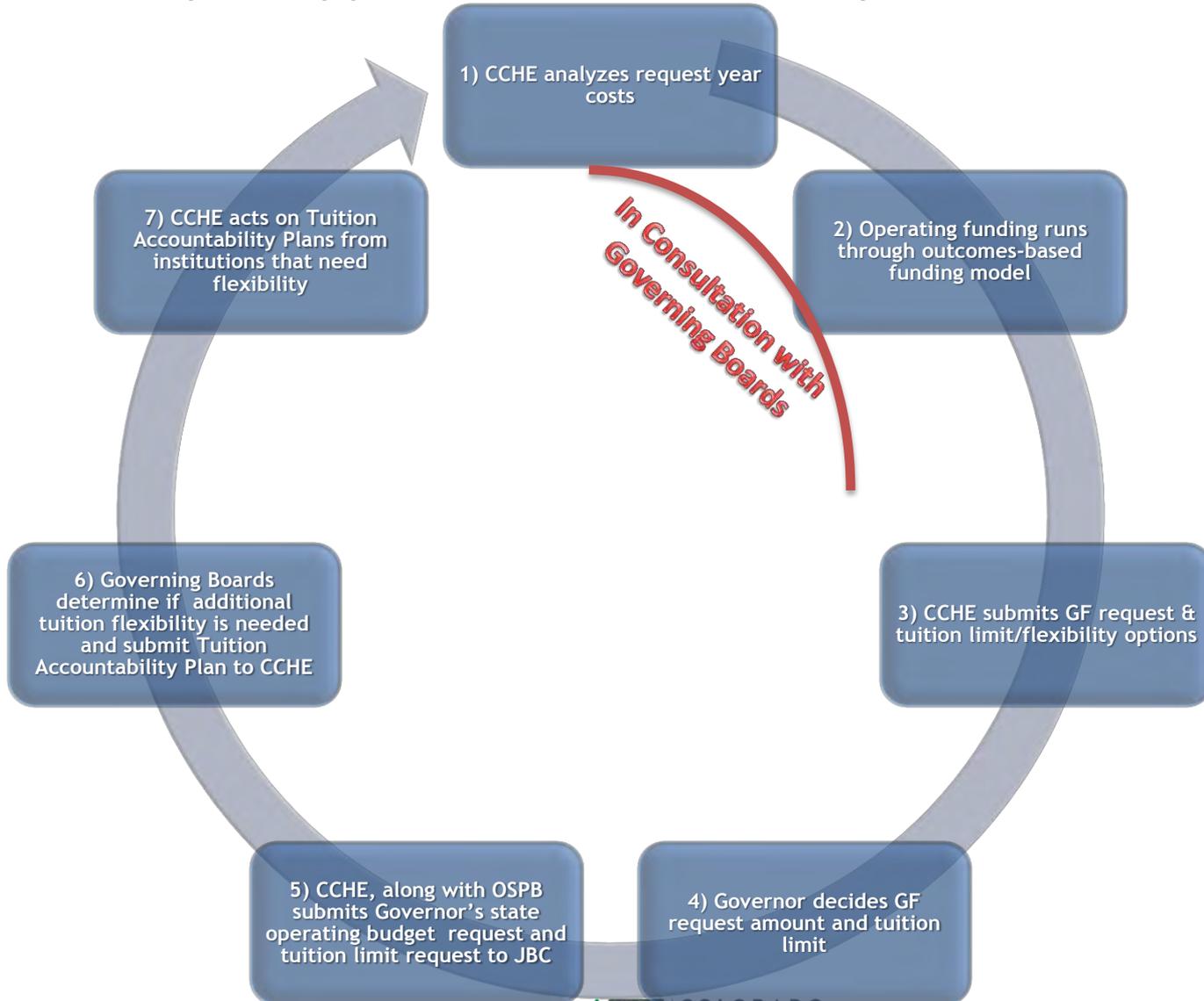
- COF to \$72
- Mission Differentiation decrease of 5%
- Performance decrease of 5%

