

**DEPARTMENT OF HIGHER EDUCATION
FY 2015-16 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Wednesday, December 17
9:00 am to 12:00 noon**

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**9:00-11:00 PANEL 4: UNIVERSITY OF COLORADO, COLORADO STATE UNIVERSITY,
COLORADO SCHOOL OF MINES, UNIVERSITY OF NORTHERN COLORADO**

INTRODUCTION AND OPENING COMMENTS (10 MINUTES EACH)

PANEL QUESTIONS

HB 14-1319

1. What do you think of the new H.B 14-1319 funding allocation model? Do you have any related recommendations for this year? For future years? Recommendations related to the use of the \$15 million requested for transitional funding?

University of Colorado System

The University of Colorado collaborated with the Colorado Commission on Higher Education, Colorado Department of Higher Education, and the other public institutions of higher education in developing a new funding model for higher education as detailed in House Bill 14-1319. As a result of that process, the University of Colorado supports and endorses the recommendations that moved through the Financial Allocation Modeling Advisory Team, Executive Advisory Group and the CCHE, for the funding model in FY 2015-16.

The ability of any funding formula to meet its intended policy goals, including those developed under House Bill 14-1319, relies on available state resources. House Bill 14-1319 is not perfect, nor is the funding model allocation. However, due to the Governor's FY 2015-16 budget request for higher education, (which includes a 10 percent operating increase of \$60.6 million and an additional \$15 million of transition funding annually for five years, in part adjusting every governing board's allocation to no less than a 10 percent increase over its FY 2014-15 appropriation), the recommended allocation will be a success for all public institutions of higher education and result in lower tuition increases for Colorado resident students.

The funding allocation model's future success will be tied to the state's ability to provide adequate funding to Colorado public higher education. If state funding levels change, a new discussion will need to consider how allocations can be made in a fair way that does not harm an institution's academic quality or access and affordability for Colorado students.

Colorado State University System

The CSU system supports the newly developed model and encourages the committee to adopt it. The model establishes the concepts of role and mission and performance funding and establishes rewards for performing well in these areas. We agree with the Lt. Governor that next year the model will need further development and that this is a very good start.

Colorado School of Mines

First Mines would like to express our appreciation to the staff of the Department of Higher Education who worked tirelessly over the summer and fall to create a working model despite the complexity of having to integrate the many variables required by HB14-1319. The number of evenings and weekends devoted by DHE staff to completing this task on time was truly commendable. We are also grateful to the Governor and Lt. Governor for recommending a significant increase in the higher education budget for FY15-16. Without that increase it is doubtful the process would have achieved the same level of consensus among institutions. Because consensus was reached among all institutions, we would strongly recommend that the General Assembly adopt the allocations as approved by the Colorado Commission on Higher Education.

That said, we are not convinced that the new funding allocation model has established a more transparent process than in previous years. Because the model relies on arbitrary weights for many of the measures, discussion and negotiation will still be required each year among institutions and between institutions, CCHE, and the General Assembly. Arguments for the percentage allocated to the Volume Adjusted Awards measure or the amount devoted to the Tuition stability factor or even the COF stipend amount will likely not be based on sound public policy but rather will be based on how changes in these decisions impact funding for respective institutions.

More importantly, we believe that the premise of having a singular model allocate funding to reward and encourage performance is fundamentally flawed because of the breadth in the size of institutions in Colorado and their respective roles and missions. Although some adjustments were made to try to accommodate for size, the final model is still highly dependent on volume-based outcomes instead of efficiency-based outcomes (such as graduation rates). In fact the model only works for Mines because of the significant amount allocated via the Tuition Stability Factor. Without it Mines' percentage increase would be among the lowest in the state despite having the highest retention rate and graduation rate in the State as well as awarding 98% of our degrees in high cost engineering and science fields – which have been deemed as priorities in the State's Higher Education Master Plan.

We recommend that discussions on improving the funding model continue. Further we recommend that stronger consideration be given in the performance funding portion of the model for the cost of delivering degree programs at various degree levels and for efficiency-based outcomes like graduation rates. We would also like to explore a funding model that provides an institution with a base funding level and also includes tailored performance metrics and specified dollar rewards for each institution. The benefit is that an institution can plan financially and the funding model would not encourage all institutions to be the same.

University of Northern Colorado

*The funding allocation model is a good first step toward a rational way to leverage limited state funding to achieve the goals of the statewide higher education master plan. However it is **only a first step, and it is not a true performance model.** UNC is supportive of the model for this year, understanding the time constraints on creating this first iteration.*

For future years it is essential that we continue to refine the model to 1) address the unique role and mission of institutions and 2) reward performance given the reality that graduation/completion results are a function of both student college readiness (academic, social and financial) and institutional performance (instruction, academic support, and student services).

UNC completely supports the use of approximately 1/3 of the \$15 million to ensure each governing board is allocated a minimum of a 10% funding increase in FY16. Use of the remainder of the \$15 million should help institutions address operating changes to meet the goals of the statewide higher education master plan.

2. Do you think the funding allocation model will affect institutional behavior over time? How?

University of Colorado System

The University of Colorado is already focusing on the performance goals in the model including student completion and student retention (particularly for low-income Pell eligible students). Improving performance is a priority for the Board of Regents and the CU administration. Any state funding increases the university receives furthers these goals and helps to keep tuition increases in check for Colorado resident students.

Colorado State University System

Yes, the model will encourage all institutions to further focus resources on getting students graduated and providing them valuable credentials from certificates to advanced degrees.

This will benefit students, the state, and the schools while improving the educational attainment level of everyone involved.

Colorado School of Mines

We do not believe the funding allocation model will impact decision making at Mines simply because we are not able to predict future funding levels based on achieving higher levels of performance. For example our goal is to increase graduation rates from the current 75% to 85% in the next 10 years. It's difficult to use the model to determine what impact this would have on our state funding levels. In fact it's even plausible for performance funding to decline despite attaining one of the highest graduation rates in the nation among public institutions. Instead, we are driven to increase our graduation rates because (1) it is our responsibility to our students and (2) the marketplace in which Mines competes for students values high levels of performance.

University of Northern Colorado

While version 1 of the model could motivate institutions to behave in competitive ways that do not serve the public interest, we believe that appropriate adjustments will be made to the model so that it supports each institution in remaining focused on its unique role and mission, the success of its students and the goals of the statewide higher education master plan.

Retention and Completion

3. Discuss retention and completion at your institution. Has overall degree/certificate production been increasing or decreasing? Have completion/retention rates by cohort been increasing or decreasing? Why? What steps are you taking to improve retention and completion?

University of Colorado System

Freshmen retention rates (the percentage of first-time, full-time freshmen who return the second fall semester) are generally stable and show only minor fluctuations at all CU campuses.

1 st Year to 2 nd Year Retention Rates, First-Time Full-Time Freshman					
Entering Cohort:	2008	2009	2010	2011	2012
Boulder	83%	85%	84%	83%	85%
Colorado Springs	67%	67%	71%	66%	70%
Denver	70%	73%	76%	71%	75%

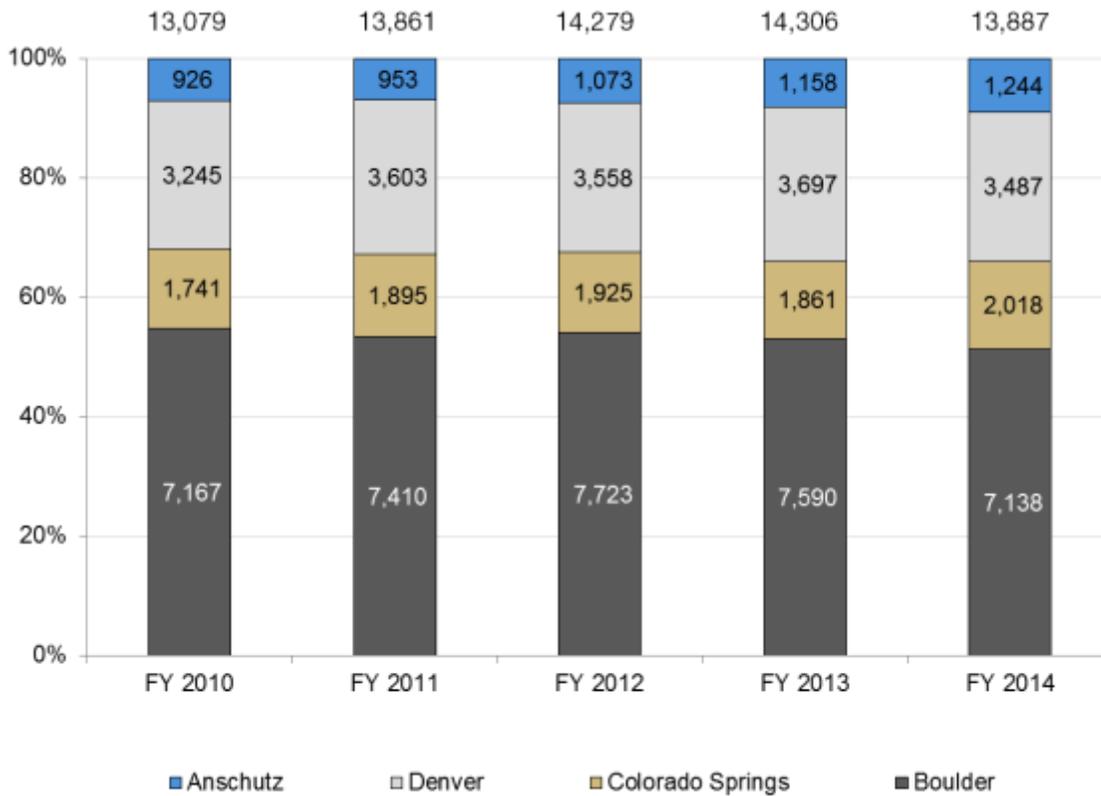
In recent years, six-year graduation rates have shown modest increases at the Boulder campus, while fluctuating at the Colorado Springs and Denver campuses.

6 Year Graduation Rates, First-Time Full-Time Freshmen

Entering Cohort:	2003	2004	2005	2006	2007
Boulder	67%	68%	68%	68%	70%
Colorado Springs	43%	46%	42%	46%	46%
Denver	43%	42%	40%	45%	41%

Overall, University of Colorado campuses increased the number of students earning degrees over the past several years (although there was a small drop in the most recent fiscal year). The number of degrees granted in a given year is affected by the number of students who entered several years prior (freshmen, transfer, and graduate level) and their successful completion. Figure 1 below illustrates the number of degrees granted over the past five years.

**Figure 1:
Total Number of Degrees Granted**



The University of Colorado System is responsible for a large percentage of bachelor's degrees and the majority of graduate degrees awarded by Colorado public four-year institutions. This is illustrated by Figure 2, Figure 3, and Figure 4 on the following pages.

Figure 2:
Bachelor's Degrees Awarded by Colorado Public Four-Year Institutions, 2012-13

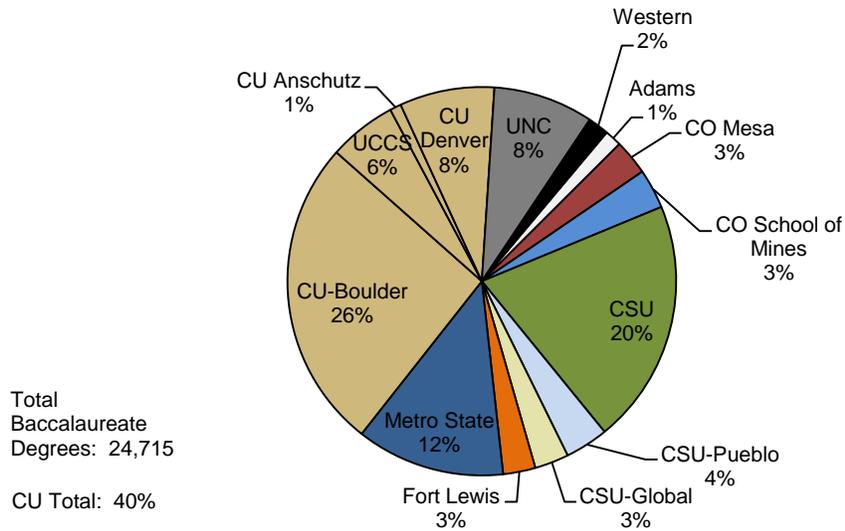
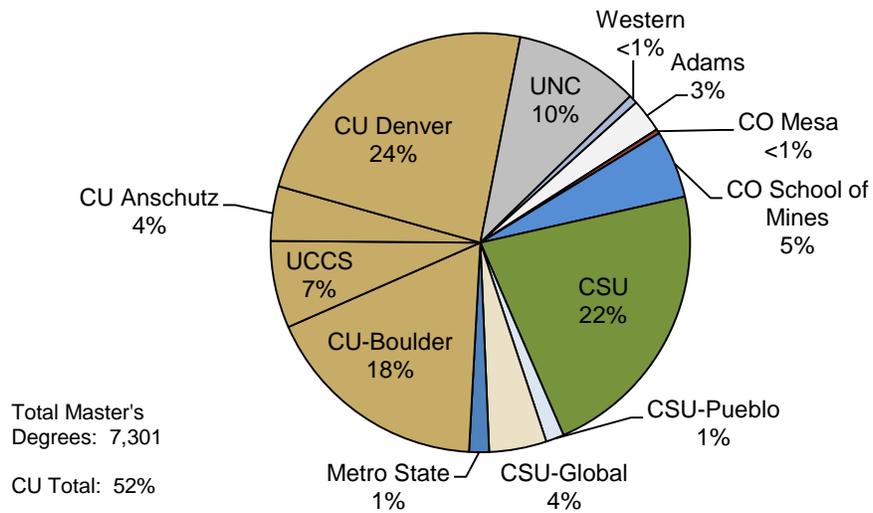
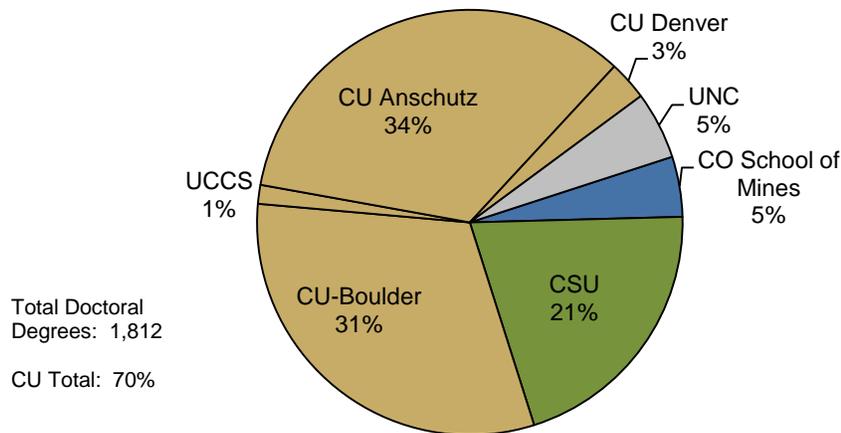


