MINUTES OF THE MEETING OF COLORADO COMMISSION ON HIGHER EDUCATION May 4, 2007

Chairman Ray Baker called the meeting to order at 1:15pm.

Dr. Nancy McCallin, President of the Colorado Community College System, welcomed the Commissioners to the Lowry Campus.

Chairman Baker welcomed Jim Polsfut to his first meeting as a Commissioner and welcomed Senator Sue Windels, of the Senate Education Committee, to the meeting.

Commissioners Ray Baker, Jim Polsfut, Dean Quamme, Joel Rosenstein, Greg Stevinson, James Stewart and Judy Weaver were present. Commissioners Richard Ramirez, Richard Garcia and Edward Robinson were excused. Mark Malone, Advisory Committee was present and Robert Applegate called in to the meeting.

Commissioner Weaver motioned to approve the April 6, 2007 minutes with a second by Commissioner Stewart. The minutes were passed unanimously.

There were no Chair, Commissioner or Advisory Committee reports.

Executive Director Report: Executive Director Skaggs stated that, "the State Representatives invited to the meeting were in lock down and unable to attend due to the legislative session ending that afternoon".

Mr. Skaggs reported to the Commissioners the Higher Education Summit would be held at Cheyenne Mountain Resort June 8th and 9th and would be attended by Governor Ritter. The Summit will be available to the public via Webcast.

Mr. Skaggs also welcomed the representatives from the Associated Students of Colorado.

Public Comment: Blake Gibson, Rodney Lewis and Luke Ragland, representatives of the Associated Students of Colorado from CSU-Ft. Collins and CU Boulder, gave an update on their organization. They indicated ASC by-laws were passed at a meeting at Colorado School of Mines on April 27 and the organization will be structured with a board of director's model, incorporating two directors from each school. The first meeting will be June 2nd. Luke Ragland will be the representative from ASC attending the Summit.

PRESENTATION AND DISCUSSION

Legislative Update: John Karakoulakis, Director of Legislative Affairs, distributed hand-outs showing which bills had been signed by Governor Ritter and which had been postponed indefinitely. HB1320 was amended to allow Adams State, Mesa State, Western State and Metropolitan State to delay, for one year, the implementation of

collection of the State Assigned Student ID (SASID). SB254, fixed HB06-1157, the Information Security Bill which did not exempt IHE's security plans from Open Records requests. SB 182, the Innovative Higher Ed Research Bill, was summarized. This bill was still awaiting action by the legislature.

Andrew Carlson, Director of Capital Assets, distributed a status report with a list of Capital Construction projects funded as of Wednesday, May 2nd. CDC projects #18 through #31 were funded through SB 222, when the CDC transferred an additional \$30M into capital construction. On the statewide list, 18 out of 30 projects were funded for \$142.3M. CDC did a great job in increasing the capital appropriations. However, the need remains significant, even with the Legislative Council and the Governor's Office designating approximately \$75M available for capital construction statewide in each of the next 3 fiscal years. The Governor has not signed SB 222 yet.

Senator Sue Windels stated that there were two provisions to SB 222 she added in order to get the Bill passed and that "If revenues come in short in the next revenue cycle, we have to be able to fully fund SB 222 and the 4% general fund reserve". Senator Windels commented that passing SB 222 was one of the most difficult tasks she has faced in the Legislature one reason being, "the transportation lobby opposed the transfer because they think that it comes out of their pot". She thanked everyone who supported the Bill.

Mr. Carlson announced the reconvening of the taskforce, Monday May 14th on alternative funding for capital assets.

Commissioner Stevinson asked when Referendum C will sunset and was told by Senator Windels that it would be in 3 years.

ACTION ITEMS

University of Colorado at Colorado Springs Facilities Strategic Plan Update: Ryan Stubbs, Facility Planning Analyst, presented an amended strategic plan for the University of Colorado at Colorado Springs (UCCS) to expand the campus over a 7 year period, a 15 year period and to full build out. By 2021 they would like to have 1 million square feet, all of which will be sustained by student growth.

Vice Chancellor Brian Burnett stated there was an opportunity to develop areas on the west and north of the existing campus to have UCCS become a world class campus. Chancellor Pamela Shockley-Zalabak is committed to the project. The city has committed \$100,000 toward construction around the campus. There has been \$100,000 - \$200,000 of federal monies invested.

