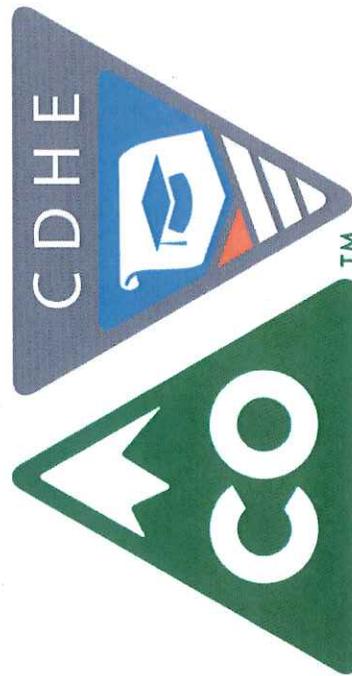


**Committee of Reference
SMART Government Act Hearing**



COLORADO

**Department of
Higher Education**

December 17, 2013
LSB-A

Overview of Presentation

- The Department of Higher Education
 - Mission Statement, Commission, Key Functions and Divisions
- Snapshot of Higher Education in Colorado
 - Institutions and Students
 - Facts to Inform Planning
- SMART Act Requirements (House Bill 13-1299)
 - Colorado Competes: Master Plan (Senate Bill 11-052)
 - Performance Contracts (Senate Bill 11-052)
- FY14-15 Budget Request
 - Operating
 - Financial Aid
 - Other Decision Items
- Initiatives

The Department of Higher Education

The mission of the Department of Higher Education is to improve the quality of, ensure the affordability of, and promote access to, post-secondary education for the people of Colorado.

In pursuing its mission, the Department of Higher Education will act as an advocate for the students and institutions of postsecondary education and will coordinate and, as needed, regulate the activities of the state's postsecondary education institutions.

The Colorado Commission on Higher Education

- The state's central policy and coordinating board for higher education;
- CCHE includes eleven members appointed by the Governor:
 - four-year terms, with limit of two consecutive terms.
 - At least one member from each congressional district, and at least one from west of the continental divide.
- Advisory Committee includes 6 legislative representatives.
 - Plus: Faculty, Student, Non-profit Private, Institutional Finance, Academic Council, K-12 and Parent Advisory members

Higher Education Policy in Colorado

Colorado General Assembly

- Establishes Statewide and General and Institution-Specific Policies
- Establishes Annual Budget
- Establishes the Scope of the Postsecondary System by Creating Institution Specific Roles and Missions

Governing Boards

- Implement Institution-specific policies
- Provide administrative support to colleges and universities
- Allocate state revenues and financial aid
- Hire college presidents
- Prepare Institutional Master Plan
- Set tuition and fees
- Set academic programs

Colorado Commission on Higher Education

- Coordinates with Governing Boards to Implement Statewide Policies Established by the Legislature
- Coordinates with Governing Boards to Prepare Annual Budget Request
- Allocates State Revenues Pursuant to Direction from the Legislature
- Prepares Statewide Master Plan Pursuant to Requirements Established by the Legislature

Department of Higher Education

Division Budgets and FTE

College Assist
 Director, Angela Baier
 9.0 FTE
 \$3.2 million
 Federally funded through guarantee agency revenues

College in Colorado
 Director, Dawn Taylor-Owens
 12.0 FTE
 \$2.8 million
 Funded by College Assist

Department of Higher Education Executive Office
 Executive Director, Joe Garcia
 26.9 FTE
 \$3.0 million total fund re-appropriated funds (from indirect cost recoveries) and cash funds does not include grants or other non-state funds

GEAR UP
 Director, Scott Mendelsberg
 34.0 FTE
 \$5.0 million
 Federally Funded (grant)

Division of Private Occupational Schools
 Director, Lorna Candler
 7.8 FTE
 \$830,000
 Cash Funded (fees)

College Invest
 CEO, Angela Baier
 19.0 FTE
 \$2.75 million*
 Funded from 529 admin fees
 *Excludes marketing and scholarships

Higher Education in Colorado: Institutions

- 31 Public Institutions of Higher Education (established by the Colorado General Assembly and the Colorado Constitution)
 - 13 four-year and research institutions
 - 15 two-year public institutions
 - 3 Area Vocational Schools/Colleges
- Over 330 private occupational schools (Division of Private Occupational Schools, CRS 12-59-101 et seq)
- Over 100 degree-granting private colleges and religious training institutions (Degree Authorization Act, CRS 23-2-101 et seq)

Higher Education in Colorado: Students

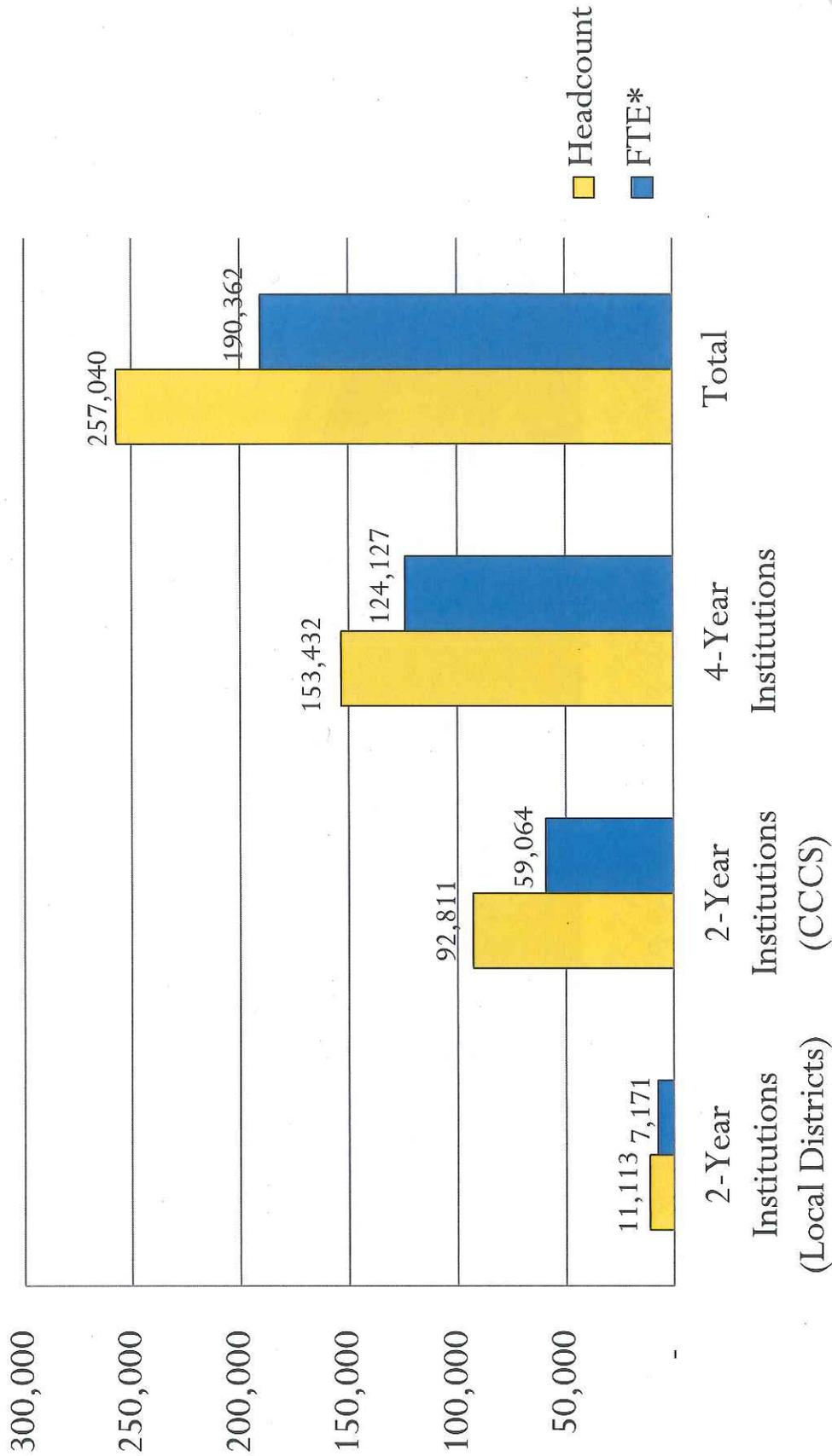
2012-13 (public institutions):

- Enrollment:
± 190,362 FTE
± 257,040 headcount
- Degree seeking 90%; Non-Degree 10%
- Undergraduate 90%; Graduate 10%
- Resident 86%; Out-of-State 14%
- Male 46%; Female 54% (consistent trend over past decade)

2012-13: 42,579 Degrees; 10,136 Certificates = 52,719 Total

FY 12-13 Total Enrollment: Headcount and FTE

(Includes public institutions only – incomplete data for private institutions)

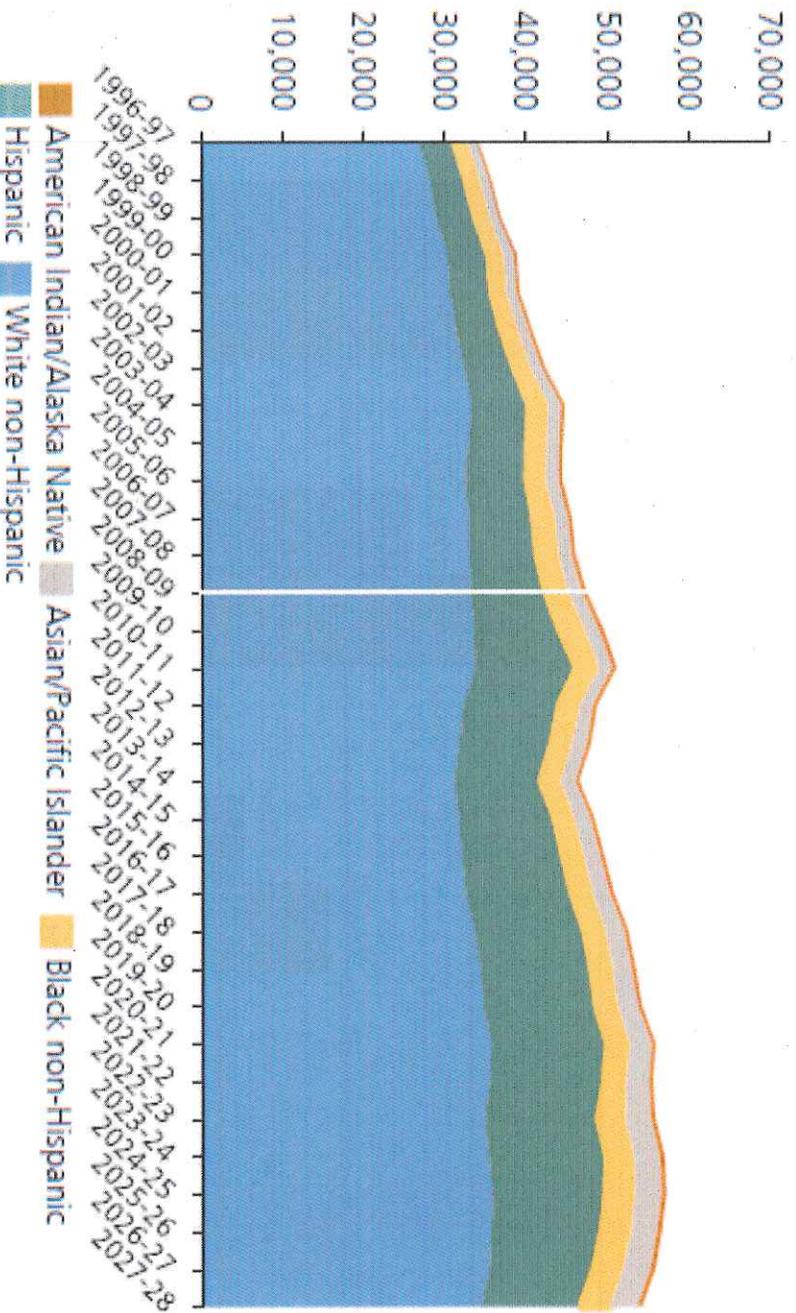


* FTE = 15 credit hours per semester

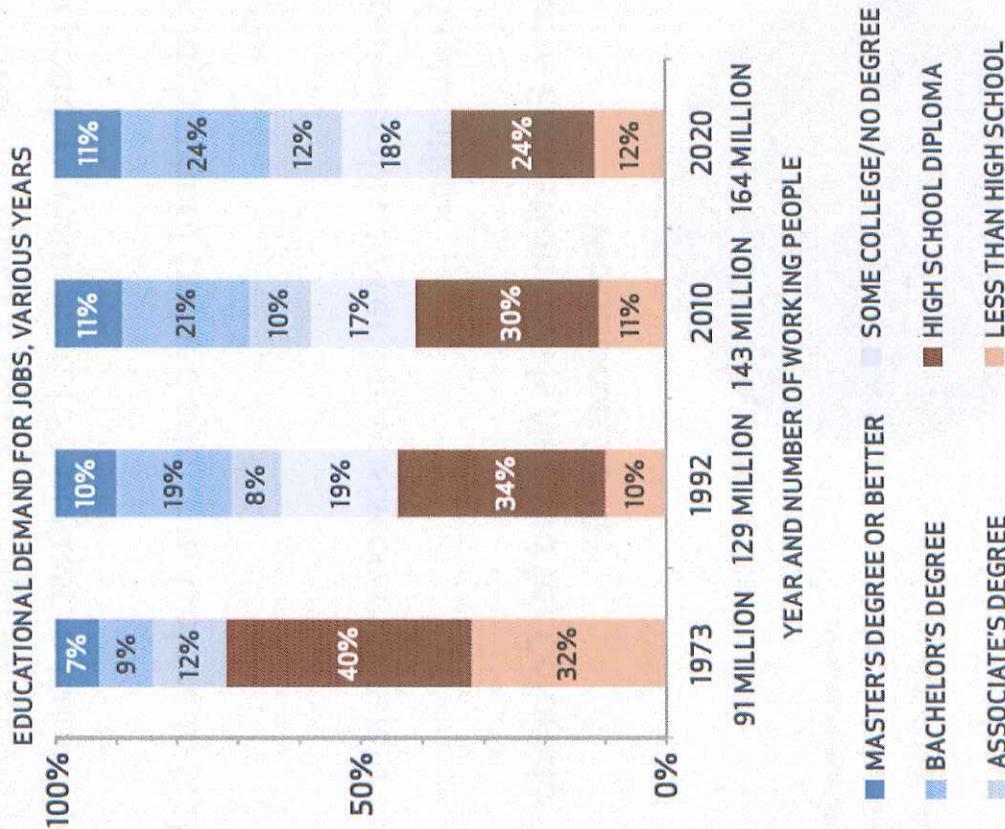
Planning for Demographical Changes

Public High School Graduates by Race/Ethnicity

Colorado will experience increasing diversity in its public high school graduating classes throughout the years projected:



Future Labor Market Nationally



Source: Georgetown Center on Education and the Workforce analysis

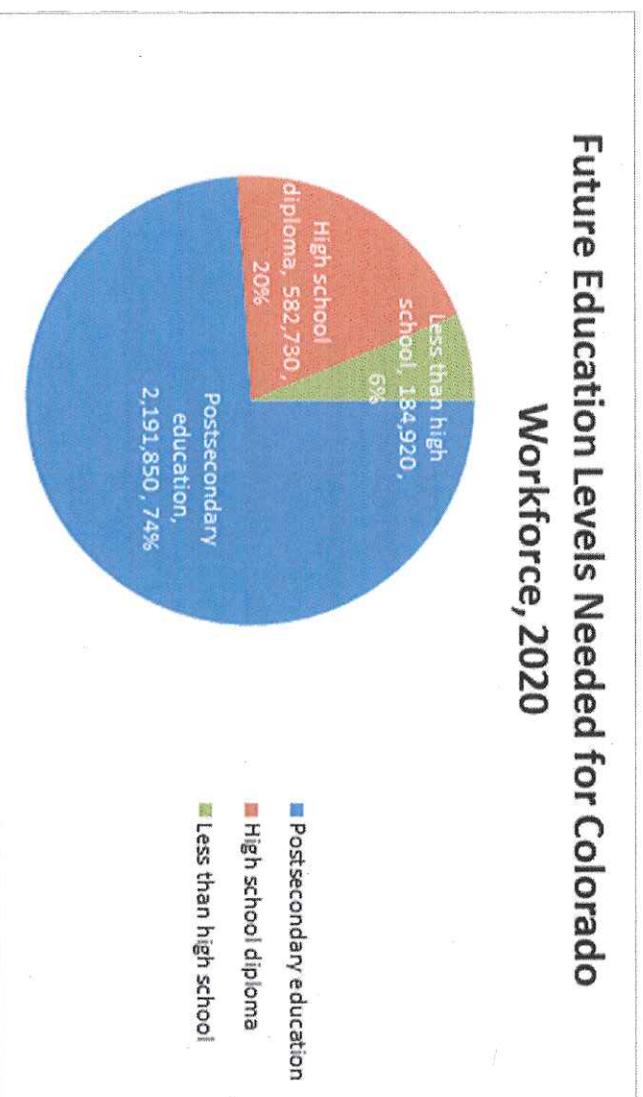
Note: Numbers may not sum to 100 percent due to rounding.