Figure 3:
Master's Degrees Awarded by Colorado Public Four-Year Institutions, 2012-13



**Figure 4:
Doctoral Degrees Awarded by Colorado Public Four-Year Institutions, 2012-13**



The reasons why some students do not persist and graduate are varied. Students may struggle in their coursework, enter the labor market, face financial constraints, or find it difficult to balance academic responsibilities with other obligations. As a result, CU has adopted a number of approaches to increase retention and graduation rates. Many of these programs are relatively new and the effects have not yet been fully realized, but they remain promising. The information below (as provided to the Joint Budget Committee in 2013) is an overview of the efforts at each campus to improve student success. This remains a top priority for CU.

The UCCS Office for Student Retention manages many campus-wide efforts and intervention strategies aimed at increasing retention and graduation, including: academic skill development workshops, early alert programs, mentoring programs, learning communities, success coaching, and recognition programs to list a few. Other initiatives include improving amenities and services, such as building new residence halls, a recreation center, reorganizing offices to serve international and military students, continued development of Freshmen Seminar classes, improved integration and promotion of athletics, and partnerships with the city to develop a shopping and dining center adjacent to the campus.

CU Denver has developed several programs to improve student retention over the past 5-10 years. These include: a first-year seminar program, an early intervention program, an honors and leadership program, student mentoring, and student affairs support programs (e.g. TRiO, Learning Resource Center, Disability Services, Veterans Services), among others. CU Denver is also improving efforts to place incoming freshmen students in appropriate English composition and mathematics courses and providing support for students who need

assistance in introductory-level courses.

The CU-Boulder Chancellor recently articulated an aggressive goal to increase the Boulder campus six-year graduation rate from 70% to 80% by 2020. In response, the campus has launched a number of coordinated initiatives to increase student retention and persistence to graduation. It is reforming the academic advising process to include implementing a 'drop in' advising program available to students into the evening after normal business hours, the use of peer advisors, and better coordination of advising across schools and colleges. The Boulder Faculty Assembly recruited over 125 faculty volunteers, each of whom 'adopted' and periodically meet with 10 to 15 new freshman students. Other strategies to promote student retention include expansion of the use of diagnostic tests designed to place students in appropriate math and foreign language classes early in their academic careers, a strategy that has been shown to succeed.

Advising is a critical part of both accelerated options and retention. Once students arrive, CU offers a number of programs to keep them on track toward graduation. For example, the university offers several of the federal TRIO programs, which provide outreach and student services programs for low-income students, first-generation college students and individuals with disabilities. The university has also introduced a new degree audit program that helps students see which requirements they have completed and which they still need to take. When combined with college and/or major advising, the program is effective in helping students graduate on time.

CU has also worked hard with Colorado's community colleges to ensure the smooth transition and timely graduation of transfer students. In addition to its efforts on the statewide articulation agreements described below, the university introduced "CU Guaranteed," a clear set of criteria that students can meet to ensure admission as a transfer student.

Colorado State University System

At CSU, the Student Success Initiatives were adopted in 2006-2007 with two goals: increasing the six-year graduation rate to 70% and eliminating the gap in graduation rates for ethnic/racial minority student populations when accounting for differences in prior preparation. In 2011, the goals were made even more ambitious; an 80% six-year graduation rate, a 60% four-year graduation rate, and the complete elimination of graduation gaps.

The program includes a comprehensive set of strategies that have contributed to increasing retention and graduation rates and reducing graduation gaps. Most strategies for the 2006-2007 goals are in place with those to achieve the 2011 goals in process. Progress is illustrated by the following:

- *Retention of new students to the second year (first-year retention) has moved from about 82 percent to 86 percent.*
- *The graduation gap for minority students, accounting for prior preparation, has been eliminated.*
- *The graduation rates at the four-year, five-year, and six-year points have all reached historic high levels. The six-year rate for the cohort of new students entering in Fall 2008 is 66.6 percent (from the 63-64 percent prevailing before the Initiatives were undertaken).*

The target dates for achieving the 2011 goals are:

- *a 60 percent four-year graduation rate by 2020,*
- *a 90 percent retention rate by Fall 2020, which is necessary to achieve the 80 percent six-year graduation rate, and*
- *The elimination of the gaps in retention and persistence rates for the class entering in Fall 2019.*

Degrees Granted

The institutions that make up the Colorado State University System generate one-fourth of all degrees produced at a Colorado public four-year institutions. It's important to note that the CSU Global campus receives no state funding and is self-supporting. Degrees granted have increased over the past five years and given the diversity of institutions and the uniqueness of our system, we are confident that this will continue into the future.

Colorado State University System					
Degrees Granted					
	2009	2010	2011	2012	2013
CSU	5,695	5,959	6,071	6,457	6,692
CSU-Pueblo	765	849	846	850	959
CSU Global Campus	-	51	373	639	1,024
Total	6,460	6,859	7,290	7,946	8,675
% of Four-Year Public Degrees Granted	24%	24%	24%	25%	27%

Data: Colorado Department of Higher Education – SURDS Degree Awarded

Colorado School of Mines

Both 4-year and 6-year graduation rates have been increasing at Mines, with significant increases in the last year. The most recent 6-year cohort (2008) graduated at 75.5% -- the highest in the history of Mines. Recent increases in freshman retention rates are strong indicators that the graduation rate will continue to improve. In the recently adopted strategic plan, Mines established goals to exceed 60% for the 4-year rate and 85% for the 6-year rate in 10 years. The chart below shows the trends in retention and graduation rates since the 2004 freshman cohort:

<i>Cohort (Freshman Fall Term)</i>	<i>Freshman Retention Rate</i>	<i>4-Year Graduation Rate</i>	<i>6-Year Graduation Rate</i>
2004	81%	36.7%	63.7%
2005	87%	37.5%	69.4%
2006	84%	35.3%	66.0%
2007	85%	38.4%	69.7%
2008	90%	41.8%	75.5%
2009	88%	44.1%	
2010	89%	46.1%	
2011	89%		
2012	92%		
2013	94%		

Efforts to increase graduation rates at Mines are broad-based, involving initiatives and investments throughout the university. Below is a list of some of the efforts and investments made in recent years:

- a) *Establishing Center for Academic Services and Advising (CASA). Prior to 2012, faculty handled advising for all students. While this is a great model for upperclassmen who seek guidance in their specialties, freshman and sophomore students are focused primarily in the core curriculum or in many cases are still exploring major options. Establishing a professionally staffed advising center allowed Mines to provide more tailored advising to freshman and sophomores.*

- b) *One of CASA’s most successful programs is its core supplemental instruction. Students in chemistry, calculus, and physics are offered the opportunity to practice sets of problems through facilitated sessions beyond normal classes. This is especially important because mastery of calculus and physics are the most important indicators of retention and graduation at Mines. Faculty members and professional staff help facilitate these sessions,*

hold office hours in the advising center and other student spaces, and offer supplemental instruction through web-based technology.

- c) CASA works closely with faculty and the assessment office to establish early alert protocols to identify students who are tracking towards academic difficulties and offer appropriate tutoring and counseling services.*
- d) Mines established full-time permanent teaching professor positions throughout the university. This was an important investment to ensure that while Mines' research portfolio grew our focus on education was not diminished. Today, over 25% of the permanent, full-time faculty at Mines is solely devoted to teaching. This investment allowed the university to reduce its reliance on adjunct faculty.*
- e) Best practices indicate that the more involved students are in campus activity outside the classroom, the greater success students have in completing degree programs. This is especially important in high pressure and intensive program like engineering. Students are able to join over 180 student organizations on campus, participate in outdoor recreation programs, intramurals, club sports, or varsity athletics. Mines has made significant investments to create a more integrated residential campus that makes classroom, study, and social spaces more seamless.*

University of Northern Colorado

UNC's retention and graduate rates have been stable. Total masters and doctoral degrees awarded have been increasing and the last couple years have had an increase in bachelor's degrees awarded.

UNC seeks not only students who were high achievers in the past, but also students with potential who might not find opportunities at other research universities. We aim to "bend the success curve" for these students—to help them achieve greater success than traditional indicators would predict. UNC has begun implementing a number of programs to improve retention and graduation, for example

- Additional academic support services, "scaffolding", around gateway math and English courses.*
- We seek continuous improvements in our academic programs, to the educational advantage of our students. For example, LiveText, a browser-based e-portfolio helps us to:*
 - Analyze, report, and document student learning outcomes and program improvement efforts.*

- *Support external reporting requirements for specialized and Higher Learning Commission accreditation.*
- *Implementation of the Student Success Collaborative (SSC) – an online data-driven advising support system. The SSC provides faculty and staff with thorough, accurate, consistent information about the progress of students with certain common characteristics. Analytics help advisers identify potential difficulties for students and offer these students targeted services. SSC compares a student’s academic performance to program-specific longitudinal data on other UNC students and predicts needed support. It notifies advisers when students are not on track to complete critical courses or when a student’s performance in a crucial course indicates a need for additional help.*
- *Nationally, the highest rates of attrition occur after the first year. As a result, UNC has developed a program to support first-time, first-semester freshmen to promote their successful transition from high school to college. The program is entering its fourth year and has already resulted in significant differences in persistence and achievement for its participants. The course, University 101, is a 3-credit academic course with an interdisciplinary focus that contributes to UNC’s liberal arts core. This more demanding academic focus is a departure from many similar programs in Colorado and nationally. Specifically, University 101 is a small, discussion-based course that directly focuses more on student development (i.e., intellectual, personal, and professional development) rather than campus resources, policies, or activities. The course is open to all incoming, first-semester freshmen. Enrollment in the program includes first-generation students and Denver Scholarship Foundation scholars.*
- *The Center for Human Enrichment, which provides academic support to low-income, first-generation, and under-represented minority students, consistently has achieved retention and graduation rates significantly above the institutional average, and has been recognized in several grant competitions as being among the top 1% of TRIO Student Support Services programs in the nation.*
- *Initial work on a One-Stop Plus approach to student services that uses academic support staff as “case managers” rather than single-subject experts. Full implementation of this approach is integrated into UNC’s Campus Commons capital project.*

Tuition and Fees

4. What are the major drivers behind tuition and fee increases at your institution?

University of Colorado System

Reduced state support is a major factor driving tuition increases at CU. The university depends on state support and tuition revenue to provide the funding for educating its students. Ensuring quality, affordability and access are CU's prime imperatives. When state support declines, the gap must be addressed with expenditure reductions and/or increased revenue. The university continually examines ways to reduce costs to limit tuition increases and is always working to bolster other revenue sources. The 11 percent increase in state support received by CU in FY 2014-15 helped to keep its tuition increases among the lowest in the state.

Campus	FY 2013-14	FY 2014-15	\$ Change	% Change
UCCS	\$ 7,470	\$ 7,710	\$ 240	3.2%
CU-Boulder	\$ 8,760	\$ 9,048	\$ 288	3.3%
CU Denver	\$ 8,460	\$ 8,760	\$ 300	3.5%

The figures identified here are Undergraduate Resident "Base Tuition Rates" (30 credit hours) and do not include tuition differentials.

Colorado State University System

Increases in student fees are recommended by students on an annual basis. Since 2005, the largest increase in mandatory student fees has been driven by the approval of a student facility fees which are used to provide new facilities and/or improve current facilities for the direct benefit of the students attending the University.

Mandatory student fees are paid by all students and assessed on a per credit hour basis. The revenues collected are used to support the stated purpose of the fee. Each campus has a process for evaluating student fee increases on an annual basis through the budget setting process.

Tuition is used to support the instructional costs of each CSU system institution. In general, the cost per credit hour has remained constant in inflation adjusted dollars but there has been a fundamental shift in how those credit hours are funded. In FY 2003, two-thirds of the cost of a credit hour for resident students was supported through state general fund dollars, today less than one-third of the cost of the same credit hour is supported by state resources.

