

**Minutes of the Colorado Commission on Higher Education (CCHE) Meeting
Aims Community College
October 24, 2016**

I. OPENING BUSINESS

Chairman Monte Moses called the meeting to order at 1:10pm

A. Attendance

Chairman Moses, Vice Chairman Luis Colon, Commissioners John Anderson, Maia Babbs, Mary Beth Buescher, Renny Fagan, Cassie Gannett, Vanecia Kerr, and Tom McGimpsey attended the meeting.

Also in attendance were CCHE Advisory Committee members Wayne Artis, Mark Cavanaugh, Barbara Morris, Melissa Wagner and new student advisor, Audy Leggere-Hickey. Lynn Johnson attended in CFO advisor Steve Kreidler's stead.

B. Minutes

Commissioner McGimpsey moved to approve the minutes of the September 1, 2016 CCHE meeting. The motion was seconded by Commissioner Buescher and passed unanimously.

C. Welcome and Presentation

Dr. Leah Bornstein, President of Aims Community College, welcomed the Commissioners to the campus.

Dr. Bornstein, joined by two of the Aims Community College Board of Trustees – Carol Ruckel and Lyle Achziger, offered a presentation about the institution to CCHE.

The highlights included:

- Four locations and an online campus
- Receives most of its money from local taxes
- College is debt free and has the lowest tuition in the state
- High percentage of students receiving financial aid; many concurrent students attend Aims and there is a large amount of institutional aid for students
- Aims has \$5.5 million worth of impact on community

Dr. Bornstein presented a photo of Aims Community College to Chairman Moses and Lt. Governor Donna Lynne.

D. Chair, Vice Chair, Commissioners and Advisor Reports

- Chairman Moses welcomed the new student advisor, Audy Legerre-Hickey to the CCHE Advisory Committee. The Chairman also congratulated Diane Duffy on her appointment as Interim Executive Director. He also mentioned an article in the Washington Post about improving college completion by helping students study both more and better.
- Commissioner Anderson, Chairman of the Student Success & Academic Affairs Standing Committee, updated the Commission on the committee's activities.
- Wayne Artis, Faculty Advisor, reported that the Colorado Faculty Advisory Committee met and discussed ways to establish a closer relationship with CCHE implementing revised gtPathways requirements

E. Executive Director Report

Lt. Governor Donna Lynne congratulated Diane Duffy on her appointment to Interim Executive Director for the Department. She explained the budget process the Governor's office has had over the last two months and stated that there would be proposed increases to the higher education budget for state institutions for FY2017-18.

The Lt. Governor also told the Commission that the Governor would be holding Town Hall meetings throughout the state and that they would be held on college campuses. The first one was held at CSU-Ft. Collins on October 21st.

Diane Duffy updated the Commission on Department activity and introduced Megan McDermott, Communications Director. Megan and Lindsay Sandoval, Communications Specialist, are in the process of updating a PowerPoint presentation for the Commissioners to use when speaking at public events. Ms. Duffy also talked about the closures of private for profit schools, such as ITT and what the Department is doing to manage that.

Mr. Duffy also called attention to the Colorado Opportunity Scholarship Initiative, which has awarded three collective impact grants.

F. Public Comment

Mr. George Walker of Denver addressed the election and the idea of free tuition for college and making college debt free, which he agrees with. Mr. Walker sees the lack of state funding for our institutions as an act of discrimination against our underserved students.

II. Consent Items

A. Recommend Approval of the 2017 Commission Meeting Schedule –

Suzanne Stark

B. Suggested Amendments to CCHE Policy to Incorporate Statutory Name

Changes for Area Technical Colleges and Local District Colleges – *Kachina Weaver*

C. Recommend Re-approval of Fort Lewis College Facility Master Plan

Validation – Cat Olukotun

D. Recommendation for Approval of Degree Authorization Act Policy

Amendments – Heather DeLange

E. Recommend Authorization to Offer Supplemental Academic Instruction at Colorado Mesa University – Dr. Ian Macgillivray

F. Recommend Approval of Computer Engineering Degrees at Colorado State University - Dr. Ian Macgillivray

Commissioner Fagan moved to approve consent items A through F. The motion was seconded by Commissioner McGimpsey and unanimously passed.

