Chairperson Terry Farina called the meeting to order at 9:00 a.m.

Commissioners Terry Farina, Judy Altenberg, Ray Baker, Richard Garcia, Richard Ramirez, Edward Robinson, Greg Stevinson and James Stewart attended. Commissioners Dean Quamme and Judy Weaver were excused. Commission Staff members attending were Executive Director Rick O’Donnell, Matt Gianneschi, Jason Hopfer, Joan Johnson, Rich Schweigert, Diane Lindner and Mary Lou Lawrence. Advisory Council Members Senator Sue Windels and Stuart Helvig were in attendance.

Chairperson Farina thanked everyone for their support of Referendum C and welcomed Stuart Helvig as the new faculty council representative on the Commission’s Advisory Counsel.

Mr. Stewart moved to approve minutes of the September 9, 2005, meeting and Mr. Garcia and Ms. Altenberg seconded the motion. The minutes were unanimously approved.

ACTION ITEMS

FY 2006-07 Budget Submission: Mr. O’Donnell stated the passage of Referendum C will provide additional General Fund revenue and the requested budget increase of $65 million represents the first major, appropriation increase request in several years. To keep faith with voters, the budget recommends limited tuition increases for resident students, not to exceed 2.5%. Included in the request is $10 million for need based financial aid. Mr. Schweigert requested flexibility in the mandated cost section of the presented budget to account for technical adjustments and miscalculations.

Ms. Lindner stated the $65 million budget request for General Fund appropriations addressed mandated costs and institutional decision items. This includes an increase in the stipend funding from $2,400 to $2,560 and unfunded enrollment would be addressed in amendments to Fee-for-Service contracts. Schools specifically requested funding to address increasing student access and capital construction costs and these are included in the budget. Mandated costs reflect some one time only costs incurred as schools attain enterprise status.

Mr. Garcia made a motion to approve the recommend budget including up to a 2% differential for technical matters and amended to include consultation with Commissioners if policy changes were made and Ms. Altenberg seconded the motion.

Mr. Farina commended Commission and institutional staffs for collaboration to prepare the budget in extremely tight time frames. Mr. Stewart asked where reductions would occur if the final budget was less than $65 million. Mr. O’Donnell noted the Governor’s budget was not finalized and if the Governor recommends lower funding for CCHE,
areas of reduction would depend on the amount. Mr. Baker asked if each institutional Financial Officer had been contacted. Mr. Schweigert said he had spoken with a few of them and was intending to contact all and/or have a CFO meeting to address their individual school issues and concerns.

Mr. O’Donnell thanked Mr. Schweigert and Ms. Lindner for their extraordinary work on the budget, noting this was the preliminary and very competent first step in the Joint Budget Committee (JBC) budget setting procedure. He further stated the Governor and the Office of State Budget and Planning (OSBP) are insistent on concrete budget figures in all tuition discussions.

There was no public comment and the Motion was unanimously approved as amended.

Policy Revision on Tuition Classification For Members of the Armed Forces at Public Institutions: Ms. Lindner stated the policy change was to facilitate resident student tuition fees for military personnel who enroll in Colorado schools, are deployed and return to Colorado to complete their education within six months of discharge.

In a similar, related policy issue, Mr. Garcia asked consideration of establishing a committee to study residency qualifications for undocumented students. The New Mexico Commission had such a committee and, pursuant to a New Mexico Attorney General opinion, has the authority, subject to challenge, to set policy regarding undocumented students. Mr. Farina noted legislation on this issue died last Session and that he was considering such a committee and additional committees to address other continuing and emerging issues. He asked Senator Windels if she thought similar legislation would be introduced this year. She said yes and last year’s legislation did not pass out of the appropriations committee as it would have opened the opportunity of additional aid for the undocumented including financial aid. Mr. Baker said there was urgency to establishing these committees to meet pending legislative deadlines and issues such as the Lincoln High School issue also need to be addressed.

Mr. Stewart made a motion to approve the item as presented and Mr. Baker seconded the motion. There was no public comment and the motion was unanimously approved.

Priority list of State Funded Capital Projects for FY 06-07: Ms. Johnson said, contrary to recent years, this year’s recommendations were not limited only to life and health safety projects. The cost for funding the recommended projects and the priority one projects was $57 million, with the priority one projects consuming $49.2 million of that sum. She noted construction costs have and are increasing from the originally approved amounts but no requests for costs resulting from inflation had been approved in the past four years. Several schools will submit supplemental requests to cover inflated costs.