The majority of tuition revenues are spent on educating our students.

- 82% goes directly toward educating students as funding for the classroom, faculty, library and advising*
- 8% goes to student services and scholarships*
- 6% goes to the operation and maintenance of the campus*
- 3% covers non-academic functions like custodial staff, administration, fundraising, and admission operations*

Colorado School of Mines

There are primarily three major drivers of tuition and fee increases for the Colorado School of Mines:

- *State mandated salary increases and benefit increases – For Fiscal Year 2015, the state mandated salary increase for classified staff by an average of 3.5%. In line with the state, the School applied that increase across all salary classes including faculty and exempt staff. That increase, along with the increases in benefits, increased our budget by \$3.4 million.*
- *Financial Aid and Graduate Support – The School uses both state Fee for Service revenue and tuition revenue to provide financial aid and graduate support. The school funded an additional \$3.6 million in financial aid and graduate support of which \$1.6 million was funded by fee for service revenue specifically targeted to resident students.*
- *Enrollment growth – The School continues to try and keep up with enrollment growth requiring additional faculty, facilities and student services. Mines has been investing in hiring faculty over the last few years in order to support significant enrollment growth in the past 5 years. In addition, for Fiscal 2015 investments in student support services were added. Examples include completing a new residence and dining hall, a new Center for Teaching and Learning, and investments in information technology support services.*

University of Northern Colorado

Major drivers of UNC tuition and fee increases are costs associated with:

- *supporting students who are less academically prepared for college than in the past,*
- *providing financial aid for students who are less financially prepared for college,*
- *delivering a high-quality research university experience that includes a curriculum informed by and classroom engagement in ongoing faculty and student research,*
- *meeting the changing expectations of students,*
- *addressing deferred maintenance and capital needs that are no longer supported by state funding,*
- *increasing health insurance, PERA and utility costs, and*
- *addressing deficits in basic operational infrastructure and personnel created by state funding reductions over the past 15 years.*

5. What costs/services are charged through fees, as opposed to tuition, at your institution? How is student input solicited/incorporated into decisions about fees?

University of Colorado System

Mandatory fees encompass instruction or program fees to support course materials; technology fees for student computing and related services; insurance fees for health, dental, or disability insurance plans; and student activity fees for programs directly serving students, such as student government and health services.

Section 23-1-105.5, C.R.S. (2014) charges the CCHE with adopting policies regarding the collection and use of student fees, including the minimum level of student involvement in the processes for establishing, reviewing, changing the amount of and discontinuing student fees. In addition, each institution is required to create and submit to CCHE a student fee plan that is adopted by the respective governing board that outlines the specific student input on fees, depending on the type of fees. Each University of Colorado campus has a detailed process for developing a fee plan and considerable effort is made to ensure meaningful student input. We support the current process and do not recommend any statutory changes.

Note: In 2011, each CU campus revised its fee plans in response to changes in CCHE policy, a statewide audit performed by the Colorado State Auditor, and statutory changes included in House Bill 11-1301.

Colorado State University System

Student fees support institutional student programs that are beyond the academic mission of the institution. Funds generated by student fees are used to fund student union operations, educational, cultural, and student governmental activities, and athletics.

Each university has adopted an Institutional Plan for Student Fees and Charges which has been reviewed and approved by the Board of Governors. These plans are then submitted to Department of Higher Education. With regard to changes in student fees, each campus has a student fee advisory board which is responsible for evaluating any requests for new fees, fee increases or decreases, and fee extensions. The student fee review board then makes recommendations to the student government which in turn will vote on whether to approve or deny the requested changes. Any approved fee is then submitted to the Office of the President to be forwarded on to the Board of Governors for its final approval.

CSU Global Campus does not charge student fees.

Mandatory Student Fees are listed below. Student course/program fees can be provided to you upon request.

Colorado State University – Mandatory Student Fees

Full-Time Fee (Based on 15 CH)	Per Semester Charge (\$)
ASCSU – Associated Students of CSU	\$44.02
Recreational Sports Office Operations	\$16.07
Athletics (Operations & Debt Service)	\$112.68
Student Recreation Center	\$122.00
CSU Health Network	\$197.08
Lory Student Center	\$184.23
Student Services	\$88.24
University Technology Fee	\$25.00
University Facility Fee	\$225.00
Total Fees	\$1,014.32

Colorado State University – Pueblo – Mandatory Student Fees

Full-Time Fee (Based on 15 CH)	Per Semester Charge (\$)
Student Facility Fee	\$345.00
Student Athletics Fee	\$189.75
Student Affairs Fee	\$150.00
Student Recreation Center Operations Fee	\$126.75
Technology Fee	\$86.25
Student Health Fee	\$78.75
Student Center Fee	\$22.50
Child Care Center	\$6.00
Total Fees	\$1,005.00

Colorado School of Mines

Mandatory Fees:

- *Auxiliary - the majority of the fees fund debt on auxiliary buildings (Rec Center, Student Center etc.). These fees also fund program costs, services and maintenance costs for the buildings.*
- *Academic Facility Fee – was approved by the students to fund academic buildings. The majority of the fee is to repay debt for those buildings and a small portion of this fee is carved out for the students (by committee) to use for improvements in facilities and equipment across campus.*
- *Athletic Fee – supports athletic programs*
- *Health Services Fee – supports the debt and operations of the Health Clinic*
- *Technology fee – supports student specific technology investments as approved by a committee which includes students*
- *Intermodal Transportation Fee – established by the student government to fund RTD services*

Additionally select courses that have significant laboratory or field-related costs charge course fees.

Mines' student fee policy requires that the student governments (both undergraduate and graduate) approve all new mandatory fees and any increases in those fees above inflation plus 1%. The student governments also review and provide feedback on all other proposed fee increases at one of their regularly scheduled meetings (no later than March) each year. The Student Trustee also provides feedback during the Board of Trustees approval process in May.

University of Northern Colorado

At UNC, our pricing strategy is to use tuition for general education and support services. Fees are used for specifically identifiable purposes:

- *Academic Fees are used for classroom consumables and other specialized costs associated with a particular course (activity classes like skiing, a specialized assessment instrument for a course, private music lesson fees, etc.)*
- *Student Services Fees are used for student activities, clubs, cultural centers, special programming, the student newspaper, international education, attendance at athletic and performing arts events, etc.*
- *Student Leadership for Environmental Action Fund (Student LEAF) is a student-initiated fee intended to move the campus community toward a sustainability-minded culture. It finances environmental improvements in campus infrastructure and educational initiatives.*
- *The Technology Fee is used for equipping new smart classrooms, staffing and maintaining computer labs, and providing students access to academic software.*
- *The Library Fee covers a portion of print and online library materials.*
- *The Student Capital Fee supports bonded facility debt service and facility operations as well as capital repair and replacement.*

UNC works collaboratively with students in developing the fee structure and amounts. The specifics depend upon the type of fee. Academic Fees, for example, are based on specifically identified costs and change as costs change, without necessarily discussing with students. The LEAF fee was a student-led initiative where a group of students approached the administration, resulting in a joint recommendation to the Board of Trustees. The Student Capital Fee, which was implemented in FY15, emerged from two years of discussion with Student Senate and a number of opportunities for broader student input on UNC's critical capital needs.

Financial Aid and Colorado Opportunity Scholarship Initiative (COSI)

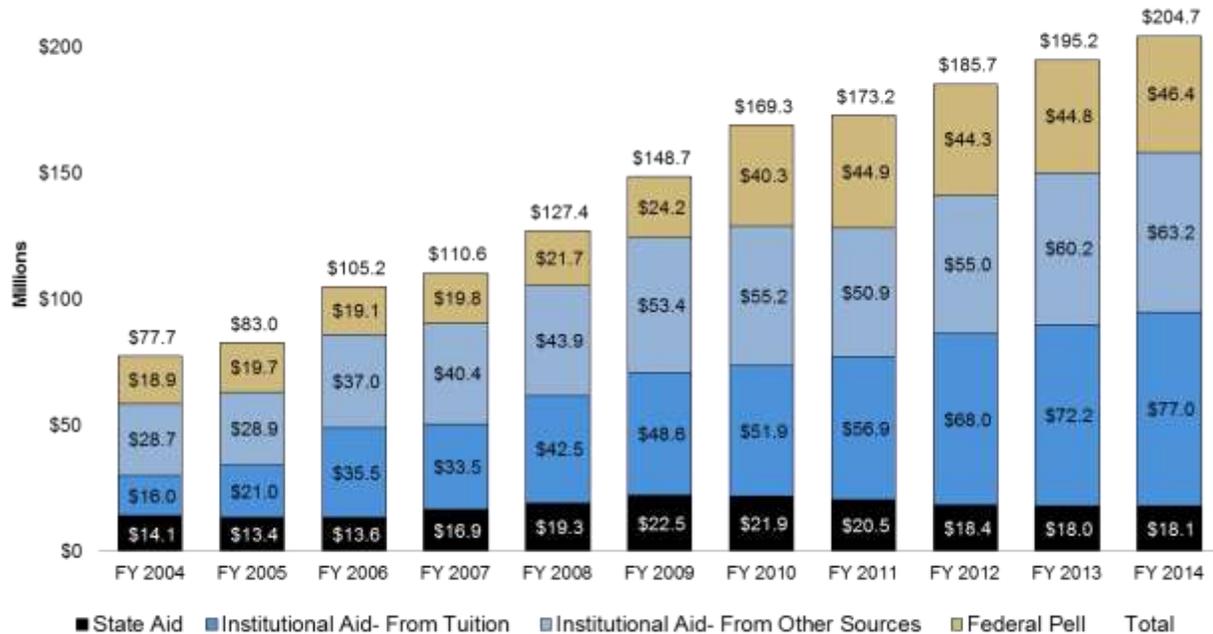
6. What is the impact of providing—or not providing—an increase for state-funded need-based financial aid and work-study in FY 2015-16?

University of Colorado System

The University of Colorado annually uses state funding for financial aid in tandem with other sources of financial aid. Between FY 2011-12 and FY 2013-14, the University of Colorado received approximately \$18 million in state funded financial aid (all types). Figure 5 illustrates the University of Colorado investment in financial aid over the past 10 years.

In FY 2014-15, the General Assembly increased financial aid by a total of \$40 million General Fund. This increase included new funding of \$30 million in need-based aid, \$5 million in work study, and \$5 million merit-based aid restoration. The University of Colorado anticipates receiving a \$7 million increase in state funding from the current year’s financial aid allocation (based on the difference between the FY 2013-14 actual and FY 2014-15 CCHE allocation). It is unknown how much funding University of Colorado students will receive through the Governor’s request for an additional \$30 million into the Colorado Opportunity Scholarship Initiative Fund in FY 2015-16 so it is difficult to fully determine an impact at this time.

**Figure 5:
CU Investment in Financial Aid**



Colorado State University System

The CSU System is supportive of any type of financial aid funding increase. The increase in aid should mirror the increase in tuition and fee costs so that low income students do not experience rising costs. Without an increase all students who receive financial aid will feel an impact.

Colorado School of Mines

Per policies approved by the Colorado School of Mines Board of Trustees, Colorado School of Mines awards its state-funded need-based financial aid to resident students whose families have an expected family contribution (EFC) ranging from \$0 to 150% of Pell-eligible EFC. Without this financial support most of these students would not be able to attend Mines. The amount of loans taken by students and families are personal choices, but we certainly anticipate that for many an increase in state grants will help reduce the amount of loans required for a student to pay for their education.

University of Northern Colorado

The reality is that federal and state financial aid must be supplemented by institutional aid (funded by state operating dollars and/or tuition). UNC's approach to institutional aid includes need-based aid, merit aid, and specialized aid (e.g., first-generation scholarships and program-specific scholarships) intended to support the enrollment of a diverse- in its broadest sense – student body and the financial needs of low- and middle-income students. All federal and state aid is helpful in mitigating the need for additional institutional aid.

7. What kinds of programs are already offered at your institution(s) that are the kinds of programs COSI plans to support (targeted at recruiting and retaining low-income/underrepresented student populations, including providing scholarship support)?

University of Colorado System

CU has made a strong commitment to financial aid. It invested more than \$140 million in institutional financial aid in FY 2013-14 and directs a substantial share to the students with the most financial need to preserve access for low-income students. It also administers a number of programs aimed at recruiting and retaining underrepresented students, including the following:

CU Promise Program: All CU campuses guarantee that eligible Colorado residents from low-income families will be able to afford the academic costs of a university education without going into debt. CU offers a financial aid award package that includes a combination of grants, scholarships, and a work-study job sufficient to fund the student share of tuition, fees, and estimated book expenses.

