

The Degree Dividend

Building our economy and preserving our quality of life:
Colorado Must Decide

Colorado's Strategic Plan for Higher Education

Letter from co-chairs

Dear Coloradoans:

A vibrant economy. Quality jobs. People who are prepared to create them and fill them. This is the future we all want to see for our state.

As fellow citizens, we believe Colorado's quality of life and prosperity -- for us and for those who follow us -- will depend on the choices we make about education. In particular, we believe our decisions on higher education – how we fund it and what we demand of it – will be key to our future, now more than ever.

Earlier this year, Governor Ritter called a group of us together to develop a strategic plan for higher education in our state. He asked us to look at what our needs will be in the future, listen to people across the state, review what's working and what's not today, and recommend strategies for going forward.

He asked us to focus on reaching his goal to keep us nationally and internationally competitive by doubling the number of degrees and certificates by 2020. This joins with President Obama's goal to increase the percentage of degree holders aged 25-34 to 60% by 2020.

We know that there is a **"Degree Dividend"** for investments in higher education – a value to all of us in thriving public institutions of higher learning and in people who complete their education at them, especially in the future we see ahead of us. We have focused our report on how to make the most of these investments.

Our conclusion is that without changing the course our state is now on, we are destined for a future we don't want. We need to invest more. We need to increase the number of students obtaining certificates and degrees. We need to improve access for all types of students – from adults needing retraining to students who are the first in their families to attend college. We need to prepare students for education beyond high school better and earlier. And, we need more effective governance structures to optimize our investments.

Our report is a roadmap, developed by citizens from across the state, for how to reap "degree dividends" for our state. On behalf of our committee, we thank everyone who helped us with this effort – educators, students, and administrators at our public and private institutions as well as business and community leaders. It is our collective hope that you will learn some things, as we did, from our work, and that you will take our recommendations to heart and put them into practice. Thank you.

Executive Summary

Looking forward.

We live in a state that is changing. Our population is growing and its composition is also shifting dramatically. In addition, jobs of the future -- and the skills we will need to fill them -- will also be different than they are today.

Today – Economic assets supporting our quality of life. Efficient spending.

- We have built important economic assets for our state in our public higher education institutions over time that are helping to drive our economy and provide benefits to our quality of life.
- Our higher education leaders have focused on the efficient spending of state dollars, in the face of rising enrollment and declining state funding.

Today – Falling behind.

- Colorado's financial support for higher education has been declining and is now dramatically off track. It is also shifting the burden of higher education costs to students and families.
- In Colorado, many students are not being served well or at all. Our largest, growing ethnic group is furthest behind and historically, as a group, has not gone to college.
- We are losing students as they move through the educational pipeline. Many are not retained through to completion of a certificate or degree or take too long to obtain them. Many are not prepared for college level work, requiring remedial courses before they can begin their college classes.
- We need to allow each higher education institution to realize its mission and to thrive, within an effective and interdependent system that also advances priorities for the state as a whole. Our current governance system does not effectively balance these needs or lead to the level of coordination we need given today's challenges.

Executive Summary

Planning for success – two key levers.

As we look to what our higher education priorities should be going forward, we see two critical levers – more funding and more focus on completion of degrees and certificates.

Recommendation 1 – Colorado must increase its investment and ensure affordability of higher education. We cannot afford to be last.

- Colorado is currently last in the nation in state funding and is on the path of an Accelerated Erosion scenario, where funding is likely to be significantly reduced. We support a “competitive scenario” to bring us into the top third of states nationally.
- We endorse the following principles regarding how we allocate state funds within our higher education system in order to maximize our investment. In addition, at any funding level, we believe that a substantial percentage of state funding should be given directly to students to spend where they believe their academic needs will best be met and to motivate Colorado’s colleges and universities to meet those needs.
- Specifically, we recommend that:
 - College Opportunity Funds (COF) and state financial aid funds should be maximized and include incentives for state priorities.
 - Funds should be linked to measurable progress to spur innovation through outcome-based rewards.
 - Certain graduate programs should be funded through “fee for service.”
 - Efficiencies should continue to be implemented.
 - A state fund should be created to match locally raised funding.
 - State funding should be considered with a view to the system.

Recommendation 2 – Colorado must reduce regional, income, and ethnic gaps in college admission, retention, and completion.

- We need to better incent and coordinate actions – occurring in pockets throughout our state’s institutions – to increase access to higher education for all Coloradans. This includes focus on the right entry point to meet each individual’s goals and needs, and the right pathways to complete their education. It means retaining them once they enter college and prioritizing completion of a credential of higher education – a certificate or degree.
- Specifically, we recommend that we:
 - Support multiple entry points into college.
 - Allow for flexible pathways to completion of degrees and certificates.
 - Make college affordable for all students who meet admission requirements.
 - Provide support structures for students, including adults, to stay on track and complete their education.

Executive Summary

Recommendation 3 – Colorado must identify systemic ways to improve the educational pipeline.

- We need to better prepare students for college level work when they arrive at college. To do that, we need to start earlier in their education to get them on a path toward college. We also need to support the best approaches to remedial education in higher education – as many students will still need that support out of high school. In addition, we need to serve many adult learners who may be entering college long after high school to obtain new skills or a certificate or degree later in life.
- Specifically, we recommend that we:
 - Focus on college earlier.
 - Increase alignment and collaboration across P-20 education and workforce systems.
 - Expand effective remediation efforts.
 - Use common data and assessments.
 - Address capacity to meet demands.

Recommendation 4 – The governance of higher education should be structured to allow for the advancement of state priorities.

- We need to keep and improve upon our integrated, tiered system of higher education, which has different admission criteria for students entering institutions at each tier. To govern this system, we need to implement a more effective governance approach that better balances institutional needs with statewide needs. We need an effective oversight body with the responsibility to develop and direct policy to reach statewide goals and the ability to hold the system accountable for implementing these policies successfully.
- Specifically, we recommend that we:
 - Maintain current governance structure pending review within 18 months.
 - Enhance responsibility and authority of the CCHE.
 - Review governance and institutional missions.
 - Implement performance funding.
 - Require consultation with the CCHE in appointment of Executive Director of the CDHE.

Vision and Mission

We envision a Colorado with a globally competitive system of higher education that builds our economy and enhances our quality of life for our citizens by:

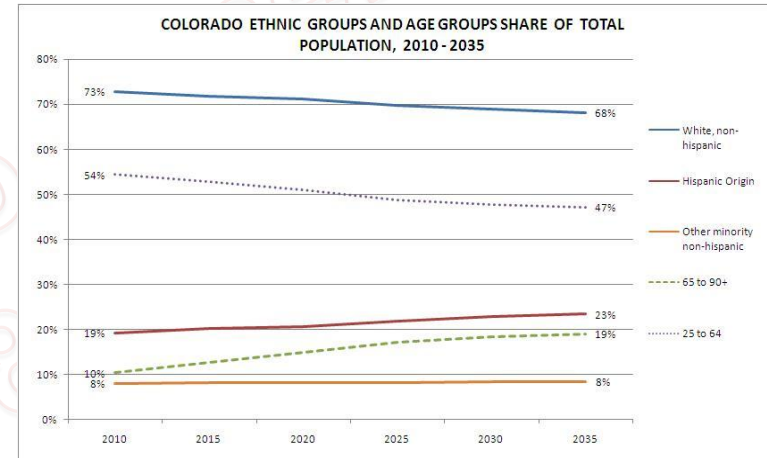
- Meeting the current and future needs of our workforce and our business community;
- Providing access to every qualified student through a tiered system of institutions;
- Maximizing quality, efficiencies, collaborations, and affordability;
- Offering seamless transitions to appropriate levels of learning for all students; and
- Developing responsible citizens for a successful civic enterprise.