Future Labor Market in Colorado

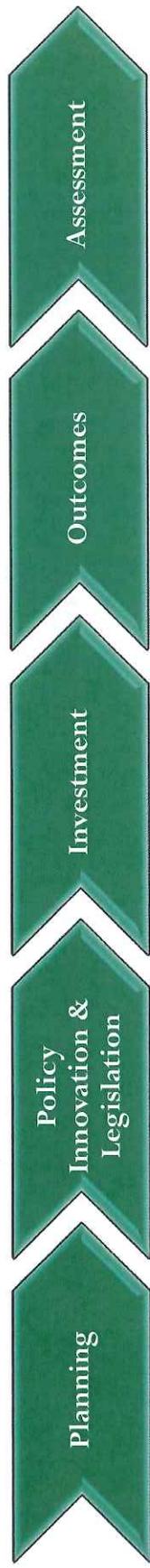
The most recent projections indicate that by 2020, 74% of all of the jobs in Colorado will require some level of postsecondary education (3rd highest in the nation).

In contrast, the demand for high school trained adults in Colorado is the second weakest in the nation (49th in the nation).

Unemployment rates are considerably lower for postsecondary degree holders demonstrating the demand for this level of education.



Addressing Challenges Moving Forward



- ✓ Planning: CCHE Master Plan (S.B. 11-052)
- ✓ Policy Innovation & Legislation
 - Time for Investment
 - Move toward Outcomes and Assessment

“Colorado Competes” and the SMART Act:

Linking Funding to Results

Senate Bill 11-052 aligned House Bill 13-1299

- (1) Determine Performance-Based Statewide Goals**
- (2) Articulate Goals in Statewide Master Plan
(Colorado Competes)**
- (3) Performance Contracts that
implement the Statewide Master Plan**
- (4) Performance Funding**

CCHE Master Planning: Statewide Goals

Goal 1: Increasing Attainment: Increase the attainment of high-quality postsecondary credentials across the academic disciplines and throughout Colorado by at least 1,000 new degrees and certificates each year to meet anticipated workforce demands by 2025.

Goal 2: Improving Student Success: Improve student success through better outcomes in basic skills education, enhanced student support services and reduced average time to credential for all students.

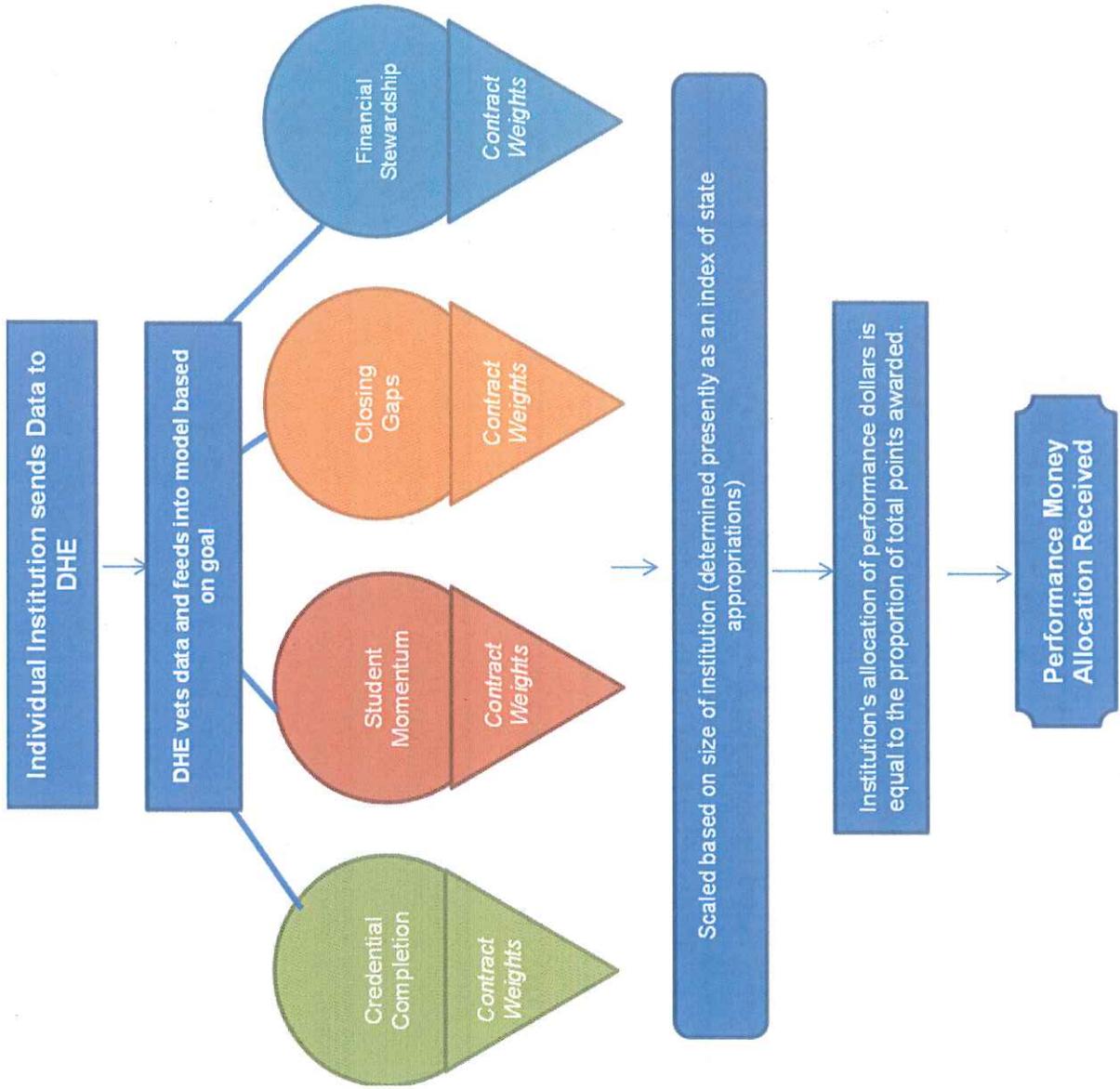
Goal 3: Reducing Gaps: Enhance access to, and through, postsecondary education to ensure that the system reflects the changing demographics of the state while reducing attainment gaps among students from underserved communities.

Goal 4: Restoring Fiscal Balance: Develop resources, through increases in state funding, that will allow public institutions of higher education to meet projected enrollment demands while promoting affordability, accessibility and efficiency.

Individual Performance Contracts

- Senate Bill 11-052 required completion of a new higher education master plan with statewide goals linked to individually tailored performance contracts with specific performance measures uniquely weighted by institution.
- These finalized performance contract weights can be found by governing board in the Addendum.
- As soon as next year, the performance contracts will begin to track how public institutions of higher education are doing at increasing degree and credential attainment, closing degree attainment gaps, measuring progress by credit hour and improving basic skills/remedial education outcomes, etc.

Performance Funding Plan



Performance Funding for Higher Education	
Date	Activity
2011 Session	Senate Bill 11-052 (Goals for Higher Ed)
October 2012	Colorado Competes: CCHE Master Plan 4 Statewide Goals
Spring 2013	Individually Tailored Performance Contract with specific Performance Metrics by governing board signed
December 2013	Performance Fund Allocation Plan
February 2014	Performance Funding Metric Data Collection System
May 2014	Performance Funding Metric Data Collection Submission Due from Institutions to the Department
December 2014	Performance Funding Baseline Report (to be continued annually)
2015	Review of Performance Contracts
2016-17	Based on current law, upon reaching "Restored Level of State Support" (\$706 M) Performance Funding Begins

FY 2014-15 Budget Request

Historic Investment

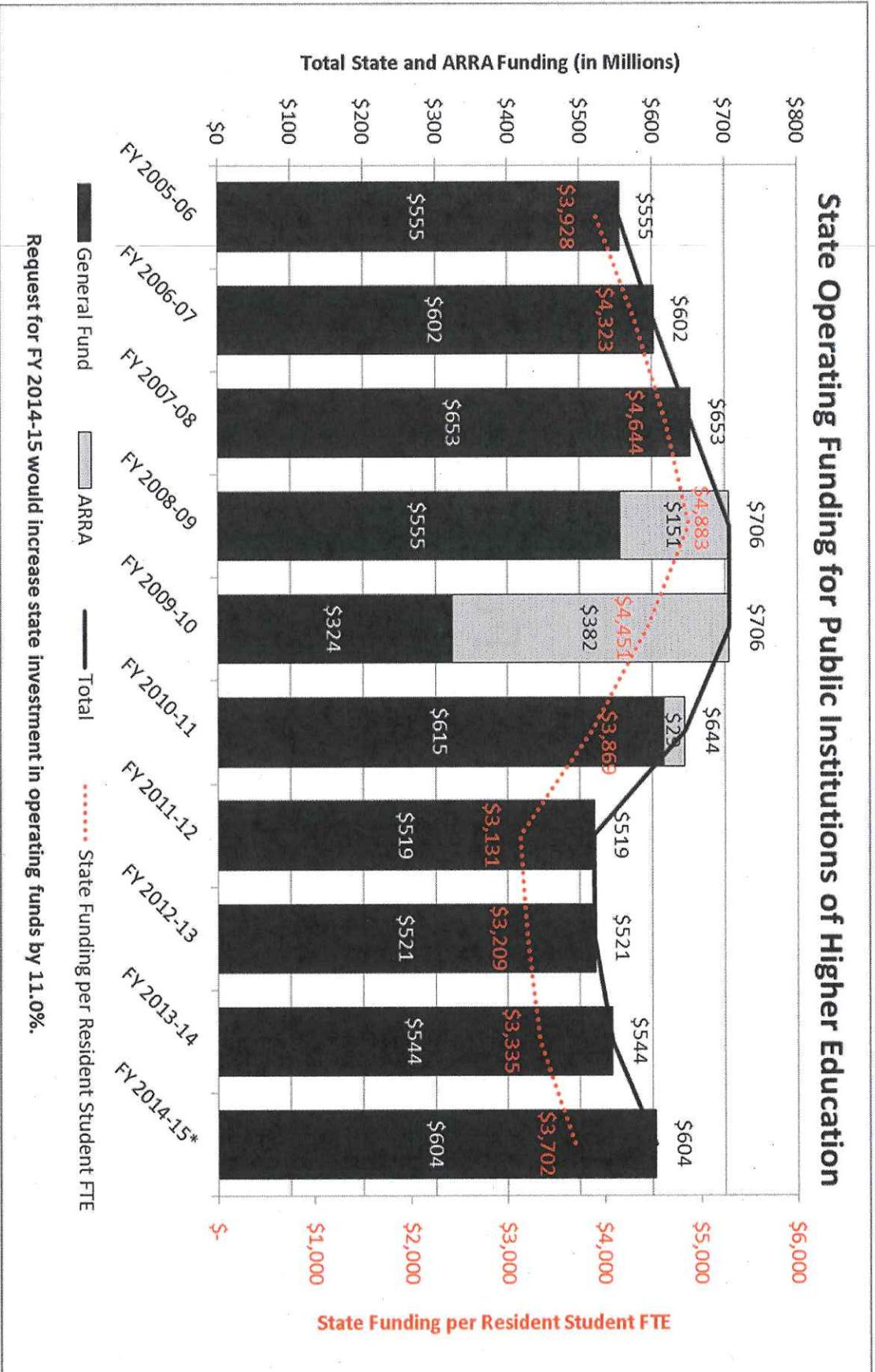
\$100 million increase:

\$60 million Operating Funding

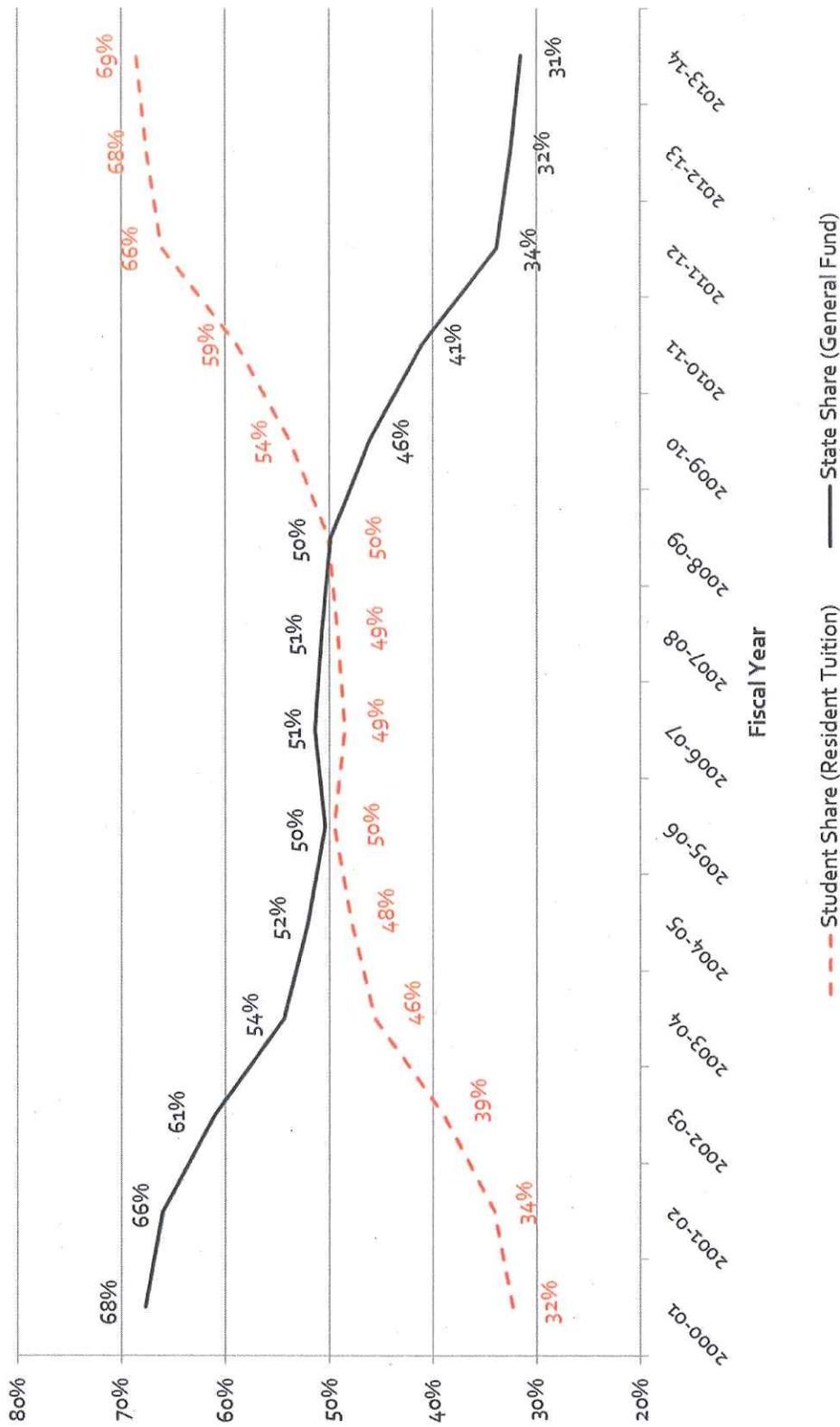
\$40 million Financial Aid

FY 2014-15 Budget Request

State Operating Funding for Public Institutions of Higher Education



Average Resident Student's Share of College
 (Tuition vs. State Funding)
 All Governing Boards
 (adjusted for inflation in 2013 dollars)



FY 2013-14 (Last Year's) Tuition Increases

Institution	FY 2012-13 Tuition only (30 credit hrs)	FY2013-14 Tuition only (30 credit hrs)	Dollar Increase	% Increase
Adams State University	\$3,816	\$4,427	\$611	16.0%
Colorado Community College System	\$3,383	\$3,586	\$203	6.0%
Colorado Mesa University	\$6,102	\$6,438	\$336	5.5%
Colorado School of Mines	\$13,590	\$14,400	\$810	6.0%
Colorado State University System	CSU: \$6,875	\$7,494	\$619	9.0%
	CSU-P: \$5,494	\$5,494	\$0	0.0%
Fort Lewis College	\$4,800	\$5,232	\$432	9.0%
Metropolitan State University of Denver (Estimate)	\$4,304	\$4,691	\$387	9.0%
	UCCS: \$7,050	\$7,473	\$423	6.0%
University of Colorado System	UCD: \$7,980	\$8,459	\$479	6.0%
	UCB: \$8,056	\$8,760	\$704	8.7%
University of Northern Colorado (Estimate)	\$5,464	\$5,737	\$273	5.0%
Western State Colorado University	\$4,627	\$5,275	\$648	14.0%

Note: The tuition figures identified here are considered "Base Tuition Rates" (30 credit hours) and do not include tuition differentials, etc. No fees are identified in these figures.

\$60 Million Operating Allocation Request

- Decreased state funding = tuition increases
 - Investment helps limit tuition increase
- 11% Increase for All Institutions to Plan Ahead
- State investment allows institutions to advance the master plan goals

\$60 Million Operating Allocation Request

- Measure Outcomes

- 6 % Cap on tuition increase

- Average increase over the past 5 years = 10%

- What drives cost?

\$60 Million Operating Request Allocation

November 1, 2013						
LAST FY			CURRENT FISCAL YEAR FY 13-14			
IHEs	FY 12-13	\$ Change	% Change	FY 13-14	FY 14-15	% Change
Adams	10,909,111	648,240	5.9%	11,561,201	12,835,428	11.0%
Mesa	18,630,850	1,187,640	6.4%	19,833,811	22,019,811	11.0%
Metro	36,982,005	1,983,041	5.4%	39,230,013	43,553,782	11.0%
Western	9,114,442	414,688	4.5%	9,532,909	10,583,587	11.0%
CSU	103,669,552	6,124,059	5.9%	109,847,382	121,954,303	11.0%
Ft. Lewis	9,058,839	475,713	5.3%	9,540,320	10,591,814	11.0%
CU	141,171,344	9,015,169	6.4%	150,255,639	166,816,190	11.0%
Mines	15,772,582	1,035,136	6.6%	16,813,547	18,666,666	11.0%
UNC	31,857,095	1,761,849	5.5%	33,640,060	37,347,727	11.0%
CCs	116,190,007	6,187,084	5.3%	123,389,317	136,988,774	11.0%
Gov Boards	493,355,827	28,832,619	5.8%	523,644,199	581,358,083	11.0%
LDJC	11,909,951	740,408	6.2%	12,650,325	14,044,591	11.0%
AVS	7,664,871	426,973	5.6%	8,091,845	8,983,694	11.0%
Total	512,930,649	30,000,000	5.8%	544,386,369	604,386,369	11.0%

\$60 Million

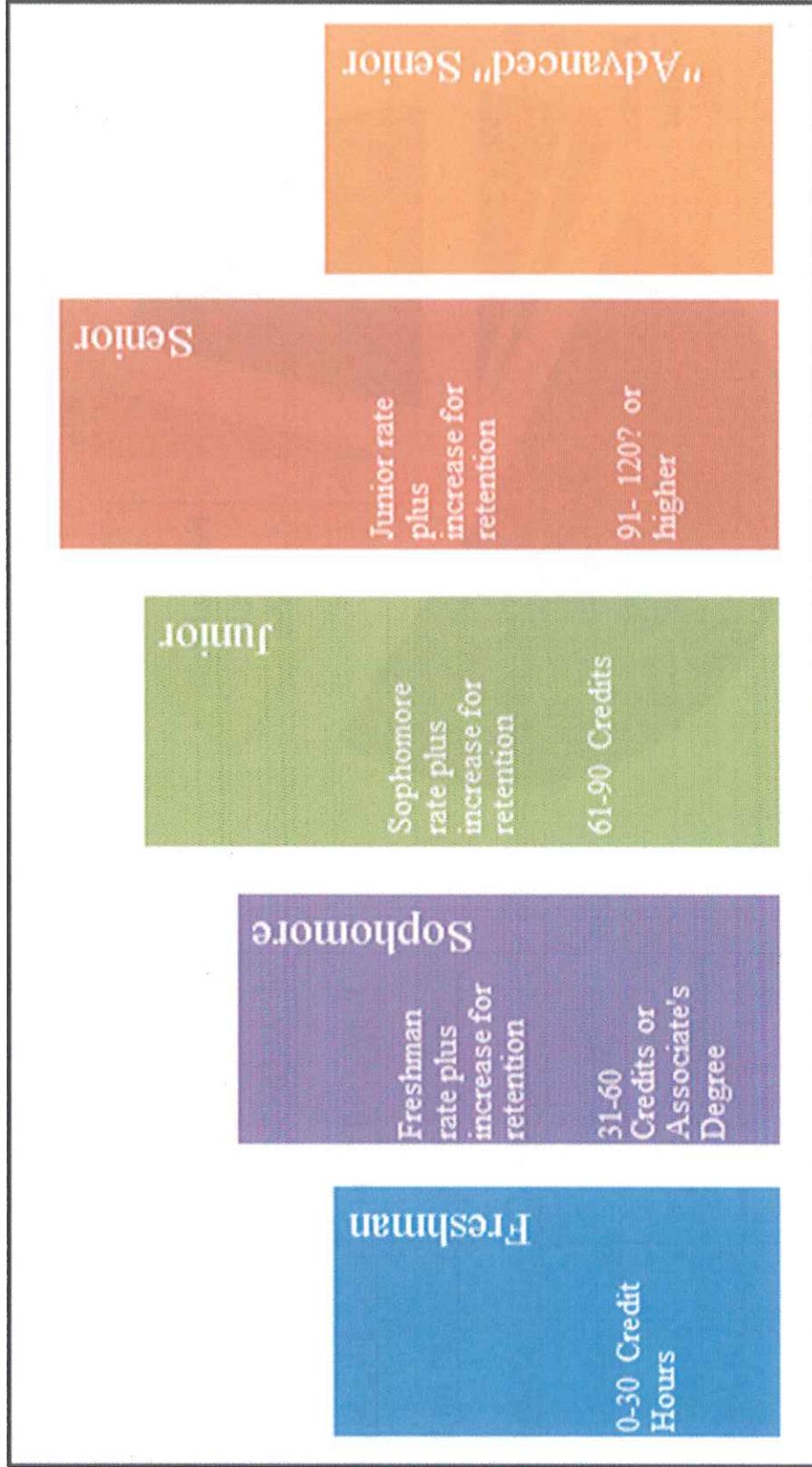
Recommended
Proportional Increase

\$40 Million Financial Aid Request

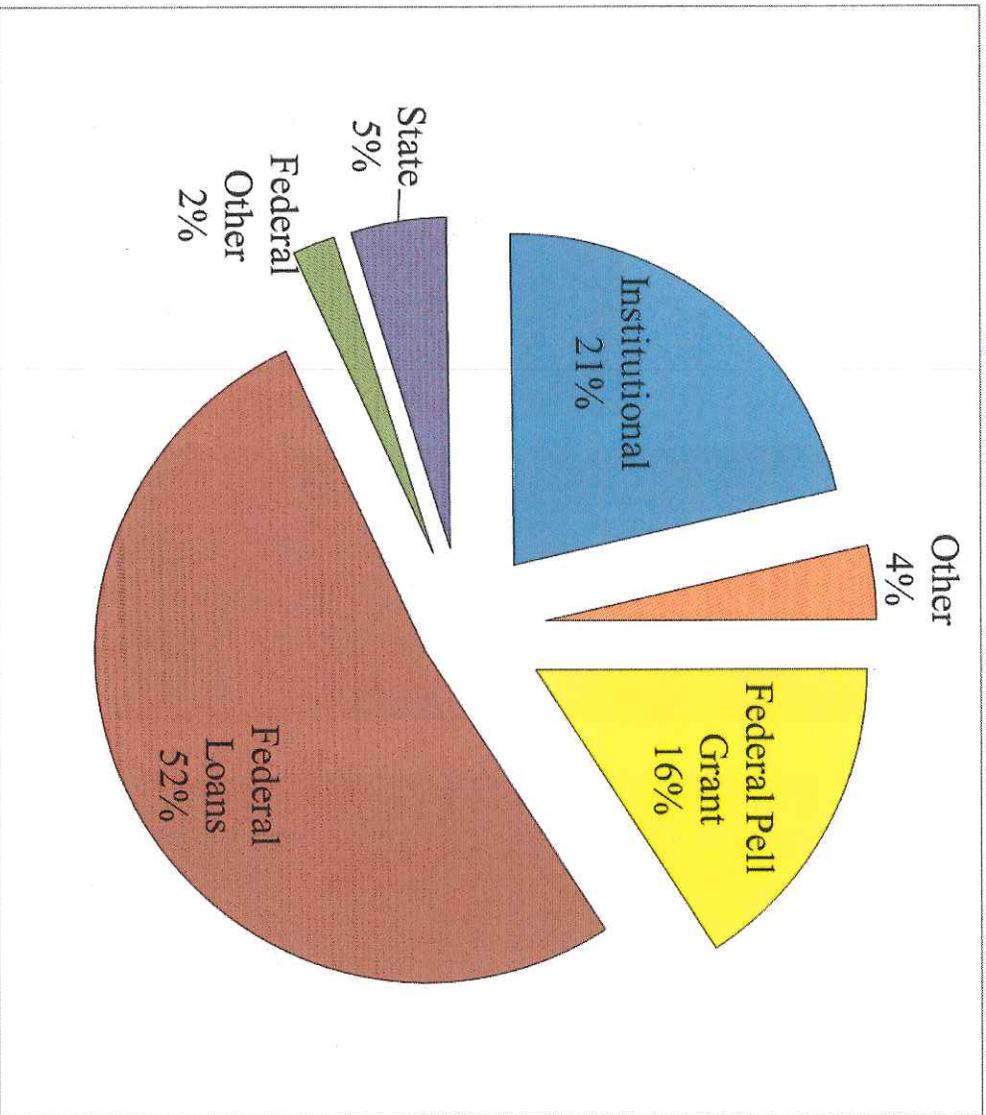
- \$30 million need-based aid
 - Essential for helping students overcome financial obstacles
 - Incentivizes progress toward graduation
- \$5 million Work-Study
 - Engagement → Graduation
- \$5 million Merit-Based Aid



CCHE Financial Aid Allocation Incentives for College Completion



Financial Aid: 2012-13 Sources and Amounts



Average awards per student recipient:

Average Pell Grant = \$3,280

Average State Need-Based Grant = \$1,130

Average State Work-Study Award = \$2,284

Average Institutional Grant = \$5,360

Aid by Type	Total Dollars
Federal Pell Grant	\$ 361,500,944
Federal Loans	\$ 1,187,161,265
Federal Other	\$ 47,640,194
State Aid	\$ 106,699,533
Institutional Aid	\$ 489,887,451
Other Aid	\$ 82,354,401
Total	\$ 2,275,243,788