CU Denver / Anschutz Medical Campus

Pre-Collegiate Program: *The University of Colorado Pre-Collegiate Development Programs (PCDP) prepare and motivate prospective first-generation college students to pursue a postsecondary education. The Center for Pre-Collegiate and Academic Outreach programs houses five distinct programs featuring early outreach, ongoing pro-active academic guidance, educational access, retention, and graduation from higher education.*

The Pre-collegiate Pre-Health Program: *The program at the University of Colorado Anschutz Medical Campus is an academic, enrichment and support program designed to motivate first generation, college-bound students to graduate from high school, complete a college preparatory curriculum and to pursue a college education leading to a career in a health care profession. The program offers students in grades 9 through 12 the opportunity to engage in a range of pre-college activities throughout the academic year. The academic year component will provide students monthly Saturday Academies consisting of health career options, study skills, and academic/financial aid workshops.*

The CU Denver Scholars Program: *The program is an early college enrollment program for college bound, high-achieving first generation students who enroll in college courses on campus during their senior year of high school. Students begin their college studies by taking one course at CU Denver during the fall and spring semesters of their senior year in high school. While enrolled, students participate in Saturday Academies. Workshops are designed to prepare students for college study and introduce them and their parents to the rigors of a college environment. Assistance with course selection, educational planning, and tutoring is provided to students.*

Upward Bound Power-Up Program: *The program at the University of Colorado Denver is a federally funded (TRIO) pre-college program for first-generation, college bound students. Upward Bound's mission is to prepare and help motivate students with potential for success in post-secondary education. Participants are selected based on their academic performance, motivation for success, recommendations from teachers and counselors, and additional criteria.*

TRiO Student Support Programs (SSS): *The specific populations served by this federal grant are low-income, first-generation and students with a disability. The successful program serves 165 students per cohort and has been on the Denver campus for over thirty years. Book scholarships are given to students who complete specific requirements.*

Admission Promise Program: This is an outreach program to the community colleges in the metro area. It serves all community college students who have an interest in transferring to CU Denver. Students must complete specific requirements to gain admission. While students are at the community college, they are invited to events at CU Denver and are connected with advisors in the schools and colleges where they have expressed interest. CU Denver advisors also meet with the students at their respective institution.

CU Denver/CCD Redirect Program: Building on the Admission Promise Program is a pipeline program being developed specifically with Community College of Denver. An MOU is in final stages that will commit the institutions to a more coordinated effort make transferring a more seamless experience for students. These students will also have advising support.

The BA/BS-MD degree program: This is a partnership between the University of Colorado Denver's (CU Denver) College of Liberal Arts and Sciences and the University of Colorado School of Medicine located on the CU Anschutz Medical Campus. It aims to admit outstanding students from diverse backgrounds who are committed to serving the health care needs of Colorado as primary care physicians. Provided that program participants meet specific academic, non-academic, and professional requirements, being accepted into the BA/BS-MD program enables students to earn a reserved seat in a top-ranked medical school and will allow them the freedom to explore other interests during their undergraduate college years at CU Denver.

Education Opportunity Programs Summer Bridge: The Asian American, American Indian, African American and Hispanic Education Opportunity Programs provide a structured program for identified students that includes academic work and social support to assist freshmen in making the transition to college during an eight week summer session.

UCCS

For more than a decade, the University of Colorado Colorado Springs (UCCS) has focused on developing a rigorous effort to recruit low-income, first-generation college students from underrepresented populations.

Through its Southern Colorado Higher Education Initiative Community Connections Program, UCCS uses existing CU programs and southern Colorado-specific efforts in partnership with other educational institutions, community leaders, and a private technology industry.

Pre-Collegiate Development Program: For more than 30 years, the University of Colorado has operated a Pre-Collegiate Development Program to prepare and encourage middle and high school students to attend college. It helps first-generation college students to complete college to develop study skills, provides leadership development activities, on-campus visits and learning experiences, and assistance with college applications, both for the student and family. At UCCS, the program focuses on southern Colorado, a historically underserved area of the state with low college participation rates. The UCCS Pre-Collegiate Program recruits students from first-generation college families and traditionally underrepresented groups in grades seven through ten from Colorado Springs and southeastern Colorado. Strong relationships with community colleges, public and private school systems and community support organizations generate leads for prospective students.

Students in the program participate in hands-on activities to increase academic abilities, improve personal identity and leadership skills and improve college readiness. Students receive rigorous academic preparation in their sophomore, junior and senior years of high school including intensive math and writing development and the opportunity to earn college credit. This development is done in context of college-level academic courses, including the UCCS Gateway Program Seminars (first-year student courses) and the student's potential interest areas. The Pre-Collegiate Program also helps students prepare for entrance exams and assists with admission, financial aid and scholarship applications.

The Center for Science, Technology, Engineering and Math Education (CSTEME) at UCCS offers STEM programming and academic support to students in the Pre-Collegiate Development Program centered on engineering and basic sciences. For seven years, CSTEME has offered year-round enrichment events for middle and high school students that engage students with inquiry-based, hands-on activities. As part of the CSTEME efforts, academically under-prepared but promising students in the Pre-Collegiate Development Program are targeted with STEM-focused activities. CSTEME is also focused on program evaluation, student outcomes, STEM-specific funding opportunities and partnerships.

SoColo Reach: Using high-definition CISCO-provided telepresence technology, UCCS has expanded its reach to sparsely populated, geographically expansive southern Colorado. The technology allows UCCS to offer Gateway Program Seminars and major-specific dual-enrollment college courses to high school students statewide. The courses are offered through the Department of Extended Studies and students are eligible to receive college credit.

Institutional or donor scholarship and grant programs targeting low-income and/or under-represented student groups include:

- *UCCS Tuition Grant – for new (1st time student) , new transfer & returning students*
- *Reach Your Peak – new, returning and new transfer students*
- *Karen Possell – new, returning and new transfer students*
- *Reisher Scholarship – new, returning and new transfer students*

These are based on need as determined by the Free Application for Federal Student Aid.

CU-Boulder

CU Pre-Collegiate Development Program: PCDP is an academic enhancement program for targeted middle and high school students, designed to motivate and prepare first-generation students to succeed in higher education.

CU Upward Bound Program: This program is targeted at students from disadvantaged backgrounds, supplementing their existing education and preparing them for academic success. Students targeted include those from low-income families, first-generation college students, and first-generation military veterans.

CU Lead: This program consists of academic learning communities offering academic enrichment activities, scholarships, and community-building activities. This program also has “alliance programs” in each school and college on campus, such as Designers without Boundaries (Environmental Design), the Miramontes Arts and Sciences Program (MASP, Arts and Sciences) and the Broadening Opportunity through Leadership and Diversity Center (BOLD, Leeds School of Business).

Postdoctoral Fellowship Program for Academic Diversity: This program offers postdoctoral training to recent PhD recipients in STEM fields, targeted at underrepresented graduates. Students in the program receive one-year fellowships with the option to renew for a second year based on academic progress.

Roaring Fork Pre-Collegiate Program is a pre-collegiate program as described above, targeted specifically at students in the Roaring Fork School District (around Glenwood Springs).

Summit Pre-Collegiate Program is a pre-collegiate program as designed above, targeted specifically at students in the Summit School District (around Breckenridge, Frisco, and Silverthorne).

Cultural Unity & Engagement Center: This center provides resources and programming for first-generation, international, and students of color.

BUENO Center for Multicultural Education: Located in the School of Education, this center works to facilitate educational opportunities for culturally and linguistically diverse students.

Student Outreach & Retention Center for Equity (SORCE): SORCE is an advocacy center working to provide access and educational opportunities to historically underrepresented students.

Academic Excellence Program: This is a federal TRiO program to support retention and graduation of low-income, first-generation, and students with disabilities.

First-Generation Scholars Program: This program includes student development, academic advising, support, leadership, and community engagement opportunities for resident students whose parents do not have any education or technical training beyond the high school level.

First Nations Scholarship Program: This is a scholarship program for out-of-state, tribally enrolled, freshmen and transfer American Indian Students.

White Antelope Memorial Scholarship Program: This program provides scholarship support for American Indian students working towards a baccalaureate degree.

McNeill Academic Program: This is a multicultural learning community supporting academic, personal, and professional development, with a focus on diverse student participation.

The campus also partners with local community organizations including the Family Learning Center and the I Have A Dream Foundation of Boulder County to provide resources for pre-collegiate and low-income students.

Colorado State University System

Massive retention programs have been put in place within the CSU System that provide a holistic approach to try to retain ALL students. They begin with early warning strategies in the first year and run throughout the time a student is with to ensure students are monitored and mentored throughout the time in our system. Low-income and minority students benefit from these efforts along with the majority middle-class students our system serves.

In addition, recruitment efforts at all three of our institutions have focused, in part, on PELL, and minority student recruitment. Because of these efforts the CSU System now has the second largest population of these type of students.

Colorado School of Mines

- a) Mines offers a number of summer programs on campus that encourages students from low-income and underrepresented populations to consider pursuing degrees in math, science, and engineering fields. Our premier program, SUMMET, is a four-week in-residence program. Mines also partners with several local middle schools throughout

the school year and summer to offer club programs, tutoring and other enrichment programs at the host school as well as on campus.

- b) Mines' Multicultural Engineering Program offers tutoring and student services to students from underrepresented populations attending Mines. MEP works with corporate recruiters to host special work interview/resume experience days (WIRED) throughout the year. Through these events students gain invaluable feedback during their job search while also having the opportunity to interacting directly with key corporate recruiters.*
- c) The Center for Academic Services and Advising (CASA) is available for all students, and offers a vast array of services ranging from tutoring to academic coaching and registration advisement. CASA offers a course to help students improve academic skills that national best practices demonstrate improves retention and graduation rates for underrepresented students in engineering.*
- d) Mines has committed to using all of its Fee-for Service funding to provide financial support for Colorado resident undergraduate and graduate students by 2021. Last year, Mines started the Colorado Scholars program through these funds, and now guarantees that any resident Pell-eligible student who qualifies for a Mines merit scholarship will be able to attend Mines tuition-free.*

University of Northern Colorado

- The Center for Human Enrichment (CHE), which provides academic support to low-income, first-generation, and under-represented minority students, consistently has achieved retention and graduation rates significantly above the institutional average, and has been recognized in several grant competitions as being among the top 1% of TRIO Student Support Services programs in the nation.*
- In 1996 a group of UNC Hispanic alumni concerned about the shortage of Hispanic classroom teachers and high dropout rates among Hispanic students brought forward a plan which became UNC's Cumbres program. Cumbres uses a cohort concept, in which an identified group of teacher education students begin together as freshmen and take a cluster of courses each year that not only prepare them for their area of primary teacher certification, but also for an endorsement in ESL. What sets these teacher education students apart is that they are being specifically trained to teach public school children who may be bilingual in English or Spanish, or whose primary language is not English.*
- UNC is a Denver Scholarship Foundation (DSF) partner institution and uses our student services infrastructure to support and retain DSF scholars.*
- UNC institutional financial aid includes:*

- *CHE scholarships*
- *Cumbres scholarships*
- *DSF matching scholarships*
- *Latin American Educational Foundation matching scholarships*
- *First-generation scholarships*
- *A variety of tuition and housing aid for low-income students*

Workforce Needs and Economic Impacts

8. How do you assess and respond to workforce needs?

University of Colorado System

There are multiple ways that CU assesses and responds to workforce needs. CU-Boulder Career Services has an Advisory Board that includes representatives from industry in Colorado. The office also participates in the Collegiate Employment Research Institute's annual national survey and is given data from Colorado companies on workforce trends. The CU Denver Career Center has an employer relations and outreach coordinator who gathers information about what traits graduates need to be hired and connect employers with students. At UCCS, deans and department chairs receive input from community business leaders to help develop internships and further develop curriculum. This model also exists within schools and colleges at the other campuses. The CU-Boulder College of Engineering and Applied Science, for example, has an advisory council that assists the dean in a number of ways including guiding the education, outreach, and research programs of the college. Its members include representatives from some of the largest companies in Colorado, including Lockheed Martin, Boeing, IBM, Chevron, CH2M HILL, Ball Aerospace, and Raytheon, among others.

Colorado State University System

Colorado State University's unique role as a land-grant institution has a multi-faceted impact on Colorado's workforce. Through its mission rooted in access for all to higher education, CSU enables young workers to significantly enhance their job skills through high-quality education and exposure to sophisticated research environment while the research and development conducted at CSU results in an increase in research productivity of almost \$300 million in annual expenditures.

Once our students enter the state's workforce as graduates -- 99,000+ alumni currently live in Colorado -- they generate more than \$365M in annual person income and state sales taxes. We estimate that our Colorado-based alumni account for more than \$5.2 billion in household income on an annual basis.

As part of the Universities Technology Transfer program, CSU startup companies have created 1,250 peak new jobs and at least another 1,000 jobs have been created based on the commercialization of research and discoveries at CSU. The majority of CSU's active start-up companies are based in Colorado and these start-up companies have raised \$650 million in private equity and \$80 million in government/NGO funding.

In addition, CSU cultivates workforce development through a variety of partnerships and educational offerings. Individual colleges host programs specifically geared toward working professionals, such as the College of Engineering's Professional Learning Institute that provides students with real-world skills and experience to complement the outstanding technical curricula they receive at CSU; or the College of Business' Core Business Competencies, an online program designed for professionals who need to improve their business skills before starting a new supervisory position. Workforce development is a central component of strategic planning for each of the academic colleges and CSU Extension, and the University's 4-H youth-development program has worked to refocus many of its Colorado programs around STEM education.

Colorado State University – Global Campus provides the most extensive outreach activities to support workforce development through its 100% online platform. The university offers 22 workplace-relevant (projected high demand areas of employment) degree programs and 325 online courses. Course content and assignments emphasize practical application to workplace situations for relevancy and student engagement. Since its 2008 inception thru June 2013, CSU-Global has provided 193,011 credit hours to CO residents – a savings of \$12.35 million to the State.

Colorado School of Mines

Each one of our academic departments and colleges has visiting committees comprised of representation from major employers. We seek guidance from these visiting committees to assess that our degree programs are aligned with employer needs. Further the Career Center conducts an annual survey of employers to assess how the institution is serving their workforce needs. Colorado School of Mines also retains memberships in the Metro Denver Economic Development Corporation and Jefferson County Economic Development Cooperation.

