



# **COLORADO**

## **Colorado Commission on Higher Education**

Department of Higher Education

### **CCHE AGENDA**

**September 3, 2020**

**Colorado Department of Higher Education ZOOM**

**Video Conference**

**<https://us02web.zoom.us/j/84917508292>**

**BUSINESS MEETING**

**1:00pm – 4:30pm**

1600 Broadway, Suite 2200 • Denver, Colorado 80202 • (303) 862.3001

DR. ANGIE PACCIONE, EXECUTIVE DIRECTOR



## Colorado Commission on Higher Education

September 3, 2020

### Colorado Department of Higher Education

ZOOM Teleconference Only

Denver, Colorado

11:30am -1:00pm

### **COMMISSIONER & ADVISOR WORK SESSION** *(working lunch)*

TOPICS: TOPIC: FY 2021-22 State Funding Allocations to Higher Education Institutions through Funding Formula – *Emma Fedorchuk, Emily Burns, and Jason Schrock*

The following are the draft principles that will be discussed:

The overarching principle for decisions on allocating state funding through the funding formula is to *maintain access and affordability for students*.

Under this overarching principle, the following principles listed in priority order should be considered in formula allocations:

- *Ensure that every institution has resources to operate effectively for FY 2021-22*
- *Assess the varying impacts of changes in state funding across institutions on both institutional operations and Colorado students*
- *Utilize the Hanover Analysis which demonstrates each institution's differences from their peers in resource levels*

1:00 – 4:30pm

### **BUSINESS MEETING**

#### **I. Opening Business**

- A. Attendance
- B. Approval of the Minutes for the August 7, 2020 Commission Meeting
- C. Reports
  - i. Chair
  - ii. Vice-Chair
  - iii. Commissioners
  - iv. Commission Standing Committees
  - v. Advisors
- D. Executive Director Report
- E. Public Comment



## **II. Consent Items**

- A. Recommend Approval of COF Eligibility and Student FTE for Extended Studies Programs for FY2021 – *Dr. Chris Rasmussen*
- B. Approval of Colorado School of Mines Subsurface Frontiers Building Revised Supplemental Request – *Lauren Gilliland*
- C. Recommendation for Approval of the 2021 Commission Meeting Schedule – *Katrina Smith*

## **III. Action Items**

- A. Approval of Supplemental for AES Building at Metropolitan State University - Denver – *Lauren Gilliland*
- B. Approval of Prioritized List of Capital Construction and Renewal Projects and Prioritized List of Capital IT Projects for Capital Budget Request – *Lauren Gilliland*

## **IV. Commission Initiatives**

- A. FY 2021-22 State Funding Allocations to Higher Education Institutions through Funding Formula – *Emma Fedorchuk, Emily Burns, and Jason Schrock*



**Minutes of the Colorado Commission on Higher Education (CCHE) Meeting  
Via ZOOM Teleconference  
August 7, 2020**

**BUSINESS MEETING**

Chair Tom McGimpsey called the business meeting to order at 2:13 p.m.

**I. Opening Business**

**A. Attendance**

Commissioners attending: Chair McGimpsey, Vice Chair Kerr, Commissioners Abramson, Colon, Hughes, Kostenbauer, Meyer, Olena, Stich, Trujillo, Tucker, Executive Director Paccione.

Advisors attending: Rep. Kipp, Sen. Lundeen, Rep. McCluskie, Sen. Story, Sen. Todd, Wayne Artis, Mark Cavanaugh, David Olguin, Brad Baca, Landon Pirius, Leah Porter, Misti Ruthven

**B. Minutes**

Commissioner Abramson moved to approve the minutes for the June 4, 2020 Commission meeting. The motion was seconded by Commissioner Tucker and passed unanimously.

**C. Chair, Vice-Chair, Commissioners and Advisors Reports**

**Chair McGimpsey** thanked commissioners, advisors, representatives and senators for attending the 2020 retreat. He added that it was a robust conversation and he appreciated everyone participating. He stated that the next question is execution and how the Commission can advance and elevate the discussion. **Vice Chair Kerr** commented that the discussion over the past 2 days has been good and she looks forward to working with everyone as the commission moves forward. She encouraged the commissioners to be bold in their approach to support students, families and communities.

**Commissioner Colon** reminded all that three commissioners have students beginning college this month. Because of this personal connection, all the discussions have been very near to the heart.

**Fiscal Affairs & Audit Committee** – Commissioner Tucker reported that at the July 24<sup>th</sup> meeting, the committee received a budget update from Jason Schrock. There is a substantial 58% decrease in state funding, with much of it offset by the initial federal CARES Act funding. Enrollment is expected to be down 2%. A key question discussed was how the new funding formula will be used in the budget decrease. The committee also reviewed the capital budget and IT request, with initial scoring returned to the universities for comment. On August 21<sup>st</sup>, a subset of the fiscal affairs committee will look at the capital project scoring.

**Student Success & Academic Affairs Committee** – No report.

**Advisor Cavanaugh** reported that the implementation deadline for the new Title IX regulations is coming. This will be a challenge for institutions as it is a complete shift from previous regulations. He thanked Dr. Paccione, Chloe Mugg and the department for help in facilitating the sexual misconduct advisory committee formed via Senate Bill 19-007.

**Advisory McCluskey** announced that the JBC will meet with OSPB and the executive committee to discuss the disaster emergency funds expended to date. There also will also be a review of the executive orders signed and implemented by the Governor. On September 18<sup>th</sup>, there will be a new budget forecast and a critical point for all to begin consideration of the next state budget.

**D. Public Comment** – There was no public comment.

## **II. Consent Items**

- A.** Recommend Approval of Graduate Certificate in Cannabis Science and Medicine, and Master of Science in Pharmaceutical Sciences (Cannabis Science and Medicine Specialty Track) at the University of Colorado Anschutz Medical Campus – *Dr. Chris Rasmussen*
- B.** Recommend Approval of Limited Waiver of GT Pathways Requirements for the Bachelor of Applied Science Degree Program in Automotive Industry Management at Colorado State University-Pueblo – *Dr. Chris Rasmussen*
- C.** Recommend Approval of Limited Waiver of GT Pathways Requirements for the Bachelor of Applied Science Degree Program in Leadership & Organizational Management at Colorado State University-Pueblo – *Dr. Chris Rasmussen*

Commissioner Olena moved to approve Consent Items A - C. The motion was seconded by Commissioner Abramson and passed unanimously.

## **III. Discussion Items**



**A. Degree Authorization Act: Proposed Revisions to Fee Schedule – *Heather DeLange***

Heather DeLange, Director of the Office of Private Postsecondary Education summarized the administrative budget for the Degree Authorization Act and the recent shortfall of revenue due to low enrollments and institutional closures. This development necessitates an annual fee increase for all authorized institutions as well as increased application fees for institutions wishing to establish a presence in Colorado.

Ms. DeLange presented proposed increases listed in the fee schedule. A question arose if funds would be refunded to the institution if the Department collected more than the budget line. In that case, institutions would be refunded the excess.

Commissioner Meyer moved that action be taken on the the item. Commissioner Colon seconded the motion. Commissioner Meyer moved that the item be approved. Commissioner Olena seconded the motion and it passed unanimously. The new fee schedule went into effect upon the vote.

**B. Proposed Introduction of a State Fee to Participate in the State Authorization Reciprocity Agreement (SARA) – *Heather DeLange***

Heather DeLange introduced a discussion item of charging a state fee to participate in the State Authorization Reciprocity Agreement (SARA). Ms. DeLange summarized what SARA does for institutions and how it saves authorization fees in each state in which the institution operates.

SARA regulations permit states to charge a fee to institutions that seek to participate in the reciprocity. Ms. DeLange explained that a fee was not imposed when Colorado first became a member state as Department staff wanted to ensure the fee was warranted. Since that time, staff has tracked administrative work time of SARA and structured a tiered fee system advantageous for the state and institutions alike.

Ms. DeLange explained that a statutory fix would be needed to assess a fee to all participating institutions, but wanted to introduce the introduction of a fee for discussion.

A motion to adjourn was made by Commissioner Abramson and seconded by Commissioner Colon. The meeting adjourned at 2:45pm.



**TOPIC:** RECOMMEND APPROVAL OF COF ELIGIBILITY AND STUDENT FTE FOR EXTENDED STUDIES PROGRAMS FOR FY2021

**PREPARED BY:** DR. CHRIS RASMUSSEN, SENIOR DIRECTOR OF ACADEMIC PATHWAYS AND INNOVATION

## **I. SUMMARY**

This consent item recommends approval of College Opportunity Fund (COF) eligibility for the Extended Studies degree programs listed below for Fiscal Year 2021.

## **II. BACKGROUND**

COF eligibility for selected off-campus (Extended Studies) undergraduate programs is approved by the Commission per C.R.S. §23-1-109(5). CCHE Policy Section IV: Statewide Extended Studies, subsection 5.02, states that “up to one-half of one percent of the total estimated state eligible [COF] credit hours will be allocated to off-campus programs.” Following this policy, in the spring of 2020, Department staff collected institutional proposals to review in consultation with the Academic Council for recommendation to the Commission for approval. The Department recommends Commission approval only for programs that result in the completion of a degree or other credential. Other considerations include how the program will help meet Colorado workforce development needs; the extent to which the program is directed at underserved populations; and justification of any duplication of a similar program offered by another institution in the same geographic area.

## **III. DEGREE PROGRAMS FOR PROPOSED FY2021 COF ELIGIBILITY**

Staff recommend approval of the requested FTE for COF eligibility for the following institutions’ off-campus programs:

### **Adams State University (30 COF FTE)**

*Offered at Pueblo Community College*

- B.S. in Business Administration with Health Care Administration Emphasis (30 FTE)

### **Fort Lewis College (10 COF FTE)**

*Offered at Purgatory Resort, Durango*

- Certificate in Ski Operations

**University of Northern Colorado (190 COF FTE)**

*Offered at the Center for Urban Education, Lowry Campus*

- B.A. in Elementary Education
- B.A. in Early Childhood Education
- B.A. in Special Education

Amounts of requested FTE for COF eligibility are summarized below in Table 1.

**Table 1: Requested COF FTE**

<b>Institution</b>	<b>Requested COF FTE</b>
Adams State University	30
Fort Lewis College	10
University of Northern Colorado	190
<b>TOTAL</b>	<b>230</b>

**IV. STAFF ANALYSIS**

Per CCHE Policy Section IV: Statewide Extended Studies, “up to one-half of one percent of the total estimated state eligible [COF] credit hours will be allocated to off-campus programs.” The Department’s Division of Finance reports that the amount of COF allocated to off-campus programs for FY2021 is approximately 18,728 FTE. The institutions’ off-campus requested 230 FTE for COF eligibility for FY2021 listed above does not exceed the allowable amount. Moreover, Department staff and institutional representatives verify that these programs are designed to help meet the State of Colorado’s workforce development needs; extend opportunities to underserved populations; and are justifiable in light of any duplication of similar programs offered by another institution in the same geographic area.

**V. STAFF RECOMMENDATION**

**Staff recommend that the Commission approve COF eligibility and requested FTE for the Extended Studies program listed above for FY2021.**

**VI. STATUTORY AUTHORITY**

**C.R.S. §23-1-109. Duties and powers of the commission with regard to off-campus instruction**

(1) The general assembly declares its intent that the state-supported institutions of higher education may engage in instruction off the geographic boundaries of their campuses.



- (2) The commission shall define, after consultation with the governing boards of institutions, the geographic and programmatic service areas for each state-supported institution of higher education. No such institution shall provide instruction off-campus in programs or in geographic areas or at sites not approved by the commission, unless otherwise provided by law.
- (3) The general assembly declares its intent that all instruction at two-year institutions, including the first two years of instruction at Adams state university and Colorado Mesa university, shall be funded throughout the institutions' commission-approved service area on the same basis as on-campus instruction.
- (4) The department shall administer any centralized, statewide extension and continuing education program of instruction that may be offered by any state-supported baccalaureate and graduate institution. All instruction offered outside the geographic boundaries of the campus, including instruction delivered by television or other technological means, shall be a part of this program unless exempted by policy and action of the commission.
- (5) The commission shall set policies, after consultation with the governing boards of institutions, which define which courses and programs taught outside the geographic boundaries of the campus may be eligible for general fund support. The commission may include funding for those courses and programs in its systemwide funding recommendations to the general assembly.