Looking Forward

We live in a state that is changing. Our population is growing and its composition is also shifting dramatically. In addition, jobs of the future -- and the skills we will need to fill them -- will also be different than they are today.

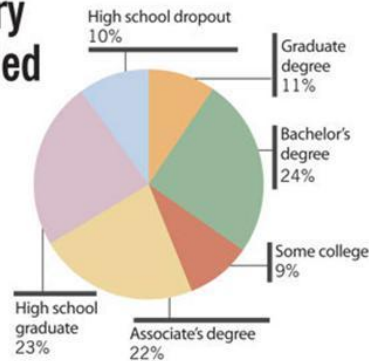
Our demographics are shifting.

There will be more of us.	By 2035, the state's population is expected to grow to 7.7 million. In July, 2010, the population was 5.1 million.	13% increase
Our population will be older.	The population aged 18-24 will be smaller (9.6%). Adults aged 65 and older are expected to grow from 1/2 million to 1.5 million by 2035.	265% increase
We will be more ethnically diverse.	The fastest growing demographic is Hispanics, expected to be 23% of total population by 2035. People of color will comprise 31.8% by 2035.	31.8% by 2035



Postsecondary training needed

A Georgetown University study found that about two-thirds of Colorado jobs in 2018 will require workers with at least some college education. About 43 percent of those jobs will be in sales, management or professions such as law.



Source: Georgetown University Center on Education and the Workforce

Times-Call

The jobs and skills needed to fill them are shifting.

- We have kept pace with occupational demands due to the in-migration of workers into the state.
- It is expected, however, that in the future there will be more jobs to fill and their composition will be different.
- By 2035, 45% of the labor force will shift due to a combination of retirements and new demands.
- The higher education requirements of jobs are also expected to shift.
- By 2018, nearly 70% of jobs in Colorado will require higher education and training, ranking Colorado 5th in the nation in higher education needs.
- The highest growth areas will require an associate's or bachelor's degree.

Today – Economic assets supporting our quality of life

We have built important economic assets for our state in our public higher education institutions over time that are helping to drive our economy and provide benefits to our quality of life.

Higher Education– Economic Assets and Social Benefits

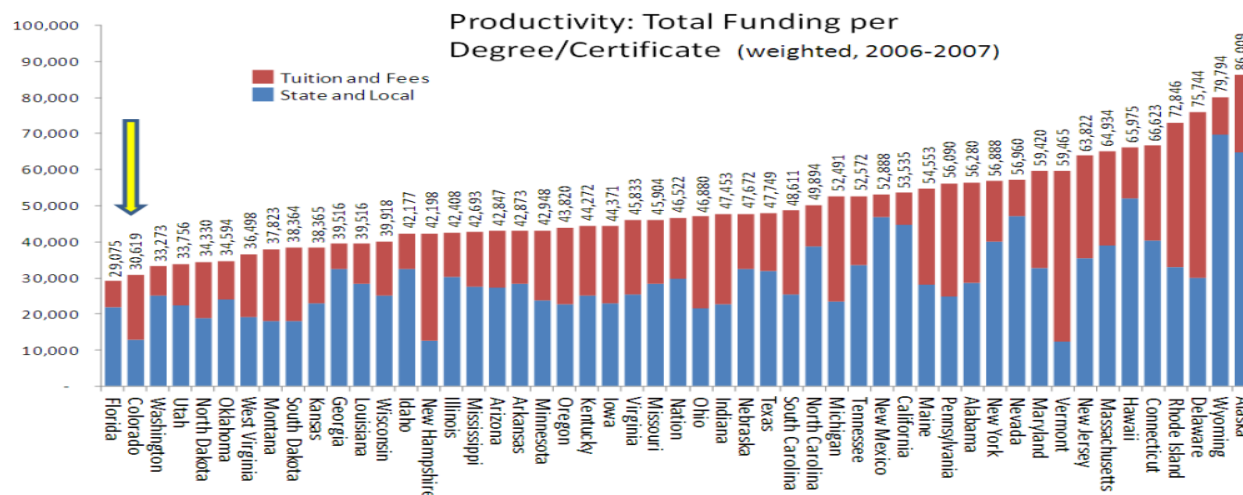
Fuel the economy	Colorado's public higher education institutions support nearly 98,000 jobs, which contribute \$4.25 billion in wages and salaries and almost \$387 million in state and local taxes to the Colorado economy annually. Private non-profit institutions support an additional 5,000 jobs. Each dollar paid to higher ed will generate another \$.97 in wages and salaries for employees in other industries as it circulates through the economy.
Create jobs	The public higher education sector is one of the largest employers in the state, bigger than Natural Resources/ Mining, Heavy Construction, Computers/Electronics, Telecommunications, or Federal Government. It accounts for over half of state government jobs.
Sustain regional vitality	The regional impact of public higher education is enormous. In some areas, institutions account for 20% or more of personal income to the area, are among the largest employers, and generate millions in local tax revenue.
Drive innovation & attract investments	Our universities are global leaders in research and the advancement of technologies, and their research expenditures total hundreds of millions of dollars per year. Research expenditures for CU and CSU each exceeded \$300 million in 2009-2010. With Mines and UNC, our research universities are performing cutting edge research in energy, biotechnology, electronics, infectious diseases ,and a host of other areas.
Benefit society	Increases: personal income and economic strength, levels of workforce participation, health, productivity, and dollars to the state, as well as volunteerism and civic, cultural, and artistic involvement. Decreases: rates of incarceration, participation in Medicaid, and other social service programs.
Build financial security	Education improves job security and increased earnings potential. Those with some degree of higher education (an associate degree or more) earn more than those with high school or less.

Today – Efficient spending

Our higher education leaders have focused on the efficient spending of state dollars, in the face of rising enrollment and declining state funding.

Public Higher Education Institutions – Efficiently spending state dollars.

- Colorado is the second most efficient state in the nation in terms of how much it costs to produce a degree or certificate.
- For some time, our institutions have faced increasing enrollment and declining revenue.
 - At our community colleges, state funding has declined by 25% since 1991. During that same time period, resident enrollment has increased by over 49%. The most dramatic growth has been at colleges located in the Denver metropolitan area.
 - At four-year state colleges, state funding has declined by 21%, while enrollment has increased over 22% during this time.
 - Similarly, our four-year research institutions have faced a 27% decrease in funding, with a corresponding 24% increase in enrollment during this time.
- In the face of these changes, education leaders have focused on priorities and become increasingly creative, including in how they deliver services, such as successful online approaches. For example:
 - CCCOnline is an online degree program within the community colleges system. It has more than doubled in student growth since 2005, and is currently serving more than 46,000 students per year.
 - CSU Global, an online degree completion institution which started in 2008, is currently serving over 3800 students per year.
 - In fiscal year 2010, online students represent approximately 21% of the total public student headcount enrollment.