Commissioner Quamme moved to approve the plan update and the motion was seconded by Commissioner Weaver. The motion passed unanimously.

Change in Vocational Authority for Pueblo Community College: Vicki Leal, Academic Policy Officer, stated the purpose of this item is to request that the

Commissioners grant expanded vocational authority to Pueblo Community College (PCC) in the following counties; Dolores, Montezuma, La Plata, San Juan and Archuleta and for the following programs; Respiratory Therapy, the second year of the Applied Degree in Nursing Program and Emergency Medical Services Paramedic Certification (advanced certificate).

This action item was protested by members of a delegation representing San Juan Basin Technical College (SJBTC). The SJBTC contingent believed that the requested Commission action would infringe on SJBTC's vocational authority.

PCC interim President Villani indicated in her public testimony that the agreement that PCC and SJBTC currently share would remain the same. Interim President Villani further stated that the action item was intended only to formalize the current delivery of programs within the region, (especially for accreditation [HLC] purposes).

Executive Director Skaggs stated publicly that he and DHE staff are committed to visiting the SW region and community sometime this fall, in an effort to further understand, first-hand, from the region's various stakeholders, what concerns exist regarding the delivery of education services in the four corners region of the state.

Commissioner Weaver moved to pass the action item as written with the proposed amendment to add Radiological Technology with a Certificate for Sonography. The motion was seconded by Commissioner Stevinson and passed 5-1, with Commissioner Quamme opposing the agenda item.

Formal Admission of Non-Degree Students: Modification to Academic Affairs Policy I, Part F: Admissions Standards Policy: Matt McKeever, Director of the Statewide Extended Studies Program, presented a change to the internal transfer policy which would allow non-degree students (age 22 years and older) to be considered transfer applicants. Mr. McKeever recommended that students applying for formal admission at the same institution be considered transfer applicants falling under the transfer standards of the Admissions Policy.

Commissioner Stevinson asked why the cutoff was determined to be 22 years of age. Mr. McKeever replied that the definition of a "traditional student" is 18-21, therefore, the age of 22 was used for "non-traditional student".

Commissioner Stewart moved to pass the recommendation as proposed. Commissioner Quamme seconded the motion. The motion was passed unanimously.

Low Demand Program Appeal – **University of Colorado at Boulder, Ph.D. in Educational Psychology:** Julie Carnahan, Acting Chief Academic Officer, gave a brief overview of the process DHE staff use to recommend discontinuation of an academic program due to low demand. The Ph.D. in the Educational Psychology Program, at the University of Colorado at Boulder, met the criteria to be placed on the low demand list. After remaining on the list for three consecutive years, notification was sent to the Board

of Regents informing the board that they must act on the degree program, voting whether to discontinue the degree program or appeal the recommendation for discontinuance. The Regents of the University of Colorado, on behalf of the University of Colorado at Boulder, have filed an appeal for a one year extension for the Ph.D. in Educational Psychology, justified by recent revisions in the program that have strengthened the program.

Commissioner Polsfut inquired as to what revisions had been taken to enliven the program.

Michel Dahlin, Associate Vice President for Academic Affairs, University of Colorado Systems stated that the program was re-vamped with changes in the curriculum and the hiring of two new faculty members.

Commissioner Stewart said that it would be helpful if the DHE staff notified the institutions about these courses, in essence red-flagging them.

Dr. Carnahan replied that the staff notifies all institutions the first year a degree program is on the low-demand list and each year thereafter the program remains on the low demand list.

Commissioner Polsfut moved to pass the request for a one year extension of exemption from the low-demand program and Commissioner Stewart seconded the motion. The motion was passed unanimously.

CONSENT ITEMS

Colorado State University – Pueblo Facilities Master Plan Amendment and University of Northern Colorado Facilities master Plan Amendment: Ryan Stubbs informed the Commission that Colorado State University at Pueblo is adding an amendment to their Master Plan for a Student Recreation Center, at the cost of approximately \$10 million dollars from cash funds. A \$10 per credit hour mandatory student facility fee was implemented in spring 2005 and the student leaders and the Student Facility Fee Advisory Committee have confirmed construction of a student recreation center as a priority for the revenues generated by this fee. The University of Northern Colorado identified the Bishop Lehr building as a possible renovation project in 2003. The lack of funding has led to further deterioration of the facility and the need for UNC to demolish the building instead. This demolition project is the number two priority for the University as listed on their five-year capital improvements plan. The demolition will save costs associated with maintaining and securing the vacant facility.