**TOPIC:** APPROVAL OF 1331 SUPPLEMENTAL FOR COLORADO SCHOOL OF MINES SUBSURFACE FRONTIERS BUILDING

**PREPARED BY:** LAUREN GILLILAND, LEAD FINANCE ANALYST

## **I. SUMMARY**

This consent item is a minor revision to the emergency supplemental approved by the Colorado Commission on Higher Education at the June 4, 2020 meeting. The numbers have been slightly adjusted and the nature of the agreement between Colorado School of Mines and the Federal Government with regards to possession of the project's land and building has been clarified. The original request with the minor changes is detailed below.

This consent item seeks approval of an emergency supplemental request (1331 supplemental) submitted by the Colorado School of Mines (CSM) for their capital project constructing the Subsurface Frontiers Building (SSF). The 194,292 square-foot interdisciplinary research facility would house both CSM and United States Geological Survey (USGS) programs. The project's current FY19-20 appropriation includes \$1.9 million in state funds and \$120 million in institutional cash funds. CSM submitted a FY20-21 budget request for \$18.1 million in state funds for the second and final phase of the project. Due to budget constraints, the project was not funded, and the project stalled.

Fortunately, CSM and USGS recently learned that the Federal Government is considering an infrastructure stimulus bill. In conjunction with their congressional representatives, CSM and USGS are seeking federal funding for the USGS project through this bill. The funding would cover the entire cost of the project beyond the \$1.9 million in state funding already appropriated. In order to receive the federal funding, CSM must be "shovel ready." Design of the building is complete, but the Federal Government will not consider CSM ready until they receive the authority to spend federal funds in the amount of \$154,543,259. This supplemental removes the current institutional cash spending authority of \$120 million and adds federal funds spending authority of \$154.5 million. The gap between these two numbers represents the loss of Phase 2 state funding and an increase in building size.

## **II. BACKGROUND**

Building on a history of successful collaboration, the Colorado School of Mines (Mines) and the United States Geological Survey (USGS) seek to revolutionize earth science in the 21st Century by partnering in a new interdisciplinary research facility called the Subsurface Frontiers Building. This academic- and research- focused building will serve as the home for both organizations' mineral exploration, subsurface mineral economics programs. The collocation will provide for collaborative efforts in geoscience application to solve real-world problems, including the discovery of sustainable sources of energy, an expansion of potential mineral supplies and strategies to balance energy, water and climate for a more sustainable future.

Colorado School of Mines intends to construct the facility on its Main Campus in Golden, Colorado. Once constructed, the land and building will be owned by the Federal Government for a specific period of time. Mines will operate the building rent free. USGS will relocate from existing outdated facilities at the Denver Federal Center.

Detailed programming efforts and design are complete, and research foci, collaborative centers and shared laboratory facilities have been identified. The project is envisioned as a new stand-alone five story building of approximately 194,292 gross square feet. Occupancies include research laboratories, imaging labs, classrooms, conference rooms, offices and associated spaces.

The project is currently appropriated at \$121,856,741 with expenditures to date of approximately \$5 million in FY19-20. Approximately \$1.9 million of the current appropriation is state funding with the remainder institutional cash funding. CSM had expected to receive an additional \$18.1 million in state funding for Phase 2 of the project in FY20-21, but budget constraints prevented that possibility.

Given the loss of state funding and the onset of COVID-19, the project was put on hold. Shortly thereafter, CSM learned that the Federal Government would be considering an infrastructure stimulus bill. In conjunction with their congressional representatives, CSM is pursuing federal funding for the project through the bill. A 1331 Supplemental is required due to the timing of the project, which must be “shovel ready” at award. The normal supplemental schedule would not appropriate the funds in the time required for spending.

In addition, during the design process and in concert with the Federal Government, Mines concluded that approximately 39,043 gross square feet of additional space is needed for additional programmatic requirements, increased cost for building systems, future growth, increased cost for site and ground water conditions, increased cost of interior finishes and redundancy for the high performance computing system. These factors increased cost estimates significantly. The estimated total cost of the project is now \$156,400,000.

This supplemental will convert CSM’s \$120 million in cash spending authority to federal funds spending authority and provide an additional \$34.5 million to the federal funds spending authority. The initial state investment of \$1.9 million will remain, and no additional state funds are requested.

Although the deadline for supplemental requests is January 1, occasionally an institution or state agency will seek additional funding as an emergency supplemental request approach from the Joint Budget Committee (JBC) from July through December. This occurs when an institution needs the additional funding earlier in the fiscal year. The requirements for approval of an emergency supplemental are laid out in C.R.S. 24-75-111. The requests must be urgent and meet one of four criteria. The request meets the criterion of funding requested due to data which was not available when the original appropriation was made.

The Subsurface Frontiers Building will be owned by the United States Federal Government in conjunction with a land lease or easement on Mines property. This precludes the building from being eligible for state Controlled Maintenance funding indefinitely. The Federal Government will

not pay Mines nor receive payments for the land lease. If funded, Mines will enter into a cooperative agreement for the construction and operation of the SSF with the United States Geological Survey.

For the State Controller to grant CSM the new cash spending authority requested, this supplemental must be approved by the Colorado Commission on Higher Education, the Office of State Planning and Budgeting, the Capital Development Committee, and the Joint Budget Committee.

Note that the Colorado School of Mines, the Department of Higher Education, the Office of the State Architect, and the Office of State Planning and Budgeting agreed that if federal funding is received, Colorado School of Mines will return the \$1,856,741 Capital Construction Funds appropriated for FY 2019-20 to the State General Fund. It is expected that this will be done on good faith rather than through an additional supplemental.

### **III. STAFF ANALYSIS**

#### **Summary of Request:**

Table 1 displays the summary of the supplemental cash adjustment.

**Table 1:  
Summary of Adjustment**

<b>Fiscal Year to be Modified</b>	<b>Total Funds</b>	<b>Capital Construction Fund (CCF)</b>	<b>Cash Funds (CF)</b>	<b>Federal Funds (FF)</b>
FY 2019-2020	\$34,543,259	\$0	(\$120,000,000)	\$154,543,259

**Analysis of Request:** CSM's request meets the criteria of an emergency supplemental budget request. This request impacts only their institutional cash spending authority and federal funds spending authority. It does not increase state funding. Approving this supplemental will reduce the financial burden of constructing the SSF Building on CSM and ultimately its students. It will allow CSM to accept \$154.5 million in federal funds, and cement CSM's partnership with USGS.

### **IV. STAFF RECOMMENDATIONS**

**Staff recommend Commission approval of the emergency "1331" supplemental request submitted by the Colorado School of Mines. Approval will be communicated to the Office of State Planning and Budgeting, the Capital Development Committee, and the Joint Budget Committee.**

### **V. STATUTORY AUTHORITY**

C.R.S. § 23-1-106

(1) Except as permitted by subsection (9) of this section, it is declared to be the policy of the general assembly not to authorize any activity requiring capital construction or capital renewal for state institutions of higher education unless approved by the commission.

C.R.S. § 24-75-111

(1) For fiscal years commencing on or after July 1, 1997, in addition to any overexpenditure allowed pursuant to section 24-75-109, the controller may allow any department, institution, or agency of the state, including any institution of higher education, to make an expenditure in excess of the amount authorized by an item of appropriation for such fiscal year if:

- (a) The overexpenditure is for any purpose of a department, institution, or agency of the state; and
- (b) The overexpenditure is necessary due to unforeseen circumstances arising while the general assembly is not meeting in regular or special session during which such overexpenditure can be legislatively addressed.

**ATTACHMENT A:** Colorado School of Mines Subsurface Frontiers Building 1331  
Supplemental Request Narrative

**ATTACHMENT B:** Colorado School of Mines Subsurface Frontiers Building 1331  
Supplemental Request Cost Detail

FY 2019-20 SUPPLEMENTAL CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST- NARRATIVE (S CC_CR-N)		
Capital Construction Fund Amount (CCF):	\$ 1,856,741	
Cash Fund Amount (CF):	\$ 154,543,259	
Intercept Program Request? (Yes/No):	No	
Supplemental Type (Supplemental/ 1331 Supplemental)	1331 Supplemental	
Institution Name:	Colorado School of Mine	
Project Title:	Subsurface Frontiers Building	
Project Phase (Phase _of_):	1 of 1	
State Controller Project Number (if continuation):	GCPJJ030A/GXPJJ030A	
Project Type:	<input checked="" type="checkbox"/>	Capital Construction (CC)
	<input type="checkbox"/>	Capital Renewal (CR)
Original Appropriation Year:	FY 2019 - 2020	
Fiscal Year to be Modified:	Fy 2019 - 2020	
Name & Title of Preparer:	Chris Cocallas	
E-mail of Preparer:	<a href="mailto:cocallas@Mines.edu">cocallas@Mines.edu</a>	
Institution Signature Approval:	<i>Chris Cocallas</i> <i>June 2, 2020</i> <i>Chris Cocallas</i> <i>Rev. August 19, 2020</i>	
CDHE Signature Approval:		Date
Revision (Yes/No)		
Submittal Date:	No	Date

**A. SUPPLEMENTAL CRITERIA:**

This request meets criteria A.3, "Data which was not available when the original appropriation was made."

**B. SUPPLEMENTAL JUSTIFICATION:**

*The Subsurface Frontiers Building (SSF) will be owned by the United States Federal Government in conjunction with a land lease or easement on Mines property. If Mines receives federal funds to construct the Subsurface Frontiers Building, the school will reimburse the State Capital Construction Fund in the amount of \$1,856,741 for prior appropriations from the Fund received in FY 2019-20 within the same state fiscal year as the federal funds are received. The Subsurface Frontiers Building will be ineligible for state Controlled Maintenance funding indefinitely, and the school will not request state funds for any Controlled Maintenance need or project directly associated with the building in future years. The Federal Government will not pay and Mines will not receive payments for the land lease (or easement). If funded, Mines will enter in to a cooperative agreement for the construction and operation of the SSF with the United States Geological Survey.*

*With the onset of Covid 19 the project was paused due to the uncertainty of the USGS moving to the new facility but shortly after the suspended, Colorado School of Mines (Mines) learned that the Federal Government would be considering an Infrastructure Stimulus bill. In conjunction with our congressional representatives, Mines is pursuing funding from the Federal Government for the project. A 1331 Supplemental is required to meet the timing*

*of the project which must be “shovel ready” at award. The normal Supplemental schedule would not appropriate the funds in the time required for spending.*

In addition, during the design process, Mines concluded that approximately 39,043 gross square feet of additional space is needed for additional programmatic requirements, increased cost for building systems, future growth, increased cost for site and ground water conditions, increased cost of interior finishes and N+1 redundancy for the high performance computing system. Due to the aforementioned issues, costs increased by \$36,400,000 and the building increased in size from 155,149 GSF to 194,292 GSF.

### **C. PROJECT SUMMARY/STATUS:**

Building on a history of successful collaboration, the Mines and the United States Geological Survey (USGS) seek to revolutionize Earth science in the 21st Century by partnering in a new interdisciplinary research facility entitled the Subsurface Frontiers Building. This academic and research focused Building will serve as the home for both organizations’ mineral exploration, subsurface mineral economics programs. The relocation and collocation will provide unique national resources fostering collaborative efforts in the application of geoscience to solve real-world problems including the discovery of sustainable sources of energy, an expansion of potential mineral supplies and strategies to balance energy, water and climate for a more sustainable future.

The combination of both institution’s world-class programs in geoscience and USGS’s impartial scientific research related to the earth’s subsurface, provides a unique opportunity to establish a national center with the best researchers and finest equipment, which will fundamentally transform applied geoscience research. Mines intends to construct facility on land the University already owns within its Main Campus in Golden, Colorado. USGS will occupy significant space within the new Building and collaborate with Mines faculty and students in five areas of thematic focus or research centers. USGS will relocate from existing outdated facilities at the Denver Federal Center.

Detailed programming efforts and design are complete, and research focuses, collaborative centers and shared laboratory facilities have been identified. The project is envisioned as a new stand-alone 5 story Building of approximately 194,292 gross square feet. Occupancies include research laboratories, imaging labs, classrooms, conference rooms, offices and associated spaces.

The project is appropriated at \$121,856,741 with expenditures, to date of ~\$5,000,000. With this supplemental request, cash (CF) and State (CCF) will be abandoned in place of Federal Funding (FF).

### **D. SUMMARY OF FUNDING CHANGE:**

Fiscal Year to be Modified	Total Funds	Capital Construction Fund (CCF)	Cash Funds (CF)	Federal Funds (FF)
FY 2019-2020	\$34,543,259		(\$120,000,000)	\$154,543,259

### **E. ASSUMPTIONS FOR CALCULATIONS:**

All costs are based on the CMGC pre-construction cost estimate estimated by the general contractor (Adolfson+Peterson), contracted design fees, and other soft costs at the completion of the Design Development phase. The cost of the project is \$156,400,000.

