

DEPARTMENT OF HIGHER EDUCATION
FY 2018-19 JOINT BUDGET COMMITTEE HEARING AGENDA
(Day 1 of 3)

Wednesday, January 3, 2018
1:30 pm – 4:30 pm

1:30-2:45 Colorado Department of Higher Education

CDHE INTRODUCTIONS AND OPENING COMMENTS

Presenters:

- Dr. Kim Hunter Reed, Executive Director
- Luis Colòn, Chair, Colorado Commission on Higher Education

Higher Education Master Plan

- 1 Why has the State made so little progress in achieving its goals so far? Why is resident enrollment growth so weak? How much of it is the cost of higher education?

Colorado, along with the Colorado Department of Higher Education (CDHE) and the public institutions of higher education, has made tremendous progress towards achieving our goals to date and we are on a path towards success by 2025. The Colorado Commission on Higher Education's (CCHE) 2017 Master Plan, [Colorado Rises: Advancing Education and Talent Development](#), reaffirms a statewide credential attainment goal of 66 percent by 2025 for our 25-34 aged adult population. Colorado's attainment has grown from 53.5 percent to 55 percent since 2012, when the statewide attainment goal was first established. When considering the state population, a 1.5 percentage point growth is significant and translates to an additional 50, 000 Coloradans with a credential over a five year period. Progress has also been made on each of CDHE's four strategic goals, which focus on our public colleges and universities.

- *Strategic Goal 1-Increase Credential Completion: Credential completion has increased from 41,957 in 2012 to 51, 589 in 2016. STEM credentials have increased from 6,827 in 2014 to 7,355 in 2016.*
- *Strategic Goal 2 -Erase Equity Gaps: Credential completion for Hispanic students has increased from 5,438 in 2012 to 8,316 in 2016.*
- *Strategic Goal 3 –Improve Student Success: Statewide retention has increased from 68.7 percent for Fall 2011 to Fall 2012 to 72.5 percent for Fall 2015 to Fall 2016.*
- *Strategic Goal 4 –Invest in Affordability and Innovation: The State of Colorado increased its investment from approximately \$519 million in 2012 to \$690 million in 2018. This is a 33% increase to support state institutions, but it was not enough to reverse the cost shifting to students and families that occurred during the Great Recession. There has been a decrease in student debt for Associate's degree recipients since 2014 and a decrease for Bachelor Degree recipients since 2015. For more information on student debt, see question 9.*

Overall, postsecondary enrollment grew over the past decade. Colorado, like the nation, experienced a slight growth in non-resident enrollment versus resident enrollment. Public universities pursued nonresident enrollment growth as a potential solution to the decrease in state funding. A 2017 study from the American Educational Research

Association, investigated if the increase in nonresident students at public institutions had a “crowding out” effect on resident enrollment. The finding suggests that nonresident enrollment growth does not benefit nor harm resident access at public institutions. CDHE remains committed to increasing college-going rates for Colorado residents. While it is beneficial to the state to be a talent magnet, it is critical that we expand the educational level of our home grown talent as well.

Regarding the impact of college costs on resident enrollment, public enrollment trends have historically decreased during times of economic prosperity. With Colorado’s booming economy, residents can find pathways outside of a postsecondary credential that currently result in a living wage. However, as more and more jobs are requiring a postsecondary credential and knowing the long term personal economic return on investment for a college credential holder, the state needs to focus on improving affordability to guarantee access to postsecondary education and the long-term economic advancement a postsecondary credential provides.

- 2 Particularly given the limited progress so far, what tangible steps are you taking toward achieving the Master Plan goals?

The state of Colorado, along with the Colorado Department of Higher Education and our public institutions, have made progress towards achieving our goals to date and are working to reach success by 2025. Internally, the Department has set tangible short term and long term action items per strategic goal to drive success. Examples are provided below.

Goal #1: Increase Postsecondary Credential Completion

Short term:

- Per SB17-297 in alignment with the Master Plan, public institutions set campus targets for overall completion, retention, minority completion. CDHE made statewide metrics available on a public dashboard.
- Develop a plan for a 10% increase in the production of occupational (short-term/high demand) certificates.
- Support the development of cross-agency strategies designed to increase credential completion for both adults and foster youth.