Linking the General Fund & Tuition: Approach for FY 2016-17



Tuition Policy Framework:

CCHE Business Cycle Approach to Tuition Policy



TOPIC: APPROVAL OF FISCAL YEAR 2016-17 GENERAL FUND BUDGET REQUEST; GENERAL FUND ALLOCATIONS, AND TUITION RECOMMENDATION

PREPARED BY: DIANE DUFFY, CHIEF FINANCIAL OFFICER
TONYA COVARRUBIAS, LEAD FINANCE ANALYST
TODD HAGGERTY, LEAD FINANCE ANALYST
ANDREW RAUCH, LEAD FINANCE ANALYST

I. SUMMARY

This agenda item is to provide approval and/or guidance to staff for the implementation of the annual General Fund request, funding allocations to governing boards, and establish tuition recommendations for FY 2016-17.

II. BACKGROUND

For Fiscal Year 2016-17, Colorado is in a unique position where the expanding economy (the state's General Fund revenue is expected to grow at 3.9% for 2015-16 and a more robust 6.7% in 2016-17) is pitted against Constitutional and statutory provisions restricting revenue growth. The impact of this puts strain on the ability to fund governmental goods and services, such as higher education within available revenue.

The Office of State Planning and Budgeting's September Revenue Forecast estimates TABOR revenue to exceed the Referendum C revenue cap by roughly \$150 million in FY 2015-16 and by \$398 million in FY 2016-17. One of the driving forces behind these refund amounts is growth in the Hospital Provider Fee revenue.

As a cash fund subject to the TABOR cap, the Hospital Provider Fee and other such funds place upward pressure on the state's revenue. However, due to restrictions on the use of these funds, they cannot be used to pay TABOR refunds. Therefore, the refunds will come out of the General Fund - resulting in a more restrictive fiscal environment and limiting General Fund expenditures.

The Commission recognized the General Fund dilemma and potential negative impact on state funding for higher education, and in August adopted a resolution supporting changing the Hospital Provider Fee to an Enterprise Fund. In addition, the resolution urges all Governing Boards of the public institutions of higher education to adopt similar resolutions. To-date many have done so or plan to do so before the start of the 2016 Legislative Session.

Given the possible conditions of the level of funding for higher education, DHE staff utilized three funding scenarios (5% increase; flat; and 5% decrease) to model the possible funding allocations and tuition recommendations for FY 2016-17.

III. STAFF ANALYSIS

As of this writing, the Governor's request for state supported institutions of higher education and other budget requests for the Department of Higher Education - such as Student Financial Aid - are not known.

It is not clear at this time whether the Governor's requests will be released in advance of the November 1 statutory deadline and available for the October 29 CCHE meeting, so there may be an additional hand-carry document for the Commission meeting on October 29, 2015.

Because the Commission needs to take action at this meeting on the General Fund allocations and tuition recommendations for FY 2016-17, it may be necessary for the Commission to approve the approach to the allocation and tuition recommendation based on General Fund scenarios; and then direct staff to carry out the CCHE's decisions once the specifics of the Governor's General Fund request is known.

Funding Allocations:

In 2014, the General Assembly passed HB 14-1319, requiring that the system of public higher education be funded using a performance outcome model. The Department implemented this requirement and developed a new funding allocation formula that was approved by the CCHE and implemented in FY 2015-16.

Over the last Spring, Summer and early Fall, the Department and Governing Boards jointly undertook a thorough review process of the funding allocation model. The results of that process are reflected in the staff recommendations for technical and structural model improvements.

Assuming CCHE approval, this revised model will be used to implement the FY 2016-17 budget request. Attachment A illustrates the allocations under three scenarios – 5% increase, flat funding, 5% decrease. The Funding Model Review Team, CFOs, and CEOs all reviewed the allocations under these three scenarios. Working off the flat model, eight governing boards affirmed “they could live with it”; one governing board “did not know yet”; and one respectfully “opposed” based on a philosophical objection to the changes to the structure of the model.