Staff recommends that the Cumbres Toltec track rehabilitation project be funded from the railroad’s operating budget and not from General Funds and the Colorado State
University (CSU) arts facility funding be state funded, simultaneously removing it from the cash funded bracket, since students at CSU campuses approved a $10 per credit hour fee and funding has been obtained for ancillary projects. As the Commission can waive approval of projects under $500,000, phone systems at Northeastern community College and Otero Jr. College do not need Commission approval. Ms. Johnson reported there were on-going negotiations for the Mesa State Business College, on Priority List No. 2, to house the Colorado Bureau of Investigation Forensic Unit. Mr. Farina noted that Mesa State has a criminal justice program.

Mr. Baker asked if the prior procedure of having a Commissioner sub-committees study documentation supporting requests could be reinstated to ensure Commission recommendations were properly researched and understood. Mr. Farkas asked if there was a list of vacant state buildings and actions or proposed actions relative to them and an analysis of the maintenance costs for each building. Ms. Johnson said she was not aware of a list of vacant buildings and would try to get an analysis of maintenance costs. Mr. Farkas asked if buildings were classified according to their use for administration, classrooms and/or specialized purposes and related maintenance costs. Ms. Johnson said no, but Mr. Friedburg, director of state buildings, may be able to prepare one. She said the Commission owns 64% of all state owned square footage for an estimated value of $5.8 billion dollars.

Mr. Stevinson motioned to approve the item as presented subject to review and report by the Capital Assets Sub-committee and Mr. Stewart seconded the motion. There was no public comment and the motion as amended was unanimously approved.

List of Cash Funded Capital Projects for FY 06-07: Ms. Johnson recommended forwarding the projects as presented to the Capital Development Committee for FY 06-07. Mr. Baker moved to approved the staff recommendation and Mr. Stewart seconded the motion. There was no public comment and the motion was unanimously approved.

Five Year Capital Improvements Program: Ms. Johnson recommended the projects as listed be sent to the Governor, Office of Planning and Budget, the Capital Development Committee and the Joint Budget Committee.

Mr. Baker asked if the amount of time spent on these items by Commission and institution staffs and asked if it was cost effective. Ms. Johnson did not know and stipulated the figures would be subject to inflation and changing economic pressures. Ms. Altenberg asked if the Alternative Funding Commission Sub-Committee, which was suspended pending the results of the vote on Referenda C, would resume to address alternative capital resources. Senator Windels suggested introducing legislation to reduce capital funding transportation in order to increase funding for state buildings.

Ms. Altenberg made a motion to approve staff recommendation as amended to include re-institution of the Sub-Committee on Capital Assets and the Task Force on Alternatives to
Capital Construction and Controlled Maintenance. Mr. Stevinson and Mr. Stewart seconded the motion. There was no public comment and the motion was unanimously approved.

CONSENT ITEMS

- Teacher Education Reauthorization: Fort Lewis College
- Teacher Education Reauthorization: University of Colorado at Colorado Springs
- Degree Authorization Act – Change of Status: American Graduate School of Management and Troy University
- Degree Authorization Act – Preliminary Authorization: Sumner College of Health Sciences
- University of Colorado at Denver Health Science Center Teacher Education Program Proposals: Secondary French and Spanish
- Identification of Degree Programs with Low Enrollment and Recommendation of Discontinuance to Governing Boards
- Authorization of Secondary Licensure Program in Spanish at Mesa State College
- Authorization of Secondary Licensure Program in ESOL at Mesa State College
- Application for Participation in State-Funded Student Assistance Program

Mr. Gianneschi noted that reauthorization of the teacher preparatory programs at Ft. Lewis College and University of Colorado at Colorado Springs had not received Colorado Department of Education (CDE) approval as required, and that Commission approval was conditional, pending CDE approval. Mr. Gianneschi also stated that budget constraints have forced all institutions to scrutinize programs with low enrollment for discontinuance.

Mr. Stevinson moved to approve staff recommendation for all Consent Items and Ms. Altenberg seconded the motion. There was no public comment and the motion was unanimously approved.

WRITTEN REPORTS – NO DISCUSSION

- Status of the Recommendation For Discontinuance of the Bachelor of Science in Botany at Colorado State University
- FY 2006 Tuition and Fees Survey

No actions were taken.

The meeting was adjourned.