III. Presentation

A. FY2016-17 Budget Outlook – Erick Scheminske, Deputy Director of the Governor’s Office of State Planning and Budget, provided an overview of the state budget outlook for the current and coming fiscal years. Mr. Scheminske noted that although most economic statistics for the Colorado and national economies reflect positive news, there has been a marked slowdown in overall state General Fund tax revenue growth and recent forecasts reflect dampened expectations about the future. Many factors contributed to these events, including the loss of spillover spending from oil and gas development, but also weak farm income and lower income from investments generally. He went on to add that the economic conditions are just part of the equation in a tough budget outlook for FY 2017-18, with the other factor being the Tax Payer Bill of Rights (TABOR) revenue cap. Thus, because there is a gap between these spending pressures and available resources and in order to achieve a sustainable and responsible request, the Governor is likely to recommend several balancing actions. However Mr. Scheminske added that even with the tight budget environment, higher education was in line to receive a budget increase between \$15 million and \$20 million. He then went on to answer several questions on TABOR, the Hospital Provider Fee, and capital construction.

IV. Discussion Item

A. CCHE Policy I, E: Statewide Remedial Education Policy Revisions – Dr. Ian Macgillivray presented this discussion item highlighting revisions made to the Commission’s Policy I, E: Statewide Remedial Education Policy. This revision is intended to be a “quick fix” to update the policy with new placement exams and cut scores. The institutions need the approved cut scores to know when a student likely requires remedial education or Supplemental Academic Instruction versus not. All the revisions are non-substantive fixes that clarify but do not change the meaning of the policy. In the item is a table with the new assessments and college-ready cut scores the institutions will start using immediately. Math pathways guidance has been added that can be used for advising students to prepare for and enroll in the appropriate mathematics course for their intended major.

Commissioner McGimpsey asked about question marks and missing cut scores for some new assessments. Dr. Macgillivray replied he is currently getting those from testing companies and they will be in the final version presented on December 1 for approval.

Advisor Artis asked about including readiness cut scores for the various math pathways. Dr. Macgillivray explained that because those scores can change, rather than struggle to keep a CCHE policy up to date with many cut scores it made more sense to include the math pathways advising information that appears after Table 1.

Chairman Moses asked, as regards graduate programs, is the math content of the Graduate Record Examination (GRE) aligned with math pathways. Dr. Macgillivray will research that and include that information in the December 1, 2016 action item.

V. Action Item

A. FY 2018-19 State Budget Package – *Todd Haggerty, Acting Chief Finance Officer; Tonya Covarrubias, Lead Finance Analyst; Andrew Rauch, Lead Finance Analyst; and, Catherine Olukotun, Lead Finance Analyst.*

- **New and Continuing State-Funded Capital Projects and Priority List, Fiscal Year 2017-18** – Cat Olukotun, Lead Finance Analyst, presented this item and explained that there are thirty-two (32) new state funded capital construction requests for FY 2017-18. Of these thirty-two (32) projects, twenty-six (26) are capital construction and six (6) are Information Technology (IT) projects. Eight (8) projects require program plan approval, and six (6) projects are seeking a program plan waiver for being under the \$2 million threshold for a program plan.

On October 7th, the Fiscal Affairs and Audit Standing Committee recommended to the CCHE a prioritized list of capital requests asking for \$353,347,029 in state funds with a total institutional cash contribution of \$115,988,005. The Commission is allowed to submit a single prioritized list to the Office of State Planning and Budget, the Capital Development Committee, and the Joint Budget Committee.

Commissioner Babbs inquired about the National Western Center certificates of participation. Ms. Olukotun explained that the FY 2017-18 prioritized list includes three (3) projects from CSU-FC that are part of the National Western Center. House Bill 15-1344 allows lease-purchase agreements (COPs) for CSU's National Western Center facilities and affiliated facilities on the CSU Fort Collins campus after July 1, 2019. A COP is a financing mechanism where the government enters into an agreement to make regular lease payments for the use of an asset over some period, after which the title for the asset transfers to the government.