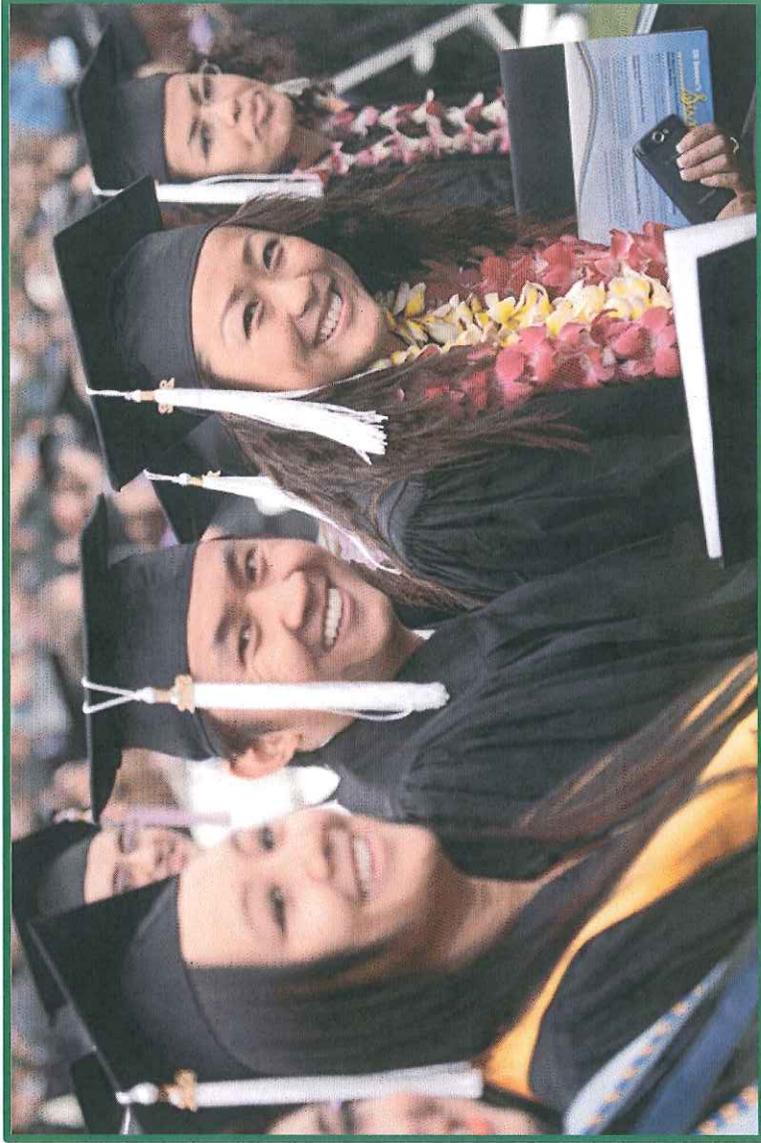
FY 2014-15 Budget Request

- Additional Budget Decision Items:
 - \$836,855 General Fund for Fort Lewis College Native American Tuition Waiver
 - Statutory obligation. Primarily due to increases in non-resident student enrollments.
 - \$51,510 General Fund increase to COF Stipend to Private institutions of higher education
 - Due to increased eligible enrollments at participating private non-profit colleges.
 - \$252,000 General Fund Dependent Tuition Assistance Program

Examples of Current Initiatives

- **CHECRA** (Statutory board; state matching funds to Federal research grants)
- **StudyColorado** (July 2012 Executive Order to market Colorado to international students)
- **K-12 Higher Education Alignment** (Grant from Rockefeller Philanthropy Advisors supporting ongoing work on admissions, remedial education, alignment of course content)
- **Degree within Reach Reverse Transfer Initiative** (funded by The Lumina Foundation)
- **Equity Scorecard** (with WICHE, MSUD, CU-Denver, and CCA)
- **College Measures Workforce Outcomes Data Development** (Lumina Foundation)
- **Performance Funding Planning and Statewide Needs Assessment** (Ford Foundation)
- **Educator Preparation Support for New K-12 Standards** (Rose Community Foundation; pending)
- **Own Your Future** (Website launched 2013 with funding from Justice Assistance Grant; ongoing outreach to prisons through interagency contract with Dept of Corrections)

Questions?



Addendum

Adams State University

Common Indicator		Weight (%)
Goal #1: Increasing Attainment	1.1 Increase undergraduate credentials awarded by 1% each year.	20%
	1.2 "Maintain excellence" By conferring undergraduate credentials per 100 students enrolled at a level at or among the top 25% of peer institutions.	15%
Institutional Developed		
Goal #2: Improving Student Success	1.7 "Maintain excellence" by conferring graduate credentials at a level at or among the top 25% of peer institutions.	10%
	Common Indicator	
Goal #3: Reducing Gaps	2.2 Annually increase the proportion of students who accumulate at last 24 credit hours.	10%
	2.5 Annually increase retention rates across all student levels (e.g., sophomore, junior, senior).	5%
Institutional Developed		
Goal #4: Restoring Fiscal Balance	2.6 Annually increase the number of credit hours taken per headcount.	5%
	Common Indicator	
Total	3.2 Annually reduce disparities in degree completion (graduates per 100 FTE) between resident undeserved and resident non-underserved students.	5%
	Institutional Developed	
Goal #4: Restoring Fiscal Balance	3.9 "Maintain excellence by conferring graduate credentials at a level at or among the top 25% of peer institutions.	15%
	Common Indicator	
Goal #4: Restoring Fiscal Balance	4.1 Maintain the institution's rank relative to peers regarding the number of degrees awarded per \$100,000 in total operating (E&G) revenues.	5%
	4.4 Increase institutional need-based financial aid expenditures (per FTE) at a rate at or above tuition increases for resident undergraduate students.	5%
Institutional Developed		
Total	4.5 Maintain the institution's rank relative to peers regarding affordability by measuring the number of PELL eligible students per 100 FTE.	5%



Colorado Mesa University

	Common Indicator	Weight (%)	
Goal #1: Increasing Attainment	1.1 Increase undergraduate credentials awarded by 1% each year.	15%	
	Institutional Developed 1.7 Increase the average number of undergraduate degrees awarded in STEM and healthcare related disciplines by 1% per year until the University has increased completions to 110% of the base year completions average, and then maintain a level of completions at or above 110% of the base year.	10%	
	1.8 Increase the base year average of six-year graduation rates for first-time, full-time, baccalaureate-seeking undergraduates until the six-year graduation rate average is at or above the average for CCHHE-defined peer institutions.	10%	
	1.9 Increase the average number of undergraduate degrees awarded in disciplines that support regional workforce needs by 1% per year until the University has increased completions to 100% of the base year completions average, and then maintain a level of completions at or above 110% of the base year.	10%	
	Common Indicator N/A	0%	
Goal #2: Improving Student Success	Institutional Developed 2.6 Increase the average base year percentage of baccalaureate-seeking students by 1% per year who successfully complete introductory, college-level courses in English and mathematics to 110% of the base year average and then maintain a level course completion at or above 110% of the base year.	5%	
	2.7 Increase the base year average number of first-time, full-time, associate and baccalaureate-seeking students who accumulate at least 30 credit hours by the end of their third semester until CMU has reached 110% of the base year average, and then maintain the level of credit hours completion at or above 110% of the base year.	15%	
	Common Indicator 3.1 Annually reduce disparities in graduation rates between resident underserved and resident non-underserved students.	3%	
	Institutional Developed 3.9 Increase the average number of newly-enrolled students from underserved populations by 1% per year above the base year average or until the University's average underserved, undergraduate population is 5% higher than the base year average and then maintain an average number at 5% or above that of the base year.	17%	
	Common Indicator N/A	0%	
Goal #3: Reducing Gaps	Institutional Developed 4.5 Maintain excellence by ensuring that CMU remains in the top 25% of CCHHE defined peer institutions as measured by the average percentage of expenditures allocated to instruction, beginning with the base year average.	8%	
	4.6 Increase institutional financial aid awards (per FTE) to students with demonstrated need using state, Federal and institutional guidelines at a rate at or above tuition percentage increases for resident undergraduate students.	8%	
	Goal #4: Restoring Fiscal Balance	Common Indicator N/A	0%
		Institutional Developed 4.5 Maintain excellence by ensuring that CMU remains in the top 25% of CCHHE defined peer institutions as measured by the average percentage of expenditures allocated to instruction, beginning with the base year average.	8%
	Total		100%

Metropolitan State University of Denver

		Weight (%)
Goal #1: Increasing Attainment	Common Indicator	
	1.1 Increase undergraduate credentials awarded by 1% each year.	10%
	1.4 Annually increase the graduation rate of transfer students.	10%
Goal #2: Improving Student Success	Institutional Developed	
	1.7 Increase undergraduate credentials for resident, underserved students by 2% per year.	10%
	Common Indicator	
	2.1 Annually increase the successful completion (C or better) of introductory gtPathways courses in English and Mathematics.	9%
	2.2 Annually increase the proportion of students who accumulate at last 24 credit hours.	8%
Goal #3: Reducing Gaps	2.5 Annually increase retention rates across all student levels (e.g., sophomore, junior, senior).	8%
	Institutional Developed	
	N/A	0%
	Common Indicator	
	3.1 Annually reduce disparities in graduation rates between resident underserved and resident non-underserved students.	10%
Goal #4: Restoring Fiscal Balance	3.5 Annually increase the number of resident underserved students who earn postsecondary credentials in STEM disciplines.	10%
	Institutional Developed	
	3.9 Meet our annual projections of increased Latino\Hispanic enrollment by 8.25% per year (from base year 2007) to achieve HIS status (25% overall Latino\Hispanic enrollment) by 2018.	10%
Total	Common Indicator	
	4.1 Maintain the institution's rank relative to peers regarding the number of degrees awarded per \$100,000 in total operating (E&G) revenues.	5%
	4.4 Increase institutional need-based financial aid expenditures (per FTE) at a rate at or above tuition increases for resident undergraduate students.	10%
	Institutional Developed	
	N/A	0%
		100%

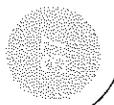


Western State Colorado University

Western State Colorado University		Weight (%)
Goal #1: Increasing Attainment	Common Indicator	
	1.2 "Maintain excellence" By conferring undergraduate credentials per 100 students enrolled at a level at or among the top 25% of peer institutions.	17%
	Institutional Developed	
	1.7 Annually increase the number of credentials (graduate included) in STEM.	5%
	Common Indicator	
	2.5 Annually increase retention rates across all student levels (e.g., sophomore, junior, senior).	8%
	Institutional Developed	
	2.6 Annually increase the success rates of students identified with remedial needs transferring into credit-bearing courses.	8%
	2.7 Maintain WSCU's 80% successful completion (C or better) of introductory genPathways courses in English and Mathematics.	10%
	Common Indicator	
Goal #2: Improving Student Success	3.1 Annually reduce disparities in graduation rates between resident underserved and resident non-underserved students.	5%
	3.2 Annually reduce disparities in degree completion (graduates per 100 FTE) between resident underserved and resident non-underserved students.	3%
	3.4 Annually increase the proportion of newly enrolled resident students who are from resident underserved populations.	5%
	3.7 Annually reduce disparities in retention rates among resident underserved students and resident non-underserved students across all levels (sophomore, junior, senior).	4%
	Institutional Developed	
	3.9 Annually increase the proportion of underserved resident students as defined by gender and region (i.e., rural Colorado).	5%
	Common Indicator	
	4.1 Maintain the institution's rank relative to peers regarding the number of degrees awarded per \$100,000 in total operating (E&G) revenues.	15%
	Institutional Developed	
	4.5 Maintain ranking at or among the top 50% of peer institutions in administrative efficiencies as measured by administrative expenditures as a percent of total expenditures.	15%
Total	100%	
Goal #3: Reducing Gaps		
Goal #4: Restoring Fiscal Balance		

Ft. Lewis College

Common Indicator		Weight (%)
Goal #1: Increasing Attainment	1.1 Increase undergraduate credentials awarded by 1% each year.	10%
	1.4 Annually increase the graduation rate of transfer students.	15%
	1.5 Annually increase proportion of undergraduate credentials awarded in STEM disciplines	5%
Institutional Developed		
	N/A	0%
Common Indicator		
Goal #2: Improving Student Success	2.2 Annually increase the proportion of students who accumulate at last 24 credit hours.	10%
	2.5 Annually increase retention rates across all student levels (e.g., sophomore, junior, senior).	10%
Institutional Developed		
	N/A	0%
Common Indicator		
Goal #3: Reducing Gaps	3.2 Annually reduce disparities in degree completion (graduates per 100 FTE) between resident underserved and resident non-underserved students.	10%
	3.5 Annually increase the number of resident underserved students who earn postsecondary credentials in STEM disciplines.	5%
	3.7 Annually reduce disparities in retention rates among resident underserved students and resident non-underserved students across all levels (sophomore, junior, senior).	10%
Institutional Developed		
	N/A	0%
Common Indicator		
Goal #4: Restoring Fiscal Balance	4.1 Maintain the institution's rank relative to peers regarding the number of degrees awarded per \$100,000 in total operating (E&G) revenues.	15%
	4.2 Moderate resident undergraduate tuition increases when state general fund revenues increase above inflation.	10%
Institutional Developed		
	N/A	
Total		100%

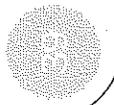


Colorado State University

Colorado State University		Weight (%)
Goal #1: Increasing Attainment	Common Indicator	
	1.1 Increase undergraduate credentials awarded by 1% each year.	10%
	1.5 Annually increase proportion of undergraduate credentials awarded in STEM disciplines.	5%
	1.6 Annually increase graduate degree productivity as measured by the number of graduate credentials awarded compared to the number of graduate students (FTE) enrolled.	10%
	Institutional Developed	
	1.7 Annually decrease the median time/credits to graduation for undergraduate resident students.	5%
	Common Indicator	
Goal #2: Improving Student Success	2.1 Annually increase the successful completion (C or better) of introductory gateway courses in English and Mathematics.	10%
	2.5 Annually increase retention rates across all student levels (e.g., sophomore, junior, senior).	5%
	Institutional Developed	
	2.6 Annually increase the proportion of freshman cohort students who accumulate at least 30 credit hours by the beginning of the third semester.	10%
	Common Indicator	
	3.1 Annually reduce disparities in graduation rates between resident underserved and resident non-underserved students.	5%
Goal #3: Reducing Gaps	3.2 Annually reduce disparities in degree completion (graduates per 100 FTE) between resident underserved and resident non-underserved students.	10%
	3.4 Annually increase the proportion of newly enrolled resident students who are from resident underserved populations.	5%
	3.8 Annually increase the proportion of resident underserved students who earn graduate-level degrees.	5%
	Institutional Developed	
	Common Indicator	
	N/A	0%
Goal #4: Restoring Fiscal Balance	4.1 Maintain the institution's rank relative to peers regarding the number of degrees awarded per \$100,000 in total operating (E&G) revenues.	7%
	Institutional Developed	
	4.5 Annually decrease the proportion of E&G Revenues derived from Colorado resident tuition.	7%
	4.6 Expand research and engagement efforts with external funding sources that leverage institutional investments to enhance our mission of discovery, yield increased community engagement, and promote life-long learning of the citizens of Colorado.	6%
Total		100%

University of Colorado

Common Indicator		Weight (%)
Goal #1: Increasing Attainment	1.1 Increase undergraduate credentials awarded by 1% each year.	10%
Institutional Developed		
Goal #2: Improving Student Success	1.7 Annually increase the number of graduate and professional credentials awarded.	10%
Common Indicator		
	2.5 Increase or maintain the proportion of fall undergraduate degree-seeking students with freshman through junior class standing (combined), who are enrolled or have graduated by fall	12%
Institutional Developed		
	2.6 Annually increase the number of undergraduate students who transfer from Colorado community colleges.	10%
Common Indicator		
Goal #3: Reducing Gaps	3.1 Annually reduce disparities in graduation rates between resident underserved and resident non-underserved students.	12%
Institutional Developed		
	3.9 Annually increase the number of undergraduate credentials earned by resident underserved students.	12%
Common Indicator		
Goal #4: Restoring Fiscal Balance	4.4 Increase institutional need-based financial aid expenditures (per FTE) at a rate at or above tuition increases for resident undergraduate students.	10%
Institutional Developed		
	4.5 Maintain administrative expenditures (as a percentage of total expenditures) at or below the peer institution average.	12%
	4.6 Maintain a high grade (AA- or higher) designation by external bond rating agencies.	12%
Total		100%