Tuition Recommendation:

HB 14-1319 also charges CCHE with making a tuition recommendation for FY 2016-17. In summary, the CCHE's tuition recommendation for FY 2016-17 is as follows:

- **If Flat or Reduced Funding:** If the state general fund appropriation is flat or falls below the level appropriated in for FY 2015-16 (\$672 million), **there will be no restrictions on tuition levels set by governing boards.**
- **If Increased State Funding:** If the state general fund appropriation is increased above the level appropriated for FY 2015-16 (\$672 million), the tuition increase limit for resident undergraduate tuition will be established based on the level of state investment in conjunction with known minimum costs.

Because all state general funds are allocated through the higher education allocation funding formula, some governing boards may receive an allocation less than the overall percentage growth for higher education. **Those governing boards receiving less than the overall percentage growth may increase tuition by one percentage point over the tuition increase limit** (e.g., if the overall general fund increase is 5%, with a tuition increase limit of 6%; a governing board receiving a general fund increase of less than 5% would be able to increase tuition up to 7%).

Finally, if a governing board needs to exceed the upper limit cap, a Tuition Accountability Plan process will be in place.

DHE staff reviewed and discussed the upper limit recommendation using the 5% scenario with the CFOs and CEOs during the week of October 19-23; and as of this writing is not aware of any concerns with the approach.

IV. STAFF RECOMMENDATIONS

As of this writing, the Governor's request for state supported institutions of higher education and other budget requests for the Department of Higher Education, such as Student Financial Aid, are not known.

If by the time of the October 29, 2015 meeting the specifics of the General Fund request are public, staff recommends CCHE approve the allocations based on the Governor's request as reflected in the document staff will hand deliver to the meeting.

If the specifics of the General Fund request are not public at that time, DHE staff recommends CCHE approve the allocations based on the three General Fund scenarios - 5% increase, flat, 5% decrease - and instruct staff to apply those decisions to the specifics of the Governor's request.

V. STATUTORY AUTHORITY

§23-18-307 Budget provisions - reporting

(1) As part of the department's 2014 presentation to the legislative committees of reference pursuant to section 2-7-203, C.R.S., the department shall report its progress in implementing this part 3 and shall provide a draft of the factors and metrics, with their weights, that the commission is considering pursuant to section 23-18-306.

(2) (a) By November 1, 2014, the department and the commission shall submit a budget request that includes the total amount of funding requested for higher education for the 2015-16 state fiscal year and a draft of the factors and metrics, with their weights, that the commission is considering pursuant to section 23-18-306 but that does not include the specific allocation to each governing board.

(b) By January 15, 2015, the department and the commission shall submit an updated budget request that includes:

(I) A detailed description of the fee-for-service contract role and mission funding factors and the performance funding metrics and the values assigned to each factor and metric; and Colorado Commission on Higher Education (CCHE) September 3, 2015 Agenda Item III, A Page 4 of 4 Discussion Item

(II) The fee-for-service contract provisions of section 23-18-303 as applied to each institution, including details of the funding requested for each institution for each role and mission funding factor and each performance funding metric.

(3) For the 2016-17 state fiscal year and each fiscal year thereafter, the department and the commission shall submit a budget request by November 1 of each year that includes: (a) A detailed description of the fee-for-service contract role and mission funding factors and the performance funding metrics and the values assigned to each factor and metric; and (b) The fee-for-service contract provisions of section 23-18-303 as applied to each institution, including details of the funding requested for each institution for each role and mission funding factor and each performance funding metric.

(4) In developing the annual general appropriations bill, the joint budget committee shall follow the provisions of section 23-18-303 in calculating the amounts of fee-for-service contracts, including the role and mission funding factors and performance funding metrics as determined by the commission, but may apply different weights to the factors and metrics than the values determined by the commission. If the joint budget committee alters the value of a factor or metric, the new value shall be applied to the determination of all fee-for-service contracts pursuant to section 23-18-303.

ATTACHMENTS:

- A. Funding Allocation Model Scenarios: #1 - Flat; #2 - 5% Increase; #3 - 5% Decrease
- B. Linking the General Fund and Tuition: Approach for FY 2016-2017