

# STATE OF COLORADO



DEPARTMENT OF HIGHER EDUCATION

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Governor

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*Statement by David Skaggs, Executive Director, Colorado Department of Higher Education, concerning CSU News Release March 29, 2007 regarding State Senate's action on CSU's special budget request.*

Governor Ritter and I are committed to improving each and every institution of higher education in the state and insuring that an affordable, quality college education is available to all Colorado students.

I have worked in the first 10 weeks of this Administration to develop a consensus among the leadership of our higher ed institutions as to how we can move forward together to achieve the essential common goal of increasing support for higher education. The Governor and I will continue to work with President Penley, together with his colleagues at all institutions, to address the systemic problems we face. That is the primary goal of the higher education summit we'll be holding in June.

I regret that we couldn't make more progress more quickly, but we have to deal with the realities of budget limits and how much we can expect Colorado families to absorb in increased tuition in one year.

At my recommendation, Governor Ritter agreed to a tuition policy that respected the discretion and authority of governing boards to make decisions about tuition for their institutions within broad policy guidance that gave them flexibility, while protecting students with financial need from more than a 5% tuition increase.

We were pleased that the Joint Budget Committee incorporated that approach in the Long Bill and that the Senate resisted CSU's last-minute effort to strike a separate deal that would have meant an extraordinary tuition hike for many CSU students. Presumably, that is why the Associated Students of CSU lobbied against the proposal, knowing full well what it might have meant for their school.

Let me address a few of the points that are inaccurate or omitted from the CSU news release:

- Much is made of the relative standing of CSU and the University of Colorado. While both are classified as research institutions, there are substantial differences between the role and mission of each in the Colorado system. I believe it is more constructive to address how we can help CSU get ahead, and not whether or how it should get even.

- The Governor’s recommendation to the JBC did not mandate scholarships for middle-class students. As adopted by the JBC and the Senate, it permits the CSU Board of Trustees, like other research institution governing boards, to raise tuition revenue by as much as 7%, provided students with financial need are asked to shoulder no more than a 5% increase.
- The policy now in the Long Bill could generate as much as \$11 million in new net revenue for CSU, enabling them to close one credit hour of the so-called credit hour “window.” We expect this incremental approach would enable CSU to close their three-hour “window” over three years – exactly the approach some of their sister institutions have taken. For reasons I do not know, over several recent years CSU did not take advantage of the full increase in tuition revenue authority allowed under those prior years’ Long Bills. Now, as a result, their tuition revenue base is lower, and the potential 7% increase does them less good.
- The CSU release suggests that the policy at issue deprives them of funds for athletic facilities. I believe the use of general fund or tuition revenue to support athletic facilities is not allowed.
- CSU is slated to receive an additional \$10.4 million in general fund support next year, for total general fund support of \$133.8 million – over 21% of the state’s higher ed budget.
- They will also receive an additional \$2 million in student financial aid, sufficient together with existing financial aid resources to meet their goal of offering a CSU education essentially without charge for tuition or fees to students from lower-income Colorado families.
- While CSU’s needs are very real, they are relatively better off than many of our schools when compared to their peer institutions around the country. For example, while CSU-Fort Collins is at 57% of their peer average as calculated by the NCHEMS study last year, Adams State is at 43% and UNC is at 53%. All have legitimate claims to additional resources, and it is important to have state policy address them all in a coherent fashion.