Today – Falling Behind

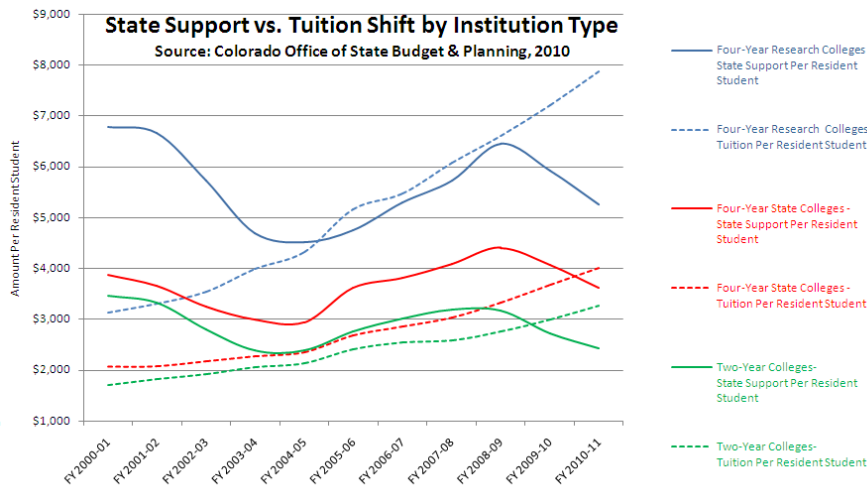
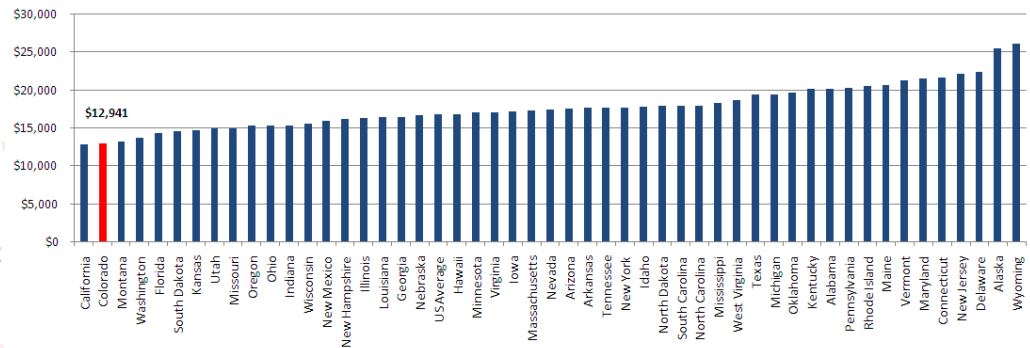
Colorado's financial support for higher education has been declining and is now dramatically off track. It is also shifting the burden of higher education costs to students and families.

Funding is not competitive nationally.

- Colorado is near the bottom in the nation in state funding for higher education behind states like Mississippi and Arkansas.
- Since FY89-90, state support for higher education has decreased from 20.3% to 9% of the state general fund.
- Relative to other state services, this is a reduction in general fund of 55%.
- Since 1980, Colorado has reduced its state financial investment in higher education by nearly 70%, from \$10.52 per \$1000 of personal income to a current rate of \$3.20.
- The national average of personal income dedicated to higher education is \$12.28 per \$1,000.

Average Per Student Funding, 2008-09 (Tuition + State Support)

Source: SHEEO SHEF (State Higher Education Finance) Report, 2009



Costs are being shifted to students and families.

Since 2001, the total resident student share of costs (tuition) across all public institutions has nearly doubled.

- Four-year Research institutions - from 31.6% to 63.9%
- Four-year state colleges - from 33.8% to 55.7%
- Two-year colleges - from 33% to 60.1%

Note: these figures do not include student fees that vary widely across the state.

Today – Falling Behind

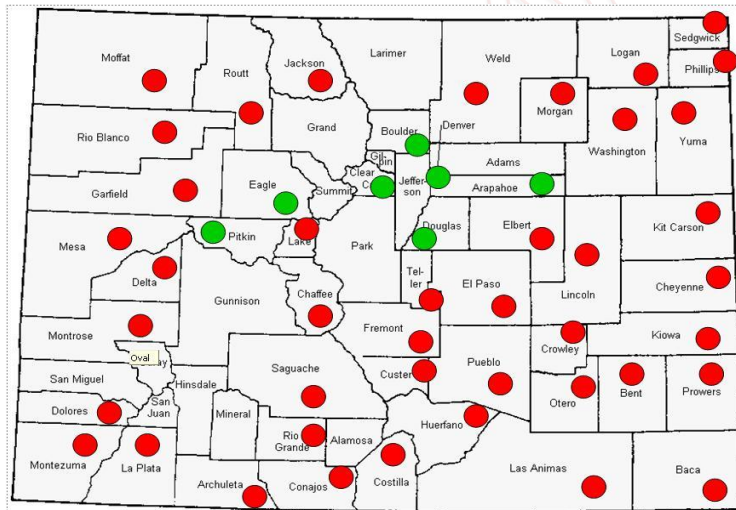
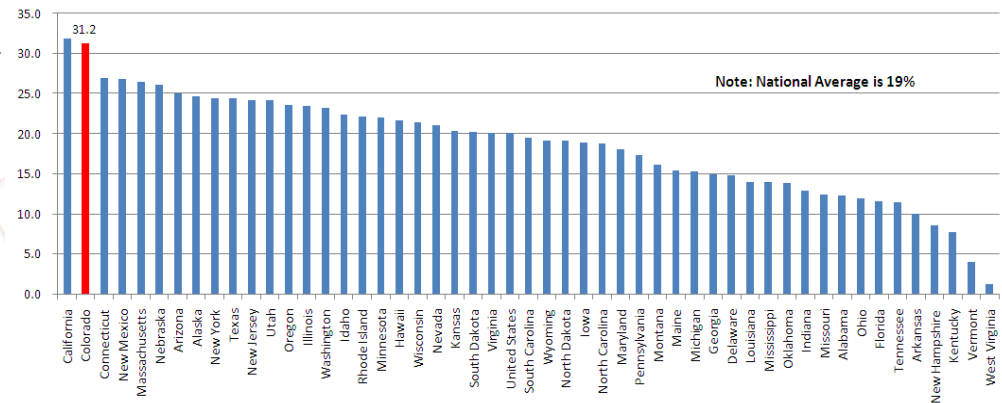
In Colorado, many students are not being served well or at all. Our largest, growing ethnic group is furthest behind and historically, as a group, has not gone to college.

2nd largest achievement gap in the country.

- The educational attainment rate of Whites compared to the next largest ethnic group is the second largest in the country – a 31% gap, compared to the national average of 19%.
- For Colorado, this refers to Hispanics, who are also the fastest growing demographic group in the state.
- Currently, 6% of Hispanics have an associate's degree and 8% have a bachelor's degree.
- Only 9% of Hispanic males in high school today will go on to education after high school.