University of Northern Colorado

In addition to basic job-placement data, UNC's alumni survey also collects information about placement in a field related to the major, employment in the state of Colorado, level of preparation for work and graduate studies, and overall satisfaction with their UNC education. In recent years, approximately 75% of undergraduate alumni report full-time

employment in a field related to the major, with over 90% of graduate degree recipients employed in fields related to their degrees. On average, about two-thirds of undergraduate respondents report that their degree prepared them to be successful in their work, and over 80% indicated they felt well prepared for graduate studies.

Many UNC programs rely on advisory groups from business and industry to keep track of changing needs within their respective fields. For example, the MCB Dean's Leadership Council is comprised of business leaders who make recommendations to the Monfort College of Business. And the School of Nursing invites health-care professionals to campus once a year to discuss changing needs in health care delivery, and co-sponsors an annual conference on research and evidence-based practice.

We use the program review process to revamp programs and/or develop new emphasis areas to reflect and anticipate market demand.

Question Specific to Colorado School of Mines

9. How do all the parties to the move of the Colorado Geological Survey to the Colorado School of Mines (from the Department of Natural Resources) feel the move is working?

Response from the Department of Natural Resources:

The Colorado Geological Survey is an important and beneficial program with whom the Department of Natural Resources shares many interests. The Department's original intent in moving the Survey to the Colorado School of Mines, and continued hope, is that the Survey will benefit from the new opportunities for collaboration and funding sources available at this institution. As the Colorado Geological Survey is no longer overseen by the Department of Natural Resources, the Department does not have any comments on the direct operation of the Colorado Geological Survey since the transfer. However, the Department is aware that Karen Berry was named as State Geologist in early November of this year. Given Karen's long and proven history working for the Survey – including work as the Deputy Division Director when the Survey was still located in the Department of Natural Resources – the Department believes that the Colorado Geological Survey will continue to provide valuable services to citizens of the State.

On the Department of Natural Resources side of the equation, the Department has used the transfer as a chance to re-analyze the operations of the Colorado Avalanche Information Center (CAIC). The Department has already made or is currently requesting to make a number of changes to the management, staffing, equipment usage, and administrative

support provided to the CAIC. The requested changes have all come out of recent studies analyzing the operations and effectiveness of the CAIC. In this regard, the "transfer" has been very positive because it forced CAIC to go through a period of change and that opportunity was used by DNR, CAIC, and the Colorado Department of Transportation (CAIC's biggest customer) as a chance to examine the program and look for ways to make the program more effective. Although the CAIC was originally proposed to be sent to the School of Mines along with the CGS, the Department believes that the decision to retain the CAIC within the Department of Natural Resources was still the right decision given these positive changes to the CAIC operations.

Response from Colorado Geological Survey and Colorado School of Mines

As noted in DNR's response, Karen Berry was named State Geologist in October 2014 upon completion of a national search.

One of the most tangible benefits of the transfer is the co-location of many of the state's applied geoscientists and engineers. This allows CGS to collaborate with faculty in the departments of Geology & Geological Engineering, Geophysics, and Mining Engineering.

Benefits of the Transfer

Increased Public Access to CGS Resources

The CSM library has a large collection of geoscience data and is a designated federal government repository. In addition, the library is open some evenings and weekends and research librarians are available to catalog data and help the public. CGS placed much of its collection of geoscience data in the CSM library. Prior to the move, the data was not properly cataloged and not easily available to the public.

Increased Access to State of the Art Laboratory Facilities

CSM has equipment and laboratories that CGS utilizes in applied research projects. Outfitted with state of the art equipment, CGS use of CSM laboratories increases efficiency and improves the quality of test results.

Access to Specialized Expertise

CGS had engaged faculty with specialized expertise to assist in landslide and earthquake hazard projects. Mines faculty have engaged CGS staff to help with research projects. Though these interactions have not reduced project costs; they have resulted in a better examination of potential hazards and impacts to public safety.

Students Gain Practical Experience

CGS has hired several students to assist with geologic hazard and groundwater resource projects. Gaining a work experience is a great way for students to acquaint themselves with the geosciences field and various career paths. Giving students work experience also makes them more marketable. In addition to technical skills, students practice communication/interpersonal skills, computer proficiency in geographic information systems, and teamwork.

Impacts to CGS Customers

CGS customers include federal, state, and local governments; mineral and energy exploration and development industries; the general public, education, and engineering and consulting companies. The transfer did not change the statutory mandate of CGS; however, reductions in budget and staff at the time of the transfer did result in a reduction in the level of services that CGS can provide to some of its customers. The impacts to service levels are estimated and outlined below.

<i>Type of Service or Product</i>	<i>Percentage of Customers Using Product of Service Prior to Reductions</i>	<i>Estimated Reduction in Service Levels Due to Budget Reductions</i>
<i>Geologic hazard maps and reports</i>	<i>10%</i>	<i>80% (this reduction primarily resulted from re-allocating staff time in order to respond appropriately natural disasters).</i>
<i>Consultations with staff about geologic-related issues</i>	<i>12%</i>	<i>50%</i>
<i>Ground water resource maps and reports</i>	<i>10%</i>	<i>50%</i>
<i>Mineral and energy resource maps and reports</i>	<i>22%</i>	<i>70%</i>
<i>Educational materials</i>	<i>10%</i>	<i>0%</i>

<i>Type of Service or Product</i>	<i>Percentage of Customers Using Product of Service Prior to Reductions</i>	<i>Estimated Reduction in Service Levels Due to Budget Reductions</i>
<i>Geologic Maps</i>	<i>21%</i>	<i>0%</i>
<i>Other services</i>	<i>15%</i>	<i>Not known</i>

Question Specific to University of Colorado

10. Why are CU Medical Campus indirect cost collections so large (as reflected in the data books)? What is the source of these funds? Also, explain the relationship between the CU Medical Center and UC Health.

Indirect Costs:

When a third party, such as the federal government, sponsors research conducted at the university, they agree to reimburse both the direct costs associated with the research, as well as a portion of indirect costs (items such as lab space, utilities compliance, etc.) For federal projects, the amount to be reimbursed is detailed in the federal Office of Management and Budget (OMB) Circular A-21

The University of Colorado received \$120,520,589 in Indirect Costs Recoveries (ICR) in FY 2013-14, primarily at the CU Anschutz Medical Campus (\$61,150,088) and the Boulder campus (\$55,268,029). The majority comes from the federal government for federally funded sponsored research. While the Anschutz and Boulder campus receive similar amounts of ICR revenue, the percentage of total Educational and General funds (E & G) is much higher at the Anschutz campus because it has much less tuition revenue than the Boulder campus.

Relationship:

The relationship between the University of Colorado, the University of Colorado Hospital Authority, and the University of Colorado Health benefits the State of Colorado and hundreds of thousands of patients who receive health care. What follows is a description of these entities, their governing structures and their relationship with each other.

University of Colorado – Anschutz Medical Campus

Article VIII of the Colorado Constitution creates a number of state institutions and states, “Educational, reformatory, and penal institutions . . . and such other institutions as the public good may require, shall be established and supported by the state, in such manner as may be prescribed by law.” Colo. Const. Article VIII, §1. Within this broad grant of authority, the Colorado Constitution specifies, “The following educational institutions are

declared to be state institutions of higher education: The university at Boulder, Colorado Springs, and Denver.” Colo. Const. Article VIII, §V. Within the Denver campus, the University of Colorado may establish and maintain “schools of medicine, dentistry, nursing and pharmacy . . . together with hospitals and supporting facilities and programs related to health.” Colo. Const. Article VIII, §1. The Regents of the University of Colorado, a nine-member elected board, governs the University of Colorado and is charged with its general supervision. Colo. Const. Article VIII, §V, Colo. Const. Article IX, §XII.

Consistent with the Colorado Constitution and the statutory requirements enacted by the General Assembly, the University of Colorado’s Anschutz Medical Campus houses four schools: (1) Dental Medicine, (2) Medicine, (3) Pharmacy, (4) Public Health, and one college, the College of Nursing. A state-of-the art medical center, the CU Anschutz Medical Campus is globally recognized for its research, teaching and clinical programs. The land on the CU Anschutz Medical Campus is owned by the University of Colorado, which leases it to two of the university’s major clinical affiliates, the University of Colorado Hospital and Children’s Hospital Colorado. Physicians, residents, and students of the University of Colorado School of Medicine provide nearly all of the medical services at these hospitals, but the hospitals do not employ them.

University of Colorado Hospital Authority (the “Hospital Authority”)

The Regents of the University used to control the University of Colorado University Hospital, but in 1991, the General Assembly concluded that the hospital was “unable to become and remain economically viable because it is subject to various kinds of government policy and regulation.” C.R.S. 23-21-501(1)(c). The General Assembly also concluded that the “needs of the citizens of the state of Colorado . . . will be best served if the university of Colorado university hospital is operated by a quasi-governmental and corporate entity charged with the mission of operating a teaching hospital for the benefit of the health sciences schools and providing care for the medically indigent.” The legislation created the Hospital Authority as a body corporate and political subdivision of the State, C.R.S. 23-21-503(1), and authorized the Regents of the University of Colorado to transfer the hospital’s assets and liabilities to the newly-created Hospital Authority. C.R.S. 23-21-505

The legislation states that the mission of the Hospital Authority is to operate the hospital “as a state of the art teaching and research hospital....” The legislation also requires that the Hospital Authority “provide space and facilities as necessary for the operation of the clinical programs of the health sciences schools...” While the hospital houses the clinical programs, the legislation create boundaries between the Board of Regents and the Hospital Authority. The statute contains the following provisions:

- *The Hospital Authority is “not subject to administrative direction or control” by the Regents. C.R.S. 23-21-503(1)*
- *The Board of Regents has the ability to appoint the eleven-member Board of Directors of the Hospital Authority, subject to the Colorado Senate’s confirmation of the directors.*

The statute specifies that “not more than four directors shall be employees of the University of Colorado or the authority.” C.R.S. 23-21-503(2)

- *The Board of Regents may remove a director only “for malfeasance in office, failure to regularly attend meetings, or for any cause which renders said member incapable of or unfit to discharge the duties of director.” C.R.S. 23-21-503(4)*
- *“The Regents shall have no further control over the operation of University Hospital,” other than “the power of the Regents to appoint members” of the Board of Directors. C.R.S. 23-21-506*
- *If the Hospital Authority is dissolved, the assets of the Hospital Authority revert to the Regents. C.R.S. 23-21-504(4)*
- *The legislation states that the Regents do not have any control over the Hospital Authority’s fees, budget, or debt. C.R.S. 23-20-114(2)(d).*

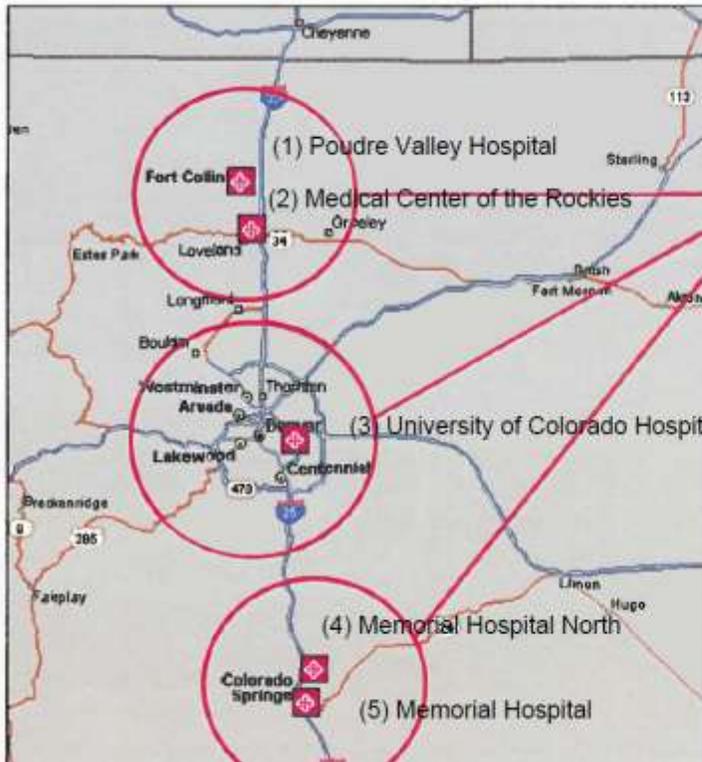
Thus, while the Regents appoint the directors of the Hospital Authority, and the physicians of the School of Medicine provide medical care within the hospital, the Hospital Authority remains a separate organization from the University.

University of Colorado Health

In January 2012, to respond to the health care needs of the citizens of Colorado and the changing health care marketplace, the Hospital Authority and the Poudre Valley Health Care, a Colorado nonprofit corporation, entered into a joint operating agreement that created University of Colorado Health (“UCHealth”). UCHealth is a Colorado nonprofit corporation that is tax-exempt under section 501(c)(3) of the Internal Revenue Code.

In May 2012, Attorney General John Suthers concluded that the transaction between the parties was lawful and could proceed without further review. In his determination, Attorney General Suthers concluded that, as a member of UCHealth, the Hospital Authority “retained the power to maintain [its] board in conformity with the applicable Colorado statutes” and “the power to require all statutory obligations of [the Authority] to be fulfilled.”