#### **F. CONSEQUENCES IF NOT FUNDED:**

If this increase to the project funding is not appropriated, the full programmatic function will not be realized and contributions to the worldwide body of knowledge about Earth sciences will suffer. Access to knowledge about our planet's energy and mineral resources will also suffer.

The following are other signification consequences of inaction:

- **Institutional missions will fall short** – the academic and research mission of the University will be hampered without this facility especially in the areas of geophysics, geochemistry, and geology.
- **Workforce pipeline will suffer**—teaching the next generation of Earth Science researchers is one critical aspect for both the University and, especially, the USGS.
- **Research funding capacity will diminish and fall short of University goals**—the University's goal of growing annual research funding will be harder to achieve without specialized facilities that attract faculty who land research funding.
- **Partnerships will not occur**—the interdisciplinary science expertise of both the University and USGS will not come to fruition
- **Diminished educational opportunities of students as well as general public**

#### **G. ADDITIONAL REQUEST INFORMATION:**

<b>Additional Request Information</b>	<b>Yes</b>	<b>No</b>	<b>Additional Information</b>
Is this request driven by a new statutory mandate?		<b>x</b>	
Will this request require a statutory change?		<b>x</b>	
Is this a one-time request?	<b>x</b>		
Will this request involve any IT components?		<b>x</b>	



SUPPLEMENTAL CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST - COST SUMMARY (S CC_CR-C)						
(A)	(1) Funding Type:	State Funded	(2) Supplemental Type:	1331 Emergency		
(B)	(1) Institution:	Colorado School of Mines	(2) Name of Preparer:	Chris Cocallas		
(C)	(1) Project Title:	Subsurface Frontiers Building	(2) Email of Preparer:	<a href="mailto:cocallas@mines.edu">cocallas@mines.edu</a>		
(D)	(1) Project Phase ( _ of _ ):	Phase 1 of 1	(2) State Controller Project # (if continuation):	GCPJJ030A/GXPJJ030A		
(E)	(1) Project Type:	Capital Construction (CC)	(2) Institution Signature Approval:	<i>Chris Cocallas 6.9.20</i>		
(F)	(1) Original Appropriation Year:	FY 2019-2020	(2) CDHE Signature Approval:		Date	
(G)	(1) Intercept Program?:	No	(2) Revision? If yes, previous submittal date:		Date	
(1)		(a) New Total Project Cost	(b) Total Prior-Year Appropriation(s) Excluding Modified FY	(c) Appropriation for the Modified Fiscal Year	(d) Supplemental Request For Modified Fiscal Year	(e) New Modified FY Total Request
<b>Land /Building Acquisition</b>						
(2)	Land Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -
(3)	Building Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -
(4)	<b>Total Acquisition Costs</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Professional Services</b>						
(5)	Planning Documentation	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ 250,000
(6)	Site Surveys, Investigations, Reports	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 25,000
(7)	Architectural/Engineering/ Basic Services	\$ 10,287,150	\$ -	\$ 10,287,150	\$ -	\$ 10,287,150
(8)	Code Review/Inspection	\$ 75,000	\$ -	\$ 75,000	\$ -	\$ 75,000
(9)	Construction Management	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000
(10)	Advertisements	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ 1,000
(11)	Other (Specify)	\$ 313,094	\$ -	\$ 313,094	\$ -	\$ 313,094
(12)	Inflation Cost for Professional Services	\$ 224,515	\$ -	\$ 224,515	\$ -	\$ 224,515
(13)	Inflation Percentage Applied		0.00%		0.00%	0.00%
(14)	<b>Total Professional Services</b>	\$ 11,225,759	\$ -	\$ 11,225,759	\$ -	\$ 11,225,759
<b>Construction or Improvement</b>						
(15)	Infrastructure Service/Utilities	\$ -	\$ -	\$ -	\$ -	\$ -
(16)	Infrastructure Site Improvements	\$ 5,000,000	\$ -	\$ 4,377,816	\$ 622,184	\$ 5,000,000
(17)	Structure/Systems/ Components					
(18)	Cost for New (GSF):	\$ 119,183,410	\$ -	\$ 91,845,816	\$ 27,337,594	\$ 119,183,410
(19)	New at \$ _____ X _____ GSF					
(20)	Cost for Renovation (GSF):	\$ -	\$ -	\$ -	\$ -	\$ -
(21)	Renovation at \$ _____ X _____ GSF					
(22)	Cost for Capital Renewal (GSF):	\$ -	\$ -	\$ -	\$ -	\$ -
(23)	Renewal at \$ _____ X _____ GSF					
(24)	Other (Specify)	\$ -	\$ -	\$ -	\$ -	\$ -
(25)	High Performance Certification Program	\$ 1,870,960	\$ -	\$ 1,609,026	\$ 261,934	\$ 1,870,960
(26)	Inflation for Construction 2 yrs to midpoint of construction	\$ 8,995,366	\$ -	\$ 7,736,015	\$ 1,259,351	\$ 8,995,366
(27)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%
(28)	<b>Total Construction Costs</b>	\$ 135,049,736	\$ -	\$ 105,568,673	\$ 29,481,063	\$ 135,049,736
<b>Equipment and Furnishings</b>						
(29)	Equipment	\$ 453,708	\$ -	\$ -	\$ 453,708	\$ 453,708
(30)	Furnishings	\$ 2,359,281	\$ -	\$ -	\$ 2,359,281	\$ 2,359,281
(31)	Communications	\$ 362,966	\$ -	\$ -	\$ 362,966	\$ 362,966
(32)	Inflation for Equipment & Furnishings	\$ 98,225	\$ -	\$ -	\$ 98,225	\$ 98,225
(33)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%
(34)	<b>Total Equipment &amp; Furnishings Cost</b>	\$ 3,274,180	\$ -	\$ -	\$ 3,274,180	\$ 3,274,180
<b>Miscellaneous</b>						
(35)	Art in Public Places	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ 200,000
(36)	Relocation Costs	\$ -	\$ -	\$ -	\$ -	\$ -
(37)	Other Costs [specify]	\$ -	\$ -	\$ -	\$ -	\$ -
(38)	Other Costs [specify]	\$ -	\$ -	\$ -	\$ -	\$ -
(39)	Other Costs [specify]	\$ -	\$ -	\$ -	\$ -	\$ -
(40)	Other Costs [specify]	\$ -	\$ -	\$ -	\$ -	\$ -
(41)	<b>Total Misc. Costs</b>	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ 200,000
<b>Total Project Costs</b>						
(42)	<b>Total Project Costs</b>	\$ 149,749,675	\$ -	\$ 116,794,432	\$ 32,955,243	\$ 149,749,675
<b>Project Contingency</b>						
(43)	5% for New	\$ 6,650,325	\$ -	\$ 5,062,309	\$ 1,588,016	\$ 6,650,325
(44)	10% for Renovation	\$ -	\$ -	\$ -	\$ -	\$ -
(45)	<b>Total Contingency</b>	\$ 6,650,325	\$ -	\$ 5,062,309	\$ 1,588,016	\$ 6,650,325
<b>Total Budget Request</b>						
(46)	<b>Total Budget Request</b>	\$ 156,400,000	\$ -	\$ 121,856,741	\$ 34,543,259	\$ 156,400,000
<b>Funding Source</b>						
(47)	Capital Construction Fund (CCF)	\$ 1,856,741	\$ -	\$ 1,856,741	\$ -	\$ 1,856,741
(48)	Cash Funds (CF)	\$ -	\$ -	\$ 120,000,000	\$ (120,000,000)	\$ -
(49)	Reappropriated Funds (RF)	\$ -	\$ -	\$ -	\$ -	\$ -
(50)	Federal Funds (FF)	\$ 154,543,259	\$ -	\$ -	\$ 154,543,259	\$ 154,543,259
<b>TOTAL</b>		<b>\$156,400,000</b>	<b>\$ -</b>	<b>\$121,856,741</b>	<b>\$34,543,259</b>	<b>\$156,400,000</b>

**TOPIC:** RECOMMENDATION FOR APPROVAL OF THE 2021 COMMISSION MEETING SCHEDULE

**PREPARED BY:** KATRINA SMITH, EXECUTIVE ASSISTANT TO THE COMMISSION

**I. SUMMARY**

This consent item is to establish a schedule of meeting dates and times and for the Colorado Commission on Higher Education for the 2021 calendar year.

**II. BACKGROUND**

The Colorado Commission on Higher Education meets monthly for regular business meetings, except for January, July and November. The meetings are held on the first Friday of the month in February, March, April and May. The June, September and December meetings are held on the first Thursday of the month. The October meeting is held later in the month, due to the annual budget request.

The Commission's Annual Retreat is held in either late July or early August. All business meetings are scheduled to begin at 1:00pm, with a working session from 11:30am-12:30pm. Teleconference or special meetings may be scheduled during the year, based upon need.

**III. STAFF ANALYSIS**

Below is a recommended meeting schedule for the 2021 calendar year.

<u>MONTH</u>	<u>LOCATION</u>
Friday, February 5 <sup>th</sup>	TBD
Friday, March 5 <sup>th</sup>	TBD
Friday, April 2 <sup>nd</sup>	TBD
Friday, May 7 <sup>th</sup>	TBD
Thursday, June 3 <sup>rd</sup>	TBD
Annual Retreat, July 29 – 30	TBD
Thursday, September 2 <sup>nd</sup>	TBD
Thursday, October 21 <sup>st</sup>	TBD
Thursday, December 2 <sup>nd</sup>	TBD

**IV. STAFF RECOMMENDATIONS**

**Staff recommends the Commission approve the 2021 meeting schedule, as listed above.**

**V. STATUTORY AUTHORITY**

§23-1-102 (6), C.R.S. – *The commission shall meet as often as necessary to carry out its duties as defined in this article.*

**TOPIC:** APPROVAL OF SUPPLEMENTAL FOR AES BUILDING AT  
METROPOLITAN STATE UNIVERSITY - DENVER

**PREPARED BY:** LAUREN GILLILAND, LEAD FINANCE ANALYST

**I. SUMMARY**

This action item seeks approval of the regular supplemental submitted by Metropolitan State University (MSU) of Denver to relieve the remainder of its cash commitment on the construction of the Aerospace Engineering Sciences (AES) Building on their campus. This would be accomplished through a regular supplemental reduction of their FY 2019-20 cash appropriation to \$0 for the project.

**II. BACKGROUND**

Construction of MSU Denver's new Aerospace Engineering Sciences building is funded jointly by the state and the institution. The project received total appropriations of \$20 million in state funds with cash spending authority of \$40 million between FY 2014 and FY 2017. At the end of FY 2019, MSU Denver had utilized all state funds on the project, but were lacking in cash funds. When originally making the \$40 million cash match commitment, MSU expected to bond for \$20 million and raise the additional \$20 million through their foundation. With transitions in university leadership and departure of the project's lead fundraiser, the donations did not materialize. MSU Denver was able to increase their bond from \$20 million to \$30 million, as well as identify additional cash funds, but still was approximately \$6.45 million short of the initial \$40 million cash match.

MSU hoped that with more time, it would be assemble the remaining match. In September of 2019, the Colorado Commission on Higher Education approved a non-monetary supplemental moving the remaining cash spending authority of \$6,451,420.20 from FY 2016-17 to FY 2019-20. Since capital appropriations have a three-year encumbrance deadline, this gave the institution through FY 2022-23 to accumulate the funds to expend on the project.

With the emergence of COVID-19, MSU-Denver is under unexpected financial stress and no longer believes it can obtain the remaining funding. MSU anticipates a \$15 million budget shortfall this fiscal year due to the pandemic, and has already been forced to take difficult actions, including operating budget reductions, layoffs, and furloughs. It also has used \$4 million of their limited operating reserves to address the shortfall. Unfortunately, the cuts are expected to be even deeper in FY 2022.

Currently, the AES project is underspent by \$6,451,420.20. Per C.R.S. 24-75-303, if a project closes underspent, the institution must revert funds back to the state in proportion to the original investment. Therefore, MSU Denver would be required to revert \$2.15 million to the state given that the state made one-third of the total investment (one-third of the \$6,451,420.20 underspent amount is \$2.15 million) in the absence of this supplemental. In order to avoid a reversion, MSU is requesting a supplemental to reduce its FY 2019-20 cash spending appropriation by

\$6,451,420.20. The project has been completed without these remaining funds. In order to save money, the 4<sup>th</sup> floor of the building was shelled out and set to be leased to tenants. Tenant improvements were made after tenants were identified. The building is now fully open and there is no additional work needed to make it fully operational.