Percent gap between White and next largest ethnic group aged 25 to 64
with Associate Degrees and Higher

Source: 2006-08 American Community Survey



Growing groups lack higher education.

- Low income: Colorado institutions differ significantly in enrollment and attainment of low-income students, who are also often the first in their families to attend college.
- Low-income students represent a higher percentage of students enrolled at institutions which serve regions of the state with lower income levels.
- Low-income students throughout the state are enrolled at a lower level than other groups in higher education, and their attendance tends to be concentrated at the community college level.
- Adults: More than a third of Colorado's adult population lacks any education after high school, with 13% of adults lacking any form of high school credential.
- The percentage of people with a certificate or degree is 47%, with a third of them receiving their credentials outside of Colorado.
- More than a third of current increases in bachelor's degrees are the result of immigration, rather than degrees attained by Colorado residents.
- The rate of educational attainment is currently lower than in previous generations. While 28.8% of "Baby Boomers" in Colorado have a bachelor's degree, only 23.3% of subsequent generations do.

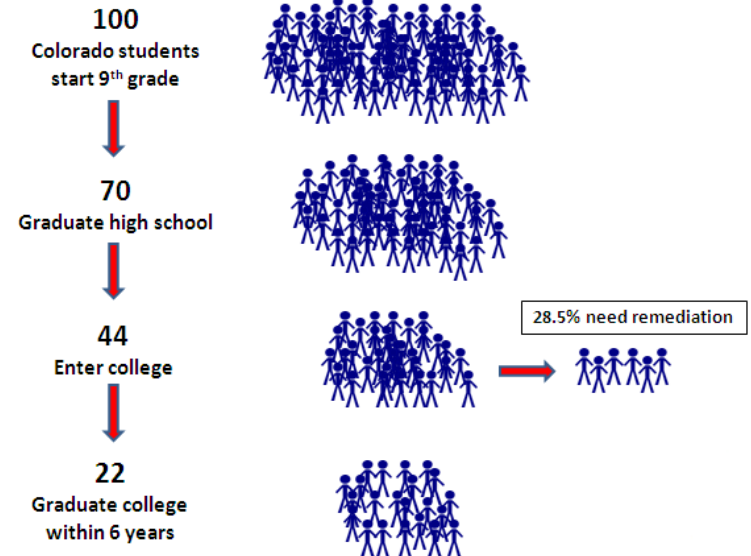
Red- counties with low educational attainment/ low personal wealth
 Green- counties with high educational attainment/ high personal wealth
 Source: US Census, 2000 [NOTE: add yellow counties]

Today – Falling Behind

We are losing students as they move through the educational pipeline. Many are not retained through to completion of a certificate or degree or take too long to obtain them. Many are not prepared for college-level work, requiring remedial courses before they can begin their college classes.

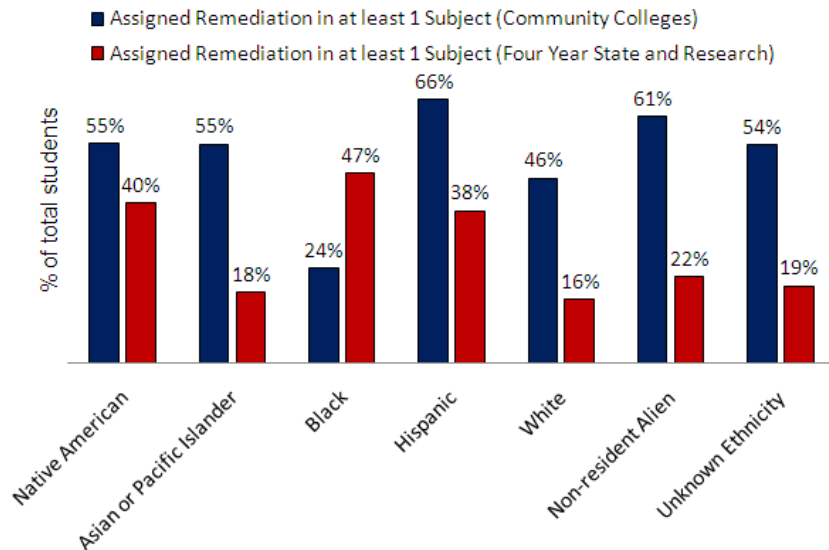
Our educational pipeline is broken.

- Too many students are not making their way through their higher education to completion of a certificate or degree.
- The most prominent “leaks” are in the transition into the first year of college from high school and past the first year in college.
- It is taking too long for students to obtain a higher education credential in the form of certificates or degrees.
- Over 635,000 adults in Colorado have accumulated some college credits, but have not completed a certificate or degree.



Colorado Remediation Rates by Ethnicity, Fall 2008

Source: CDHE



Many students are not prepared for college level work.

- High percentages of students require remedial courses before they can perform at the college level, at a substantial cost -- \$13M or more for both high school and adult remediation.
- Across all of public higher education in Colorado, an average of 28.5% of new students require remedial education.
- On average, 52.7% of community college new students require remediation.
- Those in remedial courses often do not complete their education.
- For example, of 100 first time students enrolled in the lowest level of remedial math (8th grade level) only 4 will graduate with a two year degree in three years.

Today – Falling Behind

We need to allow each higher education institution to realize its mission and to thrive, within an effective and interdependent system that also advances priorities for the state as a whole. Our current governance system does not effectively balance these needs or lead to the level of coordination we need given today's challenges.

Our governance system is not keeping pace with statewide needs or with the growth of private schools.

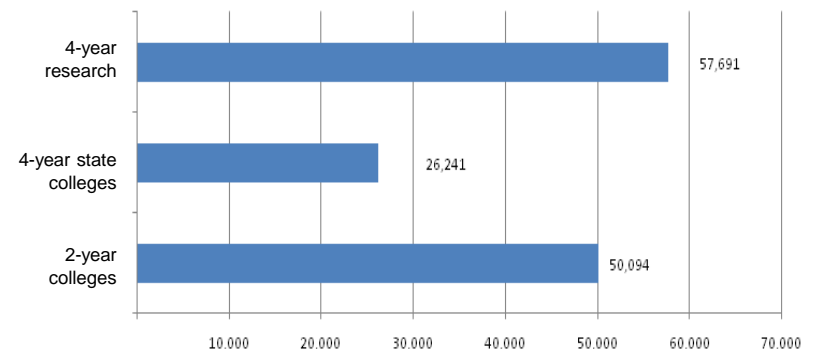
- Colorado's public system of higher education has grown organically around a complex system of governing board structures.
- It is comprised of 28 colleges and universities: 13 four-year institutions, 3 area vocational schools and 15 two-year institutions.
- These institutions are under the direction of 12 governing boards, which are either elected or appointed by the Governor.
- In addition, there are over 400 private higher education schools in Colorado.
 - These are comprised of 300 occupational schools, privately owned and operated, charging tuition to teach vocational or occupational skills primarily. Governance of these schools is under limited regulation by the state and their appointed board of commissioners.
 - They also include over 100 private accredited or religious-exempt schools which operate with independent governing boards, offering undergraduate and graduate degree programs.
- Private institutions have seen dramatic growth in recent years. Some are serving our citizens very well with unique offerings that address needs not served by our public institutions. Others, predominantly for-profit institutions, are charging a lot with limited success in terms of completion by their students, who are taking on significant debt, with disproportionately high default rates.
- We need more effective governance of for-profit private institutions as a whole to strike the right balance for our citizens.

