## Minutes of the Colorado Commission on Higher Education Meeting

## **September 11, 2008**

Chairman James Polsfut called the meeting to order at 10:07 am.

Commissioners James Polsfut, Larry Beckner, Patricia Pacey, Hereford Percy, Michael Plachy, Richard Ramirez, Edward Robinson and BJ Scott were in attendance. Commissioners Jill Brake and Greg Stevinson attended via conference call. Also in attendance were Advisory Committee members Senator Gail Schwartz, Dr. Alan Lamborn, Bill Mansheim, Jack Wylie and Donna Theimer.

Chairman Polsfut welcomed new Commissioner Hereford Percy. He announced that the Governor had appointed Allegra "Happy" Haynes, from the first congressional district, to fill the remaining open position on the Commission.

Dr. Julie Carnahan, Chief Academic Officer, introduced Dr. Ian Macgillivray, a new staff member who serves as Teacher Education Academic Policy Officer.

Commissioner Pacey moved to adopt the Resolution Commending Former Commissioner James Stewart. The motion was seconded by Commissioner Scott, read by Chairman Polsfut and unanimously passed.

Commissioner Beckner moved to approve the minutes of the July 10, 2008 meeting. The motion was seconded by Commissioner Pacey and unanimously passed.

Chancellor G.P. "Bud" Peterson welcomed the Commission to the University of Colorado-Boulder (CU-Boulder) campus. Chancellor Peterson gave a presentation on CU-Boulder's Flagship 2030 strategic plan. The plan outlines CU-Boulder's goal to redefine learning and discovery in a global context and sets new standards in education, research, scholarship and creative work.

**Executive Director Report:** Executive Director David Skaggs recalled for the Commission that the Department had received a "Making Opportunity Affordable" grant from the Lumina Foundation. He described this grant as an umbrella under which the Commission will be able to engage in long range strategic planning for higher education in the state.

**Public Comment:** Mr. George Walker spoke to the Commission regarding the lack of racial and ethnic diversity at CU-Boulder and reiterated criticism addressing the lack of diversity in all of the state's institutions.

Mr. David Oxenhandler, told the Commission that his experience with the Degree Authorization Act suggested Colorado is not an "open" state for institutions operating in Colorado. He said that new policies under the Act had unduly delayed new entrants.

## **ACTION ITEMS**

Approval of Language Diversity Education Programs at Jones International University – Dr. Ian Macgillivray presented two proposed teacher preparation programs at Jones International University: K-12 Linguistically Diverse Education (LDE) and LDE Specialist: Bilingual Education. Dr Macgillivray noted that the Colorado State Board of Education approved both program proposals at its August 14, 2008 meeting, and that both program proposals meet all statutory criteria.

Dr. Macgillivray then introduced Mr. Terry Rawls, Vice Chancellor at Jones International University, who thanked the Commission for its attention to this action item. Commissioner Plachy moved to approve both programs. The motion was seconded by Commissioner Pacey and passed unanimously.

Policy Options for the Allocation of New State Funds in FY 2009-2010 – Diane Lindner, Chief Financial Officer, and Andrew Carlson, Budget and Financial Aid Director, presented to the Commission four policy options for completing action on the new funding allocation model that would be used in determining the Commissions' FY 2009-2010 budget recommendation to the JBC. The four options: a) Resident Student FTE Option; b) Total Student FTE Option; c) University of Colorado (CU) System Option; and d) Colorado Community College System Option.

Mr. Russ Meyer, representing the Colorado State University System and Colorado State University-Pueblo, stated that the Commission should not adopt a policy that forces the majority of public colleges to raise their tuition rates significantly beyond their students' ability to pay.

President Bruce Benson, University of Colorado System, spoke in support of the CU System option. He suggested looking at each institution's tuition rate and comparing it to that institution's peers. Mr. Benson believes that out-of-state, non-resident tuition should not be included in the formulas.

Mr. Robert Moore, University of Colorado's Chief Financial Officer, noted that only the CU System option fully accounts for the Health Sciences Center.

Executive Director Skaggs explained that the Health Sciences Center was not initially included in the models because of pending studies and agreement with CU to seek- a separate line item for HSC in the next budget cycle. Given the likelihood that a separate line item will not happen for FY09-10, the Health Sciences Center will have to be included in the allocation model.

Mr. Bill Mansheim, Chief Financial Officer at Adams State College, expressed concern that the CU System model would require Adams State College to raise its tuition 42.7%, which the College realistically would not do. He also asked whether the revenue stream from Amendment 50 (the Limited Gaming initiative) would come into consideration in the models if that Amendment passes in November.

Executive Director Skaggs responded that if Amendment 50 passes, new revenue coming to the community colleges would be factored into the allocation model.

Commissioner Plachy addressed Mr. Mansheim's comment about Adams State College having to raise its tuition. She stated that institutions should all be on a par with their peers. Mr. Mansheim agreed, but suggested that this could not be accomplished in a single year.

Dr. Alan Lamborn, Vice Provost at Colorado State University, questioned whether the National Center for Higher Education Systems (NCHEMS) study evaluated the markets in which Colorado's peer institutions are located.