### **III. STAFF ANALYSIS**

#### **Summary of Request:**

**Table 1** displays the summary of the non-monetary adjustment.

<b>Table 1: Summary of Non-monetary Adjustment</b>			
<b>Fiscal Year to be Modified</b>	<b>Total Funds</b>	<b>Capital Construction Fund (CCF)</b>	<b>Cash Funds (CF)</b>
FY 2019-20	(\$6,451,420.20)	-	(\$6,451,420.20)

**AES Building:** This new 118,000 GSF, four-story building will bring together MSU Denver's programs in aerospace science and aviation; physics; industrial design; and civil, mechanical and electrical engineering technology; computer sciences and computer information systems in an integrated space with the technology of laboratories to match. The result will be a dynamic interdisciplinary learning space designed to support an integrated curriculum, foster collaborative research and drive deeper industry ties.

**Analysis:** If MSU Denver is not relieved of this cash commitment, it will be required to either come up with \$6.45 million, which would be extremely difficult in the current financial environment or revert \$2.15 million to the state. Either option would cause serious financial harm to the institution given the current budgetary stress due to the COVID-19 pandemic. MSU anticipates a \$15 million shortfall this fiscal year and has made deep operational and personnel cuts. The following year is expected to bring even deeper ones. The construction of the AES building has been completed with existing funding, so there are no serious consequences to the project if the appropriation is reduced. If approved by the Commission, this regular supplemental request will go on to OSPB, CDC and JBC for their approval.

### **IV. STAFF RECOMMENDATIONS**

**Staff recommend Commission approval to this regular supplemental, and transmission to the Office of State Planning and Budgeting and the Capital Development Committee.**

### **V. STATUTORY AUTHORITY**

C.R.S. § 23-1-106

(1) Except as permitted by subsection (9) of this section, it is declared to be the policy of the general assembly not to authorize any activity requiring capital construction or capital renewal for state institutions of higher education unless approved by the commission.

**ATTACHMENTS:**

**ATTACHMENT A:** MSU- Denver AES Building Regular Supplemental Request Narrative

**ATTACHMENT B:** MSU- Denver AES Building Regular Supplemental Request Cost Detail



**STATE OF COLORADO  
DEPARTMENT OF HIGHER EDUCATION**

<b>FY 2019-20 SUPPLEMENTAL CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST- NARRATIVE (S CC_CR-N)</b>		
<b>Capital Construction Fund Amount (CCF):</b>	\$ 0	
<b>Cash Fund Amount (CF):</b>	\$ 0	
<b>Intercept Program Request? (Yes/No):</b>	No	
<b>Supplemental Type (Non-monetary/ Supplemental/ 1331 Supplemental)</b>	Regular	
<b>Institution Name:</b>	Metropolitan State University - Denver	
<b>Project Title:</b>	Aerospace Engineering Sciences	
<b>Project Phase (Phase _of_):</b>	3 of 3	
<b>State Controller Project Number (if continuation):</b>	AESB-200	
<b>Project Type:</b>	<input checked="" type="checkbox"/>	Capital Construction (CC)
	<input type="checkbox"/>	Capital Renewal (CR)
<b>Original Appropriation Year:</b>	FY19-20	
<b>Fiscal Year to be Modified:</b>	FY19-20	
<b>Name &amp; Title of Preparer:</b>	Jonathan McCann, Director of Planning, Design and Construction	
<b>E-mail of Preparer:</b>	<a href="mailto:jmccann7@msudenver.edu">jmccann7@msudenver.edu</a>	
<b>Institution Signature Approval:</b>		Date
<b>CDHE Signature Approval:</b>		Date
<b>Revision (Yes/No)</b>		
<b>Submittal Date:</b>	No	Date

**A. SUPPLEMENTAL CRITERIA:**

This Regular Supplemental Request addresses the following criteria:

1. An emergency due to the COVID-19 pandemic.
2. An unforeseen contingency resulting from the COVID-19 pandemic.

This Regular Supplemental Request is to reduce cash spending authority in FY19-20.

**B. SUPPLEMENTAL JUSTIFICATION:**

**Describe the problem:**

The University anticipates a \$15 million budget shortfall this fiscal year due to the COVID-19 pandemic. As a result, we have been forced to take painful actions, including a significant cut of ~\$12 million dollars to our already deficient budget. Cuts have included a broad reduction of operating budgets, layoffs, and furloughs, all of which are directly impacting our ability to serve students. Moreover, we have had to use ~\$4 million dollars of our extremely limited operating reserves to address the current shortfall. We expect that we will need to do this to an even greater extent, along

with deeper base budget cuts, in order to address future projected shortfalls in FY22 resulting from the COVID-19 pandemic.

The previously approved Supplemental Request for project AESB-200, approved by the Capital Development Committee on October 16, 2019, extended the appropriation deadline for the project from 6/30/2019 to 6/30/2022 in order to allow for the identification of institutional resources to support a spend of \$6,451,420.20, the remaining Cash Funds from the original project budget. Due to financial impacts from COVID-19, we are no longer well positioned to move forward in accordance with this Supplemental Request. Having to do so would make our challenging and unprecedented financial position even direr.

**Describe the solution:**

Relieve MSU Denver of the requirement to raise and spend \$6,451,420.20 and relieve MSU Denver of the alternative requirement to return \$2,150,000.00 to the State.

**Alternate solution evaluated that lead to the solution above:**

We could return the proportionate amount of the remaining funds, \$2,150,000.00, to the State. This would reduce our cash reserves at a time when the institution is facing unprecedented financial challenges due to COVID-19. We could also redirect our limited fundraising resources in an attempt to raise funds to cover some or all of the \$6,451,420.20 required. However, any additional fundraising efforts for the project, as undertaken by our Advancement team, will redirect critical resources away from acute needs that address current and projected student needs and budget shortfalls, as well as other related university priorities stemming from the fallout associated with COVID-19. Furthermore, industry partners in the advanced manufacturing field and closely related donors who may have been engaged prior to the pandemic are now facing significant financial challenges themselves as a result of the pandemic.

**C. PROJECT SUMMARY/STATUS:**

**Original scope of the project:**

The new building brings together MSU Denver's programs in aerospace science and aviation; physics; industrial design; and civil, mechanical & electrical engineering technology, computer science and computer information systems in a truly integrated space with the technology and laboratories to match. The result will be a dynamic interdisciplinary learning space designed to support an integrated curriculum, foster collaborative research and drive deeper industry ties.

**Amount of the original appropriation request:**

\$20M of Capital Construction Funds and \$40 million of Cash Funds spread out over three years as follows:

FY 2014-15: \$5,279,128 CCF

FY 2015-16: \$14,720,872 CCF and \$16,404,160 CF

FY 2016-17: \$23,595,840 CF

In October of 2019, the CDC approved MSU Denver's supplemental request to move \$6,451,420.20 of the FY 2016-17 CF appropriation to FY 2019-20, effectively granting a three-year extension on identifying and spending those cash funds. This left \$17,144,419.80 CF appropriated in FY 2016-17

and \$6,451,420.20 CF appropriated in FY 2019-20. The present supplemental would reduce cash fund spending authority to \$0 for FY 2019-20, eliminating the remaining cash spending commitment.

**The project is not mandated via legislation or a court order.**

**This is a continuation project from a previous year appropriation.**

**Status of prior appropriated project by phases:**

- Phase 1 (2014-15): Design work to construction drawings level completed.
- Phase 2 (2015-16): Construction work of building began and it became apparent fundraising was not coming in at the expected rate. Design was modified to shell out the 4<sup>th</sup> floor of the building.
- Phase 3 (2016-17): Construction continued and partners were pursued to lease spaces in the 4<sup>th</sup> floor of the building.
- 1<sup>st</sup> year after Phase 3 (2017-18): The building officially opened. Tenant improvements to the 4<sup>th</sup> floor and build out of common spaces began.
- 2<sup>nd</sup> year after Phase 3 (2018-19): Tenant improvements and build out of a classroom continued.
- 3<sup>rd</sup> year after Phase 3 (2019-20): Last tenant improvements, faculty offices and build out of a classroom continued.
- Current year (2020-2021): No additional work underway or planned.

**D. SUMMARY OF FUNDING CHANGE:**

Fiscal Year to be Modified	Total Funds	Capital Construction Fund (CCF)	Cash Funds (CF)
FY2019-20	(\$6,451,420.20)	\$0	(\$6,451,420.20)

**E. ASSUMPTIONS FOR CALCULATIONS:**

The calculations used to determine the amounts in the Cost Summary are based on the Cash Fund amount of \$6,451,420.20 that was described and resolved in the previously approved Supplemental Request for project AESB-200, approved by the Capital Development Committee on October 16, 2019.

**F. CONSEQUENCES IF NOT FUNDED:**

If this request is not approved, MSU Denver would be required to either raise and spend \$6,451,420.20 on this capital project or return a proportional amount of \$2,150,000.00 to the State. In either case, expenditures of this magnitude would further reduce our cash reserves at a time when the institution is facing unprecedented financial challenges due to COVID-19. Given our current situation, proceeding as previously authorized will fundamentally and negatively impact our ability to serve students and remain accessible.

**G. ADDITIONAL REQUEST INFORMATION:**

Additional Request Information	Yes	No	Additional Information
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Is this request driven by a new statutory mandate?		<b>X</b>	
Will this request require a statutory change?		<b>X</b>	
Is this a one-time request?	<b>X</b>		
Will this request involve any IT components?		<b>X</b>	



