

Minutes of the Colorado Commission on Higher Education (CCHE) Meeting
Special Telephonic Meeting
November 1, 2013

Chairman Kaufman called the meeting to order at 3:40pm.

Chairman Dick Kaufman, Vice Chair Patty Pacey, Commissioners Jeanette Garcia, Happy Haynes, Monte Moses and Regina Rodriguez attended via conference call. CCHE Advisory Committee member Dr. Toni Larson, also attended via conference call.

ACTION ITEMS

Approval of Fiscal Year 2014-15 General Fund Budget Request – Mark Cavanaugh, CFO, informed the Commission that the Governor's Office of State Planning and Budget includes a total increase of \$100 million in General Fund for public higher education in the Governor's Budget Proposal. This amount is to be comprised of \$40 million for state funded financial aid and \$60 million for operations at the institutions, split proportionately, resulting in an 11 per cent across-the-board increase. With this increase in funding, the Governor is calling for a 6 percent resident tuition cap. The cap is intended to control tuition increases as much as possible. The \$40 million in state funded financial aid includes \$30 million in need-bases grants, \$5 million to restore the merit aid program and \$5 million in additional work study funding.

Given the variation in enrollment at the institutions, Commissioner Pacey's expressed concern that the across-the-board increase is inequitable and might be more appropriate to allocate across enrollment increases. Mr. Cavanaugh replied that the across-the-board increase had to do with three things: the timing of receiving the budget mark, which was later than usual; last year's allocation formula considered restoring past cuts which largely came from research institutions and factored in enrollment; and enrollment has flattened out, as the economy has improved. Commissioner Pacey asked if there has been negative input from the CEOs regarding the tuition cap. Lt. Governor Garcia replied that the CEOs all felt they were very comfortable keeping tuition at or below the six per cent increase and believes the majority of the institutions will come in below a six per cent tuition increase.

Commissioner Haynes moved to approve the Governor's FY2014-15 General Fund operating and financial aid request. Commissioner Pacey seconded the motion. The motion passed unanimously.

Approval of Statutory COF Stipend Request Letter to Reflect Inflation and Enrollment Growth – Chad Marturano, Legislative Liaison, explained there is a component to the College Opportunity Fund (COF) that requires the Commission to request funding from the General Assembly and identify what the COF stipend would be, taking inflation and enrollment into account. The increase in COF for FY2014-15 would be a total cost of \$408 million. The current COF is funded at \$266 million, leaving a shortage of \$142 million. The request letter to the General Assembly will identify the cost so they are aware of it, but in light of revenue cuts over the years, there is the realization that this is not a practicable number in terms of state-wide budget balancing.

Commissioner Garcia moved that the anticipated cost for the associated growth in the COF Stipend in FY 2014-15 be identified in a letter to the General Assembly. Commission Haynes seconded the motion. The motion passed unanimously.

Commissioner Percy moved to adjourn. The motion was seconded by Commissioner Haynes. The meeting was adjourned at 3:55pm.