Commissioner Pacey responded that the model considers general funds and tuition, and that the Commission will have to address the market issue at time and in a manner that allows the policy to move forward

Senator Gail Schwartz added that the possible passage of Amendment 58, the severance tax and scholarship initiative, will be another factor in the Commission's future decision making.

Commissioner Beckner moved that the Commission adopt the Colorado Community College System model. The motion was seconded by Commissioner Percy and passed unanimously.

New Commission Policy Regarding Treatment of Other Revenue in NCHEMS-Gap Allocation Model – Diane Lindner and Andrew Carlson explained that the proposed policy describes how institutional revenue generated from sources other than state and local appropriations and resident and nonresident tuition (the revenue sources used to establish the NCHEMS funding gap for each institution) would be treated or considered in the long term NCHEMS-gap closure allocation model. These sources of revenue include, but are not limited to, indirect cost recoveries from research grants, foundation support, and gifts and donations.

Commissioner Brake moved to approve the policy not to include in the model other revenues beyond the state and local appropriations and tuition and fees. The motion was seconded by Commissioner Percy and passed unanimously.

New Commission Policy Regarding Periodic Review of Peer Institutions for NCHEMS-Gap Diane Lindner and Andrew Carlson explained that this policy describes a process to guide the periodic reevaluation of each institution's peers to keep the NCHEMS gap analysis up-to-date as the basis for allocating state General Funds to each governing board. The current peer groups were ratified by the Commission in September 2007 and are based on a variety of factors, including: similarity of role and mission; the mix of programs offered; and the size of the institution. The proposed policy would allow each institution to request a review of its peers every three years beginning in April 2010 – approximately three years after the current peers were approved by the Commission – with changes subject to Commission approval. Upon a request from an institution, the Department will contract with NCHEMS to review and revise as necessary the institution's peer institutions. The policy also would allow the Commission to consider revisions to an institution's peers between the three-year review periods if extenuating

circumstances required. The draft policy specifies that the peer and Colorado institution data that drives the NCHEMS funding study will be updated annually with the most up-to-date Integrated Postsecondary Education Data Systems (IPEDS) data.

Commissioner Scott moved to approve the policy. The motion was seconded by Commissioner Percy and passed unanimously.

**Degree Authorization Act (DAA) – Proposed Policy** – Heather Delange, Degree Authorization Officer, presented draft policy changes concerning CCHE's administration of the Degree Authorization Act. The policy changes are required to comport with changes in the authorization process prescribed in Senate Bill 08-167.

Commissioner Beckner moved to approve the revised policy language. The motion was seconded by Commissioner Percy and passed unanimously.

**Degree Authorization Act – Yorktown University** – Heather Delange explained that Yorktown University is currently operating in Colorado with Category II authorization and that the university has provided the Department proof of accreditation and all other required documents and is requesting Full Authorization.

Commissioner Robinson moved to approve Full Authorization for York University. The motion was seconded by Commissioner Pacey and passed unanimously.

**Revisions to Policy Section IV - Statewide Extended Studies** – Matt McKeever, Director of Extended Studies, presented policy revisions to Commission policy regarding Extended Studies. The revisions reflect statutory changes under Senate Bill 08-018.

Commissioner Pacey moved to approve the revised policy language. The motion was seconded by Commissioner Plachy and passed unanimously.

**Revisions to Admission Standards Policy** – Julie Carnahan presented revisions to the Admission Policy under 2010 HEAR requirements to correspond to the policy decisions taken by the Commission at its July 10 meeting. The changes would: (a) provide an exemption for students whose index number exceeds the minimum institutional admissions index number by more than 10 points (15 points for Metropolitan State College of Denver); (b) specify that each institution's window size and the 20% window be calculated and applied on a statewide rather than an institutional basis; and (c) define a process for school districts to apply for waivers from HEAR requirements for graduates of that district's high school.

Commissioner Robinson moved to approve revisions to the Admission Standards. The motion was seconded by Commissioner Plachy and passed unanimously.

**Teach Colorado Scholarship Guidelines** – Dr. Ian Macgillivray presented proposed guidelines for institutions of higher education to submit applications for a grant from the Teach Colorado Grant Initiative. These grants will fund scholarships to assist teacher education candidates who teach in high-needs content areas. Once approved by the Commission, the guidelines will be the

basis for a Request for Proposal to be issued to public institutions of higher education in Colorado.

Commissioner Beckner moved to approve the proposed guidelines. The motion was seconded by Commissioner Percy and passed unanimously.

**Changes to Existing Policies: Section III Capital Assets** – Ryan Stubbs, Capital Assets Coordinator, presented proposed Capital Assets policy revisions to comply with 2008 legislative changes as enacted by House Bill 08-1205.

Commissioner Pacey moved to adopt the policy revisions. The motion was seconded by Commissioner Scott and passed unanimously.

## **DISCUSSION ITEM**

Colorado Promise Scholarship: Draft Guidelines — Celina Duran, Financial Aid Administrator, presented draft guidelines to implement the Colorado Promise Scholarship (CPS), if Amendment 58 (formerly Initiative 113) is approved by the voters in November. The guidelines have been developed based on the policy framework approved by the Commission at its July 10 meeting. These draft guidelines are for discussion only.

Commissioner Robinson moved to adjourn. The motion was seconded by Commissioner Beckner. The meeting was adjourned at 12:40pm.