Long term:

- The Department will partner with the National Skills Coalition to expand our definition, collection, and reporting of credentials of value.

Goal #2: Erase equity gaps in postsecondary education attainment in Colorado

Short term:

- Identify and promote scaling of best practices for successfully graduating minority students.
- Develop and cultivate a statewide equity coalition to support and accelerate the equity agenda.
- Partner with the Georgetown Center on Education and the Workforce to complete an academic study analyzing Colorado’s equity gaps in credential attainment and earnings. Report is tentatively scheduled to be released mid-February 2018.

Long term:

- The Department has secured foundational funding for equity work with a four year implementation timeframe, including partnerships with selected public institutions with large minority enrollment and a commitment to improved student outcomes.

Goal #3: Improve student success in public postsecondary education

Short term:

- The Department hosted a well-attended statewide convening focused on scaling best practices in student success.
- Identify and develop a plan to address barriers to statewide concurrent enrollment access.
- Begin scaling Math Pathways across the state, given that math has been identified as a barrier to success.
- Develop a plan to scale Supplemental Academic Instruction (co-requisite remediation) at all applicable public postsecondary institutions.
- Begin to develop a statewide framework for moving to competency-based education with academic credit.

Long term:

- Implementation and scaling of various plans of action listed above.

Goal #4: Invest in affordability and innovation

Short term:

- Develop a plan through open education resources to offer concurrent enrollment with zero material costs.
- Increase targeted funding for public postsecondary education.
- Define affordability and educate policymakers on key challenges and opportunities to increase affordability for public postsecondary education in the state.

Long term:

- Continue to work to increase funding and expand innovation for public higher education.

3 Are you including all degree producing institutions in the State in Master Plan goals? What assumptions are you making about the role of non-public institutions in helping the State achieve its goals?

The overarching goal of 66% attainment by 2025 is a statewide goal and is based upon the number of Coloradans who hold a postsecondary credential. Progress towards this goal is measured using data from the federal Census Bureau and includes a reporting of credentials earned at both public and private postsecondary institutions, as well as non-profit and for-profit in Colorado and outside of the state. The Colorado Department of Higher Education partners with the Colorado State Demographer's Office to measure statewide progress and projections. Non-public institutions play an important role in helping the state reach our 66% attainment goal. Current estimates contribute 25 -30 percent of total credential completion to private and occupational postsecondary institutions. The Department has engaged with several private colleges who have committed to increasing credential completion towards meeting our attainment goal. Additionally, the Department's Division of Private Occupational Schools and our Office of Private Postsecondary Education are actively working with schools on awareness raising, and long- and short-term strategies aimed at meeting our statewide goals.

4 Are the State's Master Plan goals still relevant, in light of the experience over the last five years? Should the goals be more dynamic and updated more frequently?

The Colorado Master Plan is more relevant today than when the original goals were established in 2012. Since 2012, the need for an educated citizenry has increased and our state's demographics continue to shift. According to the recently released Talent Pipeline Report, 97% of top jobs require some level of postsecondary education. In this new workforce era, the public postsecondary education system is one of the state's most valuable economic assets. Our public postsecondary colleges and universities contribute to the state's economy through the production of credentials tied to critical occupations, conducting research and innovative practices and the dissemination of new knowledge to successfully drive Colorado into the fourth industrial revolution.

The Master Plan goals gain additional relevance in context of our changing demographics. The white population is expected to decrease and account for 52 percent of the workforce by 2050, while 48% of the workforce will be comprised of minorities. This is a 22 percent growth for minorities in the workforce. Currently, minority populations (Hispanics, Black/African American, and Native American) have lower attainment levels. With the increased need for postsecondary education in the workforce and underrepresented minority populations, the Master Plan strategic goal to erase equity gaps is more important than ever. The Department has increased the focus on equity populations through strategic actions, targeted foundation funding, and strong policy to erase the equity gap.

Consistency of the State's Master Plan goals creates a clear vision and direction for 2025 and also allows for accurate and comparable measurements of progress. The strategies aligned with each goal and the overarching statewide attainment goal are dynamic and will be updated as needed.