Colorado School of Mines

		Weight (%)
Goal #1: Increasing Attainment	Common Indicator	
	1.3 "Maintain excellence" by maintaining graduation rates at or among the top 25% of peer institutions.	25%
	Institutional Developed	
	1.7 Annually award over 90% of undergraduate degrees in the STEM disciplines.	10%
	Common Indicator	
Goal #2: Improving Student Success	N/A	0%
	Institutional Developed	
	2.6 Maintain excellence in outcomes rate by having at least 90% of bachelor degree recipients either enrolling in graduate school or be employed in a job related to their course of study within one year of graduation.	10%
	2.7 Maintain excellence by maintaining retention rates at or above 25% of peer institutions.	20%
	Common Indicator	
Goal #3: Reducing Gaps	3.1 Annually reduce disparities in graduation rates between resident underserved and resident non-underserved students.	10%
	Institutional Developed	
	3.9 Maintain excellence by maintaining proportion of undergraduate degrees awarded to women at or among the top 25% nationally as measured and reported by the American Society of Engineering Education (ASEE).	10%
	Common Indicator	
	4.1 Maintain the institution's rank relative to peers regarding the number of degrees awarded per \$100,000 in total operating (E&G) revenues.	5%
Goal #4: Restoring Fiscal Balance	Institutional Developed	
	4.5 Maintain excellence by remaining at or among top 25% of public institutions in endowment per FTE as ranked by the National Association of College and University Business Officers (NACUBO).	10%
	Total	100%

University of Northern Colorado

Common Indicator	Weight (%)
1.2 "Maintain excellence" By conferring undergraduate credentials per 100 students enrolled at a level at or among the top 25% of peer institutions.	15%
1.4 Annually increase the three-year rolling average for the graduation rate of transfer students.	5%
Institutional Developed	
N/A	0%
Common Indicator	
2.1 Annually increase the successful completion (C or better) of introductory gateway courses in English and Mathematics.	10%
Institutional Developed	
2.6 Annually increase the three-year rolling average for retention rates for academically prepared (index score of 94 or higher) Pell-eligible students across all levels.	5%
2.7 Annually increase the three-year rolling average for retention rates for Pell-eligible students with an index score below 94 across all levels.	5%
Common Indicator	
3.2 Annually reduce disparities in degree completion (graduates per 100 FTE) between resident underserved and resident non-underserved students.	15%
3.7 Using a two-year average for the first year and a three-year rolling average thereafter, annually reduce the average for disparities in retention rates among resident underserved students and resident non-underserved students across all levels (sophomore, junior, senior).	5%
Institutional Developed	
N/A	0%
Common Indicator	
4.2 Moderate resident undergraduate tuition increases when state general fund revenues increase above inflation.	20%
Institutional Developed	
4.5 Maintain the institution's standing in the top quartile relative to peers regarding the number of degrees awarded per \$100,000 in total operating (E&G) revenues.	20%
Total	100%

Goal #1: Increasing Attainment

Goal #2: Improving Student Success

Goal #3: Reducing Gaps

Goal #4: Restoring Fiscal Balance



Colorado Community College System

Colorado Community College System		Weight (%)
Goal #1: Increasing Attainment	Common Indicator	
	1.1 Increase undergraduate credentials awarded by 1% each year.	20%
	Institutional Developed	
	1.7 Annually increase transfer out rate of degree-seeking associate of art or associate of science students who earn at least 12 credit hours.	15%
Goal #2: Improving Student Success	Common Indicator	
	2.5 Annually increase retention rates across all student levels.	15%
	Institutional Developed	
	2.6 Annually increase remedial course completion rates while completing the implementation of the CCCS remedial task force recommendations by Fall term of 2016.	15%
Goal #3: Reducing Gaps	Common Indicator	
	3.2 Annually reduce disparities in credential completion between resident underserved and resident non-underserved students.	15%
	3.6 Annually reduce disparities in the transfer out rate between resident underserved students and resident non-underserved students.	5%
	Institutional Developed	
	N/A	0%
Goal #4: Restoring Fiscal Balance	Common Indicator	
	4.2 Moderate resident undergraduate tuition increases when state general fund revenues increase above inflation.	10%
	Institutional Developed	
	4.5 Maintain base CCCS resident tuition levels at less than 60% of Colorado.	5%
Total		100%

Aims Community College

Aims Community College		Weight (%)
Goal #1: Increasing Attainment	Common Indicator	
	1.3 "Maintain excellence" by maintaining graduation rates at or among the top 25% of peer institutions.	15.0%
Goal #2: Improving Student Success	Institutional Developed	
	1.7 Annually increase the completion rate of students in all degrees and certificates including those certificates less than 30 hours.	15.0%
	Common Indicator	
	2.2 Annually increase the proportion of students who accumulate at last 24 credit hours.	13.5%
Goal #3: Reducing Gaps	Institutional Developed	
	2.6 Annually increase the proportion of students who complete the final development course in English or Math and complete College Level English or Mach with a C or better.	6.5%
	Common Indicator	
	3.1 Annually reduce disparities in graduation rates between resident underserved and resident non-underserved students.	15.0%
	3.3 Annually reduce disparities in the successful completion rates of entry-level gtp pathways courses English and entry-level mathematics courses between resident underserved students and resident non-underserved students.	5.0%
	Institutional Developed	
Goal #4: Restoring Fiscal Balance	N/A	0.0%
	Common Indicator	
	4.2 Moderate resident undergraduate tuition increases when state general fund revenues increase above inflation.	20.0%
	4.3 Increase expenditures for instruction (per FTE) at a rate that is equivalent to or greater than tuition increases for resident undergraduate students.	10.0%
Total	Institutional Developed	
	N/A	0.0%
		100.0%

Colorado Mountain College

Colorado Mountain College		Weight (%)
Goal #1: Increasing Attainment	Common Indicator	
	1.1 Increase undergraduate credentials awarded by 1% each year.	10%
Goal #2: Improving Student Success	Institutional Developed	
	1.7 For each CMC bachelor's program, annually increase the number of graduates by 5% (starting from the 2nd year when graduates are expected).	23%
Goal #3: Reducing Gaps	Common Indicator	
	2.1 Annually increase the successful completion (C or better) of introductory gIP always courses in English and Mathematics.	5%
	Institutional Developed	
	2.6 Annually increase the pass rate (C- or better) in all courses by 1%.	15%
Goal #4: Restoring Fiscal Balance	Common Indicator	
	3.1 Annually reduce disparities in graduation rates between resident underserved and resident non-underserved students by 1%.	5%
	Institutional Developed	
	3.9 Annually increase the average number of completed credits for resident underserved students by 1%.	15%
Total	Common Indicator	
	4.2 Moderate resident undergraduate tuition increases when state general fund revenues increase above inflation	8%
	Institutional Developed	
	4.5 The dollar tuition increase at CMC will be less than the average of the colleges and universities in Colorado, on the three-year running average.	19%
		100%

Colorado Competes

A Completion Agenda
for Higher Education

Colorado Commission
on Higher Education
MASTER PLAN

Published October 2012

The master plan must ...include accountability measures that will demonstrate that students receive high-value and high-quality educational services that are provided with the efficiency necessary to reduce attrition and increase retention and enable students to attain their degrees in a reasonable period of time, and to help ensure students achieve post-graduation success.

**Legislative Declaration
to Senate Bill 10-003**

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Letter from the Commission

In 1947, the President's Commission on Higher Education reported to President Harry S. Truman that "American colleges and universities... can no longer consider themselves merely the instrument for producing the intellectual elite; they must become the means by which every citizen, youth and adult is enabled and encouraged to carry his education, formal and informal, as far as his native capacities permit." In part to facilitate this newfound purpose and address the needs of ever-increasing numbers of students and institutions, many states established coordinating boards for their systems of higher education. These agencies are charged with studying the needs of all citizens, all regions, and all institutions. Unlike campus-level governing boards, these coordinating boards were not necessarily given responsibilities to manage academic programs or provide direct administrative oversight, but rather to coordinate policies intended to serve all students across institutions and carry out many of the laws developed by state legislatures to support the needs of rapidly expanding postsecondary systems.

Since its founding in 1965, the Colorado Commission on Higher Education has been the only official body charged with the responsibility to examine the postsecondary needs of the entire state and coordinate policies that benefit students enrolled at all institutions. As Commissioners, we accept our duty with the highest sense of responsibility to the citizens of Colorado and with great respect for the colleges and universities in the state.

In fulfilling the charge given to us by the General Assembly, we, the Commission, must periodically prepare a statewide master plan, a document that presents both a meaningful vision of, and outline for, practicable, measurable activities. According to Colorado statute, the Commission must identify in the master plan the "needs of the state with regard to higher education" and the priorities for meeting those needs [C.R.S. 23-1-108(1.5)(b)(1)]. The master plan must also serve as a framework upon which the state's accountability system rests.

Additionally, one of the charges given to the Commission was to "take into account the final report of the higher education strategic planning steering committee appointed by the governor." This 2010 report, titled *The Degree Dividend*, effectively identified many of the broad needs of the state with regard to higher education.

We began our work where *The Degree Dividend* left off. We developed the short- and longer-term steps necessary to address the challenges identified in *The Degree Dividend*. Specifically, we focused our efforts on the development of system-wide goals upon which performance could be measured.

We believe the goals presented in this report address a narrow list of objectives that are broadly accepted, meaningful, and have the potential to improve postsecondary outcomes for the residents of Colorado. In developing these performance goals, we seek to give deference to the unique features of the campuses in the state's system of higher education and, in most instances, avoid specific numeric targets. With the exception of the state's completion goal—the first and foremost goal in this plan—our goals focus on annual progress, recognizing that improvements take time, focused efforts, and resources.

Colorado Commission
on Higher Education

Richard Kaufman
Chair
6th Congressional District

Patricia L. Pacey
Vice Chair
2nd Congressional District

Larry R. Beckner
3rd Congressional District

Jeanette Garcia
3rd Congressional District

Happy Haynes
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Monte Moses
6th Congressional District

Hensford Percy
7th Congressional District

James T. Polsfut
7th Congressional District

Regina M. Rodriguez
7th Congressional District

B J Scott
5th Congressional District

As part of this process, we asked the following questions:

- Should the higher education system be accessible to all, or only to those with adequate financial means?
- Is higher education merely a private good benefitting each individual who attends a college or university or is it a public good that benefits Colorado's communities and the state?
- How can higher education effectively demonstrate its stewardship of public resources?

We consider the goals described in this master plan to be more than an aspirational list of appealing ideas. This plan presents a new and shared promise for the General Assembly, the institutions of higher education, the Commission on Higher Education, and the residents of the state of Colorado. Consequently, this Commission considers the achievement of these goals as a priority list of ambitious, yet achievable, commitments that will improve opportunities for all Coloradans.

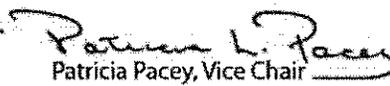
This Master Plan is not unilateral. This Commission considers itself jointly responsible with the institutions of higher education for the achievement of the goals in this plan and holds itself accountable for their realization.

While this plan lays out goals that, if met, achieve the legislature's intention to help ensure that the system is effective in accomplishing post-graduation success for all students, it does not attempt to provide an answer to every pressing policy question or predict the ways in which future policies will be formed. To address many of these matters, we have included a workplan that outlines the activities we will take on in response to the charges conveyed by the Colorado General Assembly.

Ultimately, this Master Plan is not a plan for a particular institution or system of institutions. It does not offer recommendations for campus practices or instructional activities. It does not focus on the needs of any one institution or system of institutions. Instead, it presents the priorities that we believe are the most pressing for the educational performance and economic vitality of Colorado. In short, it is a plan for the future of the state of Colorado.

For the Commission,


Richard Kaufman, Chair


Patricia Pacey, Vice Chair

Executive Summary

The primary performance goal established by this Master Plan is to increase the number of Coloradans aged 25-34 who hold high-quality postsecondary credentials—certificates and degrees—to 66 percent by 2025. This goal is consistent with the opinion of the Lumina Foundation for Education, which argues that:

The United States risks an unprecedented shortage of college-educated workers in coming years. With the global economy demanding more and more highly skilled workers, economists and labor experts say increasing college attainment is a national imperative.²

Colorado ranks third in the nation in the percentage of citizens between the ages of 25 and 64 who hold a college degree: 46 percent, a figure that is projected to grow to 51 percent by 2025.³ Leading economists estimate that to meet the workforce demands of the state's employers, 67 percent of the state's workforce will need a high-quality postsecondary credential or degree by 2018.⁴

In addition to this principal performance goal, the Commission identified three complementary goals that address areas of critical concern to the postsecondary system: improving student progress and momentum; diminishing historical disparities among students from certain populations; and demonstrating the need and justification for improved investments in the postsecondary sector.

The Commission's four performance goals are as follows:

- Goal 1** Increase the attainment of high-quality postsecondary credentials across the academic disciplines and throughout Colorado by at least 1,000 new certificates and degrees each year to meet anticipated workforce demands by 2025.
- Goal 2** Improve student success through better outcomes in basic skills education, enhanced student support services and reduced average time to credential for all students.
- Goal 3** Enhance access to, and through, postsecondary education to ensure that the system reflects the changing demographics of the state while reducing attainment gaps among students from underserved communities.
- Goal 4** Develop resources, through increases in state funding, that will allow public institutions of higher education to meet projected enrollment demands while promoting affordability, accessibility and efficiency.

This plan is organized into three primary sections. The first section provides a general introduction to the needs of the postsecondary system and some context for the changes currently taking place in it. The second section presents the Commission's primary performance goals and indicators that will demonstrate progress toward their attainment. The last section outlines the ways in which the Commission will participate in the accomplishment of the goals presented in the second section of this plan as well as the activities intended to address the various additional requirements of state law.

Master Plan

The benefits of a high-quality higher education system that is accessible to all Coloradans are well established.

Adults with postsecondary degrees and certificates earn higher incomes than those without such credentials. They have lower unemployment rates and better health outcomes. They rely on fewer social services and public safety nets. They create jobs that yield tax revenue and contribute toward building a stronger economy and a better society. That is, the contributions they make to their communities and their state far exceed their consumption of public goods.

Higher education also plays a pivotal role in improving the quality of life of communities across the state. Universities and colleges are integral to the economic and cultural successes of their home communities. The successful university and college system ensures that businesses have the educated and diverse workforce they need to grow, compete and thrive in a global marketplace. Colleges and universities attract business and investment capital and foster economic growth through industry collaborations.

...the state's colleges and universities are the engines that drive economic competitiveness in the national and global market and hold the key to the state's economic future.

The strength of local educational systems and the quality of a region's workforce are top considerations for businesses studying the development of new, or closures of existing, operations.

In short, the state's colleges and universities are the engines that drive economic competitiveness in the national and global market and hold the key to the state's economic future.

Accordingly, it is our strong opinion that higher education is and should be treated as an investment, not a simple cost.

Today, Colorado's higher education system is at a critical crossroads. The state's public investment in colleges and universities has shrunk dramatically. The result has been higher tuition and fees and increased costs to students and families. The increased costs limit access for lower- and middle-income families, reducing higher education opportunities at a time when we should be educating more of our citizens, not fewer.