There are a total of six (6) CSU projects that have been identified for the National Western Center and Affiliated Programs/Facilities. The six programs are split between three on-campus programs affiliated with the National Western Center and three projects which are at the National Western Center. The three projects which are on the CSU campus and affiliated with the National Western Center are requested as FY 2017-18

projects in the capital request provided to CCHE. Per CCHE criteria, COPs are prioritized at the top of the list annually.

Ms. Olukotun recommended four actions for the Commission to consider for approval: (1) requests for a waiver from program planning requirements; (2) eight new or revised program plans; (3) the FY2017-18 capital priority list; and, (4) the complete list reflecting number and costs for all higher education capital projects to the Governor's Office and the General Assembly.

Commissioner Babbs moved to approve the four actions request. Commissioner Fagan seconded the motion and the item passed unanimously.

- **Approve Improvements to the Higher Education Funding Allocation Model** – Todd Haggerty, Acting Chief Financial Officer, and Tonya Covarrubias, Lead Finance Analyst, presented this item. Mr. Haggerty remarked that state General Fund investment in higher education is allocated to public institutions based on the number of students enrolled (College Opportunity Fund stipend); the costs associated with serving those students (Role & Mission); and, the overall successes with student retention and completion (Outcomes). He went onto note that the implementation of HB 14-1319 has been a significant undertaking. While areas of adjustment and refinement have been identified, it is vital to understand that consistent investment and predictability within the formula's components are paramount to the formula's overall success. In the two years that the funding allocation formula has been operational, allocations have increased (FY 2015-16), then were held constant (FY 2016-17). He added that while General Fund investment is the single most important factor in the success of the policy goals set forth in the legislation, time is also crucial. The legislative intent of HB 14-1319 recognizes this by calling for a funding allocation formula that is both "consistent and predicable." Mr. Haggerty, walking through three scenarios– 5% increase, flat funding, 5% decrease— noted that no governing board falls outside of the "guardrails" (more than 5% above or below the total change in funding to the governing boards) and that changes in COF enrollment is the most significant factor affecting governing board allocations.

Commissioner Colon asked about how the governing boards felt about the model and Mr. Haggerty responded that the CFOs of the governing boards were unanimous in not making changes to the model and to focus on increasing funding. Mr. Haggerty asked Lynn Johnson, who was standing in for the Commission's CFO Advisor, to speak on this issue and she reiterated Mr. Haggerty's sentiments.

Mr. Haggerty recommended that the Commission approve of the weights and metrics included in the Staff recommended model for FY 2017-18.

Commissioner Anderson moved to approve the item. Commissioner Buescher seconded the motion and the item passed unanimously.

- VI. Revisiting the CCHE Master Plan** - Kachina Weaver, Chief Policy Officer; Diane Duffy, Chief Operating Officer; Dr. Beth Bean, Chief Research Officer; Inta Morris, Chief Advocacy & Outreach Officer; Todd Haggerty, Acting Chief Financial Officer; Dr. Tim Flanagan, Chief Student Success & Academic Affairs Officer contributed to this item.

Kachina Weaver, Diane Duffy, and Beth Bean shared a with Commissioners how “attainment” is measured; what the components of that measurement are; how Colorado’s attainment levels have increased; and, what is needed to meet the Master Plan attainment goal. In addition, staff discussed the Lumina Foundation’s vision for higher education moving forward, in order to meet national attainment goals and needs.

Commissioners had a robust discussion around this information, and delved deeper into the content with staff, which resulted in the following requests/questions: (1) for further refinement of the data used to calculate attainment, and project the future needs; (2) how, without significant additional state investment in higher education, can we ask our public institutions to produce more; and, (3) how to ensure collaboration with K-12 is contemplated moving forward.

Staff then shared the draft outline of the process around renewing the performance contracts, as well as next steps in the overall Master Plan project.

There being no further business, the meeting was adjourned at 4:50pm