Our system provides for decentralized decision making, with limited coordination statewide.

- Some policy requires a statewide view, which is not the responsibility of any one college.

One example:

- Our students are concentrated at the research and community college level.
- Resources and capacity to serve the greatest areas of demand in the middle of the "hourglass" are limited.
- The current alignment of institutional missions may not be the best way to serve the demographic of students expected to attend college.
- Specifically, our middle tier of institutions may be able to do more than they are today to serve key populations, either as an entry point or pathway to further education.
- Our ability to direct statewide policy to address these populations and institutions is limited.



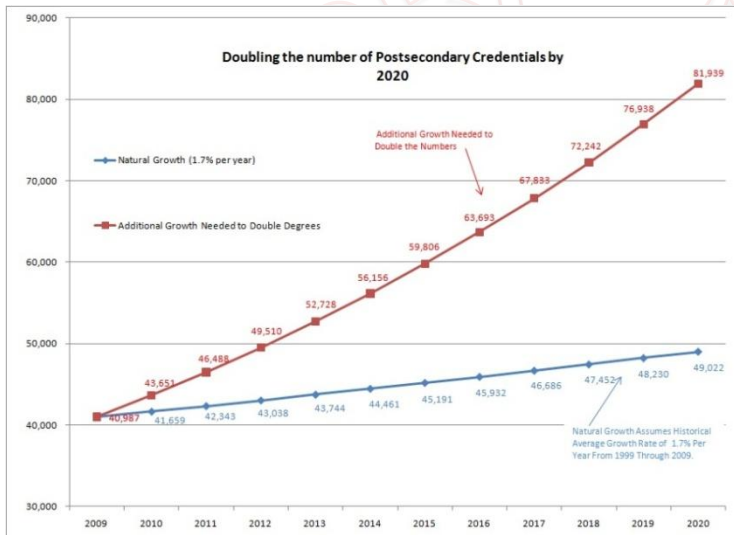
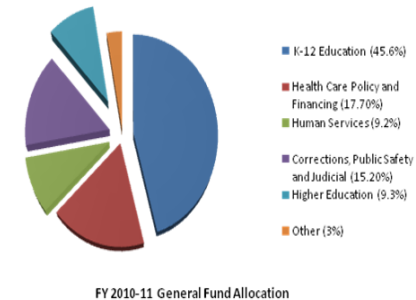
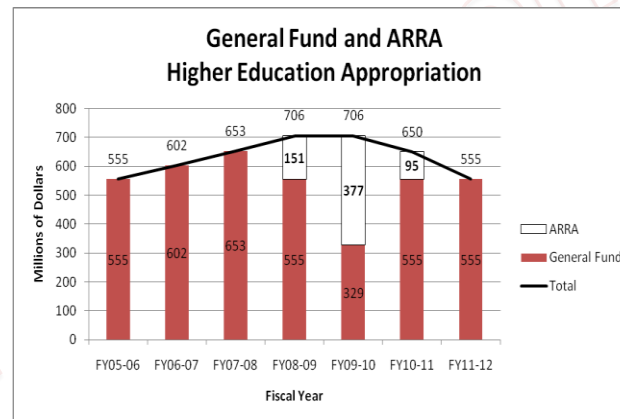
FTE Resident Undergraduate Enrollment 2008-09 based on tiers

Planning for success – two key levers

As we look to what our higher education priorities should be going forward, we see two critical levers – more funding and more focus on completion of degrees and certificates.

Funding cliff needs to be averted.

- Colorado's higher education system has used funds from the federal American Recovery and Reinvestment Act of 2009 (ARRA) to backfill state support that was redirected to other state priorities.
- Since 1990, state support has declined from 20% to 9%.
- Unlike many states, there are few dedicated funding streams for higher education in Colorado.
- With a few exceptions, there are not mechanisms for generating local financial support for higher education in Colorado.



Completion rates for degrees and certificates must increase.

- Our state goal is to double the number of degrees and certificates by 2020.
- Our national goal is to increase the percentage of degree holders aged 25-34 to 60% by 2020.
- Increasing student completion by an average of 5% per year over ten years will result in approximately 670,000 additional degrees and certificates.
- This will position us to meet these goals and market demand.
- This will also require a significant change in our current completion rates.
- Our graduation/certificate completion rate at four-year research institutions ranges from 31-42% in 4 years, and 59-73% in 6 years, depending on the institution.
- At four-year state colleges, the average rate is about 14% in 4 years and 37% in 6 years.
- At two-year community colleges, the average rate is about 25% in 2 years and 4 years, without considering part-time students.
- These rates are lower at all of our institutions for Hispanic and low-income students.

In order for us to meet these challenges and rise to our opportunities, we are going to have to change course. If not, we believe we are destined for a result we will regret and which will not put our state and fellow citizens in a position to be competitive in the years ahead.

We will need to proceed, over time, with a course correction. We believe it will require more investment, with increased focus on priorities, creativity and accountability for results. We believe it will also require us to innovate and think differently to increase access to higher education for students of all ages and circumstance, to strengthen our educational pipeline into college, and to achieve more effective governance.

We present the following recommendations as our best advice on what we can do together to get us back on the right course for our future.

Recommendation 1 – Colorado must increase its investment and ensure affordability of higher education. We cannot afford to be last.

We need to create a sustainable funding source for higher education, at a level to make Colorado competitive nationally and internationally, as we cannot afford to be last in the nation. We also need to invest in financial aid at a level that will allow any student who meets admission requirements to obtain a higher education degree or certificate.

Colorado is currently on the path of the “accelerated erosion” scenario.