- 5 Given limitations on the state budget, how can we get a better education for citizens without simply building a bigger institutional system?

With funding constraints, reaching the state's target to increase education for citizens will require both an aggressive and highly effective set of strategies at both the K-12 and postsecondary levels. The following strategies rely on increased partnerships and innovations, versus "building a bigger institutional system."

K12 Pipeline

Blended model -- Our goal is to ensure that more high school students graduate with a credential.

- *A number of Colorado school districts have adopted a goal of having more high school students graduate with a credential. In addition, the state is providing a financial incentive to drive this work, giving school districts \$1,000 for each student graduating high school with a credential with overall funding of 1 million dollars. Strategic planning is underway with Colorado Department of Education (CDE) to assess early efforts and to accelerate this opportunity. The demographics for Colorado's high school population (9-12 grades) is 265,500 that includes approximately 33% Hispanic, 5% African American and 1% Native American students. The goal is to significantly increase the equity population of high school students completing a credential.*
- *In addition, Colorado must see more of its high school graduates becoming college-bound. While our high school population is projected to increase through 2025, the goal is to ensure that we increase the current 77% graduation rate as well as the 54% college-going rate in our state. An additional opportunity exists in leveraging concurrent and dual enrollment to ensure that more students begin college in high school. Approximately, 38,000 Colorado high school students are participating in the program, while equity participation is approximately 32%.*

Youth Apprenticeship Program

Colorado's youth apprenticeship program launched this fall, focused on providing high school students with an opportunity to complete high school with a credential based on education and on the job training for which the students will be paid a training wage. The program, which is focused on high demand white-collar jobs, utilizes a competency based model. It will be important to expand knowledge about this model and increase utilization of competency based education and portability of credits in order to support the successful expansion of the program. Currently approximately 112 high school students are participating in the youth apprenticeship program. The goal is to scale to 20,000 high school apprentices in 10 years.

Increasing Postsecondary Credentials

Our public colleges and universities in Colorado currently produce about 60 percent of traditionally-counted credentials and are vital to reaching our attainment goal. We are working closely with each public institution on their annual credential completion targets and aspirational goals, with a focus on minority and low-income students in accordance with SB 17-297. The goal is to first focus on retention and completion of currently enrolled students. We must also improve Colorado's college going rate for traditional students and attract returning adults. We are also increasing outreach efforts with the private institutions. The institutions are sharing their strategies for increased enrollment, retention and completion to help reach our 66% statewide attainment goal and our equity goals as well. The Department is also supporting competency based education and work based learning strategies.

Expanding High Quality Non-Degree Credentials

Colorado must expand the definition, collection, and recognition of credentials in order to fully recognize credentials of value in order to better align quality credentials with high demand workforce needs. We have started this work by collecting and reporting on the WIOA ETPL (Workforce Innovation and Opportunity Act Eligible Trainer Provider List) participants. However, this is a subset of credentials and will need to be expanded through a comprehensive process with the Colorado Commission on Higher Education, the Colorado Workforce Development Commission and the appropriate state agencies. An expanded credential system has great potential to improve our ability to promote and identify viable pathways to prosperity for Coloradans by creating common and recognized language that bridges the education and workforce communities.

Other Items of Note

The Department is also engaging in cross agency work to increase credential attainment in the foster youth, 2 GEN, and justice involved populations.

- 6 There has been a lot of talk about the value of higher education. How do we know if a college degree or certificate is worth it?

College graduates earn more money, are more civically engaged, less likely to be unemployed, and provide fiscal benefits to the state via higher taxable income and lower use of benefit programs such as Medicaid, TANF, and SNAP. There is evidence that these differences are not solely due to more highly qualified individuals choosing to

pursue higher education, but also due to the value conferred by higher education.¹ In Colorado, according to data from the U.S. Census Bureau, individuals with an associate degree earned an average of \$6,500 more each year than individuals with only a high school diploma. For individuals holding a bachelor's degree or higher, the annual wage difference between those with only a high school diploma was \$23,500.