Since its original inception, UCHealth has grown to include University of Colorado Hospital, Poudre Valley Hospital, Medical Center of the Rockies, Memorial Hospital Central, and Memorial Hospital North. As such, UCHealth operates across the entire Front Range and brings state-of-the-art health care capabilities to citizens throughout Colorado. The Board of Regents allows UCHealth to use the University of Colorado name.



UHealth operates across the entire front range, and is the only health system with a significant presence in the major population centers of Colorado Springs, Denver, and Fort Collins / Loveland

Key Operating Statistics

- 5 hospitals
- ~14k employees
- ~220 employed physicians
- ~1,800 CU School of Medicine physician partners
- >70k admissions
- >280k emergency room visits
- >1.8M clinic visits

UHealth benefits from its affiliation with an academic medical center, which not only provides the opportunity for patients to receive care from the faculty at University of Colorado Hospital, but also to participate in clinical trials conducted on the CU Anschutz Medical Campus. The School of Medicine operates a branch on the UCCS campus in Colorado Springs, which will allow third and four year medical students to participate in clinical training programs at Memorial Hospital Central and Memorial Hospital North. To fund the development of the branch campus, UHealth agreed in October 2012 to pay the University \$3 million annually for 40 years.

UHealth is governed by an 11-person Board of Directors, the members of which were appointed for an initial term which will expire on July 1, 2015. The joint operating agreement provides that, at the end of the initial term, the directors of UHealth must exercise their roles as a fiduciary of “one unified regional system.” The directors then will be appointed as follows:

- *Two directors shall continue at all times to be University of Colorado Direct Appointees. These Direct Appointees are designated by the University of Colorado President and may be two of the following executives: (1) the President of the University of Colorado; (2) the highest ranking executive of the Anschutz Medical Campus; or (3) the Dean of the School of Medicine.*

- *The UCHealth CEO serves as an ex officio director in a voting capacity.*
- *The remaining eight directors are divided equally between Appointed Directors and Elected Directors for staggered terms.*
 - *Each of the four Appointed Directors is appointed by the Board of Regents after having been recommended by the President of the University of Colorado. Before recommending a director, the President shall have first consulted with the UCHealth Board and obtained the concurrence of three-quarters of the directors.*
 - *Each of the Elected Directors shall be elected by three-quarters vote of the total directors of the UCHealth Board.*
- *A majority of the directors shall be “independent” and not have a “material economic interest (either direct or indirect) in UCHealth or any member.*

11:00-11:15 BREAK

11:15-12:00 HISTORY COLORADO

INTRODUCTION AND OPENING COMMENTS

QUESTIONS COMMON TO ALL DEPARTMENTS

1. SMART Government Act:

- a. Please describe how the SMART Government Act is being integrated into the Department's existing processes (both in terms of service delivery and evaluating performance).

History Colorado fully embraces the spirit and intent of the SMART Government Act, strategically and operationally, and has undertaken or supported several initiatives that will integrate the Act into its delivery of service and monitoring of performance. Delivery of a full menu of services and programs is fundamental to History Colorado's strategic plan, taxpayer benefit, economic sustainability and organizational success. In terms of performance management, History Colorado promotes an organizational philosophy that "what gets measured gets done."

Since its enactment, June 5, 2013, History Colorado has incorporated its existing processes in several key result areas that include:

- i. Conducting a thorough evaluation of its 5-year strategic plan in 2013, reinforcing its commitment to deliver compelling programs in education, preservation, and stewardship; enriching communities statewide; engaging audiences statewide; and developing a foundation for long-term sustainability through smart planning and sound business practices.*
- ii. Strengthening its museum operating structure, improving the delivery of programs and services, and promoting civic engagement from the new History Colorado Center to all regional museum properties throughout the state.*
- iii. Working with OSPB to update and evaluate performance planning pursuant to the SMART Act, and to provide updates to specific performance measurement criteria. (Performance plans are posted on the web sites of both History Colorado and OSPB for public review.)*
- iv. Re-defining its accounting structure to budget, measure, and monitor its business operations at a more operationally oriented business unit level.*
- v. Developing a zero-based budgeting methodology that can implement goals and track financial measures throughout all organizational levels or business activities of the Agency.*

- vi. *Working collaboratively with DPA to implement its new financial accounting system and also with OSPB to integrate its performance budgeting and management system.*

- b. How is the data that is gathered for the performance management system used?

Performance measures are defined at a department level under the direction of each department's division director. All performance measures are evaluated and tracked under the supervision of History Colorado's senior management, and operating adjustments are directed from senior management throughout the organization when necessary.

- c. Please describe the value of the act in the Department.

The SMART Act supplements History Colorado's commitment to improving attainment of best practices in business planning, business management, goal setting and performance monitoring. It reinforces History Colorado's commitment to its mission, vision and values, which incorporates the delivery of a broad set of public services to diverse communities throughout Colorado.

- 2. Do you have infrastructure needs (roads, real property, information technology) beyond the current infrastructure request? If so, how do these needs fit in with the Department's overall infrastructure priorities that have been submitted to the Capital Development Committee or Joint Technology Committee? If infrastructure should be a higher priority for the Department, how should the Department's list of overall priorities be adjusted to account for it?

History Colorado has known infrastructure needs that extend beyond the current infrastructure request, and they are itemized in the 5-year capital construction plan. Infrastructure needs generally include restoration and renovation of regional museums and historic properties, safety and mechanical improvements, and updates of technologies specific to historic preservation. They are prioritized based on the most immediate benefit to asset management, public needs, and the Agency's programming. History Colorado addresses infrastructure projects that are not approved by delaying out-year requests in its 5-year plan in order to resubmit select projects. Overall priorities generally do not need to be shifted to accommodate this process.

- 3. Describe the Department's experience with the implementation of the new CORE accounting system.
 - a. Was the training adequate?

The initial CORE training provided an adequate general orientation to various modules, workflows, security, and basic hands-on transaction processing utilizing computer labs. However, for its level of complexity and for the specific processing needs of each department within the state, the training could have been more detailed and hands-on preparation for “go live”. Because each department uses CORE in a slightly different way, it was virtually impossible to offer training in a “cookie cutter” approach and prepare staff adequately to perform their specific jobs. History Colorado staff, who routinely use the system, could have been better prepared if training had included a test learning environment so that staff could understand CORE’s intricacies, anticipate workload impacts, improve internal workflow processes, understand common causes for the system to reject a transaction entry (and how to correct it), and to more thoroughly understand how to process in CORE to meet the specific business needs of his/her department. Allowing Departments to learn “locally” with each other in a simulated go-live environment, and providing consultative training at a department level could have helped everyone understand the system better and develop more transaction processing expertise.

b. Has the transition gone smoothly?

CORE is a very robust, yet complex, financial system, potentially greatly exceeding the capabilities of COFRS, and with the potential to meet the needs of the state for the foreseeable future. Since the system has been installed in many states throughout the nation, CORE can provide benefits at a state and national level in fiscal management, system modifications as federal and state legislation change, and reporting efficiencies, such as producing turnkey Federal Grant reports, once the system is fully functional. Transitioning to a complex system like CORE has been challenging, especially for departments with small accounting staffs. Some examples of transition issues experienced by History Colorado include:

- i. Not having the ability to import prior year history, especially as it affects programs and activities that span over multiple years;*
- ii. Period closings that have been delayed for several months;*
- iii. Transitioning payroll in a timely, accurate manner;*
- iv. Additional time required for transactional processing;*
- v. State Historical Fund grants management;*
- vi. Transitioning budgets;*
- vii. Connectivity to external financial data sources;*
- viii. Monthly financial reporting to management - limited monitoring of actual expense to budgets;*

- ix. *Conversion and adjustments from a COFRS Chart of Accounts structure to a CORE structure;*
- x. *Coding and workflow adjustments to CORE's structure and business processes;*
- xi. *Lack of available training to accommodate turnover of staff during system conversion;*
- xii. *CORE help desk limitations;*
- xiii. *CORE system availability and system down-time on weekends; and*
- xiv. *Learning the system.*

c. How has the implementation of CORE affected staff workload during the transition?

Staff throughout the organization has been affected by the implementation of CORE. Prior to go-live, finance staff was required to prepare several cross-walk Excel workbooks, to attend several orientation and planning sessions, and then conduct various meetings to communicate what they learned about CORE at the time to others. There was a substantial staff impact during planning, conversion and training. During the initial implementation, many of History Colorado staff were immediately affected by document scanning, learning how to code invoices, procurement, and grants administration. Finance and Accounting support to other staff during this period also increased. This was in addition to month-end, year-end, and audit activity that occurred concurrently with the go-live period. Staff remains impacted by a transition that is still in progress. Addressing staff morale is a focus for management.

d. Do you anticipate that CORE will increase the staff workload on an ongoing basis? If so, describe the nature of the workload increase and indicate whether the Department is requesting additional funding for FY 2015-16 to address it.

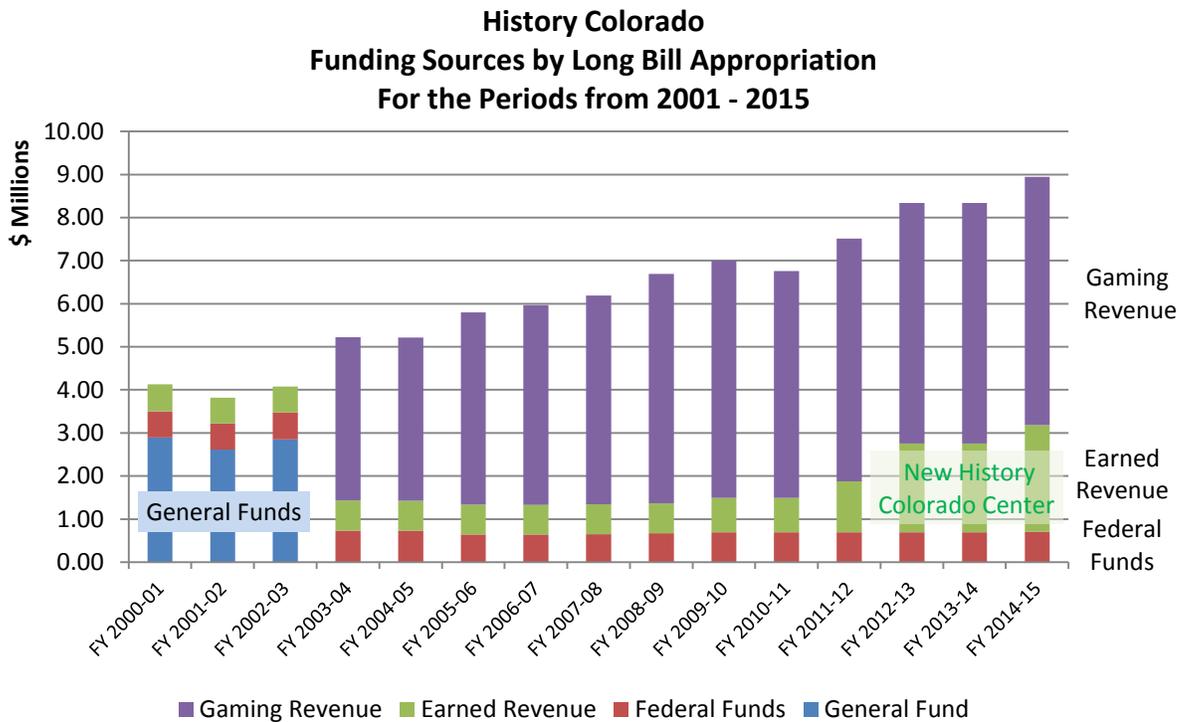
While the accounting staff has gained processing proficiency in CORE, History Colorado believes that CORE will continue to require more time per processed transaction on an ongoing basis and more staff to support the increased workload. This also extends beyond Finance and Accounting to staff in all divisions who process invoices and perform content management scanning. To manage the additional workload and transition, short-term contract staffing has been obtained, despite the lack of a commensurate increase in budget.

QUESTIONS SPECIFIC TO HISTORY COLORADO

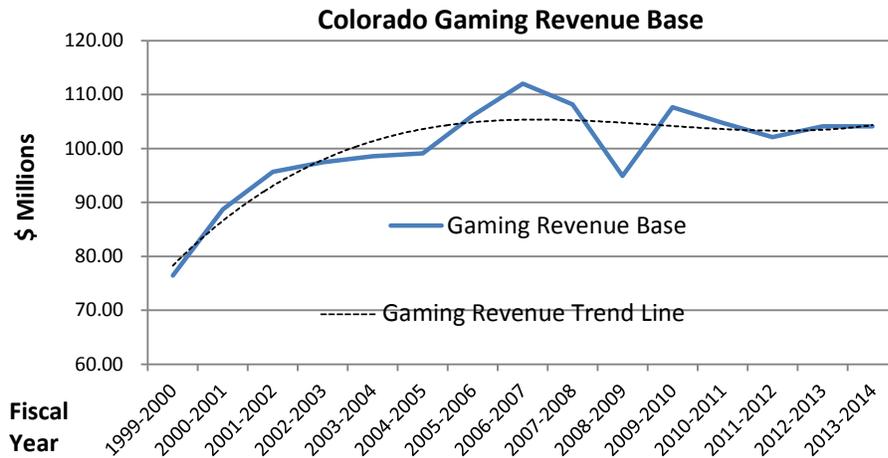
4. Please provide an overview of your funding history in the past 15 years, noting the challenges you face since gaming revenue fluctuates based on economic conditions and other factors

such as the smoking ban legislation. As a state agency in charge of managing a museum, History Colorado is trying to maximize their revenues to address long term sustainability. What obstacles do they face in achieving long term sustainability and how are they addressing this issue?