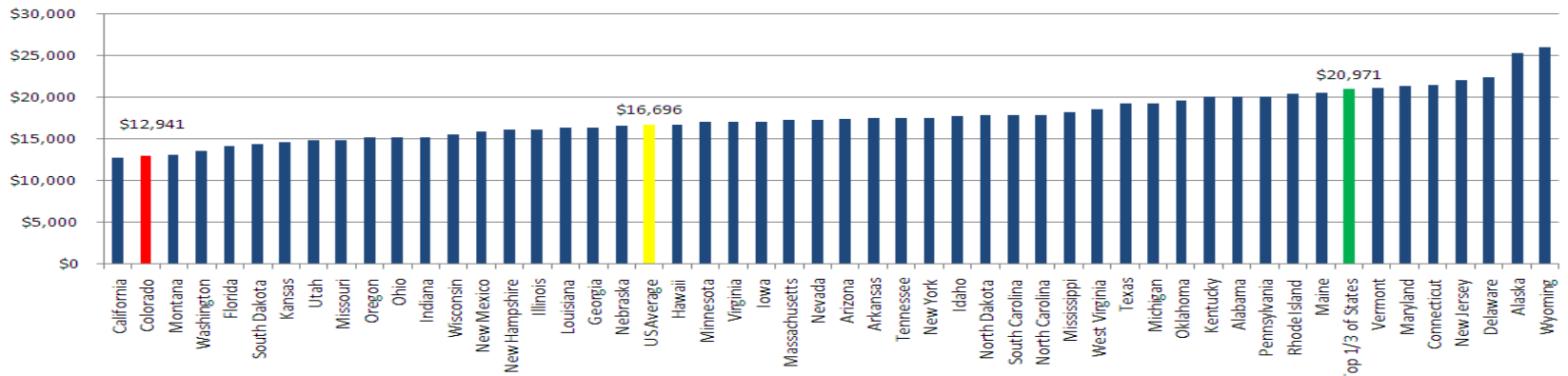
Funding Scenarios	Assumptions	Average per student funding
Competitive	State funding is brought to \$1.5 billion to raise Colorado from the bottom into the top third of states in the nation.	\$9,366
Restoration	State funding is brought to \$1 billion, the level it would have been if funding had kept up with inflation. This would restore an inflation “gap” of 39% (or ~\$476M).	\$6,475
Losing Ground	Funding stays at the FY 10/11 level of \$760M in state general funds and federal ARRA funds.	\$4,000
Accelerated Erosion	Funding continues to decline, with other state priorities taking priority. On this course, funding would be less than \$550M and could go to zero. Any available funds should be targeted to financial aid. Schools and programs may either close or be privatized, with no state support. Access will be limited.	>\$3,400, down to \$0

Options to raise revenue.	Potential Revenue
Restore income and sales tax rates to 5.0% and 3.0%, respectively	\$445 M
Expand sales tax to specific services	\$550 M
Implement 1.0% surcharge on extraction	\$150 M
Implement a 4.0 Mill levy statewide	\$350 M
Implement a 4.0 Mill levy in counties where an institution of higher education is located	\$240 M

We support the “competitive scenario” to bring us into the top third of states nationally.

Average Per Student Funding, 2008-09 (Tuition + State Support)

Source: SHEEO SHEF (State Higher Education Finance) Report, 2009



Recommendation 1 – Colorado must increase its investment and ensure affordability of higher education.

We endorse the following principles regarding how we allocate state funds within our higher education system in order to maximize our investment. In addition, at any funding level, we believe that a substantial percentage of state funding should be given directly to students to spend where they believe their academic needs will best be met and to motivate Colorado's colleges and universities to meet those needs.

1. College Opportunity Funds (COF) and state financial aid funds should be maximized and include incentives for state priorities.	Funds should be maximized in two ways: <ul style="list-style-type: none">• Through COF, by providing COF funds to all resident students, with additional incentives – accruing directly to institutions who meet the incentive criteria -- for enrollment that meets specific state needs such as a) serving low and middle income students, b) meeting workforce needs, c) funding graduate students, etc. These incentives would be calculated as a proportion of the basic COF and be the same regardless of the institution the student attends.• Through financial aid by, for example, providing financial aid incentives to students who obtain a degree or certificate on time or early.
2. Funds should be linked to measurable progress to spur innovation through outcome based rewards.	<ul style="list-style-type: none">• A portion of state funds should be allocated as rewards for measurable progress in outcome-based achievements in areas that further statewide educational and economic priorities, such as: a) degrees and certificates that meet workforce needs, b) improved student retention, c) certificate and degree completion; and d) better outcomes for low and middle income students.• Outcome based funding for institutions should be strengthened, especially as new state funding becomes available.
3. Certain graduate programs should be funded through “fee for service”.	A portion of state funds should be allocated through “fee for service” contracts to prioritized graduate programs, such as CSU's professional veterinary program and CU's Anschutz medical campus, as these types of programs do not lend themselves to per student funding. Other graduate programs can be handled thru COF incentives. Any other “fee for service” allocations should be significantly reduced.
4. Efficiencies should continue to be implemented.	There should be a continued focus on achieving institutional and statewide efficiencies such as: <ul style="list-style-type: none">• coordinating purchases from system-wide price lists resulting in economies of scale and lower prices,• consolidating administrative operations,• Implementing innovations such as online course delivery to meet student needs at lower cost while maintaining quality, and• demonstrating ongoing savings and efficiencies annually.
5. A state fund should be created to match locally raised funding.	The state should create a matching fund where local voters' financial commitment to local institutions can be matched with state assistance. Such a matching fund should be used to account for local revenue capacity variances.
6. Consider state funding with view to the system.	<ul style="list-style-type: none">• Consider state appropriations, tuition policy, state financial aid and institutional subsidies, as well as the state's tiered system, when assessing policy changes.

Note: The state provides General Fund support to governing boards through two mechanisms: COF stipends and fee for service contracts. The COF stipend is a per credit hour amount that is provided to resident undergraduates who are enrolled. It operates as an offset to their total tuition (student share of tuition + COF stipend). Through COF, the state funds undergraduate education. Graduate education and specific high cost programs are funded through the fee for service contract that each governing board negotiates directly with the Department of Higher Education. The state also funds a variety of financial aid programs. The majority of state financial aid supports two programs: direct need based financial aid and work-study.

Recommendation 2 – Colorado must reduce regional, income and ethnic gaps in college admission, retention and completion.

We need to provide better incentives and coordinate action – occurring in pockets throughout our state’s institutions – to increase access to higher education for all Coloradoans. This includes focus on the right entry point to meet each individual’s goals and needs, and the right pathways to complete their education. It means retaining them once they enter college and prioritizing completion of a credential of higher education – a certificate or degree.

Key Strategies	Highlighted Tactics
1. Support multiple entry points into college.	<ul style="list-style-type: none"> • Guarantee admission to all qualified Colorado students into a higher education institution in Colorado somewhere within our integrated, tiered system. • Send notice, proactively, to students and families stating that, based on admission criteria established for such tier, the student has qualified for admission to college.
2. Allow for flexible pathways to completion of degrees and certificates.	<ul style="list-style-type: none"> • Allow all qualified students to move to public institutions with more selective admission criteria if they meet transparent and uniform transfer requirements. • Develop seamless transfer standards – from the student’s perspective – for movement from two year to four year institutions for qualified students, and institute them statewide. • Put in place and support practices which allow for dual admittance in “partner” higher education institutions, and concurrent enrollment with high schools statewide.
3. Make college affordable for all students who meet admission requirements.	<ul style="list-style-type: none"> • Work to ensure that a student’s choice of schools at all tiers is based on merit, not affordability: • For qualified, low-income students, meet 100% of their financial need, through a combination of loans, grants, and self-help and without use of parent or private loans. • Simplify and improve the process for obtaining financial aid. • Make more financial aid available and target it according to needs of the state. • Devote more financial aid dollars to work study, certificate, part-time, and adult learners. • Design and implement student “shared commitments,” such as turning loans to grants if certain performance is met or if students graduate early or “on time.” • Reinstitute some “merit-based” loans/grants, and assess their impact on retention.
4. Provide support structures for students, including adults, to stay on track and complete their education.	<ul style="list-style-type: none"> • Put into practice statewide, universally at all institutions “supportive services” targeted to low income or first generation students, with emphasis on mentoring and advising. • Develop and implement “Individual Career and Academic Plans” to put and keep students on track to complete their education. • Strengthen Adult Basic Education through funding and expertise in cooperation in with pre-K-12.