SUPPLEMENTAL CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST - COST SUMMARY (S CC_CR-C)						
(A)	(1) Funding Type:	State and Cash Funded		(2) Supplemental Type:	Regular	
(B)	(1) Institution:	Metropolitan State University - Denver		(2) Name of Preparer:	Jonathan McCann	
(C)	(1) Project Title:	Aerospace Engineering Sciences		(2) Email of Preparer:	<a href="mailto:jmccann7@msudenver.edu">jmccann7@msudenver.edu</a>	
(D)	(1) Project Phase ( _ of _ ):	3 of 3		(2) State Controller Project # (if continuation):	AESB-200	
(E)	(1) Project Type:	Capital Construction		(2) Institution Signature Approval:		
(F)	(1) Original Appropriation Year:	FY19-20		(2) CDHE Signature Approval:	Date	
(G)	(1) Intercept Program?:	No		(2) Revision? If yes, previous submittal date:	No Date	
(1)		(a) New Total Project Cost	(b) Total Prior-Year Appropriation(s) Excluding Modified FY	(c) Appropriation for the Modified Fiscal Year (FY 2019-20)	(d) Supplemental Request For Modified Fiscal Year (FY 2019-20)	(e) New Modified FY Total Request (FY 2019-20)
<b>Land /Building Acquisition</b>						
(2)	Land Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -
(3)	Building Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -
(4)	<b>Total Acquisition Costs</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Professional Services</b>						
(5)	Planning Documentation	\$ -	\$ -	\$ -	\$ -	\$ -
(6)	Site Surveys, Investigations, Reports	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
(7)	Architectural/Engineering/ Basic Services	\$ 5,641,069	\$ 5,641,069	\$ 25,373	\$ (25,373)	\$ -
(8)	Code Review/Inspection	\$ 177,900	\$ 177,900	\$ 2,100	\$ (2,100)	\$ -
(9)	Construction Management	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -
(10)	Advertisements	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -
(11)	Other (Specify)	\$ 15,000	\$ 15,000	\$ 480,000	\$ (480,000)	\$ -
(12)	Inflation Cost for Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -
(13)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%
(14)	<b>Total Professional Services</b>	\$ 5,938,969	\$ 5,938,969	\$ 507,473	\$ (507,473)	\$ -
<b>Construction or Improvement</b>						
(15)	Infrastructure Service/Utilities	\$ -	\$ -	\$ -	\$ -	\$ -
(16)	Infrastructure Site Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
(17)	Structure/Systems/ Components					
(18)	Cost for New (GSF): \$40,873,019	\$ 40,873,019	\$ 40,873,019	\$ 4,126,982	\$ (4,126,982)	\$ -
(19)	New at \$346.38 X 118,000 GSF					
(20)	Cost for Renovation (GSF):	\$ -	\$ -	\$ -	\$ -	\$ -
(21)	Renovation at \$ X GSF					
(22)	Cost for Capital Renewal (GSF):	\$ -	\$ -	\$ -	\$ -	\$ -
(23)	Renewal at \$ X GSF					
(24)	Other (Specify)	\$ -	\$ -	\$ -	\$ -	\$ -
(25)	High Performance Certification Program	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -
(26)	Inflation for Construction	\$ 3,150,000	\$ 3,150,000	\$ -	\$ -	\$ -
(27)	Inflation Percentage Applied	7.00%	0.00%	0.00%	0.00%	0.00%
(28)	<b>Total Construction Costs</b>	\$ 44,083,019	\$ 44,083,019	\$ 4,126,982	\$ (4,126,982)	\$ -
<b>Equipment and Furnishings</b>						
(29)	Equipment	\$ -	\$ -	\$ 1,000,000	\$ (1,000,000)	\$ -
(30)	Furnishings	\$ 1,281,680	\$ 1,281,680	\$ 139,755	\$ (139,755)	\$ -
(31)	Communications	\$ -	\$ -	\$ -	\$ -	\$ -
(32)	Inflation for Equipment & Furnishings	\$ -	\$ -	\$ -	\$ -	\$ -
(33)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%
(34)	<b>Total Equipment &amp; Furnishings Cost</b>	\$ 1,281,680	\$ 1,281,680	\$ 1,139,755	\$ (1,139,755)	\$ -
<b>Miscellaneous</b>						
(35)	Art in Public Places	\$ 141,623	\$ 141,623	\$ -	\$ -	\$ -
(36)	Relocation Costs	\$ -	\$ -	\$ 370,000	\$ (370,000)	\$ -
(37)	Other Costs [specify]	\$ -	\$ -	\$ -	\$ -	\$ -
(38)	Other Costs [specify]	\$ -	\$ -	\$ -	\$ -	\$ -
(39)	Other Costs [specify]	\$ -	\$ -	\$ -	\$ -	\$ -
(40)	Other Costs [specify]	\$ -	\$ -	\$ -	\$ -	\$ -
(41)	<b>Total Misc. Costs</b>	\$ 141,623	\$ 141,623	\$ 370,000	\$ (370,000)	\$ -
<b>Total Project Costs</b>						
(42)	<b>Total Project Costs</b>	\$ 51,445,291	\$ 51,445,291	\$ 6,144,210	\$ (6,144,210)	\$ -
<b>Project Contingency</b>						
(43)	5% for New	\$ 2,103,290	\$ 2,103,290	\$ 307,210	\$ (307,210)	\$ -
(44)	10% for Renovation	\$ -	\$ -	\$ -	\$ -	\$ -
(45)	<b>Total Contingency</b>	\$ 2,103,290	\$ 2,103,290	\$ 307,210	\$ (307,210)	\$ -
<b>Total Budget Request</b>						
(46)	<b>Total Budget Request</b>	\$ 53,548,580	\$ 53,548,580	\$ 6,451,420	\$ (6,451,420)	\$ -
<b>Funding Source</b>						
(47)	Capital Construction Fund (CCF)	\$ 20,000,000	\$ 20,000,000	\$ -	\$ -	\$ -
(48)	Cash Funds (CF)	\$ 33,548,580	\$ 33,548,580	\$ 6,451,420	\$ (6,451,420)	\$ -
(49)	Reappropriated Funds (RF)	\$ -	\$ -	\$ -	\$ -	\$ -
(50)	Federal Funds (FF)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>		\$53,548,580	\$53,548,580	\$6,451,420	\$ (6,451,420)	\$0

**TOPIC:** APPROVAL OF PRIORITIZED LIST OF CAPITAL CONSTRUCTION AND RENEWAL PROJECTS AND PRIORITIZED LIST OF CAPITAL IT PROJECTS FOR CAPITAL BUDGET REQUEST

**PREPARED BY:** LAUREN GILLILAND, LEAD FINANCE ANALYST

## **I. SUMMARY**

This action item seeks approval of the FY 2021-22 State-Funded Capital Construction and Renewal Priority List and the FY 2021-22 State-Funded Capital IT Priority List pursuant to C.R.S. 23-1-106(7)(a)(b), as recommended by the Commission's Fiscal Affairs and Audit Committee. Approval of new or revised program plans or exemptions for all submitted projects will be sought at the October CCHE meeting, pursuant to C.R.S. 23-1-106(3). The two project lists will be provided to the Commission after their discussion at the Fiscal Affairs and Audit Standing Committee meeting on Friday, August 28.

## **II. BACKGROUND**

State law, C.R.S. 23-1-106(7)(a), requires the Colorado Commission on Higher Education (CCHE) to annually submit a recommended capital construction priority list to the Office of State Planning and Budgeting (OSPB), the Office of the State Architect (OSA), the Capital Development Committee (CDC), and the Joint Budget Committee (JBC) by November 1st.

The Commission's Fiscal Affairs and Audit Standing Committee (FAA) and Colorado Department of Higher Education (CDHE) staff reviewed a total of 32 state funded capital construction and renewal requests for FY 2021-22. Of these 32 projects, one is a certificate of participation lease payment and 31 are previously unfunded. Of the 31 previously unfunded projects, 27 are capital construction and four are capital renewal. No continuation projects were submitted. Separately, FAA and CDHE staff reviewed a total of 11 capital IT projects.

On August 28, 2020 the Fiscal Affairs and Audit Standing Committee will meet to recommend to the CCHE prioritized lists of: 1) capital construction and renewal requests for \$349,995,186 in state funds with a total institutional cash contribution of \$87,505,960 (Attachment A), and 2) capital IT requests for \$21,013,072 in state funds with a total institutional cash contribution of \$1,555,153 (see Attachment B).

Once approved by the CCHE, CDHE staff will forward the final CCHE prioritized list to the Capital Development Committee (CDC), the Joint Technology Committee (JTC), and the Joint Budget Committee (JBC). It also will forward the list to the Governor's Office of State Planning and Budgeting (OSPB) for consideration in the Governor's budget request. The CCHE's official submission to OSPB is limited to the top 20 prioritized projects.

### **III. STAFF ANALYSIS**

***Capital construction and renewal requests.*** For FY 2021-22, CDHE staff received and reviewed a total of 32 state funded capital construction and renewal requests. The total funding amount requested by institutions of higher education for capital construction and renewal is \$437,501,146 which includes \$19,069,368 for COP lease payments, \$330,925,818 in new state funding and \$87,505,960 in institutional cash funding. The total funding requested for the top 20 projects plus COP lease payments, which will be submitted to OSPB, amounts to \$225,938,335 in state funding and \$80,510,353 in institutional cash funding.

To develop the priority list, staff used the CCHE approved capital construction/renewal criteria. Criteria were adopted to provide an objective and analytical review of higher education's capital construction and renewal needs. The CCHE approved capital construction/renewal criteria are as follows:

- Health, Life Safety, and Code Issues (10 points)
- Other Fund Sources (15 points)
- Space Needs Analysis (10 points)
- Clear Identification of Beneficiaries (8 points)
- Achieves Goals (5 points)
- Governing Board Priority (20 points)

***Capital IT requests.*** For FY 2021-22, CDHE staff received and reviewed a total of 11 new state funded capital IT requests. The total funding amount requested by institutions of higher education for capital IT is \$24,483,972, which includes \$23,408,965 in state funding and \$1,075,007 in institutional cash funding. Since there are fewer than 20 projects on this list, the entire list will be forwarded to OSPB.

To develop the priority list, staff used the FAA approved capital IT criteria. Criteria were adopted to provide an objective and analytical review of higher education's capital IT needs. The approved capital IT criteria are as follows:

- IT Health, Security and Industry Standards (10 points)
- Other Fund Sources (15 points)
- Quality of Planning/Proposal (10 points)
- Clear Identification of Beneficiaries (8 points)
- Achieves Goals (5 points)
- Governing Board Priority (20 points)

Draft prioritized lists were developed by CDHE staff and shared with the FAA Committee and institutions on July 24, 2020. Institutions submitted proposed scoring changes along with

supporting documentation. Staff analyzed the submissions and made scoring changes that were well supported through the additional documentation. On August 28, 2020, the FAA reviewed and approved the revised prioritized capital construction/renewal list) and the revised prioritized capital IT list.

#### **IV. STAFF RECOMMENDATION**

Staff recommends that the Commission take the following actions:

- 1. Approve the FY 2021-22 capital construction and renewal priority list.**
- 2. Approve the FY 2021-22 capital IT priority list.**

#### **V. STATUTORY AUTHORITY**

C.R.S. §23-1-106 Duties and powers of the commission with respect to capital construction and long-range planning.

- (1) Except as permitted by subsection (9) of this section, it is declared to be the policy of the general assembly not to authorize any activity requiring capital construction or capital renewal for state institutions of higher education unless approved by the commission.
- (2) The commission shall, after consultation with the appropriate governing boards of the state institutions of higher education and the appropriate state agencies, have authority to prescribe uniform policies, procedures, and standards of space utilization for the development and approval of capital construction or capital renewal programs by institutions.
- (3) The commission shall review and approve facility master plans for all state institutions of higher education on land owned or controlled by the state or an institution and capital construction or capital renewal program plans for projects other than those projects described in subsection (9) of this section. The commission shall forward the approved facility master plans to the office of the state architect. Except for those projects described in subsection (9) of this section, no capital construction or capital renewal shall commence except in accordance with an approved facility master plan and program plan.
- (4) The commission shall ensure conformity of facilities master planning with approved educational master plans and facility program plans with approved facilities master plans.

- (5) (a) The commission shall approve plans for any capital construction or capital renewal project at any state institution of higher education regardless of the source of funds; except that the commission need not approve plans for any capital construction or capital renewal project at a local district college or area technical college or for any capital construction or capital renewal project described in subsection (9) of this section.
- (b) The commission may except from the requirements for program and physical planning any project that requires two million dollars or less if the capital construction project is for new construction and funded solely from cash funds held by the institution or the project is funded through the higher education revenue bond intercept program established pursuant to section 23-5-139, or ten million dollars or less if the project is not for new construction and is funded solely from cash funds held by the institution.
- (6) (a) The commission shall request annually from each governing board of each state institution of higher education a five-year projection of capital construction or capital renewal projects to be constructed but not including those projects described in subsection (9) of this section. The projection must include the estimated cost, the method of funding, a schedule for project completion, and the governing board-approved priority for each project. The commission shall determine whether a proposed project is consistent with the role and mission and master planning of the institution and conforms to standards recommended by the commission.
- (b) The commission shall request annually from the governing board of each state institution of higher education a two-year projection of capital construction projects to be undertaken pursuant to subsection (9) of this section and estimated to require total project expenditures exceeding two million dollars if the capital construction project is for new acquisitions of real property or new construction and funded solely from cash funds held by the institution or the project is funded through the higher education revenue bond intercept program established pursuant to section 23-5-139, or exceeding ten million dollars if the project is not for new acquisitions of real property or new construction and is funded solely from cash funds held by the institution. The projection must include the estimated cost, the method of funding, and a schedule for project completion for each project. A state institution of higher education shall amend the projection prior to commencing a project that is not included in the institution's most recent projection.
- (7) (a) The commission annually shall prepare a unified, five-year capital improvements report of projects to be constructed, but not including those capital construction or capital renewal

projects to be undertaken pursuant to subsection (9) of this section, coordinated with education plans. Notwithstanding section 24-1-136 (11)(a)(I), the commission shall transmit the report to the office of state planning and budgeting, the office of the state architect, the capital development committee, and the joint budget committee, consistent with the executive budget timetable, together with a recommended priority of funding of capital construction or capital renewal projects for the system of public higher education. The commission shall annually transmit the recommended priority of funding of capital construction or capital renewal projects to the capital development committee no later than November 1 of each year.

- (b) Except as provided in subsections (5) and (15) of this section, it is the policy of the general assembly to appropriate funds only for capital construction or capital renewal projects approved by the commission.
- (c) (I) (A) The commission annually shall prepare a unified, two-year report for capital construction or capital renewal projects described in subsection (9) of this section that are not for new acquisitions of real property or new construction and are estimated to require total project expenditures exceeding ten million dollars, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the governor, the capital development committee, and the joint budget committee, consistent with the executive budget timetable.
- (B) The commission annually shall prepare a unified, two-year report for capital construction projects for new acquisitions of real property or for new construction, described in subsection (10) of this section, estimated to require total project expenditures exceeding two million dollars, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the governor, the capital development committee, and the joint budget committee, consistent with the executive budget timetable.
- (II) (A) The commission shall submit the two-year projections prepared by each state institution of higher education for each two-year period to the office of state planning and budgeting and the capital development committee. The capital development committee shall conduct a hearing in each regular legislative session on the projections and either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each projection.

