



## COLORADO STATE UNIVERSITY SYSTEM

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JOSEPH B. BLAKE, Chancellor

July 2, 2010

Higher Education Strategic Planning Committee  
C/O Department of Higher Education  
1560 Broadway, Suite 1600  
Denver, Colorado 80202

Dear Members of the Higher Education Strategic Planning Committee:

This letter is a response to your request for feedback regarding the HESP sustainability subcommittee recommendations to the steering committee. I appreciate the opportunity to comment on the recommendations prior to your consideration for action. As chancellor of the CSU System, finding a sustainable solution to the funding crisis impacting Colorado's public institutions of higher education is imperative. The recommendations of the committee regarding long-term sustainability of Colorado's public higher education system will have significant impacts on the success of the CSU System. Below are my comments per recommendation.

- Recommendation #1 – The CSU System will continue to work with other higher education institutions along with state leaders to identify dedicated and sustainable funding sources to financially support the basic operations and improved performance of Colorado higher education institutions.
- Recommendation #2 – The CSU System supports the sustainability subcommittee's recommendation to request \$760M in state support as a base/initial amount to fund Colorado's public higher education system. Recognizing how the requested amount was calculated for the initial funding recommendation, the system urges the committee to support long term, more realistic funding amounts to bring institutions closer to state support levels of their peers.
- Recommendation #3 – It is essential that highly desirable outcomes, such as high graduation rates, high retention rates and access to world-class degree programs be acknowledged and rewarded based on those measures. Access coupled with student success and an emphasis on degree completion is essential in developing a sustainable public system of higher education throughout Colorado. A performance-based funding measure should be a long range goal and the CSU System welcomes the opportunity to discuss potential measures.
- Recommendation #4 – Over the past decade, Colorado institutions have had to do more with less while continuing to provide students with a quality education. The CSU System is continuously evaluating ways to do business more efficiently. To date, the CSU System has identified \$55M in cost savings and avoidance, while ensuring access to all

qualified students who wish to attend one of our institutions. We support the committee's recommendation that every institution should strive to operate in an efficient manner, while at the same time balancing the need to provide a quality product that will allow our students to successfully compete nationally as well as globally.

- Recommendation #5 - Flexibility will be a key component in the funding of higher education in this state going forward. However it is necessary to recognize in any funding formula that research institutions are substantial economic drivers in this state and any significant increase in price to our students may have negative and unintended consequences on the future success of these institutions. The CSU System decided to directly address the access challenge and recently announced 'CSU's Commitment to Colorado', a new financial aid program to assist lower and middle-income students with tuition and fees.
- Recommendation #6 - The CSU System encourages the committee to continue to explore funding options to support our institutions. Colorado's research institutions are essential to the success of Colorado's economy. As the largest employer in northern Colorado, Colorado State University helps define the state's economy through the purchasing of products and services, the spending of students, faculty and staff, construction and tax revenue.

I want to assure you that the Board of Governors and leadership at the CSU System are committed to working closely with the committee as it begins to finalize the recommendations to the next governor and the members of the 2011 General Assembly. Thank you for the opportunity to provide input at this juncture.

Best regards,



Joseph B. Blake, Chancellor  
Colorado State University System