Recommendation 2 – Colorado must reduce regional, income and ethnic gaps in college admission, retention and completion.

At current funding levels, gaps in all areas are growing. College costs are outpacing students abilities to pay and the system of higher education is becoming more complex for students to access. Reducing the gaps will take a concerted investment in both targeted student support programs and financial aid programs.

Key Strategies		Feasibility of strategies under each funding scenario			
	Tracked to Funding Scenarios	Accelerated Erosion	Losing Ground	Restoration	Competitive
1. Support multiple entry points into college.		✗	✗	⚠	✓
2. Allow for flexible pathways to completion of degrees and certificates.		✗	⚠	⚠	✓
3. Make college affordable to all students who meet admission requirements.		✗	✗	⚠	✓
4. Provide support structures for students, including adults, to stay on track and complete their education.		✗	✗	⚠	✓
Legend: ✗ - no progress on this measure; ⚠ some progress; ✓ - ability to progress					

Recommendation 3 – Colorado Must Identify Systemic Ways to Improve the Educational Pipeline

We need to better prepare students for college level work when they arrive at college. To do that, we need to start earlier in their education to get them on a path toward college. We also need to support the best approaches to remedial education in higher education – as many students will still need that support out of high school. In addition, we need to serve many adult learners who may be entering college long after high school to obtain new skills or a certificate or degree later in life.

Key Strategies	Highlighted Tactics
1. Focus on college earlier.	<ul style="list-style-type: none"> • Provide earlier access to career and college preparatory information (particularly for Latino students and English Language learners) with a focus on increasing 1) awareness of the value of higher education, b) academic preparation, and c) financial literacy and capacity. • Assess and enhance options for early access to “college level” work, including concurrent enrollment, advanced placement, international baccalaureate, and other accelerated coursework in high school. • Align/streamline processes for credentialing teachers of concurrent enrollment courses. • Value “accelerated coursework” for all students in educator preparation and professional development. • Determine student “readiness” for college level work sooner, including using assessments in 11th grade or earlier and Individual Career and Academic Plans (ICAP). • Put career cluster and pathway models into practice and support them statewide.
2. Increase alignment and collaboration across P-20 education and workforce systems.	<ul style="list-style-type: none"> • Offer seamless transitions to appropriate levels of learning for all students, including coordinating higher education “readiness” expectations, and measurements and services between CDHE and CDE, in collaboration with governing boards, school districts and boards of cooperative educational services (BOCES). • Incent stronger collaborations between higher education institutions and school districts, regional services areas (RSA), and BOCES, including expanding early, universal access to college level course work and ensuring teacher prep programs address realistic 21st century higher education preparation. • Align policies from admissions and remediation through completion, with a focus on porous aspects of transitions, from elementary school through postsecondary. • Coordinate and align college admissions policies with jointly adopted standards to ensure assignment of students to levels of higher education for which they are prepared. • Create online transfer center and streamline credit transfer policies and processes. • Strategically align with current P-20 efforts in progress including CAP4K (SB 212), postsecondary and workforce readiness, such as establishing common metrics and assessments.
3. Expand effective remediation efforts.	<ul style="list-style-type: none"> • Review and refine state approaches to developmental (remedial) education and invest in strategies to meet diverse student needs. • Identify and expand effective remediation programs, including early assessment of needs in order to move students effectively and successfully into and through to completion of degree and certificate programs. • Recognize significant costs associated with remediation as well as its impact on completion; commence remediation in a timely manner
4. Use common data and assessments.	<ul style="list-style-type: none"> • Design and put into practice common metrics, standards for data collection and sharing statewide, and assessments across P-20 and workforce systems that effectively evaluate where students are in the pipeline.
5. Address capacity to meet demands.	<ul style="list-style-type: none"> • Review capacity of higher education to meet future demands, including undertaking a statewide space utilization review and leading promotion of collaborative uses of physical facilities and continued development of alternative delivery approaches, such as on line program delivery.

Recommendation 3 – Colorado Must Identify Systemic Ways to Improve the Educational Pipeline

We must continue current efforts to align our entire education system -- from primary school through higher education, in such areas as student readiness and assessments. We can and are doing that now in many sectors of our system. However, in order to increase momentum and meaningfully improve students successful movement through the state's educational pipeline, we must invest in systemic alignment and meaningfully increase the capacity to serve more students coming into the higher education system.

Key Strategies		Feasibility of strategies under each funding scenario			
	Tracked to Funding Scenarios	Accelerated Erosion	Losing Ground	Restoration	Competitive
1. Focus on college earlier.		✖	⚠	✓	✓
2. Increase alignment and collaboration across P-20 education and workforce systems.		✖	⚠	⚠	✓
3. Expand effective remediation efforts.		✖	✖	⚠	✓
4. Use common data and assessments.		✖	✖	✓	✓
5. Address capacity to meet demands.		✖	✖	⚠	✓
Legend: ✖ - no progress on this measure; ⚠ some progress; ✓ - ability to progress					








Recommendation 4 – The Governance of Higher Education Should Be Structured to Allow for The Advancement of State Priorities

We need to keep and improve upon our integrated, tiered system of higher education, which has different admission criteria for students entering institutions at each tier. To govern this system, we need to implement a more effective governance approach that better balances institutional needs with statewide needs. We need an effective oversight body with the responsibility to develop and direct policy to reach statewide goals and the ability to hold the system accountable for implementing these policies successfully.

Key Strategies	Highlighted Tactics
1. Maintain current governance structure pending review.	<ul style="list-style-type: none"> • Maintain the current higher education governance structure, including institutional and system governing boards, pending a review of the system. • This structure should continue to include a statewide oversight board – the Colorado Commission on Higher Education (CCHE) with authority to implement broad statewide policy for higher education.
2. Enhance responsibility and authority of the CCHE.	<ul style="list-style-type: none"> • Enhance the responsibility and authority of the CCHE in higher education policy to include: • Articulating and advocating a vision for higher education and setting forth an agenda for higher education that is responsive to the state's demographics, labor market, and economic development needs, • Serving as the leadership body on such policy issues as ensuring access to and successful completion of higher education course work for all Coloradoans, • Compiling data on higher education, using common indicators and metrics, for the purposes of describing higher education in the state and ensuring accountability to meet state goals, • Negotiating performance contracts with each institution to ensure state goals are being met, and • Coordinating with governing boards toward the goal of aligning strategic plans and state goals and priorities.
3. Review governance and institutional missions.	<ul style="list-style-type: none"> • Require the CCHE to undertake a review of the system and recommend to the state legislature a potential realignment to a more efficiently and productively meet the current and future needs of students. CCHE should maintain clarity and focus on mission for all institutions and specifically: • Examine the role and mission, and the research and graduate designations, of all institutions. and • Study the Auraria Higher Education Center and whether it remains the most effective structure to meet higher education needs in the Denver regional area.
4. Implement performance funding.	<ul style="list-style-type: none"> • Implement a finance policy whereby a portion of state funding to institutions and students is based on performance against specific state goals set forth by the CCHE.
5. Require consultation with the CCHE in appointment of Executive Director of the CDHE.	<ul style="list-style-type: none"> • Provide for the Governor to appoint the Executive Director of the Colorado Department of Higher Education in consultation with the CCHE.