Funding is not the only challenge. Too many students are not academically prepared for the rigors of college-level work. Too many enroll in college, but fail to persist to graduation. And, too often, access, persistence, and success in postsecondary education remains elusive for students from traditionally underserved populations.

Collectively, these shortcomings have the potential to jeopardize Colorado's economic future.

Lengthy discussion of these issues among stakeholders in 2010 produced The Degree Dividend, a detailed report that documents the mismatch between Colorado's aspirations and its current delivery of higher education.

The Degree Dividend identified three chronic challenges:

Low Public Investment: Colorado ranks among the lowest states in the nation in its funding of public institutions of higher education.

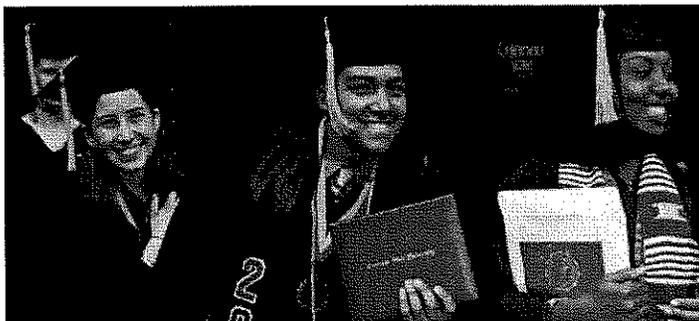
Large Attainment Gap: Colorado has the second largest degree attainment gap in the country—that is, the gap between the educational attainment of white students and the attainment of the next largest ethnic group, which in Colorado is Hispanic/Latino. In other words, Colorado's system performs far better for white students than it does for Hispanics or those from low-income families.

**It is a fact:
performance
matters . . .**

A Leaking Education Pipeline: Many of our students are not retained through to completion of a certificate or degree. According to the most recent census, there are nearly 3.3 million adults aged 25 and older in Colorado. Ninety percent of that population has a high school diploma or higher, yet only 37% hold a bachelors degree or higher. Of the 3.3 million adults, almost 780,000 have some college credit, but have not attained a post-secondary degree or certified credential of any kind.⁵

This Master Plan recommends a path forward for the Colorado Commission on Higher Education (CCHE) and Colorado's public institutions of higher education that will yield a more performance-oriented system and that will earn increased levels of public awareness and support.

It is a fact: performance matters, and the Commission and the institutions must demonstrate that public investments in higher education return more positive benefits for individuals, businesses, and the community at large than most other public investments. Through this demonstration of value and performance, the public will be assured that its investment in higher education is paying long-term dividends to the economic and civic vitality of the state of Colorado.



What Has History Taught Us?

Though the obstacles facing the state as it emerges from the recent recession are considerable, challenges are not new to higher education. In fact, many of the most significant leaps forward in the nation's higher education system have been in direct response to significant challenges.

During the Civil War, President Abraham Lincoln signed the Morrill Land-Grant Act. In direct response to historic needs for industrial growth, the Act provided the stimulus for incredible advancements in human capital and technological innovations in new states and territories and triggered unprecedented proliferation in the number of institutions of higher learning, including our own Colorado State University, the state's first public university.

Following World War II, the establishment of the GI Bill offered financial assistance as a benefit to returning veterans, opening up access to higher education to hundreds of thousands of Americans. The demand led directly to the dramatic expansion of public colleges and universities, in particular, the community college system and a broad growth of the nation's middle class. Within a generation of the end of World War II, the most rapid expansion of Colorado's public postsecondary sector took place, including the founding of Aims Community College, Colorado Mountain College, Community College of Denver, Arapahoe Community College, Colorado Northwestern Community College, Front Range Community College, Pikes Peak Community College, Morgan Community College, and Metropolitan State University of Denver, and the University of Colorado - Colorado Springs. Prior to World War II, only six percent of adults in the United States held a college degree. After the war, in large part because of the G.I. Bill, this number more than doubled, a fact that contributed to one of the most rapid national economic expansions of any country at any time.

In addition, the 1965 Higher Education Act, a bill forged from the struggles for equality and justice that took place during the Civil Rights Era, opened the door to higher education to millions of citizens previously unable to gain access to many public and private institutions of higher education. This act created many of the nation's foremost financial aid programs, including what is now the Pell Grant program, and challenged all

1911
• Fort Lewis property in Hesperus transferred to the state of Colorado to establish an "agricultural and mechanic arts high school." The Fort Lewis high school expands into a two-year college in the 1930s, and in 1948 becomes **Fort Lewis A&M College**

1912
• The **University of Colorado at Denver** begins as the Extension Center of University of Colorado's Department of Correspondence and Extension

1870
• Colorado Agricultural College founded, to become **Colorado State University** in 1957

1876
• The **University of Colorado Boulder** formally established
• The **Colorado School of Mines** (founded in 1873 by the Episcopal Church) becomes a state institution

1890
• The **University of Northern Colorado** founded in 1890 as the Colorado State Normal School

1901
• **Western State Colorado University** originally founded as the Colorado State Normal School for Children

1862
• Morrill Land Grant Act

• Colorado becomes state

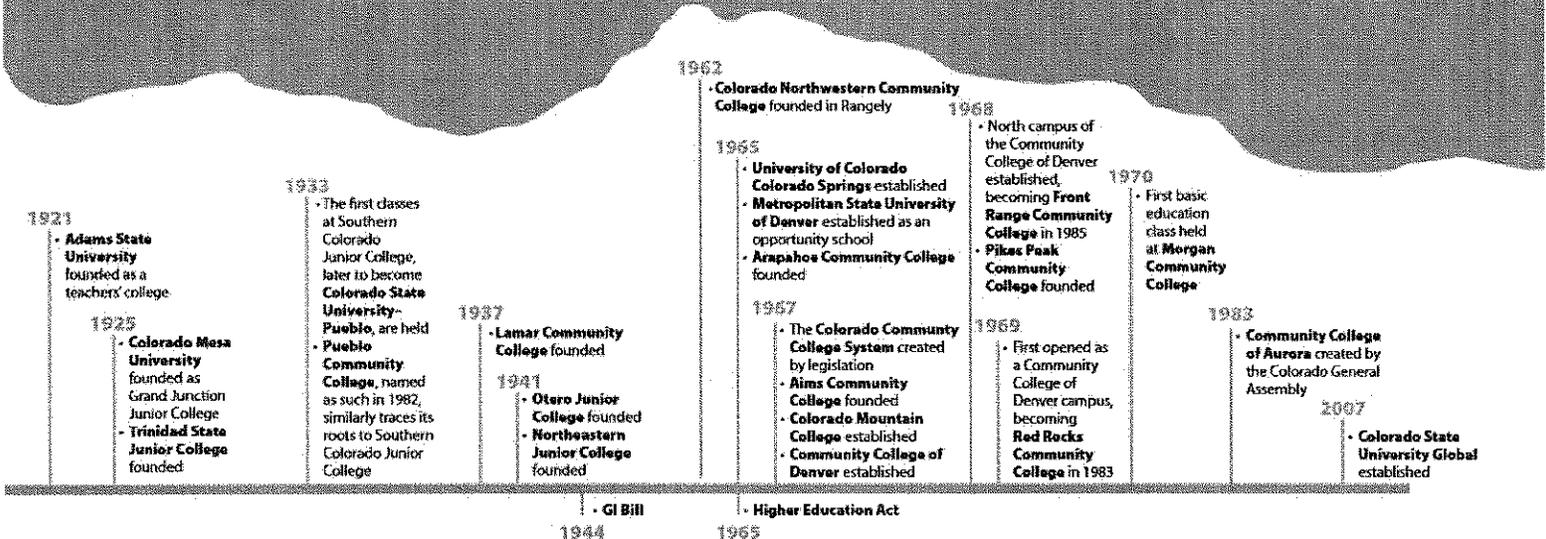
1862

states to view education not as a private good for the privileged few, but a public good for the needs of all. By 1970, in part because of the opportunities provided by the 1965 Higher Education Act, the average educational attainment of African-American youth age 20-24 had increased by more than 25% compared to that of older (25 and above) African-Americans. In fact, the average educational attainment of African-American youth (age 20-24) exceeded the average educational attainment of older white citizens (25 and above) and trailed that of younger white citizens by less than one-half of a year (12.3 years of education for African Americans compared to 12.7 for whites).⁵

These surges in expansion of the higher education system were the result of intentional, visionary public policies and direct public investments. In each case, there was clear recognition that public investments would yield powerful dividends—and the results show they did.

Drawing upon the lessons from history, Colorado has an opportunity today to respond to the current economic uncertainty and ongoing contractions in spending on public higher education. The state's investment in higher education per resident student has declined relative to student tuition. In 2000, the state funded 68 percent of a student's cost of college while the student was responsible for 32 percent; by 2010, the state funded only 32 percent, increasing the student burden to 68 percent. In the last five years, the state has reduced funding for higher education from \$706 million to \$513 million, a reduction of 27 percent in total dollars. Due to recent strong enrollment growth, the reduction in funding per resident student (full time equivalent) is even greater, at 36 percent.

In the face of these very significant economic challenges, what many experts call the "new normal" in higher education, public institutions throughout Colorado have proven their resiliency and resourcefulness. They have maintained quality, preserved access and reduced costs. For this, the institutions deserve recognition. Nevertheless, important challenges lie ahead, and failing to meet them may result in disintegration of a system built upon the bold, uniquely American foundational belief that all citizens, from military veterans to low-income inner-city youth, deserve the opportunity to improve their station in life through education.



Going Forward

Colorado's public institutions have done such a good job absorbing budget cuts that Colorado's higher education system appears healthier than it is. That is, the system's successes obscure a more somber reality. Our institutions outperform their national peers in numerous rankings. Enrollments are strong, even reaching historically high levels at some institutions. Colleges and universities operate more



efficiently than their peers in nearly every sector. Resident tuition is about average compared to public colleges and universities in other states, graduates are fully prepared to compete with the best and the brightest, and our institutions attract research dollars that result in groundbreaking discoveries in areas of national importance.

Beneath these statistics, the reality is worrisome. Success in higher education remains elusive for too many. Rising tuition and related costs create an unprecedented financial burden on Colorado families, a situation made all the more challenging in light of the state's current economic climate. Student debt load and student loan default rates are rising rapidly. Default rates vary significantly across institutions, from 1.5 to 26.2 percent

at private institutions and 2.7 to 26.6 percent at public institutions. Overall, Colorado has the tenth highest student loan default rate in the nation.⁷

"Overall, Colorado has the tenth highest student loan default rate in the nation."

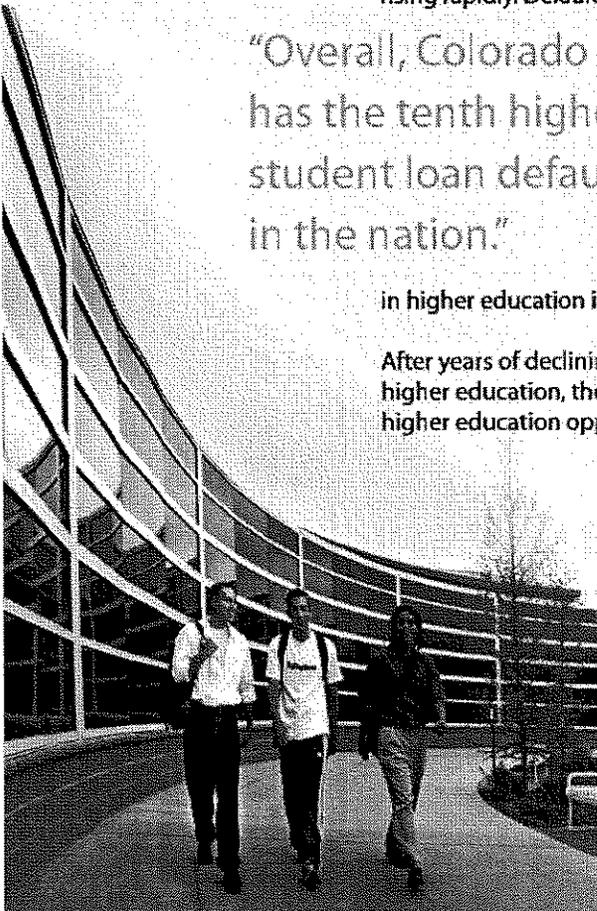
The population of college graduates today does not reflect the widely-held notion that a pathway should exist for every student to pursue learning to his or her highest potential. Nor does our state's investment in higher education reflect the belief that an investment

in higher education is pivotal to strengthening our economy.

After years of declining public investment in the infrastructure and operations of higher education, the goal of maintaining high-quality, accessible and affordable higher education opportunities for Coloradans is at risk.

These trends aren't new. *The Degree Dividend* put the issue in simple terms: taxpayers have every right to expect that public institutions of higher education serve all students.

"taxpayers have every right to expect that public institutions of higher education serve all students."



The Four Goals

In August 2011, the CCHE began a yearlong process to fulfill the immediate charge from the Colorado General Assembly to identify the needs of the state with regard to the system of higher education and the top priorities for the state system of higher education in meeting those needs. The CCHE began this process by consulting The Degree Dividend, the report from the Higher Education Strategic Planning committee, which was adopted by the CCHE in late 2010.

In addition, the CCHE collected data, including research conducted by national policy organizations and agencies or institutions of higher education in other states. Using this information, the CCHE identified the issues of greatest concern to the state of Colorado which underpin and directly inform the four performance goals of this plan. These goals form the framework upon which performance contracts will be created and a future performance funding system will be based, in accordance with the specific requirements of state law [C.R.S. 23-1-108(1.5)(b)(1)].



1

Increasing Attainment

Goal 1 Increase the attainment of high quality postsecondary credentials across the academic disciplines and throughout Colorado by at least 1,000 new certificates and degrees each year to meet anticipated workforce demands by 2025.

As the economy continues its rapid shift to information services and technology, colleges and universities are more critical than ever in preparing individuals for the workforce. As already noted, by 2018, nearly 70 percent of jobs in Colorado will require some level of postsecondary education. In fact, economists estimate that the demand for college-educated adults in Colorado is the fifth highest among all states in the nation. In contrast, the demand for high school trained adults in Colorado is the second weakest in the nation.⁸

In spite of these trends, today only 51 percent of the adult population in the state has a degree or certificate and only 46 percent has an associates or higher degree. More than a third of Colorado's adult population lacks any education after high school;

10 percent of adults lack a high school diploma or the equivalent.⁹

Through the master planning process, the CCHE has identified increasing credential attainment as the state's top higher education priority. After consulting with the postsecondary community in Colorado, the CCHE set a goal of 66 percent postsecondary attainment by 2025 for citizens aged 25-34. This would mean about two thirds of the population likeliest to participate in higher education would complete their certificate or degree.

According to the National Center for Higher Education Management Systems, consultants to the CCHE's master planning process, Colorado would need to add approximately 1,000 additional postsecondary credentials

TARGET

- ▶ Reach 66 percent postsecondary credential attainment for Colorado citizens aged 25-34 by 2025 (1,000 additional undergraduate credentials per year).