Commissioner Quamme moved to pass the amendment and Commissioner Polsfut seconded the motion. The motion was passed unanimously

FY 2008 COF Eligibility for Off-Campus Programs: Matt McKeever presented a list of specified off-campus programs to be approved for COF eligibility. This list included

Programs at Adams State College, Colorado State University- Pueblo – Citadel Center, Metropolitan State College of Denver, University of Colorado at Colorado Springs – Pikes Peak Community College/Ft. Carson and University of Northern Colorado - Lowry Campus.

Commissioner Stewart moved to approve COF eligibility and Commissioner Weaver seconded the motion. The motion was passed unanimously.

INFORMATION ITEMS

Fiscal Year 2007-2008 Department of Higher Education Budget Update: Diane Lindner, CFO, presented the Commission FY 2007-2008 Operating and Capital budget update, including the split between fee-for-service contracts and stipend payments, tuition revenues and capital funding.

Ms. Lindner reported that Governing Boards for institutions of higher education received an estimated \$126.2M increase over FY2006-2007 for spending in FY2007-2008. Total general fund spending authority for higher education purposes is currently set at \$891.1M for FY2007-2008.

The general fund increase for the Department of Higher Education's operating budget is \$58.4M or 8.5%. Other state government agencies' funding change over FY2006-2007 is 8.07%.

The current Long Bill for FY07-08 includes 18 higher education capital construction projects and funding for all of Level 1 and Level 2 Controlled Maintenance. Higher education received an appropriation of \$142.3M. \$26.9M is for controlled maintenance and \$115.4M is for capital projects. Out of 30 capital construction projects funded through the Long Bill, 18 were for higher education institutions.

During several discussions, the CEO's of the state institutions of higher education came to an agreement with regard to recommended distribution of the new General Fund support anticipated for FY2007-08. The agreement was dependent on the enactment of Senate Bill 97, which passed and was signed by the Governor. Higher Education received an increase of \$58.4M over the base year of FY2006-2007, split between feefor-service contracts, stipend payments, financial aid and Local District and Area Vocational School increases.

Discussions ensued toward the end of the budget process between the Department, the Governor's Office and Governing Board staff on how best to balance the needs of the institutions to generate additional revenue to enhance programs, lower class size and develop high cost, technical degree programs as well as to improve access and retention while keeping tuition costs affordable for students. The final tuition revenue footnote contains two major components for undergraduate resident students and allows governing board autonomy over the tuition of nonresident and graduate students.

The tuition foot note provides options for each type of Governing Board. Undergraduate resident tuition credit hour rate increases are limited to 3.5% at community colleges. Undergraduate resident tuition credit hour rate increases for four year institutions are limited to 5%. Undergraduate resident tuition credit hour rate increases for research institutions are limited to 7%. However, governing boards at four year institutions have the option to set tuition levels within a 5% total tuition revenue limit, provided that all resident undergraduate students with any unmet need (i.e., Level 1, 2 and 3) receive sufficient financial aid to cover any increase in unmet need resulting from an increase in tuition credit hour rates above 5%. Research institutions' governing boards have the option to set tuition levels within a 7% total tuition revenue limit, provided that all resident undergraduate students with any unmet need (i.e., Level 1, 2 and 3) receive sufficient financial aid to cover any increase in unmet need resulting from an increase in tuition credit hour rates above 5%.

The Tobacco Settlement provides the University of Colorado Health and Sciences Center with \$7.13M the first year and \$11M the second year in perpetuity. Mr. Malone mentioned that this helps.

Commissioner Baker said there are still problems and higher education must continue the pursuit of additional funds.

Status Report on CCU v. Baker and CCHE: Executive Director Skaggs reported the federal Judge was vacating the trial date and plans to move on summery judgment. There will be no trial.

Mr. Skaggs expressed his appreciation to the Department staff for their work and their support.

Commissioner Stewart moved to adjourn the meeting and Commissioner Quamme seconded the motion

The meeting was adjourned at 3:45pm