Recommendation 4 – The Governance of Higher Education Should Be Structured to Allow for The Advancement of State Priorities

Carefully examining governance structures and increasing the authority of the CCHE can happen without significantly increasing state dollars to higher education. However, to cooperatively move forward as a system, there must be an investment in institutions and governing boards charged with meeting state goals. The state cannot meaningfully implement a performance funding structure without a substantial increased investment in higher education.

Key Strategies		Feasibility of strategies under each funding scenario			
	Tracked to Funding Scenarios	Accelerated Erosion	Losing Ground	Restoration	Competitive
1. Maintain current governance structure pending review.				✓	✓
2. Enhance responsibility and authority of the CCHE.		✗			✓
3. Review governance and institutional missions			✓	✓	✓
4. Implement performance funding.		✗	✗		✓
5. Require consultation with CCHE in appointment of Executive Director of the Colorado Department of Higher Education.		✓	✓	✓	✓
Legend: ✗ - no progress on this measure;  some progress; ✓ - ability to progress					

HESP Charge and Process

Higher Education Strategic Planning Committee (HESP)

By statute (CRS-23-1-108) the Colorado Commission on Higher Education (CCHE) is required to develop a master plan for the system of postsecondary institutions every four years. The last master plan was completed by the CCHE in 1999, and updated in 2001 Blue Ribbon Commission 2002. In order to meet the legislative requirements, Governor Bill Ritter Jr., by executive order, appointed a twelve member bipartisan steering committee in December, 2009.

The HESP was chaired by citizen volunteers Jim Lyons and Dick Monfort, and comprised of representation from business and industry, higher education institutions, nonprofit organizations, and members of the Colorado Commission on Higher Education (CCHE).

The Governor charged the steering committee with defining state higher educational needs and examining institutional missions, reviewing the governance and structure of the system of higher education, addressing higher education funding, and increasing and improving student access and success. In addition, the Higher Education Steering Committee was charged with addressing two key completion oriented agendas:

Colorado: To double the number of degrees and certificates by 2020

United States: To increase the percentage of degree holders aged 25-34 to 60% by 2020

The Steering Committee developed four subcommittees to address specific areas:

- 1) The Mission & Governance subcommittee was charged with identifying the proper role, mission, and governance structure of the state's higher education system;
- 2) The Pipeline subcommittee was charged with addressing the role of the system in decreasing remediation, expanding transition programs, removing barriers for nontraditional learners, and increase completion;
- 3) The Accessibility subcommittee was charged with addressing the role of the state and institutions in continuing to provide access to students, particularly those most vulnerable groups which include ethnic minorities, low income, and those with geographic barriers; and
- 4) the Sustainability subcommittee was charged with making recommendations related to Colorado higher education funding as it relates to state goals.

HESP Public Forums and Support

Public Forums

September 14, Sangre de Cristo Arts Center, Pueblo
October 5, Northeastern 18-The Plainsman Grill, Sterling
October 13, Aims Community College-Theater, Greeley
October 14, Western State College, Gunnison
October 19, Mesa State College, Grand Junction
October 21, Law Offices of Rothgerber, Johnson & Lyons, LLP, Denver

Support from many groups

Field/Subject Experts

Dr. Geri Anderson, **Community Colleges of Colorado**
Nella Bea Anderson, **Western State College**
Elaine Baker, **Community Colleges of Colorado**
Julie Bell, **National Conference of State Legislatures (NCSL)**
Deb Blake, **Colorado Department of Education**
Andy Carlson, **Colorado Department of Higher Education**
Joe Cruz, **ACT**
Jennifer Dounay, **Education Commission of the State (ECS)**
Celina Duran, **Colorado Department of Higher Education**
Dr. Rhonda Epper, **Community Colleges of Colorado**
Oscar Felix, **Colorado State University**
Richard Garcia, **Statewide Parent Coalition**
Elizabeth Garner, **Colorado State Demographer**
Dr. Matt Gianneschi, **Community College of Aurora**
Jami Goetz, **Colorado Department of Education**
Dennis Jones, **National Center for Higher Education Management Systems (NCHEMS)**
John Karakoulakis, **Colorado Department of Higher Education**
Patrick Lane, **Western Interstate Commission for Higher Education (WICHE)**
Dr. Toni Larson, **Independent Higher Education of Colorado**
Dr. Paul Lingenfelter, **State Higher Education Executive Officers (SHEEO)**
David Longaneker, **Western Interstate Commission for Higher Education (WICHE)**
Dr. Janet Lopez, **University of Colorado at Denver**
Dr. Cheryl Lovell, **Colorado Department of Higher Education**
Ian MacGillivray, **Colorado Department of Higher Education**
Ricardo Martinez, **Padres Unidos**
Jerry Mason, **Arapahoe Community College**
Aims McGuinness, **National Center for Higher Education Management Systems (NCHEMS)**
Matt McKeever, **Colorado Department of Higher Education**
Scott Mendlesberg, **GEAR UP**

Levia Nahary, **ACT**
Arturo Perez, **National Conference of State Legislatures (NCSL)**
Julia Pirnack, **College in Colorado**
Andrea Reeve, **Colorado State University**
Ryan Ross, **TRiO/ Educational Opportunity Center**
Todd Saliman, **Governor's Office of State Planning and Budgeting**
Dr. Frank Sanchez, **University of Colorado at Denver**
Scott Stump, **Community Colleges of Colorado**
Dr. Becky Takeda-Tinker, **Colorado State University, Global Campus**
Rana Tarkenton, **Denver Scholarship Foundation**
Tim Taylor, **Colorado Succeeds**
Dawn Taylor-Owens, **College in Colorado**
Dr. Paul Teske, **University of Colorado at Denver**
Paul Thayer, **Colorado State University**
Bruce Vandal, **Education Commission of the State (ECS)**
Frank Waterous, **Bell Policy Center**
Terry Whitney, **College Board**
Mary Wickersham, **Governor's Policy Office**

Legislative Advisory Group

Senator Bob Bacon, 14th District (Larimer)
Senator Keith King, 12th District (El Paso)
Representative Tom Massey, 60th District (Chaffee, Custer, Fremont, Park, Pueblo, Saguache)
Representative Karen Middleton, 42nd District (Arapahoe)
Representative Beth McCann, 8th District (Denver)
Representative Ken Summers, 22nd District (Jefferson)
Senator Gail Schwartz, 5th District (San Luis Valley, etc)

Additional Thanks:

National Center for Higher Education Management Systems (**NCHEMS**)
James Jacobs
Susie Sidwell
Chris Adams- TAG Strategies
Richard Jividen
Sue Samuelson

Other Stakeholders:

Associated Students of Colorado, Chief Executive Officers, Chief Financial Officers, Chief Academic Officers, Student Affairs Stakeholders, Data Advisory Group, Financial Aid Advisory Committee, and many many others

Back Cover

Building our economy and preserving our quality of life:
Colorado Must Decide

Colorado's Strategic Plan for Higher Education