INDICATORS OF PROGRESS

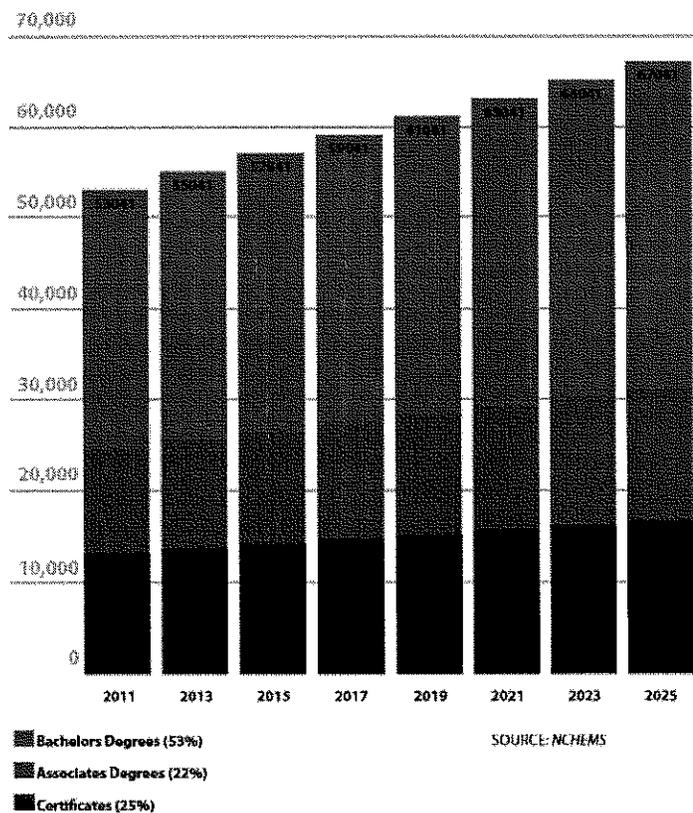
- ▶ Graduation rates (cohort rate)
- ▶ Increased number of credentials (annual number)
- ▶ Increase STEM credentials, including in health fields (either the proportion of total credentials awarded or the annual number of new degrees)

Annual Degree and Certificate Production

An annual increase of approximately 1,000 degrees and certificates, maintaining the current proportion of certificates, associates degrees and bachelors degrees produced by our public and private institutions, will get us to the state's 66% goal by 2025.

each year to meet the 66 percent goal by 2025. Some expansion in postsecondary credential attainment will occur as a result of the state's expected population growth, which is predicted to increase by 20%, or about one million additional people, over the next decade. However natural growth alone will not result in the achievement of our 66 percent attainment goal.¹⁰

This goal is most critical for the state's economic development, as the data show that a well-educated populace is increasingly necessary to fill workforce needs. This goal should not be interpreted to diminish the critical importance of graduate-level training or training in STEM related disciplines, both of which are essential to the economic vitality of the state.



Predicted Change in College Enrollment (2010-2021), by Region

Nearly all regions of the state will experience enrollment growth among all types of students—traditional and non-traditional alike.

	EASTERN MOUNTAINS	EASTERN PLAINS	FRONT RANGE	SAN LUIS VALLEY	WESTERN SLOPE
New Traditional-age Freshmen	17.00%	-8.16%	20.88%	-0.57%	34.78%
Traditional-age Transfers	41.95	19.06	27.79	11.58	22.97
New Adult Freshmen	35.45	20.62	21.29	15.44	24.65
Adult Transfers	27.55	28.43	3.03	28.38	24.67
Graduate	28.19	22.46	8.01	18.44	21.25

SOURCE: Noel Levitz, research conducted for the Colorado Department of Higher Education, 2012

2

Improving Student Success

Goal 2 Improve student success through better outcomes in basic skills education, enhanced student support services and reduced average time to credential for all students.

Colorado should rightfully be proud of the many accomplishments of its postsecondary system. Nonetheless, in spite of its recognition as one of the most highly educated states, Colorado ranks at or below average in student persistence and completion. That is, the system's collective "throughput" is not yet exceptional.

Many students are not prepared for college-level work when they arrive; thus

they require remedial courses before they can begin their college-level classes. The effectiveness of remedial coursework—as evidenced by improvements in students' success in credit-bearing English and mathematics courses and completion of a credential or degree—can, and must, be improved. For example, according to the Community College Research Center at Columbia University, only one in ten students requiring three terms of remedial mathematics will ever pass an entry level, credit-bearing course in mathematics.¹¹

Additionally, the evidence is very strong that students who complete at least

"...the system's collective 'throughput' is not yet exceptional."

TARGETS

- ▶ Eliminate disparities in the completion rates of college-level English and mathematics courses between students originally assigned to remediation and those not assigned to remediation.
- ▶ Improve student persistence and credit hour accumulation.
- ▶ Reduce average credit hours to degree for undergraduate students.

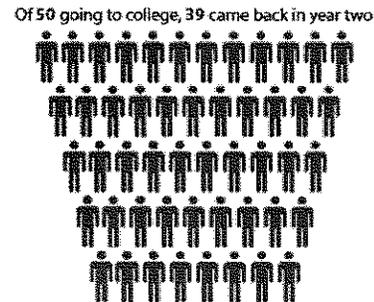
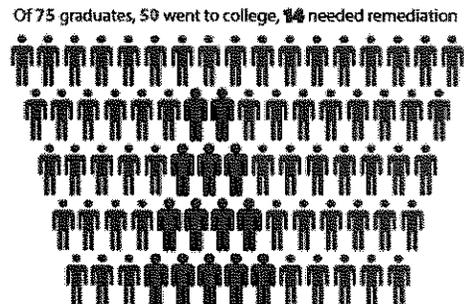
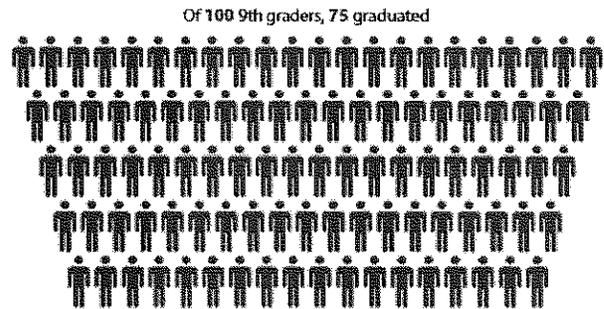
INDICATORS OF PROGRESS

- ▶ Successfully completing (grade of C or better) introductory gateway courses in English and mathematics
- ▶ Successfully completing the remedial sequence
- ▶ Persistence and retention rates
- ▶ Credit hour accumulation
- ▶ Successful transfer out

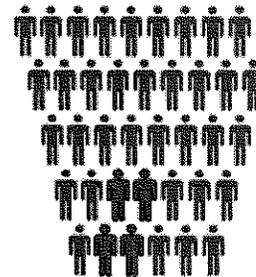
Colorado Educational Pipeline

24 credit hours in a given year (or 12 or more credit hours each semester)—what researchers describe as high academic intensity—are far more likely to persist, successfully transfer, and complete a college degree. Time is truly the enemy to successful college completion. Therefore, while many students cannot enroll in college full time due to other family, work, or financial conditions, it is clear that a primary driver for improving degree completion will be the ability to increase the numbers of students who can—and do—complete at least 24 credit hours each year.

Finally, transferring among and between public institutions is no longer the exception, but rather the rule for the majority of students. Historically, however, transfer students were counted as a successful completion neither at the institutions from which they transferred nor at the institutions from which they graduated. The CCHE recognizes the importance of assessing the various contributions institutions make in supporting transfer students and ensuring their successful and timely completion. Thus, the CCHE shaped this second goal to meet the legislative intent to “reduce attrition and increase retention and enable students to attain their degrees in a reasonable period of time” by addressing several critical interim events, those that occur after a student arrives on campus—including successfully completing remediation and successfully completing credit-bearing courses—and all of which complement the state’s principal goal of improving completions.



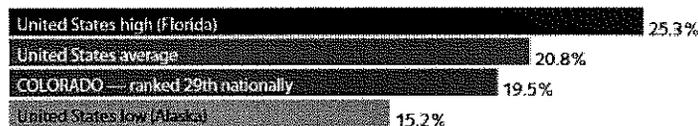
Of the 39 who came back, 22 got a degree within 150% time (i.e., three years for a two-year degree, six years for a four-year degree).
Of the 14 who needed remediation, only 4 were among these 22.



SOURCE: Colorado Department of Higher Education: does not follow a single cohort of students, numbers are approximate based on available data.

Productivity: Number of Certificates and Degrees Completed per 100 Students Enrolled

As of 2008, Colorado was 29th in the nation at 19.5% degrees and certificates per 100 students enrolled.



SOURCE: NCES, IPEDS Completions and Enrollment Surveys

3

Reducing Gaps

Goal 3 Enhance access to, and through, postsecondary education to ensure that the system reflects the changing demographics of the state while reducing attainment gaps among students from underserved communities.

Colorado's demographic profile is changing rapidly. These changes are visible on campuses throughout the state and are even more pronounced in the state's K-12 system. Our colleges and universities are enrolling increasing numbers of students who come from low-income families and who will be the first in their family to attend college, and increasing proportions of enrolled students represent communities historically underserved by colleges

and universities, particularly the Hispanic/Latino community.

In spite of this progress, many students are not being served well or at all. Our largest growing ethnic group, Hispanic/Latino, has the lowest average educational attainment and the lowest college enrollment rate of any ethnic group in the state. Low-income students throughout the state are enrolled at a lower level than other groups in higher

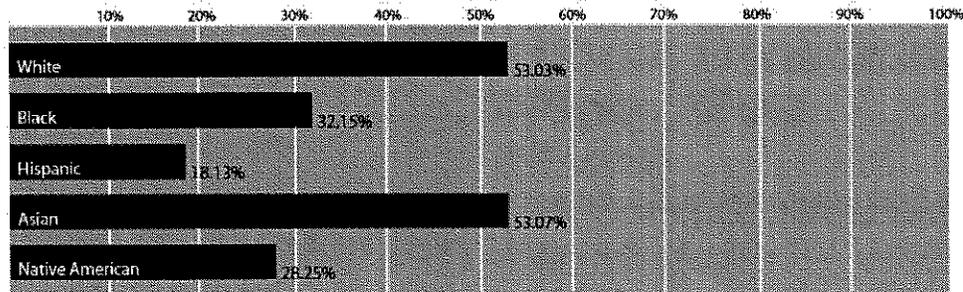
TARGET

- ▶ Eliminate disparities in postsecondary access, progress, and completion between resident underserved students and resident non-underserved students.

INDICATORS OF PROGRESS

- ▶ Increasing the number and proportion of newly enrolled students from traditionally underserved populations
- ▶ Reducing disparities in initial gateway course completion in English and math between underserved and non-underserved students
- ▶ Reducing disparities in persistence rates and credit hour attainment between underserved students and non-underserved students
- ▶ Reducing disparities in successful transfer and degree completion between underserved and non-underserved students
- ▶ Increasing retention and graduation rates for underserved students
- ▶ Increasing the share of degrees in STEM fields among students from underserved populations

Credential attainment rates among Colorado adults (ages 25-64), by population group



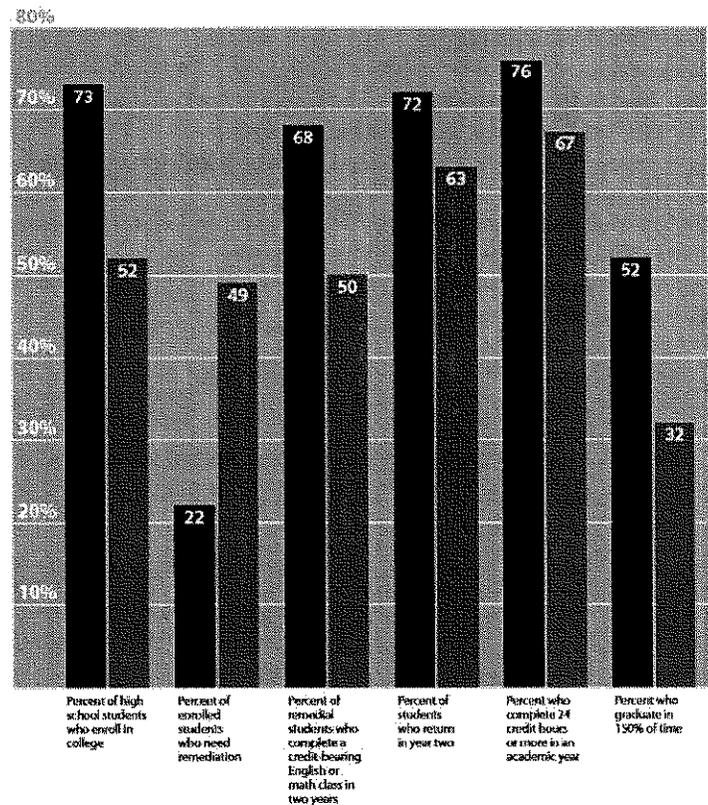
SOURCE: U.S. Census Bureau, 2008-10, American Community Survey PUMS File

education, and their participation is overly representative at low cost "access" institutions. Other groups of students are also often underrepresented in the postsecondary system, including students from certain rural communities, adult students, and males.

Consequently, the CCHE determined that appropriate system-wide goals are to increase the diversity of students on our campuses to better reflect Colorado's current populations and to measure institutional performance in the closing of known gaps in achievement, in particular those related to college participation; performance in remedial and "gateway" courses in English and mathematics; improving credit hour accumulation; and degree/certificate completion. Success in meeting the state's primary goal of increasing the college attainment rate to 66 percent of all citizens ages 25-34 hinges on improving underserved students' access to, progress in, and graduation from colleges and universities in the state.

Colorado Student Gaps in Achievement

Evidence is strong that students who reach each "momentum point" are more likely to succeed.



Legend:
 ■ White
 ■ Minority/Traditionally Underserved*
 *Defined as African American, Hispanic and Native American students; excludes Asian students

SOURCE: DHE SURDS data, does not follow a single cohort of students, numbers are approximate based on available data.

4

Restoring Fiscal Balance

Goal 4 Develop resources, through increases in state funding, that will allow public institutions of higher education to meet projected enrollment demands while promoting affordability, accessibility and efficiency.

In 2010, the Colorado General Assembly provided governing boards with unprecedented flexibility to set tuition rates in order to help the state's postsecondary system deal with "immediate and daunting economic challenges" (Senate Bill 10-003). Though temporary (the policy expires in the 2015-16 fiscal year), this change in policy

permitted public institutions in Colorado to preserve the vitality and quality of a world-class system of higher education.

Nonetheless, it is a fact: A system of public higher education financed upon rapid annual increases in tuition limits access for low-income and middle-income students.

"...to build the public's trust and confidence, we must focus less on the ways other states fund their systems of higher education, and more on the ways in which improvements in funding help Colorado's families.

Over the past decade, Colorado's public higher education institutions have relied increasingly on tuition and fee revenues as a response to rapidly declining state support. The result has been that students and families bear a far greater proportion of the total costs. While the state provided funding equivalent to approximately two-thirds of the total cost only ten years ago, that proportional amount has since decreased to less than one-third. The loss in

TARGETS

- ▶ Increase the relative share of college costs shouldered by the state, and reverse the trend of increasing the student's burden, in order to bolster access to degrees and credentials for those who would pursue them.
- ▶ Maintain the state's national leadership in efficiency and productivity.