- (B) A state institution of higher education may submit to the staff of the capital development committee, the commission, and the office of state planning and budgeting an amendment to its approved two-year projection. The capital development committee shall conduct a hearing on the amendment within thirty days after submission during a regular legislative session of the general assembly or within forty-five days after submission during any period that the general assembly is not in regular legislative session. The capital development committee shall either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each amendment.

**ATTACHMENTS:**

**Attachment A** - Fiscal Affairs and Audit Standing Committee Recommended FY 2021-22 State Funded Capital Construction and Renewal Priorities List.

**Attachment B** - Fiscal Affairs and Audit Standing Committee Recommended FY 2021-22 State Funded Capital IT Priorities List.



FISCAL AFFAIRS AND AUDIT COMMITTEE APPROVED - CAPITAL CONSTRUCTION AND RENEWAL PRIORITY RANKING FY2021-22					
Ranking	Institution Name	Project Name	Score	CCF	CF
N/A	Colorado State University - Fort Collins	NWC COP Lease Payments Through Construction	N/A - Legislative Mandate	\$ 19,069,368	\$ -
New Projects					
1	Community College of Aurora	New Diesel and Support Services Building	98.28%	\$ 6,188,439	\$ 3,207,440
2	University of Colorado - Boulder	Hellems Building Renovation	95.59%	\$ 3,390,080	\$ 5,085,120
3	Colorado State University - Fort Collins	Clark Building Renovations and Additions	94.12%	\$ 35,629,037	\$ 30,000,000
4	Arapahoe Community College	Health Program Integration Renovation	92.65%	\$ 8,364,000	\$ 2,788,093
5	University of Colorado - Denver	Engineering and Physical Sciences Building Renovation	89.71%	\$ 5,146,026	\$ 15,438,080
6	Metropolitan State University - Denver	Health Institute	86.21%	\$ 7,156,624	\$ -
	Colorado Mesa University	Kinesiology Renovation and Expansion	86.21%	\$ 17,467,133	\$ 5,822,379
8	University of Northern Colorado	UNC Facility Master Planning	83.33%	\$ 500,000	\$ 50,000
9	Community College of Denver	Boulder Creek Health Education Center of Excellence	82.35%	\$ 6,209,153	\$ 1,182,696
10	Auraria Higher Education Center	Campus-wide HVAC Infrastructure Replacement	81.03%	\$ 20,353,100	\$ 210,000
11	Colorado State University - Fort Collins	CSU Anatomy-Zoology East Revitalization	79.41%	\$ 15,284,446	\$ 3,821,112
12	Adams State University	Central Technology Renovation/Addition	79.31%	\$ 6,530,224	\$ 65,962
13	Colorado School of Mines	Arthur Lakes Library	76.47%	\$ 10,103,729	\$ 3,000,000
14	University of Northern Colorado	Gray Hall Mechanical Systems Replacement	75.86%	\$ 3,653,171	\$ 45,000
15	Colorado State University - Fort Collins	ARDEC	74.14%	\$ 13,536,164	\$ -
	Colorado Mesa University	Electrical and Computer Engineering Building	74.14%	\$ 19,227,574	\$ 3,938,179
17	Northeastern Junior College	North Campus Facilities Expansion and Remodel	72.41%	\$ 6,500,000	\$ 3,500,000
18	University of Colorado - Boulder	Guggenheim Capital Renovation	72.06%	\$ 1,162,800	\$ 1,744,200
19	Adams State University	Facilities Services Center Replacement	68.97%	\$ 15,902,516	\$ 160,632
20	Colorado Mesa University	Performing Arts Renovation and Expansion	67.24%	\$ 4,564,751	\$ 451,460
21	University of Colorado - Denver	CU Denver Building	60.34%	\$ 22,182,686	\$ 224,068
22	Colorado Mesa University	Student Parking Garage	58.62%	\$ 22,670,495	\$ 2,242,138
23	Colorado State University - Pueblo	Technology Building Renovation and Addition	57.35%	\$ 16,927,020	\$ 170,980
24	Pikes Peak Community College	First Responder Emergency Education Complex	56.89%	\$ 29,004,095	\$ 3,584,776
25	Colorado Mesa University	Energy Independence	56.25%	\$ 6,924,309	\$ 684,823
26	Lamar Community College	Library / Learning Resource Center Renovation	55.88%	\$ 1,929,866	\$ 50,000
27	Lamar Community College	Capital Renewal Project	43.10%	\$ 3,843,356	\$ 38,822
28	Lowry Higher Education Center	North Quad Remodel	35.29%	\$ 1,998,685	\$ -
29	Trinidad State Junior College	Freudenthal Library Renovation	32.76%	\$ 6,276,339	\$ -
30	Pueblo Community College	Dental Hygiene Growth / Expansion Project	30.88%	\$ 6,300,000	\$ -
31	Pueblo Community College	Medical Technology Renovation	18.97%	\$ 6,000,000	\$ -
GRAND TOTAL				\$ 349,995,186	\$ 87,505,960

**FISCAL AFFAIRS AND AUDIT COMMITTEE APPROVED - CAPITAL IT PRIORITY RANKING FY2021-22**

Ranking	Institution Name	Project Name	Score	CCF	CF
1	Colorado State University - Fort Collins	Upgrade Network Hardware	89.71%	\$ 541,000	\$ 219,000
2	Colorado Northwestern Community College	Network and Security Upgrades	82.35%	\$ 1,746,412	\$ 174,641
3	Adams State University, Fort Lewis College, Western Colorado University	Digital Transformation Initiative for Rural Higher Education	80.88%	\$ 9,199,055	\$ 92,920
4	University of Northern Colorado	Next Generation Cyber Secure Network	80.88%	\$ 1,191,077	\$ 11,910
5	Colorado Mesa University	Network Security and Resiliency Project	79.41%	\$ 2,249,898	\$ 222,519
6	Community College of Denver	Classroom and Conference Room Technology	75.00%	\$ 1,595,878	\$ 101,865
7	Colorado School of Mines	Re-envisioning Mines ERP and SIS	73.53%	\$ 789,000	\$ 122,000
8	Metropolitan State University - Denver	Reimagining the Campus Digital Experience	70.59%	\$ 1,300,000	\$ 200,000
9	Metropolitan State University - Denver	Network Infrastructure Modernization	64.71%	\$ 1,250,000	\$ 250,000
10	Otero Junior College	Technology and Equipment Upgrade	64.71%	\$ 597,750	\$ 125,000
11	Lamar Community College	LCC Technology and Equipment Upgrades	52.94%	\$ 553,002	\$ 35,298
<b>GRAND TOTAL</b>				<b>\$ 21,013,072</b>	<b>\$ 1,555,153</b>

**TOPIC: FY 2021-22 STATE FUNDING ALLOCATIONS TO HIGHER EDUCATION INSTITUTIONS THROUGH FUNDING FORMULA**

**PREPARED BY: JASON SCHROCK, CHIEF FINANCIAL OFFICER, EMILY ORR, BUDGET DIRECTOR, EMMA FEDORCHUK, LEAD FINANCE ANALYST**

**I. SUMMARY**

Given current budget and revenue forecasts, it is likely that funding for higher education institutions will see a reduction in Fiscal Year 2021-22. The purpose of this agenda item is to give the Commission the opportunity to discuss different ways such a decrease may be approached using the new funding allocation formula, as well as provide background information to inform that discussion. This agenda item does not seek Commission action. This agenda item is intended to generate discussion which will inform future agenda items.

**II. BACKGROUND**

*Fiscal Year 2020-21*

State funding for public higher education institutions' operating budgets was reduced by \$493 million, or 58 percent, in the state budget adopted by the legislature through the "Long Bill" (HB 20-1360). However, the Governor allocated \$450 million in federal funds to the state's public higher education institutions from the federal CARES Act through an executive order. This money must be used by institutions for responding to public health needs resulting from COVID-19 and to provide economic support to the state through educating students. Per the Long Bill, 5 percent of the 58 percent cut to higher education institutions in FY 2020-21 is intended to be ongoing. The below table shows the state funding amounts incorporating the 5 percent ongoing cut by institution – this is the base from which the Department is working for FY 2021-22. State funding for public higher education institutions' operating budgets is currently expected to need to be reduced in FY 2021-22 from the levels shown in the table due to COVID-19's impacts on the state budget.

*Table 1: FY 2020-21 Base Using 5% Ongoing Reduction*

	FY 2020-21 Base (millions)
Adams	\$16.4
Mesa	30.9
Metro	60.8
Western	14.5
CSU System	163.8
FLC	13.4
CU System	232.1
Mines	24.1
UNC	44.7
CCCS	180.9
Total	\$781.5

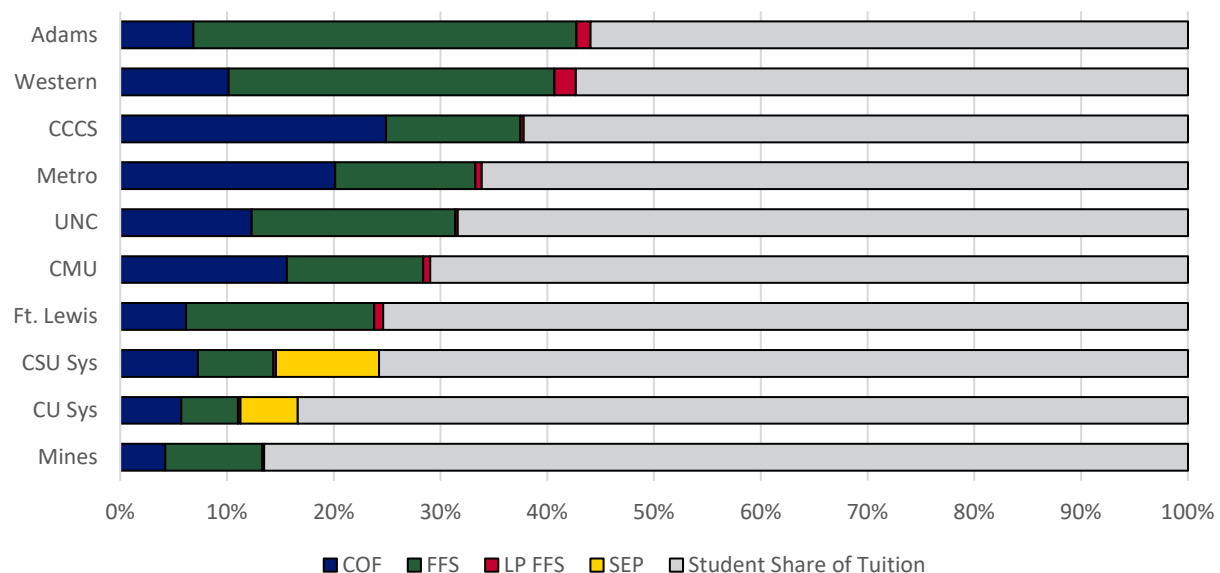
*House Bill 20-1366*

HB 20-1366 established a new funding allocation model for allocating state appropriations to public higher education institutions. FY 2021-22 is the first year in which this new model is required to be used by state statute. Attachment A (formula one-pager) contains further details on the model.

*General Fund as a Proportion of E&G*

Depending on their size and ability to generate tuition revenue, state appropriations constitute varying percentages of institutions' Education and General (E&G) budgets, a subset of higher education expenses that includes education and directly related expenses, plus state-funded research. Information on E&G budgets is collected annually via budget data books (BDB). The BDBs serve as a summary of unrestricted spending of funds, most of which are generated via General Fund support and tuition revenue. The chart below summarizes the state General Fund/tuition revenue split by governing board.

*Chart 1: State General Fund (by Source) and Tuition Revenue Splits, 2018-19 Actuals*



### *Base Cost Increases*

Given current budget and revenue projections, a “flat” funding scenario (i.e. no increase or decrease in funding from the levels shown in the above table) is the most optimistic funding scenario at this time. However, even when all else is held constant, institutional costs generally increase each year from personnel-related costs, including Health/Life/Dental (HLD) benefits and the impact of inflation on certain operating costs. This increase is referred to as a governing board’s core minimum, or base cost increase. In practice, this means that a “flat” funding scenario actually represents a functional cut to institutions. The below chart shows the estimated base cost increases for FY 2021-22 based on the following assumptions:

- No salary increase for FY 2021-22
- HLD employer contribution growth rate of 4.2 percent (based on the April 2020 Centers for Medicare and Medicaid Services National Health Expenditure Projections for State and Local Governments)
- Other cost growth of 1.9 percent (inflation rate based on Governor’s Office of State Planning and Budgeting June 2020 CPI forecast)

*Table 2: Estimated FY 2021-22 Core Minimum Cost Increases by Governing Board*

	Total Base Cost Increase (millions)*
Adams	\$0.5
Mesa	1.1
Metro	2.1
Western	0.4
CSU System	8.2
FLC	0.7
CU System	17.8
Mines	2.3
UNC	1.4
CCCS	5.7
<i>Total</i>	<i>\$40.3</i>

\*It is important to note that some governing boards indicate that these estimates understate their true base minimum cost increases.

