Chairman Percy called the meeting to order at 10:05am.

Chairman Hereford Percy, Vice Chairman Richard Kaufman, Commissioners Dave Edwards, Jeanette Garcia, Happy Haynes, Dr. Monte Moses, Dr. Patty Pacey, Jim Polsfut, Regina Rodriguez and BJ Scott were in attendance. Also in attendance were CCHE Advisory Committee members Dr. Toni Larson, Dr. Frank Novotny, Ruth Annette Carter and Kelly Fox. Advisor Mike Mincic attended via conference call.

Commissioner Scott moved to approve the minutes of the November 6, 2011 CCHE meeting. The motion was seconded by Commissioner Garcia and passed unanimously.

CHAIRMAN AND COMMISSIONER REPORTS

Chairman Percy reported that he attended the National Governors Association policy academy in mid-November Dr. Matt Gianneschi and other members of the higher education community in Colorado. He mentioned that whenever Colorado is at a conference with other states attending, the question asked is how Colorado is the most efficient higher education system in the country at a time for decreased funding. Colorado leads the nation in providing more quality diplomas per dollar of state funding.

EXECUTIVE DIRECTOR REPORT

Lt. Governor Joe Garcia reported he has been working with the Colorado Department of Education (CDE) and non-profit foundations on early literacy efforts. He has been traveling throughout the state gathering information for a literacy report on ways to improve the pipeline from K-12 to higher education to be presented early next year. The Governor’s Education Leadership Council will also be involved in the conversation. The Lt. Governor also informed the Commission that the state is in the running to receive funding from the federal government during the next round of Race to the Top.

PUBLIC COMMENT

George Walker of Denver spoke to the Commission about Proposition 103 not passing in November in spite of “being educationally bankrupt” in Colorado. He also brought attention to the large ethnic achievement gap and the need to have people of color involved in helping to close that gap.
CONSENT ITEMS

Reauthorization of Educator Preparation Unit at Colorado Christian University – College of Adult and Graduate Studies

Approval of gtPathways Courses

Five-Year State Funded Capital Program Lists

Two-Year State Funded Capital Program Lists

Commissioner Rodriguez moved to approve the consent items. The motion was seconded by Commissioner Edwards and unanimously passed.

ACTION ITEMS

Master Plan Review – University of Colorado at Boulder (CU-Boulder)– Dan Krug, Director of Capital Assets and Compliance, presented the University of Colorado’s updated their ten year Master Plan. The Plan outlines institutional goals, campus settings, needs, use plans, and implementation plans. The Master Plan was approved by CU-Boulder leadership and forwarded to the Board of Regents in August 2011. The Regents approved the Master Plan in September 2011 and it was forwarded to DHE and CCHE for review in October 2011. The key points from the Master Plan include smart growth, sustainable buildings, zero-waste and transportation. CU-Boulder’s interim Vice Chancellor for Administration Jeffrey Lipton; Associate Vice Chancellor for Budget and Finance Steve McNally; and Paul Leaf, campus architect presented the plans for the physical asset planning, via PowerPoint, of proposed capital development projects on CU-Boulders main campus, east campus Williams Village, south campus and the north of Boulder Creek.

Commissioner Edwards moved to approve the Master Plan for the University of Colorado at Boulder. The motion was seconded by Vice Chairman Kaufman and unanimously passed.

Performance Contract Reporting Extension – Drs. Matt Gianneschi and Ian Macgillivray brought a proposal to CCHE recommending a simplified process for the reporting requirements for the current performance contracts, extended up to December 1, 2012, by Senate Bill 11-052. For the current period, and until new performance contracts are developed by the CCHE in 2012, the proposal is intended to streamline and simplify the reporting process found in the existing performance contracts by having institutions send a “Certificate of Compliance” rather than specific reports. This document would be used by each governing board to certify that its institution or institutions continue to meet the performance goals found in their contracts. In cases where goals cannot be certified to have been met, institutions would be required to provide the Department with descriptions of why the goal or goals have not been met and what remedies the institution or institutions have initiated to ensure their fulfillment.
Commissioner Moses moved to approve the proposed process for monitoring performance contract compliance. The motion was seconded by Commissioner Pacey and unanimously passed.

**INFORMATION ITEM**

**2010-2011 Financial Aid Report** – Celina Duran, Director of Financial Aid, presented the Commission with the annual financial aid expenditures report for FY 2010-2011. The report will be submitted to the Joint Budget Committee and the Senate and House Education Committees. The report contains information on financial aid from all sources, including state funded aid. The report also includes information on who receives financial aid and where they are enrolled.

The number of students participating in financial aid has continued to grow as a result of higher enrollment during the down economy. In 2011 almost half of the financial aid received by students in Colorado was from Federal Pell Grants. The amount of Pell grants reported in SURDS has increased by 176 percent since FY 2006. State funded financial aid comprised slightly more than 10 percent of all grant aid and more than five percent of all aid, including federal loans. Total funding for state grant programs remained constant during the recent economic downturn, but recipients of state grants increased by 148% since 2006, thus decreasing the average award almost 34 percent. Institutional aid accounted for 39 percent of all grant aid, and 18 percent of all aid, including federal loans, an increase of 61 percent between FY 2006 and FY 2011. The average overall student loan debt for baccalaureate graduates in Colorado was $23,662 in 2010-11, which was similar to the national average for such students ($22,000).

In looking at the history of the Long Bill, appropriations for state financial aid has been held fairly harmless through this economic downturn, although there has been programs that were eliminated, such as merit based aid ($1.5 million cut) and pre-collegiate aid ($1.6 million cut). Student loan debt has increased this year, as costs to the students have risen.

**Fall 2011 – FY 2012-13 Joint Budget Committee Briefing and Hearing** – Chad Marturano, Director of Legislative Affairs, informed the Commission of the dates the Department of Higher Education presents their budget to the Joint Budget Committee; December 2nd and December 19th. Both the Lt. Governor and the Chairman of the CCHE will present the Department’s budget request, followed by the institution specific presentations by the public institution’s presidents and board members.

**DISCUSSION ITEM**

**House Bill 10-1119 Strategic Planning** - Mark Cavanaugh, Chief Financial Officer and Dr. Matt Gianneschi, Deputy Executive Director, told the Commission that on November 29, 2011, the Department of Higher Education (DHE) prepared and submitted a strategic plan for the budget process beginning FY12-13. House Bill 10-1119, known as the SMART Act, requires all state agencies and departments to develop plans to be included in their budget submissions that demonstrate linkages between program funding and performance goals or outcomes.
The content of the DHE plan reflected higher education being in a unique position with respect to planning and performance, as well as the legislative history connected to statewide strategic planning. The plan should help assist the Commission and institutional leadership moving forward with the performance process now getting under way.

There being no further business, the meeting adjourned at 12:10 pm.