May 13, 2022

Below is the reaction from the Area Technical Colleges (ATC's) to the new proposal regarding Service Areas in the State of Colorado.

First of all, we would all like to emphasize that our goals are to increase opportunities for students around the state, and all of us currently partner extensively with other institutions of higher education to do so. These partnerships include articulation agreements, shared programs, and occasionally even shared staff.

That being said, removing any guardrails regarding service areas and leaving the approval process up to individual governing boards of IHE's poses significant potential challenges for ATC's, and, while they may be unintended, could ultimately have a devastating impact on the success that we have had with preparing students for immediate entry into the workforce.

The ATC's, by legislated intent, have significant competitive disadvantages in a truly unregulated educational market. Here are some of the factors that make up our competitive disadvantage:

- Funding structure Based on our funding structure, the ATC's do not have the ability to expand programs nearly as easily as other institutions with different funding mechanisms. We have received the lowest state funding of any Colorado college for numerous years, and we are prohibited by law from accessing other funding structures (COF, Amendment 77 gambling dollars, Capital funding, etc.) available to other colleges in the state. As of Fall 2022, none of the three ATC's will offer student loans, which is a tremendous benefit to our students but limits our ability to collect revenue.
- 2. Governing board focus As they function primarily as governing boards of individual school districts, our governing boards are highly unlikely to authorize any expansion into an area that does not involve their pre-K-12 schools, particularly if it is outside of what has been traditionally considered our service areas. In other words, the Delta County School Board is not very likely to authorize expansion of Technical College of the Rockies into Mesa County. Other institutions of higher education do not have this limiting factor and are much more likely to want to expand their services into our areas. Even before this change in policy, we have seen an increase in this over the last few years.
- 3. Legislated scope of services As ATC's, we are prohibited by law from offering anything other than credentials and certificates. We are not allowed to offer Associates' Degrees, even if that would benefit our students. Community colleges and universities do not have those limitations, and this policy would eliminate any restrictions that they would have on offering CTE credentials or programming.
- 4. Additionally, we have a concern related to Concurrent enrollment if this policy is passed as written. Eliminating the right of first refusal (which was contained in the first draft of this policy), means that school districts will have approval to shop for concurrent enrollment opportunities. All three of us have extensive concurrent enrollment partnerships, but they all come at a significant cost to school districts, due to our funding limitations (students cannot apply for COF) and the nature of our

instruction (we offer hands-on, experiential programs that involve significant costs for equipment and supplies). If a community college or a 4-year university offers a version of one of our programs, they can do so at a significantly lower cost to districts (because they are permitted to use COF funds). If you consider hybrid options, other IHE's could reach many of our students with CTE programs. While those programs would be significantly less expensive than ours, they would not be the same hands-on, in-person version of quality CTE instruction that we are currently offering. For two of the three ATC's, concurrent enrollment represents almost half of our enrollment. Losing this chunk of our student base could have a devastating impact on our colleges.

At the least, we would strongly advocate for reintroducing language into this policy that would simply add the right of first refusal of providing programming, particularly any CTE programming. This has worked well in the past, particularly in rural Western Colorado, where the leaders of multiple IHE's have met and talked about which institution would be the logical choice to provide new programming to the area. Eliminating the need for these conversations would likely result in two or more institutions trying to duplicate programming, which would likely lead to a further stretch of already scarce resources (staff, equipment, and student base), and a diminished product for everyone.

Again, we are in full support of increased opportunities for students and will continue to partner with other Institutions of Higher Education around us regardless of any change in policy, but we do think that it is imperative to make everyone aware of the potential unintended consequences on ATC if this change is passed as proposed.

We would be happy to share any additional information or answer any questions that you may have.

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