History Colorado was funded with General Fund appropriations until FY 2002-03 when the agency was refinanced to Limited Gaming Funds as a means to assist the state to address a significant budget crisis in the aftermath of 9/11. At that time (FY 2002-2003), 54% of the agency’s budget was General Fund, 0% Limited Gaming Funds, 12% Federal Funds and 33% earned revenue. The FY 2014-2015 budget is comprised of 0% General Fund, 53% Limited Gaming Funds, 7% Federal Funds and 41% earned revenue. Below is a table detailing the appropriation history:

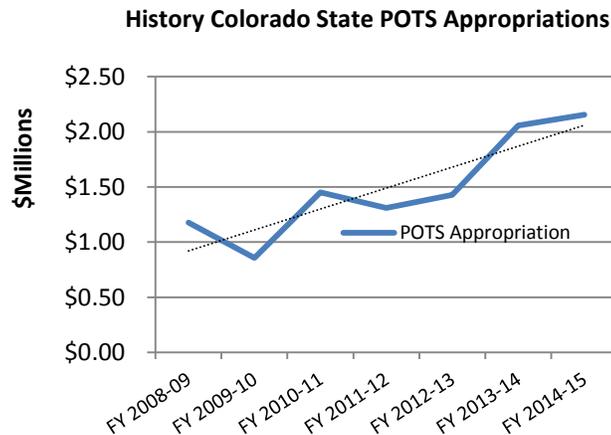


During the 15-year period from FY 1999-2000 to FY 2013-14, total gaming revenue and trends are shown in the graph below:



Although the smoking ban in 2008 and economic downturns in years 2008 and 2011 impacted gaming tax revenue growth, average revenue has been relatively flat for 7 of the most recent 9 years. Prior to that (1999-2005), revenue grew during the initial “contagion” years, and both History Colorado and the State Historical Fund benefited from this growth. Since the opening of the History Colorado Center in 2012, however, gross gaming revenue has not grown substantially, and **after factoring in administrative expenses, the net revenue distributed to History Colorado is actually lower**. Assuming that revenue will remain relatively flat at best, the challenge that History Colorado faces is to create revenue diversity resulting from donations and enterprise activity throughout its various museums and properties. Under the current appropriations model, managing and funding start-up enterprises and developing an efficient operations model for them create challenges for History Colorado that is somewhat unique among state agencies.

The POTS appropriation for the agency has increased 100% in recent years to fund OIT support, property insurance, CORE, legal services, worker compensation, merit, and base building for staff. POTS is funded through Limited Gaming revenue and a small portion of Federal Funds.



Without an appropriate organizational structure that can efficiently develop enterprise revenue programs, or without gaining additional funding authorization, History Colorado faces a challenge of operating expense control. Expense control is especially challenging when utility costs escalate at some regional museum locations, OIT and CORE system costs, staff and insurance benefit costs increase, and other operating expenses increase disproportionately to general inflation.

- *Obstacle: Museums throughout the country are struggling to achieve long-term sustainability. Traditional audiences are shrinking; younger, more diverse audiences are unable or unwilling to pay admissions fees; schools face increasing difficulty in funding field trips.*

Actions: History Colorado staff stays abreast of developments in the museum field through active participation in regional and national associations, and is exploring ways to supplant admissions fees with specialized program fees, corporate sponsorships and high-end membership programs. We are working to build endowments to subsidize school programs and are consulting extensively with educators to ensure our programs directly align with both social studies and Science Technology Engineering Math (STEM) curricula.

- *Obstacle: History Colorado's long term sustainability depends in large part on revenues earned at the History Colorado Center, and most of those revenues are attendance-dependent. History Colorado needs to remove as many obstacles as possible to grow attendance.*

Actions: We have committed additional resources to help us analyze our market opportunities more thoroughly and implement relevant strategies to reach our target audiences more effectively. The results of both actions correlate to attendance growth and are a component of a long-term sustainability plan that the Board is developing. Both of these are directly dependent on marketing funding.

- *Obstacle: Under our current budget structure, our ability to manage and reinvest in profit centers to grow enterprise revenue is limiting.*

Actions: We are working on a new Long Bill format to align with History Colorado's revenue producing programs.

- *Obstacle: The ability to invest in research and development necessary to explore new revenue streams.*

Actions: Current staff is encouraged to pursue new revenue-generating ideas, and we plan to tap the expertise of board members to help us develop them more fully. We also rely on outsourcing to help us bring new products to market.

- *Obstacle: Regional museums are operated with lean budgets. Most regional museums are staffed at levels insufficient to develop effective programs for local communities.*

Actions: History Colorado has recently realigned many of the regional museums to fall under Museum Operations and has begun an effort to improve programs and services at our regional properties. History Colorado staff has begun to engage communities in dialogue about local needs and opportunities.

5. During recent economic downturns, the State Historical Fund (SHF) has been used by the General Assembly to fund the Capitol Life Safety Project, the Dome Project, and other projects in the Capitol Complex. What amount of SHF funds have been used for this purpose?

Since its inception, the State Historical Fund has awarded over 4,100 grants in an aggregate amount in excess of \$265.2 Million. Of this amount, \$44,288,480 (16.7%) was used by the General Assembly to fund the projects listed below:

Life Safety	\$ 30,158,420
Documentary	45,144
Landscape Master Plan	135,000
Stabilization of Civil War Cannons	18,438
Dome Restoration	11,931,478
Renovation of House & Senate Chambers	<u>2,000,000</u>
Total:	<u>\$ 44,288,480</u>

This funding provided a public benefit, a positive impact on heritage tourism, increased state identity/pride, and long-term historic preservation benefits to the state.

6. SHF grants are used for projects in rural communities statewide. What kind of economic return does this generate? What impact will the recently-enacted tax credit legislation have on local economies?

Rural Communities: SHF grants impact rural economies from the direct impact of the grant investment itself, jobs created, a leveraged impact from matched and additional funding, indirect economic impact, and an ongoing economic impact from servicing tourism. History Colorado research shows that approximately 32 jobs are generated for every \$1 Million spent on preservation projects, providing income, sales tax, and property tax revenue back to the state and its rural economies. Indirectly, heritage tourism to rural Colorado communities from SHF grant projects increase income and jobs in local economies. Matching contributions from Acquisition and Development grant funding generally leverage historic preservation funding up to 400%. Although actual returns vary by location, a multiplier

effect, and grant purpose, the statistical estimates indicate a 4:1 economic return on SHF Grants in rural communities. To date, this translates to a \$551,061,160 impact from SHF grants totaling \$137,765,290 throughout all rural counties in Colorado.

Most recently, since 2008, the grant program has been able to provide needed funds to grant recipients when state funding in other areas were limited.

Tax Credit Legislation: Assuming that the entire credit is used in the first year and that the full \$5 Million is used as a 25% credit, the recently-enacted tax credit legislation will provide a direct impact of \$20 Million. Applying the same 4:1 economic return factor as experienced with preservation construction, the total indirect economic impact is estimated to be \$80 million on local economies.

7. What is the status of discussions between History Colorado and Higher Education regarding the implementation of the audit recommendations concerning the governance issue? What course of action do they intend to pursue to implement the recommendations?

History Colorado (HC) has been busy researching other state historical societies nationally and compiling the data for internal review. Staff has been in conversations with many organizations nationally to get an understanding on how governance is structured at each.

The agency has met with the Department of Higher Education (CDHE), OSPB and Governor's staff on charting a course of action for reviewing the agency's governance. HC has held a number of meetings with CDHE staff regarding audit findings. These meetings have been very productive. The first meeting was focused on who History Colorado is and what the agency does in its many functions, and HC staff reviewed the organization's structure, mission and business operations. Three small follow-up group meetings have occurred with CDHE and HC. HC Financial staff reviewed budget and funding streams with CDHE. Another meeting with CDHE reviewed findings on other states researched by both HC and CDHE. Comparing states' governance and reviewing budget and funding issues helped provide valuable data in moving forward with a plan of action. This course of action is being pursued through reviewing multiple strategies proposed for governance and programmatic modifications. This review will include all four parties listed above.

8. What are the advantages/disadvantages of changing the History Colorado governance structure, such as having the governor appoint the History Colorado board (or a part of the board) or changing History Colorado's governance to a type 2 agency under the Department (giving the Department's executive director more authority over History Colorado)?

Gubernatorial appointed board members at History Colorado achieves a number of

objectives. It provides a closer connection with the State, strengthens state oversight, assists the agency in building credibility, and assists in building a closer connection with Colorado Department of Higher Education's and the State's overall goals and objectives in areas that the agency can fulfill. The challenge is to align this change with the existing by-laws, and detailing the process for appointments.

Changing the agency's designation to a type 2 agency is disadvantageous as it will not be effective in meeting the Agency's needs to operate its business or fulfill its mission. The Department of Higher Education is an oversight agency and unfamiliar with operating a cultural institution and the complexities that are associated with it. A change to type 2 would also not provide the structure to earn and grow enterprise revenue in a competitive market.

9. What is the status of your discussions with the Audit Committee? Do you expect them to carry legislation related to the History Colorado governance structure?

The agency will be updating the Audit Committee once a conceptual draft is prepared for legislation. Once completed, next steps will be detailed.

**ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED -
DEPARTMENT OF HIGHER EDUCATION (FOR HISTORY COLORADO)**

1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implement or has partially implemented the legislation on this list.

N/A

2. What is the turnover rate for staff in the department? Please provide a breakdown by office and/or division, and program.

History Colorado is appropriated 131.4 FTE's. Of those positions, there are 5 FTE's assigned as "Classified" staff. During the fiscal year, there has been no turnover with any of those five positions, as reported to Department of Personnel and Administration (DPA) and Colorado Department of Higher Education. This information was reported in DPA's prepared turnover report.

3. Please identify the following:
 - a. The department's most effective program;

In 2013, the History Colorado board approved a five-year strategic plan which outlined three major goals around (1) audience engagement, (2) collections stewardship and (3) sustainability, and which affirmed our commitment to serving audiences statewide. We have achieved notable success in statewide outreach.

- *Through our facilitated outreach program, we have established a network of school districts, libraries and community organizations through which we are able to train staff and volunteers in bringing our programs to their communities. In FY2013-14, History Colorado reached 41,000 students across the state through these programs.*
- *In response to escalating demand, History Colorado has developed and delivered professional development opportunities for educators eager to understand, and develop strategies for teaching new social studies standards. In FY2013-14, History Colorado trained 1,700 educators statewide.*
- *With major support from the Institute for Museum and Library Services, as well as funding from BP America, History Colorado has developed a series of digital learning environments. Available online, each digital learning environment offers students the opportunity to explore a chapter in Colorado history through sound, video, photographs, original source materials and stories. Each digital learning environment also includes one of the first museum-based digital badging programs in the nation. By mastering content, students achieve badges, much as they do with video*

games. Digital badges are geared for fourth, seven, eighth, and eleventh grade levels. The first three digital learning environments went live in the fall of 2014.

- In FY2013-14, History Colorado’s collections staff geared up for the launch of an online portal to our collection. In July 2014, thousands of documents, objects, photographs and film were made available online through a user-friendly interface that enables visitors to explore materials thematically, by collections type or by era. Now that the framework is in place, staff is easily able to digitize materials and expand the size of the online collection for use by anyone with access to a computer.

b. The department’s least effective program (in the context of management and budget);

History Colorado least effective property is the McFarlane House in Central City. The property was gifted to History Colorado with restrictions that require it to be utilized by the Central City Opera for housing during the summer opera season. There are limited funds devoted to the stewardship of the property. With the required partnership use, History Colorado is not able to garner financial revenue from the property.

c. Please provide recommendations on what will make this program (2.b.) more effective based on the department’s performance measures.

History Colorado is looking for options to divest itself of the property but those opinions are limited due to deed restrictions and donor intent.

4. How much capital outlay was expended using either operating funds or capital funds in FY 2013-14? Please break it down between the amount expended from operating and the amount expended from capital.

The majority of capital expenditures expended by History Colorado occur through Capital Construction and Controlled Maintenance appropriation. There are limited or no funds expended on this purpose within the operating budget for History Colorado.

The capital expenditures in FY 2013-14 (Fund 461) per funding sources are in the table below.

	General Fund	Gaming Funds	Cash Funds	Fund 22T
FY-14 Closing amount	\$577,156.74	\$3,549,172.44	\$217,695.85	\$620.98
Pending adjustment		\$ 100,000.00	(\$100,000.00)	
Total	\$577,156.74	\$3,649,172.44	\$117,695.85	\$620.98

5. Does Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2014? What is the department doing to resolve the outstanding high priority recommendations?

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/\\$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf)

There are no high priority recommendations identified in the Annual Report that was published by the State Auditor's Office on June 30, 2014.

**ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED -
DEPARTMENT OF HIGHER EDUCATION (GOVERNING BOARDS)**

UNIVERSITY OF COLORADO SYSTEM

1. Does governing board have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2014? What is the governing board doing to resolve the outstanding high priority recommendations?

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/\\$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf)

No.