- 7 If the State is interested in increasing the number of credentials, how can it ensure that additional certificates produced represent something substantive rather than simply additional pieces of paper?

The Department understands that not all credentials are created equal and that the economic needs of the state require high-value degrees and certificates. The Talent Pipeline report shows that Colorado has a significant need for Science Technology Engineering and Math (STEM) credentials. Thus, one of the Department's primary targets in achieving the 66% attainment goal includes increasing STEM credentials from 12,500 to 14,500 by 2025. The Teacher Shortage Report also shows a strong need to increase educator preparation credentials in the state. Therefore, an additional target under this goal is that Colorado will increase educator preparation credential as well. . Finally, since Colorado is under-producing certificates of value compared to other types of credentials, the Department aims to increase certificate completion from 15,845 to 20,915 by 2025.

The Department is working within its authority to employ strategies that will help increase the production of these high-value high-demand credentials. Colorado's performance funding model puts an additional weight on STEM and healthcare credentials, which encourages institutions to improve their degree production in these areas. High-demand certificates are also weighted more than other types of certificates in the funding formula. On the consumer side launchmycareercolorado.org provides valuable insight to help potential students make informed decisions about the economic value of the certificate or degree they pursue. The Department is also working in partnership with the Colorado Department of Education (CDE) on a budget amendment designed to increase the number of teaching credentials awarded.

In relationship to certificates, institutions have reported that the major barrier to increasing these certificates is a lack of available capacity, necessary to increase production. To alleviate this issue, the Department has submitted a budget request seeking a \$5 million appropriation to create a new Colorado Occupational Credential Capacity Grant Program which will allow institutions to build capacity and grow completion of credentials of value. In the RFP for this program the Department will require that institutions submit proposals that will increase the number of certificates in high-demand fields. The annual Talent Pipeline Report which provides a list of high demand

¹ Oreopoulos, P., & Petronijevic, U. (2013). Making college worth it: A review of the returns to higher education. *The Future of Children*, 23(1), 41-65.

Hout, M. (2012). Social and economic returns to college education in the United States. *Annual Review of Sociology*, 38, 379-400.

Trostel, P. A. (2010). The fiscal impacts of college attainment. *Research in Higher Education*, 51(3), 220-247.

occupations, both statewide and by region, will be used to define high-demand fields. All RFP submissions will be judged by their ability to meet either state or regional needs of the occupations defined in this report. Thus, the increases will be tied to the state's workforce demands and will be responsive when these demands change.

- 8 Discuss institutional graduation rates and student default rates. What can the legislature do to help institutions retain and graduate students?

Graduation rates vary by institution. The most recent available data on graduation rates can be found in the tables below. For graduation rates at four-year institutions, the cohorts include first-time, full-time, degree-seeking undergraduates 2009. The graduation rate is measured over the course of six years following enrollment in a four year institution or three years following enrollment in a community college. The latest year for which data is available is 2015.

Graduation Rates, from Four-Year Public Institutions (2009 Cohort)