### *Revenue Analysis/Hanover Research*

The Department contracted with Hanover Research to conduct a study on institutional revenues and expenditures compared to their peers. The Department is analyzing the results of the research in conjunction with institutions. The final results of the study could offer valuable context for the Commission to consider in concert with the funding formula.

While all of Colorado’s institutions receive less state funding than their peers, there are degrees of magnitude. Funding also varies in terms of total revenue based on institutions’ widely varying

abilities to charge tuition and generate enrollment increases. The Commission can expect additional details and results in the coming months as the final stages of the project conclude.

### **III. STAFF ANALYSIS**

There are several approaches the Commission may consider in a reduction scenario. For example, the Commission could recommend that the allocations be based solely on the outcomes of the performance component of the formula through Step 2. Another simple, straightforward option is a proportional reduction in which each governing board's appropriation is reduced by the same percentage. While this approach treats each governing board equally, it is not necessarily equitable – there is a larger impact on institutions that rely more heavily on state funding (as shown in Chart 1). If this approach is desired, it may be better to not allocate the reduction through the formula and request that the formula be suspended for another year.

Should the Commission wish to take other factors into consideration, adjustments in funding can be made in either Steps 1 or 3 of the formula. In recommending these adjustments, for example, the Commission can consider an institution's reliance on state resources. This would benefit governing boards where state funding makes up a higher percentage of their budget. Other considerations could include preserving funding for governing boards who are furthest from their peers in terms of state appropriations or total revenue, as determined by the results of the Hanover study, or assessing funding needs of each governing board based on their unique circumstances.

### **IV. STAFF RECOMMENDATIONS**

The Commission is not being asked to make a recommendation at this time. The Commission's discussion will inform a future agenda item, which staff will bring forward later in the budget process.

### **V. STATUTORY AUTHORITY**

#### **23-18-306. Duties and powers of the commission – budget provisions - periodic review of funding formula - report.**

- (1) (a) For the 2021-22 state fiscal year and each state fiscal year thereafter, the department and commission shall submit a budget request by November 1 of each year that includes:
  - (i) a detailed description of requests for additional ongoing and temporary funding pursuant to section 23-18-303.5 (2) and (3) and recommendations for additional funding, if any; and
  - (ii) recommendations for:
    - (a) changes in the amount of performance funding pursuant to section 23-18-303.5 (4), if any;
    - (b) the percentage allocation of performance funding among the performance funding metrics specified in section 23-18-303.5 (4)(b);
    - (c) additional funding for fee-for-service contracts pursuant to section 23-18-304, if any; and
    - (d) tuition spending authority for the state institutions of higher education.

**ATTACHMENT(S):**

Attachment A: Formula One-Pager



**COLORADO**

**Department of  
Higher Education**

## Funding Allocation Model

HB 20-1366 established a new funding allocation model for higher education. The model contains three key steps. Steps one and three allocate flexible funding based on institutional needs, base funding concerns, specific institutional projects, and funding related to specific populations. Funding allocated via step one is base-building, while step three funding is one-time. Step two funding is based around performance in Master Plan categories and is discussed in further detail below. The Commission may make recommendations on all three steps of the model.

Step two allocates funding based on performance in the following Master Plan categories:

- Resident Enrollment
- Credential Production
- Pell-eligible Student Share
- Underrepresented Minority Student Share
- Retention Rate
- Graduation Rate at 100% of Time
- Graduation Rate at 150% of Time
- First Generation Student Share

First, each category of performance is assigned a weight. Next, each metric is measured using a series of calculations that first look at a governing board's change in performance over time, then compares each governing board's change in performance to the change at other institutions statewide. A simplified version of the calculation steps is shown below:

		BOARD A	BOARD B	BOARD C	TOTAL
1	Governing Board's share of total funding, FY 2020-21	<b>10%</b>	<b>20%</b>	<b>70%</b>	<b>100%</b>
2	Average enrollment for 3 years (FY 2016-17 to FY 2018-19)	100	500	900	1,500
3	Average enrollment for 4 years (FY 2016-17 to FY 2019-20)	105	550	910	1,565
4	4-year average as a percent of 3-year average	<b>105.0%</b>	<b>110.0%</b>	<b>101.1%</b>	<b>104.3%</b>
5	Calibrate to 2019-20 share of funding (Row 1 x Row 4)	10.5%	22.0%	70.8%	103.3%
6	Adjust so that total = 100% (Board Share of Row 5 divided by Row 5 Total)	<b>10.2%</b>	<b>21.3%</b>	<b>68.5%</b>	<b>100.0%</b>

In the above example, all four governing boards demonstrate improvement in the metric via enrollment growth. But Board C still sees a decrease in their share of funding – even though they are improving, they are not improving as much as the other schools. As a result, they receive a slightly smaller share of funding in this section, as demonstrated by the percentage of funding in Row 6 relative to Row 1. This calculation is replicated for each of the eight metrics included in the performance section of the formula.





## COLORADO COMMISSION ON HIGHER EDUCATION

- Chair Tom McGimpsey (*R-2<sup>nd</sup> Congressional District*) 1<sup>st</sup> term ends June 2021
- Vice Chair Vanecia Kerr (*D- 6<sup>th</sup> Congressional District*) 1<sup>st</sup> term ends June 2018
- Commissioner Paul Berrick Abramson (*U-7<sup>th</sup> Congressional District*) 1<sup>st</sup> term ends July 2023
- Commissioner Luis Colón (*R-4<sup>th</sup> Congressional District*) 2nd term ends June 2021
- Commissioner Sarah Kendall Hughes (*D-3<sup>rd</sup> Congressional District*) 1<sup>st</sup> term ends July 2023
- Commissioner Teresa Kostenbauer (*U-4<sup>th</sup> Congressional District*) 1<sup>st</sup> term ends July 2024
- Commissioner Steven Meyer (*U-3<sup>rd</sup> Congressional District*) 1<sup>st</sup> term ends July 2024
- Commissioner Charlotte Olena (*D-1<sup>st</sup> Congressional District*) 1<sup>st</sup> term ends July 2023
- Commissioner Brittany Stich (*D-1<sup>st</sup> Congressional District*) 1<sup>st</sup> term ends July 2022
- Commissioner Steven Trujillo (*D-3<sup>rd</sup> Congressional District*) 1<sup>st</sup> term ends July 2023
- Commissioner Eric Tucker (*U-5<sup>th</sup> Congressional District*) 1<sup>st</sup> term ends July 2023

## ADVISORY COMMITTEE

### Legislative Advisors

- Representative Julie McCluskie, *House Majority Appointment*
- Representative Cathy Kipp, *House Majority Appointment*
- Representative Kevin Van Winkle, *House Minority Appointment*
- Senator Nancy Todd, *Senate Majority Appointment*
- Senator Tammy Story, *Senate Majority Appointment*
- Senator Paul Lundeen, *Senate Minority Appointment*

### Subject Matter Advisors

- Mr. Wayne Artis, *Faculty Representative*
- Mr. Mark Cavanaugh, *IHEC Representative*
- Mr. Brad Baca, *Institutional Finance Representative*
- Dr. Landon Pirius, *Academic Council Representative*
- Ms. Misti Ruthven, *K-12 Representative*
- Ms. Leah Porter, *Parent Representative*





## INSTITUTION AND SYSTEM LEADERS

<b><u>INSTITUTION</u></b>	<b><u>CEO</u></b>	<b><u>LOCATION</u></b>
<b>Adams State University</b>	Dr. Cheryl Lovell, President	Alamosa
<b>Aims Community College</b>	Dr. Leah Bornstein, President	Greeley
<b>Community College System</b>	Joe Garcia, Chancellor	Denver
Arapahoe CC	Dr. Diana Doyle, President	Littleton
Colorado Northwestern CC	Ron Granger, President	Rangely
CC of Aurora	Dr. Betsy Oudenhoven, President	Aurora
CC of Denver	Dr. Everette Freeman, President	Denver
Front Range CC	Andy Dorsey, President	Westminster
Lamar CC	Dr. Linda Lujan, President	Lamar
Morgan CC	Dr. Curt Freed, President	Ft. Morgan
Northeastern JC	Jay Lee, President	Sterling
Otero JC	Dr. Timothy Alvarez, President	La Junta
Pikes Peak CC	Dr. Lance Bolton, President	Colorado Springs
Pueblo CC	Dr. Patty Erjavec, President	Pueblo
Red Rocks CC	Dr. Michele Haney, President	Lakewood
Trinidad State JC	Dr. Rhonda Epper, President	Trinidad
<b>Colorado Mesa University</b>	Tim Foster, President	Grand Junction
<b>Colorado Mountain College</b>	Dr. Carrie Besnette Hauser, President	Glenwood Springs
<b>Colorado School of Mines</b>	Paul Johnson, President	Golden
<b>Colorado State System</b>	Dr. Tony Frank, Chancellor	Denver
CSU-Ft Collins	Dr. Joyce McConnell, President	Fort Collins
CSU-Pueblo	Dr. Timothy Mottet, President	Pueblo
CSU-Global Campus	Vacant (8/1/2020)	Aurora
<b>CU System</b>	Mark Kennedy, President	
CU – Boulder	Dr. Philip DiStefano, Chancellor	Denver
UCCS	Dr. Venkat Reddy, Chancellor	Boulder Colorado
UCD	Dr. Dorothy Horrell, Chancellor	Springs Denver
UC-Anschutz	Don Elliman, Chancellor	Aurora, Denver
<b>Emily Griffith Technical College</b>	Stephanie Donner, Executive Director	Denver
<b>Ft. Lewis College</b>	Dr. Tom Stritikus, President	Durango
<b>Metropolitan State University of Denver</b>	Janine Davidson, President	Denver



<b>Pickens Technical College</b>	Teina McConnell, Executive	Aurora
<b>Technical College of the Rockies</b>	Allen Golden, Director	Delta
<b>University of Northern Colorado</b>	Dr. Andy Feinstein, President	Greeley
<b>Western State Colorado University</b>	Dr. Gregory Salsbury, President	Gunnison

## COLORADO COMMISSION ON HIGHER EDUCATION - BYLAWS

### **Section 1. Organization and Meetings**

- 1.1 Organization: Pursuant to C.R.S. §23-1-102, the Commission shall consist of eleven members appointed by the Governor with the consent of the Senate. The members of the Commission are selected on the basis of their knowledge of and interest in higher education and shall serve for four-year terms. No member of the Commission may serve more than two consecutive full four-year terms.
- 1.2 Officers: Pursuant to C.R.S. §23-1-110, the officers of the Commission shall be the Chair and Vice Chair. The Secretary shall be the Executive Director of the Commission and the Department and is a non-voting member of the Commission. The Governor appoints, with the consent of the Senate, the Executive Director to serve as the executive officer of the Commission and the Department.
- 1.3 All officers shall be elected at the May meeting of the Commission to serve a term of one year, except the Secretary whose term shall be coterminous with his or her term as Executive Director. Any member may nominate themselves or another member to be chair or vice-chair. Members will vote on each position; if there is more than one nomination the vote will be conducted by private ballot to be counted by the Secretary. Officers shall be limited to two consecutive terms, unless an exception is approved by a vote of more than 60 percent of the Commission. When possible, a Commissioner is encouraged to serve as vice-chair prior to becoming chair.
- 1.4 Regular Meetings of the Commission: The Commission shall adopt at the October Commission meeting a schedule of regular meetings of the Commission for the following calendar year.
- 1.3 Notice of Meetings: Any meetings at which the adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs or at which a majority or quorum of the body is in attendance, or is expected to be in attendance, shall be held only after full and timely notice to the public. In addition to any other means selected by the Commission for giving notice to the public, the Commission shall post notice of its meetings at the office of the Colorado Department of Higher Education located at 1560 Broadway, Suite 1600, Denver, Colorado 80202 and on the Colorado Department of Higher Education website. Notices shall be posted no less than two days prior to the holding of the meeting. The posting shall include specific agenda information where possible.
- 1.4 Special Meetings: Special meetings of the Commission may be held at the call of the Chair on two days' notice, or at the request of five members of the Commission who may petition the Chair to call such a meeting. Notice of special meetings shall be made electronically or by telephone and posted at the office and on the website of the Colorado

Department of Higher Education no less than two days prior to the meeting date.