2. What benefits do you offer to adjunct, Teacher Assistants and/or non-tenure track faculty?

Faculty members are eligible for benefits if they have a regular appointment equal to or greater than 50% time. These include instructors and lecturers (who are not tenure track faculty but teach a significant number of courses). Adjunct, adjoint, and attendant faculty, as well as student faculty (e.g. graduate assistants, teaching assistants, research assistants) do not have regular appointments and are therefore not eligible for employee benefits.

3. What percentage of your credit hours and students are taught by adjunct faculty, teaching assistants, and/or non-tenure track faculty.

All CU campuses rely on different types of faculty to deliver instruction. At CU-Boulder, for example, 42% of student credit hours delivered in FY 2013-14 were taught by tenured and tenure track faculty; 26% were taught by instructors or senior instructors (regular, non-tenure track faculty). Student faculty were responsible for reaching 12% of total credit hours and the remaining 20% were taught by lecturers, visiting faculty, adjunct, adjoint, or attendant faculty, research faculty, or administrative staff.

Percentage of Credit Hours Taught by Faculty Type, Boulder Campus, FY 2013-14

Tenured/Tenure Track	42%
Instructor/Sr. Instructor	26%
Student Faculty	12%
Other (includes lecturers and adjunct faculty)	20%

As noted above, tenured and tenure track faculty as well as instructors are benefits-eligible if they have at least a half-time appointment. The "other" faculty category would include some individuals who are eligible for benefits and some who are not.

4. How many of your adjuncts or non-tenure track faculty and teaching assistants teach 30 or more credit hours in a year?

At the University of Colorado, most courses are 3 credit hours per semester. Based on this, an individual would need to teach 10 courses per year to teach a total of 30 credit hours. There are relatively few adjunct faculty members who carry an annual teaching load of 30 or more credit hours; however some full-time instructors (who are non-tenure track faculty with regular, benefits-eligible appointments) carry an annual teaching load of 30 credit hours.

5. Are you limiting the number of credit hours taught by adjunct instructors, teaching assistants, and/or non-tenure track faculty?

No. School/colleges and academic departments have discretion in the use of adjunct faculty and student faculty. No system-wide directive has been issued to limit the use of these types of faculty members.

6. Has your institution completed an oil and gas mineral right agreement? If so, what did your institution receive for a royalty rate and bonus payment? How does this compare to what the State Land Board received for the oil and gas mineral lease royalty rates and bonus payments at the Lowry Bombing Range property? [The total Lowry Range bonus payments were \$137 million paid over 5 years + 20% royalty rate when production starts (within the last month). We think the bonus payment breaks down to about \$6,500 per acre.] With whom did you complete the agreement? What happens to any revenue you receive?

The last oil and gas mineral right lease agreement that the University of Colorado completed was in December 2013 with Land Energy, Inc. The lease agreement covers CU's 50% mineral interests in a quarter section that's northwest of Windsor, Colorado which was provided by a donor. That lease has a three year term, from December 2013 to December 2016. CU received \$225,000 when the lease on the net 80 acres was signed. The upfront bonus was \$2,800 per acre. The royalty rate is 19%. The lease contains an option to renew for another two years under the same terms if another bonus of \$225,000 is paid to CU at the expiration of the three years. All of this revenue is directed to medical students as required by the donor.

COLORADO STATE UNIVERSITY SYSTEM

1. Does governing board have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2014? What is the governing board doing to resolve the outstanding high priority recommendations?

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/\\$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf)

No.

2. What benefits do you offer to adjunct, Teacher Assistants and/or non-tenure track faculty?

CSU: Adjunct is not a CSU title. These are Teaching Assistants (graduate students that teach labs, recitations and/or classes) and non-tenure track faculty. Non-tenure track faculty at 50% effort or more are eligible for our standard retirement and health benefits. Teaching assistants do not get retirement, but are eligible for health benefits subsidized by the graduate school. Many graduate students do not take advantage of the health benefit because they are still covered by their family's insurance.

CSU-Pueblo: Adjunct faculty at CSU-Pueblo are faculty who typically teach one or two courses a semester, and overall typically teach between 1 credit hour and 9 credit hours a semester. They receive a university contribution of 11.1% of their salary for retirement, and university contributions to Medicare, worker's comp, and unemployment insurance. (So they do not receive medical/health benefits.)

3. What percentage of your credit hours and students are taught by adjunct faculty, teaching assistants, and/or non-tenure track faculty.

CSU: AY 13-14 Undergraduate SCH by Faculty Type

	Percentage of Student Credit Hours Taught by Faculty Type
Tenure-Track Full Professors	15%
Tenure-Track Associate Professors	14%
Tenure-Track Assistant Professors	8%
Special Faculty	32%
Temporary Faculty	12%
Graduate Assistants	12%
Other Employees	7%
University Total	100%

CSU-Pueblo: See table below for fall 2013 and spring 2014 combined totals (i.e. not including summer), for “Resident Instruction” (RI), as defined by CDHE:

AY2013-2014 (fall 2013 and spring 2014 combined)	% of student credit hours taught
tenured/tenure-track full professors	16.4%
tenured/tenure-track associate professors	19.5%
tenured/tenure-track assistant professors	12.1%
graduate assistants	1.2%
non-tenure-track faculty who are at least .5 FTE	28.1%
adjunct faculty	19.5%
other*	3.2%
total	100.0%

Notes

"Resident Instruction" (RI) only

*includes some non-faculty full-time employees as well as some part-time employees

4. How many of your adjuncts or non-tenure track faculty and teaching assistants teach 30 or more credit hours in a year?

CSU: Very few of our non-T/TT faculty or GTAs taught in excess of 30 course credits in AY14. It is just under 2%.

CSU-Pueblo: In fall 2013 and spring 2014 combined, 3 full-time faculty (lecturers) in English and 2 full-time faculty (lecturers) in math taught 30 or 31 credit hours combined.

This is typically 4 or 5 courses a semester (since some courses are 3 credit hour, and some are 4 credit hour).

5. Are you limiting the number of credit hours taught by adjunct instructors, teaching assistants, and/or non-tenure track faculty?

CSU does not formally limit credits, but 30 is generally the maximum we see per academic year based on the time and effort needed to deliver a class. This would equate to about 15 per semester. There examples of higher numbers, such as music instructors that may have many one credit tutorials a week.

CSU-Pueblo: We do not have an official policy, but only in highly exceptional/very rare cases would an adjunct teach more than 9 credit hours in a semester, and only in highly exceptional/very rare cases would a full-time lecturer teach more than 16 credit hours in a semester.

6. Has your institution completed an oil and gas mineral right agreement? If so, what did your institution receive for a royalty rate and bonus payment? How does this compare to what the State Land Board received for the oil and gas mineral lease royalty rates and bonus payments at the Lowry Bombing Range property? [The total Lowry Range bonus payments were \$137 million paid over 5 years + 20% royalty rate when production starts (within the last month). We think the bonus payment breaks down to about \$6,500 per acre.] With whom did you complete the agreement? What happens to any revenue you receive?

CSU has one executed oil & gas lease and it is for property in Weld County. (Note: all other requests for Board approval of oil & gas leases in the last two years have not been completed due to lack of interest after the approval. The lease approved last week is in negotiations)

Details:

- *80 mineral acres in the N 1/2 of NW 1/4 of Section 35 of T6N R65W*
- *Lease executed in December 2008*
- *Royalty – 18% for both oil & gas*
- *Lessee – Noble Energy, Inc.*
- *Bonus Consideration - \$60,000 (\$750/acre)*
- *Wells are drilled and actively producing*
- *Net revenues are deposited in CSU's Real Estate Investment Fund*
- *Royalty and Bonus Terms were consistent with State Land Board deals executed around the same time*

COLORADO SCHOOL OF MINES

1. Does governing board have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2014? What is the governing board doing to resolve the outstanding high priority recommendations?

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/\\$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf)

No, Mines does not have any outstanding recommendations that have not been implemented.

2. What benefits do you offer to adjunct, Teacher Assistants and/or non-tenure track faculty?

Benefits for adjunct faculty, who are considered temporary, include PERA, Unemployment Insurance, Medicare, Workers' Compensation, and coverage under Mines liability insurance through State Risk Management. Further, in 2015, access to health and dental insurance will be provided to any adjunct who meets the definition of full time contained in the PPACA (e.g., teaches 9 semester credit hours or more in a regular academic semester, teaches 4.5 credit hours or more in summer, or who has a credit hour teaching load combined with another job assignment such as teaching a short course for SPACE where the combination of job assignments creates an eligible full time employee as defined by PPACA, etc.).

All Teaching Assistants will have health insurance (student health insurance plan) provided as part of their teaching assistant stipends beginning with the spring 2015 semester (approximately 85% of teaching assistants already have this as part of their stipends currently). These individuals will also be offered the opportunity to access the employee health and dental insurance plans; the choice will be up to the teaching assistant. Because these individuals are paid stipends related to their full time student status, they are not subject to PERA, Unemployment Insurance, Medicare, and Workers' Compensation; however, they are also covered for liability insurance by State Risk Management for actions that the teaching assistant make take within the scope of their employment.

Non-tenure track teaching faculty whose job assignments are at least 50% of full time are provided the standard university benefits package that includes health insurance, dental insurance, long term disability insurance, term life insurance, travel accident insurance, access to voluntary vision insurance, eligibility for tuition-free courses not to exceed six semester hours per year (if space is available in the particular course the faculty member seeks to take), reduced tuition for dependents who are admitted to Mines, leave without pay,

Family and Medical Leave, sick leave, holidays, funeral leave, military leave, jury leave, injury leave, medical disability leave, and parental leave.

3. What percentage of your credit hours and students are taught by adjunct faculty, teaching assistants, and/or non-tenure track faculty.

In the fall 2014 semester, approximately 37% were taught by tenure/tenure track faculty, 45% by permanent, non-tenure track faculty, 17% by adjunct faculty and 1% by graduate teaching assistants.

4. How many of your adjuncts or non-tenure track faculty and teaching assistants teach 30 or more credit hours in a year?

None. The Mines faculty handbook states full time instruction load is 24 per academic with no other responsibilities. Further, Mines believes that full-time permanent teaching faculty provide significant benefits to the overall educational experience of students, and have over time reduced expenditures on adjunct faculty and replaced them by increasing the number of permanent teaching faculty.

5. Are you limiting the number of credit hours taught by adjunct instructors, teaching assistants, and/or non-tenure track faculty?

We do not limit the number of credit hours taught by these faculty positions. We do try to strike a balance of what courses are being taught by the various faculty groups.

6. Has your institution completed an oil and gas mineral right agreement? If so, what did your institution receive for a royalty rate and bonus payment? How does this compare to what the State Land Board received for the oil and gas mineral lease royalty rates and bonus payments at the Lowry Bombing Range property? [The total Lowry Range bonus payments were \$137 million paid over 5 years + 20% royalty rate when production starts (within the last month). We think the bonus payment breaks down to about \$6,500 per acre.] With whom did you complete the agreement? What happens to any revenue you receive?

No.

UNIVERSITY OF NORTHERN COLORADO

1. Does governing board have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2014? What is the governing board doing to resolve the outstanding high priority recommendations?

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/\\$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf)

Not applicable

2. What benefits do you offer to adjunct, Teacher Assistants and/or non-tenure track faculty?

.5FTE or above we offer health, life & dental, long term disability and tuition benefit.

3. What percentage of your credit hours and students are taught by adjunct faculty, teaching assistants, and/or non-tenure track faculty.

Faculty	Credit Hours	Students
Permanent Tenure/Tenure Track	49.2%	48.4%
Permanent Term (Contract Renewable)	18.2%	17.5%
Subtotal Permanent Faculty	67.4%	65.8%
Adjunct/GA/TA	30.9%	32.4%
Other (administrative and classified staff)	1.7%	1.8%
Total	100.0%	100.0%

4. How many of your adjuncts or non-tenure track faculty and teaching assistants teach 30 or more credit hours in a year?

Readily available data commingles typical classroom credit hours with independent studies, private music lessons, teacher candidate supervision and other atypical credit hour situations. The total headcount, including these situations, is 72 adjuncts/non-tenure track faculty and teaching assistants.

5. Are you limiting the number of credit hours taught by adjunct instructors, teaching assistants, and/or non-tenure track faculty?

High academic quality instruction is the top priority at UNC. So rather than limit the number of credit hours taught by adjunct or fulltime non-tenure track faculty (which might be equated with a measure of quality), we ensure that these instructors have both the professional experience and background in the discipline and they are competent instructors. New faculty orientation, professional development and mentoring are all a part of our process to ensure high quality instruction. Our full time graduate teaching assistants are limited in to 9 credit hours of instruction per semester and must attend TA workshops and training sessions and are mentored by graduate faculty.

6. Has your institution completed an oil and gas mineral right agreement? If so, what did your institution receive for a royalty rate and bonus payment? How does this compare to what the State Land Board received for the oil and gas mineral lease royalty rates and bonus payments at the Lowry Bombing Range property? [The total Lowry Range bonus payments were \$137 million paid over 5 years + 20% royalty rate when production starts (within the last month). We think the bonus payment breaks down to about \$6,500 per acre.] With whom did you complete the agreement? What happens to any revenue you receive?

Yes, UNC has an oil and gas mineral right agreement. The lease agreement with Mineral Resources Inc. includes 246.22 net mineral acres and a \$500 per mineral acre bonus payment (\$123,110). UNC will receive (standard in the industry for urban development) a royalty of 16%. The bonus money and any royalty money will go into UNC's general fund.