Institution Name	Fall 2009 Entering Class	Grad. within 4 Years at Orig Inst		Grad. within 4 Years at Either		Grad. within 5 Years at Orig Inst		Grad. within 5 Years at Transfer Inst		Grad. within 5 Years at Either		Grad. within 6 Years at Orig Inst		Grad. within 6 Years at Transfer Inst		Grad. within 6 Years at Either		
		#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	
Adams State University		428	46 10.7%	5	1.2%	51	11.9%	98	22.9%	14	3.3%	112	26.2%	123	28.7%	17	4.0%	140 32.7%
Colorado Mesa University		962	148 15.4%	18	1.9%	166	17.3%	303	31.5%	49	5.1%	352	36.6%	359	37.3%	69	7.2%	428 44.5%
Colorado School of Mines		878	430 49.0%	11	1.3%	441	50.2%	637	72.6%	35	4.0%	672	76.5%	672	76.5%	48	5.5%	720 82.0%
Colorado State University		4274	1732 40.5%	76	1.8%	1808	42.3%	2675	62.6%	155	3.6%	2830	66.2%	2846	66.6%	225	5.3%	3071 71.9%
Colorado State University - Pueblo		1013	178 17.6%	16	1.6%	194	19.2%	300	29.6%	48	4.7%	348	34.4%	338	33.4%	62	6.1%	400 39.5%
Fort Lewis College		767	134 17.5%	9	1.2%	143	18.6%	274	35.7%	28	3.7%	302	39.4%	300	39.1%	43	5.6%	343 44.7%
Metropolitan State University of Denver		1959	115 5.9%	18	0.9%	133	6.8%	354	18.1%	66	3.4%	420	21.4%	490	25.0%	96	4.9%	586 29.9%
University of Colorado Boulder		5530	2585 46.7%	68	1.2%	2653	48.0%	3703	67.0%	163	2.9%	3866	69.9%	3927	71.0%	213	3.9%	4140 74.9%
University of Colorado Colorado Springs		1074	245 22.8%	30	2.8%	275	25.6%	411	38.3%	74	6.9%	485	45.2%	456	42.5%	92	8.6%	548 51.0%
University of Colorado Denver		1037	171 16.5%	31	3.0%	202	19.5%	383	36.9%	68	6.6%	451	43.5%	472	45.5%	91	8.8%	563 54.3%
University of Northern Colorado		2275	605 26.6%	41	1.8%	646	28.4%	1000	44.0%	134	5.9%	1134	49.8%	1083	47.6%	175	7.7%	1258 55.3%
Western State Colorado University		498	93 18.7%	13	2.6%	106	21.3%	192	38.6%	32	6.4%	224	45.0%	214	43.0%	39	7.8%	253 50.8%
Totals		20,695	6,482 31.3%	336	1.6%	5,818	32.9%	10,330	49.9%	866	4.2%	11,196	54.1%	11,280	54.5%	1,170	5.7%	12,450 60.2%

Graduation Rates, from Two-Year Public Institutions (2012 Cohort)

Institution Name	Fall 2012 Entering Class	Graduated at Original Institution			Graduated at Transfer Institution			Graduated at Either	
		Ass. Deg. & Cert. (2+ years)	Cert. (<2 years)	Rate	Ass. Deg. & Cert. (2+ years)	Cert. (<2 years)	Rate	#	Rate
Adams State University	86	3	-	3.5%	0	0	0.0%	3	3.5%
Aims Community College	273	41	35	27.8%	0	1	0.4%	77	28.2%
Arapahoe Community College	472	63	30	19.7%	1	0	0.2%	94	19.9%
Colorado Mesa University	724	28	44	9.9%	0	0	0.0%	72	9.9%
Colorado Mountain College	421	63	26	21.1%	0	0	0.0%	89	21.1%
Colorado Northwestern Community College	175	30	16	26.3%	2	1	1.7%	49	28.0%
Community College of Aurora	327	45	38	25.4%	3	1	1.2%	87	26.6%
Community College of Denver	571	51	25	13.3%	3	2	0.9%	81	14.2%
Front Range Community College	1,288	164	93	20.0%	5	4	0.7%	266	20.7%
Lamar Community College	145	51	10	42.1%	1	0	0.7%	62	42.8%
Morgan Community College	61	14	9	37.7%	2	1	4.9%	26	42.6%
Northeastern Junior College	324	81	14	29.3%	1	0	0.3%	96	29.6%
Otero Junior College	262	69	31	38.2%	3	3	2.3%	106	40.5%
Pikes Peak Community College	1,333	167	66	17.5%	4	0	0.3%	237	17.8%
Pueblo Community College	302	32	37	22.8%	0	1	0.3%	70	23.2%
Red Rocks Community College	555	66	69	24.3%	3	7	1.8%	145	26.1%
Trinidad State Junior College	239	27	61	36.8%	0	1	0.4%	89	37.2%
Grand Total	6,462	870	437	20.2%	25	13	0.6%	1,345	20.8%

The latest year for which student default rates by state are available from the U.S. Department of Education is FY 2014. As a point of clarification, the U.S. Department of Education measures a cohort default rate. This rate tracks students who enter repayment in a year after receiving their credential and default within one of the next two fiscal years. This is measured on the Federal Fiscal Year, so the 2014 report captures students who entered repayment in 2014 and have defaulted in 2015 or 2016.