- 1.5 Conduct of Meetings: The Chair shall preside at all meetings at which he or she is present. In the Chair's absence, the Vice Chair shall preside, and in the event both are absent, those present shall elect a presiding officer. All meetings shall be conducted in accordance with all State laws and regulations. The parliamentary rules contained in Robert's Rules of Order, latest revision, shall govern in all cases to which they are applicable, except as modified herein.
- 1.6 Attendance at Meetings: The term of any member of the Commission who misses more than two consecutive regular Commission meetings without good cause, as determined by the Chair, shall be terminated and his successor appointed in the manner provided for appointments under C.R.S. §23-1-102.
- 1.7 Preparation of Agenda: Meeting agendas shall be prepared by the Executive Director of the Department. A monthly agenda call will be scheduled with the Chair, Vice Chair, and Executive Director, or his or her designee, to discuss and approve the proposed agenda. At a regular or special meeting, an item of business may be considered for addition to the agenda by a majority vote of the Commissioners present.
- 1.8 Minutes of the Commission: The Secretary shall maintain an accurate set of minutes of Commission meetings, which shall include a complete record of all actions taken by the Commission. Such minutes shall constitute a permanent record. After the minutes of each meeting are completed they shall be reviewed by the Commission and, after approval, posted on the CCHE website and made available to the public for inspection upon written request.
- 1.9 Standing Committees: The Commission may create standing or ad hoc committees comprised of Commissioners to research and make recommendations on specific issues for the full Commission to consider and act on.

## **Section 2. Duties and Responsibilities of Officers**

- 2.1 Chair of the Commission: The Chair of the Commission shall preside at meetings of the Commission at which he or she is in attendance.
- 2.2 Vice Chair of the Commission: The Vice Chair shall perform all duties of the Chair in the Chair's absence.
- 2.3 The Secretary/Executive Director of the Commission: In addition to performing those duties established by law, the Executive Director of the Commission and Department shall: (a) serve as the Secretary of the Commission, (b) meet with the officers and staff of institutions of higher learning as the needs dictate for a mutual discussion of the matters affecting the responsibilities of the Commission, (c) meet with appropriate state and federal groups and/or officials on matters pertaining to the Commission, (d) meet with appropriate committees of the General Assembly on matters pertaining to the

Commission's responsibilities, (e) appoint such professional staff as in his or her judgment are required and are within the budget approved by the Commission and for which funds are available, (f) prepare an annual operating budget and work program for approval by the Commission, (g) implement the policies of the Commission and communicate those policies to interested parties as appropriate.

### **Section 3. The Advisory Committee**

3.1 There is hereby established an advisory committee pursuant to C.R.S. §23-1- 103).

Advisory Committee Members: The advisory committee shall consist of not less than thirteen members, to be designated as follows:

(a) Six members shall be appointed from the General Assembly, including three senators, two of whom shall be from the majority party, appointed by the President of the Senate and one of who shall be from the minority party appointed by the Minority Leader of the Senate, and three representatives, two of whom shall be from the majority party, appointed by the Speaker of the House of Representatives and one of who shall be from the minority party appointed by the Minority Leader of the House of Representatives. Said six members shall be appointed for terms of two years or for the same terms to which they were elected to the general assembly, whichever is the lesser. Successors shall be appointed in the same manner as the original members;

(b) One member shall be selected and designated by the Commission, as recommended by the Colorado Faculty Advisory Council, to represent the faculty in the state;

(c) One member shall be selected and designated by the Commission, as recommended by the Student Affairs Council, to represent the students in the state for a term of one year, commencing on July 1 of the year appointed;

(d) One member shall be selected and designated by the Commission who is a parent of a student enrolled in a state supported institution of higher education in Colorado to represent the parents of students for a term of two years, commencing on July 1 of the year appointed.

(e) Not more than four additional members representing educational or other groups may be selected and designated by the Commission to serve on the advisory committee.

The Commission has designated the four additional advisory committee members to represent:

- Chief Academic Officers of Colorado's state supported institutions of higher education, as recommended by the Colorado Academic Council;
- Chief Financial Officers of Colorado's state supported institutions of higher education, as recommended by the, as recommended by the Chief Financial Officers group;

- Independent Higher Education Institutions in Colorado (Colorado College, Regis, and Denver University), as recommended by the Independent Higher Education Council; and,
- The K-12 system, as recommended by the Colorado Department of Education.

All such appointments shall be for a term of two years, commencing on July 1 of the year appointed.

- 3.2 Notice and Agendas: All members of the advisory committee shall receive agendas and background material and be notified of all public meetings of the Commission and shall be invited to attend for the purpose of suggesting solutions for the problems and needs of higher education and maintaining liaison with the general assembly.
- 3.3 Recommendations of the Advisory Committee: The members of the advisory committee shall have full opportunity to present their views on any matter before the Commission.

#### **Section 4. Change in Bylaws**

- 4.1 Bylaws shall be subject to amendment at any meeting of the Commission provided any such proposed change is listed on the agenda in accordance with the procedure outlined in Section 1.5 Notice of Meetings. Bylaw changes must be approved by a majority of the Commission.

<p>HISTORY: Adopted on September 10, 1965. Amended January 14, 1966; February 25, 1972; June 1, 1978; July 1, 1993; October 7, 2004; May 6, 2011; CCHE Agenda March 3, 2017 Item V; April 5, 2019</p>
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# Higher Education Glossary

**529 Savings Plan** - 529 plans are more than just savings accounts. These state-sponsored college savings plans were established by the federal government in Section 529 of the Internal Revenue Code to encourage families to save more for college. They offer unique state and federal tax benefits you can't get from other ways to save, making them one of the best ways to save for college.

**Accuplacer** - A suite of computer-adaptive placement tests that are used as assessment tools at institutions to evaluate the level of course work for a student. Students measured as needing additional course work will be assigned to remediation.

**Admission Standard** - includes both Freshman and Transfer standard. The freshman standard applies to all in-state and out-of-state new freshmen applicants and to transfer applicants with 12 or fewer college credit hours, except freshmen and transfer applicants who meet one of the admissions standards index exemptions. The transfer standard applies to all degree-seeking undergraduate transfer applicants with more than 12 college credit hours who do not meet one of the exemptions

**Admission Window** - Defined in Admission policy, "The maximum allowable percentage of admitted students who are not required to meet the CCHE admission standards within a specific fiscal year is referred to as the admissions window. Separate windows exist for the freshmen and transfer standards. The allowable percentage is determined by the Commission." The percentages vary by institution.

**CAP4K** - SB08-212, Preschool to Postsecondary Education Alignment Act; Colorado Achievement Plan for Kids.

**CHEA** - Council for Higher Education Accreditation. As described on their website, CHEA is "A national advocate and institutional voice for self-regulation of academic quality through accreditation, CHEA is an association of 3,000 degree-granting colleges and universities and recognizes 60 institutional and programmatic accrediting organizations."

**CIP** - Classification of Instructional Program; The purpose of which is to provide a taxonomic scheme that will support the accurate tracking, assessment, and reporting of fields of study and program completions activity. (Relevant in Role & Mission)

**CLEP** - College Level Examination Program; Earn college credit for passing a subject specific examination.

**COA** - Cost of Attendance; in the context of financial aid, it is an estimate of what it will reasonably cost the student to attend a given institution for a given period of time.



**Concurrent Enrollment** – A high school student enrolled for one or more classes at a college or university in addition to high school courses.

**Dually Enrolled** - A student enrolled at two institutions at the same time. This may affect enrollment reports when both institutions count that student as enrolled.

**EFC** - Expected Family Contribution; in the context of financial aid, it is calculated by a federally-approved formula that accounts for income, assets, number of family members attending college, and other information.

**FAFSA** - Free Application for Federal Student Aid. This is a free service provided by the Federal government under the Department of Education and students are not charged to complete/file the FAFSA.

**FAP** – Financial Aid Plan (HESP specific)

**FERPA** - Family Educational Rights and Privacy Act, view federal website. The Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99) is a Federal law that protects the privacy of student education records. The law applies to all schools that receive funds under an applicable program of the U.S. Department of Education.

**FFS** – Fee-For-Service Contracts; A portion of the College Opportunity Fund program in addition to COF stipends, this contract provides funding to certain higher education institutions to supplement high cost programs and purchase additional services (such as graduate programs).

**Floor** - In reference to the admission window, the floor is the minimum requirements for admission without requiring an exception of some kind. This usually coincides with the Index score.

**FTE** - Full-time Equivalent; a way to measure a student's academic enrollment activity at an educational institution. An FTE of 1.0 means that the student is equivalent to full-time enrollment, or 30 credit hours per academic year for an undergraduate student.

**GEARUP** - Gaining Early Awareness and Readiness for Undergraduate Programs; A Federal discretionary grant program designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education.

**Guaranteed Transfer, GT Pathways** - gtPATHWAYS applies to all Colorado public institutions of higher education, and there are more than 900 lower-division general education courses in 20 subject areas approved for guaranteed transfer. Courses are approved at least twice per academic and calendar year and apply the next semester immediately following their approval.

**HB 1023** - In most cases, refers to HB 06S-1023, which declares "It is the public policy of the state of Colorado that all persons eighteen years of age or older shall provide proof that they are lawfully present in the United States prior to receipt of certain public benefits."

**HB 1024** - In most cases, refers to HB 06-1024, which declares "On or before September 1, 2006, each governing board of a state institution of higher education shall submit to the Colorado commission on higher education and the education committees of the senate and the house of representatives, or any successor committees, a report regarding underserved students".

**HB 1057** - In most cases, refers to HB 05-1057, which declares "a college preparation program operating within the school district that the college preparation program shall provide to the Colorado commission on higher education, on or before December 31 of each school year, a report specifying each student, by unique identifying number."

**HEAR** - Higher Education Admission Requirements, 2008-2010.

**Index, Index Score** - This index score is a quantitative evaluation that is part of a larger student application evaluation. The score is generated from academic achievement (GPA or High School Rank) and college placement tests (ACT or SAT). You can calculate your index score online. Index varies by institution depending on that institutions selection criteria.

**IPEDS** - Integrated Postsecondary Education Data System; Run by NCES, this system collects statistical data and information on postsecondary institutions. The Colorado Department of Higher Education submits aggregated data on public institutions to IPEDS.

**Need** - In the context of student financial aid, Need is calculated by the difference between the COA (Cost of Attendance) and the EFC (Expected Family Contribution)

**NCATE** - National Council for Accreditation of Teacher Education; NCATE is the profession's mechanism to help establish high quality teacher preparation.

**NCLB** - No Child Left Behind; The No Child Left Behind Act of 2001 (NCLB) reauthorized the Elementary and Secondary Education Act (ESEA) -- the main federal law affecting education from kindergarten through high school.

**PSEO** - Post Secondary Enrollment Option; A program that offers concurrent enrollment in college courses while in high school.

**PWR** - Postsecondary and Workforce Readiness; Definition was created during the SB08-212 CAP4K meetings.

**QIS** - Quality Indicator System; Implemented in HB96-1219, the specific quality indicators involved in QIS are similar to those used in the variety of quality indicator systems found in other states: graduation rates, freshmen retention and persistence rates, passing scores or rates on tests and licensure examinations, undergraduate class size, faculty teaching workload rates, and institutional support/administrative expenditures.

**REP** - Regional Education Provider; Colorado Statute authorizes Adams State College, Fort Lewis College, Mesa State College and Western State College to function as regional

educational providers and “have as their primary goal the assessment of regional educational needs...”  
Regional education providers focus their attention on a certain geographical area.

**SB 3** – In most cases refers to SB10-003, the Higher Education Flexibility Bill.

**SB 212** - In most cases, refers to HB 08-212, the CAP4K legislation.

**SBE** - State Board of Education; As described on their website, "Members of the Colorado State Board of Education are charged by the Colorado Constitution with the general supervision of the public schools. They have numerous powers and duties specified in state law. Individuals are elected on a partisan basis to serve six-year terms without pay."

**SFSF** – State Fiscal Stabilization Fund; A component of the ARRA legislation and funding.

**SURDS** - Student Unit Record Data System

**WICHE** - Western Interstate Commission for Higher Education; A regional research and policy organization that assists students, policymakers, educators, and institutional, business and community leaders. WICHE states include: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming.

**WUE** - Western Undergraduate Exchange Program, managed by WICHE