INDICATORS OF PROGRESS

- ▶ Maintain efficiency by moderating tuition, increasing financial aid expenditures and increasing instructional expenditures when general fund dollars increase.
- ▶ Efficiency and productivity will be maintained above peer levels.

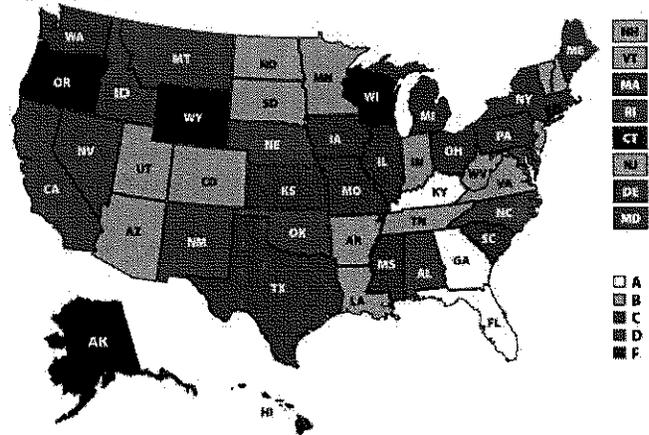
state support has been replaced by tuition and fees. This revenue shift has increased the average student loan amount for recent graduates and, when combined with a weak economy, elevated the state's student loan default rate. Further, students from low-income backgrounds have become increasingly sensitive to changes in college costs such that the cost of attending college is the primary driver in making the decision to enroll.¹²

The CCHE recognizes that, to preserve quality, access, and affordability—goals shared by all institutions of higher education and the CCHE—public revenues to higher education must increase. But, building public support for higher education will require more than simply pointing to statistics of revenue deficiencies. It will require ongoing demonstrations of effective stewardship, such as maintaining or improving productivity, maintaining quality, and recognizing the ways in which changes in costs affect participation decisions. In other words, to build the public's trust and confidence, we must focus less on the ways other states fund their systems of higher education, and more on the ways in which improvements in funding help Colorado's families.

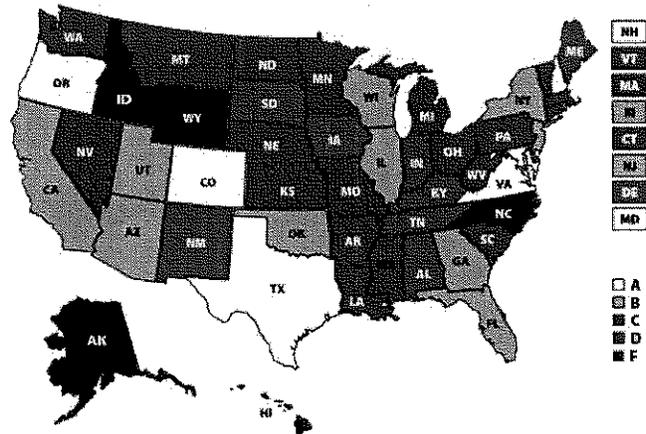
Additionally, the Commission believes strongly that measuring productivity, while critically important to building public confidence in the effectiveness of public higher education, isn't, alone, enough. The Commission believes that it too has a responsibility to advocate for improved public revenues to higher education. As was argued earlier in this plan, the

Commission believes strongly that higher education expenditures are investments, not costs. For these reasons, the Commission adopted the fourth and final measurable goal of its master plan.

Efficiency and Cost-Effectiveness, Two-Year

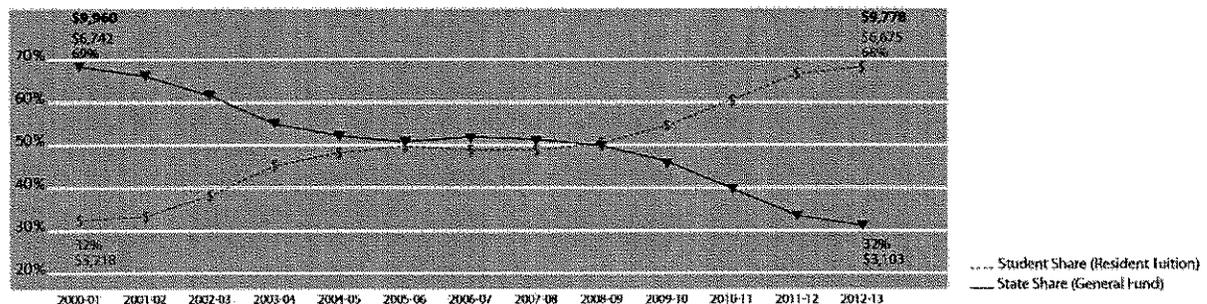


Efficiency and Cost-Effectiveness, Four-Year



SOURCE: ICW, "Leaders & Laggards: A State-by-State Report Card on Public Postsecondary Education." Reprinted with permission of the Institute for a Competitive Workforce. NO endorsement by the Institute for a Competitive Workforce shall be inferred.

Average Resident Student's Share of College—Tuition vs. State Funding All Governing Boards (Adjusted for inflation in 2012 dollars)



SOURCE: Colorado Department of Higher Education, utilizing final appropriation total to Governing Boards by fiscal year, legislative Council Enrollment forecast (March 2012), and Denver/Boulder/Greeley CPI.

Reaching Our Goals

The Commission's Workplan for 2012-2017

In addition to the near-term objective of identifying statewide goals that will form the basis of the state's performance contracts and performance funding system, the CCHE has been charged by the Colorado General Assembly to carry out activities related to system-wide planning and coordination that are not measureable in a traditional sense and will not be used for institution-level performance or a performance funding system. These activities, expressed below, form the preponderance of the CCHE's near-term workplan for the years 2012-2017.

Financial Viability and Affordability. As is discussed throughout this document, perhaps no single issue facing higher education in Colorado is of greater concern to the CCHE than ensuring the long-term fiscal stability and affordability of the state system of higher education, ensuring the efficient allocation of available state resources to support institutions of higher education, and ensuring that the state's institutions remain accessible and affordable to students with demonstrated financial need.

Though the CCHE does not possess the authority to generate new revenues or appropriate funding to higher education, it does have the responsibility to advocate for sufficient resources for the system of higher education, to collaborate with campus representatives to develop a performance funding plan, and to ensure that financial aid is allocated in ways that support the state's access and completion goals. To these ends, the CCHE commits to complete the following activities.

- ▶ Beginning in November 2012, the CCHE will annually request operating revenues to meet projected enrollment and inflationary increases, based upon the College Opportunity Fund stipend value established in 2005.
- ▶ Beginning in November 2012, the CCHE will annually request appropriations for state financial aid to meet projected changes in enrollments of resident need-eligible residents and changes in costs of attendance for resident full-time students.
- ▶ By December 1, 2012 and each year thereafter, the CCHE will review and, if necessary, modify the allocation method applied to state need-based financial aid to ensure that the allocation of such funds reinforces and supports the achievement of the state's performance goals.
- ▶ By December 1, 2013, the CCHE will prepare a method to allocate performance-based operating revenue to public institutions of higher education. By September 1, 2013, the CCHE will prepare and disseminate to institutions and governing boards a draft of the proposed performance funding plan.

Aligning K-12 and Higher Education. State law demands that the state system of higher education be aligned with the system of elementary and secondary education. The purpose of this is to increase the rate at which students who graduate from Colorado high schools with the academic preparation necessary to perform college-level work without remediation enroll in and complete postsecondary and career and technical education. The policies through which this is accomplished are primarily the Commission's admission and remedial policies. Consequently, the Commission commits to completing the following activities:

- ▶ Implement supplemental instruction procedures by December 31, 2012.
- ▶ Complete revisions to the statewide remedial education policy by July 1, 2014.
- ▶ Complete revisions to the statewide admission policy by July 1, 2014.

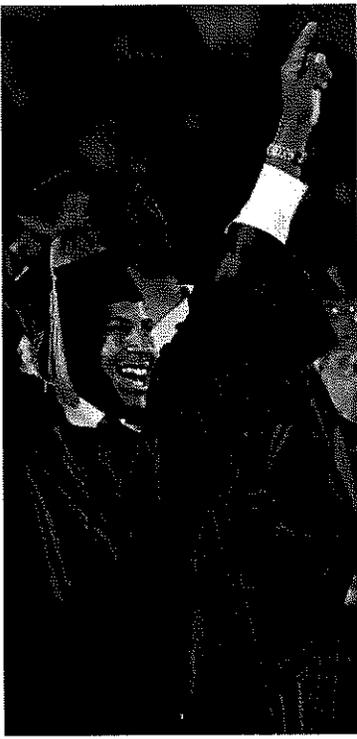
These policy revisions will implement systemic approaches to strengthen the continuity of education from elementary and secondary through postsecondary, such as the alignment and use of the Common Core State Standards (Colorado Academic Standards), the expanded use of statewide transfer agreements, the inclusion of national consortia assessments (Partnership for the Assessment of Readiness for College and Careers [PARCC] and Smarter Balanced), the use of credit earned through concurrent enrollment, and the implementation and expanded use of reverse transfer procedures. As part of this process, the CCHE will specifically address opportunities for students with disabilities, including intellectual disabilities, to participate in postsecondary education.

Evaluating System Needs. The CCHE has been charged with several responsibilities concerning evaluating the needs and limitations of the public system of higher education. These responsibilities include: reviewing the role and mission of the state's institutions of higher education; reviewing the governance structure of the state's system of higher education; addressing the workforce and economic development needs of the state within the system of higher education; implementing strategies that strengthen the link between higher education and economic development and innovation in the state; and improving and sustaining excellence in postsecondary programs. In addition, the CCHE is charged with identifying ways to provide access to postsecondary education for underserved communities and to reduce the geographic disparities of students from rural environments. To address these responsibilities, the CCHE commits to the following activity:

- ▶ By December 1, 2013 and periodically thereafter, the CCHE will evaluate the current and projected student and workforce demand for postsecondary education, by type and level, and the roles and missions, locations, and service areas of existing public colleges and universities, and prepare recommendations on the ways in which the public system of postsecondary education could address known or projected education shortages.

Advocacy and Awareness. As the only board in Colorado with a mission to address the needs of the entire state and all of the postsecondary institutions located in it, the CCHE takes seriously its responsibility to provide timely, accurate, and influential information concerning system performance and accountability to the public. Accordingly, as stewards of the public interest, the CCHE commits to completing the following activities:

- ▶ For each year that performance contracts are in place, the CCHE will prepare an annual report to the Governor, General Assembly and other stakeholders on institutional performance regarding the goals and metrics found in the Colorado Commission on Higher Education's master plan and related performance contracts. The CCHE will ensure that this report demonstrates the impacts that changes in public revenues have had on institutions' capabilities to meet performance targets.
- ▶ Through a range of mediums and venues, the CCHE will improve the public's awareness of the conditions of higher education in the state by illustrating institutions' performance, demonstrating the impacts of changes in public revenues to higher education, identifying areas of opportunity to improve performance, and projecting the financial and academic needs of future students.



Conclusion

Colorado has a strong postsecondary education system that is producing high-quality results for many. But, Colorado's system of higher education must address some long-standing challenges if we hope to remain competitive in the national and global economy and continue to enjoy the quality of life to which Coloradans are accustomed.

Access to higher education and the attainment of a credential should not be reduced to an exclusive commodity available only to those with considerable financial means or those willing to accept large amounts of personal debt. Financing higher education should be treated as an investment in the economic and civic well-being of the state, not as a cost. Our future economic vitality demands that we recognize the benefits of increased credential attainment to the state and its economy.

“Financing higher education should be treated as an investment in the economic and civic well-being of the state, not as a cost.”

The issues that the Commission considers and addresses in this master plan are difficult. In putting forth this Master Plan and the performance goals, the Commission and the state's system of higher education are committing themselves to years of hard work.

The strongest shared commitment to hard work is imperative because the

Commission recognizes that failure to act and to make progress on the areas addressed by this plan will result in significant economic and social losses for Colorado. Businesses, individuals, and the future of the state depend on the changes outlined in this plan.

In meeting these challenges, the Commission's role is not to direct the institutions of higher education regarding how to run their campuses. Rather, the role of the Commission is to provide support for and foster improvements and innovations in higher education institutions throughout the state, hold them accountable, and provide an incentive for performance that all of the higher education stakeholders have deemed to be in the best interest of the state.

To make the case for higher education to families and policy makers and to build awareness of the system's most urgent and pressing issues, we must shine a light on performance. While not always easy, Colorado's system of public higher education must embrace transparency and be willing to examine its strengths and shortcomings publicly so as to build awareness of progress and galvanize the public's commitment to higher education.

At this very difficult time in the state's and the nation's economic history, Colorado has an opportunity to strengthen its already robust system of colleges and universities. It can ensure that all Coloradans have the opportunity to become engaged, productive citizens. Though comprehensive, this plan does not attempt to provide an answer to every pressing policy question. It does not mandate strategies to which campuses must conform. Instead, it constructs a list of priorities and a plan for implementing policies that will allow Colorado to maintain the quality of life all citizens have come to expect and enjoy.

End notes

- ¹ President's Commission on Higher Education. (1947). *Higher Education for American Democracy*. New York, NY: Harper & Brothers Publishers.
- ² Lumina Foundation. (2012). *A Stronger Nation Through Degrees: How and Why Americans Must Achieve a Big Goal for College Attainment*. Indianapolis, IN: Lumina Foundation.
- ³ Lumina Foundation. (2012). *A Stronger Nation Through Degrees: How and Why Americans Must Achieve a Big Goal for College Attainment*. Indianapolis, IN: Lumina Foundation.
- ⁴ Carnevale, Anthony P.; Smith, N.; Strohl, J. (2010). *Help Wanted: Projections of Jobs and Education Requirements Through 2018*. Washington, D.C.: Georgetown Center for Education and the Workforce.
- ⁵ US Census, American Community Survey available at www.census.gov.
- ⁶ US Decennial Census (1970), available at www.census.gov/hhes/socdemo/education/data/cps/1970/tab-199.pdf.
- ⁷ US Department of Education, Official Cohort Default Rates FY 2009.
- ⁸ Carnevale, Anthony P.; Smith, N.; Strohl, J. (2010). *Help Wanted: Projections of Jobs and Education Requirements Through 2018*. Washington, D.C.: Georgetown Center for Education and the Workforce.
- ⁹ Estimates provided by the National Center for Higher Education Management Systems (NCHEMS).
- ¹⁰ Noel-Levitz, research conducted for the Colorado Department of Higher Education, 2012. Available at: http://higher.ed.colorado.gov/Publications/Studies/2012/20120504_EnrProjections_NL_Summary.pdf.
- ¹¹ The Community College Research Center at Columbia University (2012), as presented by Complete College America.
- ¹² Augenblick, Palaich, and Associates (2012). *Price Sensitivity in Student Selection of Colorado Public Four-Year Higher Education Institutions*. Denver, CO: Colorado Department of Higher Education.

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Colorado Commission on Higher Education Master Plan
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