For Colorado there were 12,273 borrowers in default with 107,754 borrowers in repayment, which is a default rate of 11.3%. This is just below the national default rate for public two and four year institutions of 11.5%.

In order to make higher education funding more directly aligned with the state's goals and transparent, House Bill 14-1319 established a funding allocation model, intentionally designed to incentivize institutions of higher education to retain and graduate students. Additional weight is placed on the retention and graduation of students who are studying high-demand fields, such as STEM and healthcare. Additional weight is also placed on the retention and graduation of low-income students as measured by Pell Grant receipt. Recent research indicates that for three states (Indiana, Tennessee, and Ohio) with Outcomes-Based Funding Models, Pell-eligible student enrollment was steady since implementing a model, but this population did not see a corresponding increase in completions.² In order to incent Pell-eligible student retention and completion, the Department has requested \$6.0 million to increase the weight for the Pell-eligible student category.

² Merisotis, Jamie and Lubbers, Theresa. "Paying for Higher Education Results Might Help Hoosiers." The Indianapolis Star. N.p., 23 July 2017. Web. 26 July 2017.

<<http://www.indystar.com/story/opinion/2017/07/23/paying-higher-education-results-might-help-hoosiers/499114001/>>.

Debt that does not result in a credential is the most costly as students are leveraged without the economic opportunity for success. Therefore, in addition to the policy levers located within the funding allocation model, the Legislature can also help institutions retain and graduate students by working with institutions of higher education to moderate tuition rate increases. Research suggests that the key factor in keeping tuition rates low is state general fund support.³ The Department's R1 request details the cost-sharing matrix and minimum base cost increases that would potentially drive tuition rate increases. The request also includes a \$33.2 million tuition buy-down, which would allow for a 3.0 percent statewide average tuition rate increase. Cost of attendance, of which tuition is one component, can be a significant barrier to entry into higher education, especially for low income students.

The Department's R-4 budget request also addresses a common barrier to retention and completion in the form of emergency grant monies aimed at students who face a relatively small financial barrier, thereby allowing that student to retain or complete, (for more information on the Department's R5 request, see questions 14-16, or the request itself). Work study, another financial aid program, has been shown to be a powerful retention tool because it so thoroughly integrates recipient students into the campus culture.

- 9 Discuss student debt. How do you calculate the average debt load at graduation? Is that only for students who graduate with federal debt? What is the average length of time required for students to pay off student debt?

The Colorado Department of Higher Education (CDHE) calculates the average federal debt for students who graduate with debt. Students who graduate without debt are not included in this calculation. Federal loans are part of a student's financial aid package and are reported through the Departments Student Unit Record Data System. Private loans, credit card debt, or other debt financing options are not included in a student's financial aid package. There is no good resource at the state level or nationally that tracks private debt used to finance higher education opportunities, so the Department's average debt calculation is linked only to federal debt. Debt repayment varies based on many factors, and students may have different loan servicers, so the Department is unable to track the average amount of time it takes to repay debt.

The percentage of graduates with debt from Colorado's public institutions has decreased in recent years. At Colorado public institutions, 67.4% of students graduated with debt and the average debt is \$26,259 for a bachelor's degree, excluding payments made while in school or interest accrued. 60.4% of student who earned an Associate's degree used student loans to help finance the costs. The average loan debt of a student with an associate's degree is \$13,212. The table below illustrates the recent decrease in graduates with debt.

Degree Type	2012	2013	2014	2015	2016	2017
Bachelor's Degree	58.92%	69.23%	70.19%	68.85%	67.40%	65.40%
Associate's Degree	52.84%	66.33%	65.48%	63.37%	60.40%	58.10%

Generally speaking, the average student loan debt among graduates of Colorado's colleges and universities has risen in recent years, but the share of loans relative to other types of aid has decreased. At the associate's degree level, total average student loan debt ranged between \$10,222 at Otero Junior College and \$17,280 at Colorado Mesa University. At the baccalaureate level, average student loan debt ranged from \$18,338 at Colorado Mountain

³ http://www.sheeo.org/sites/default/files/project-files/SHEEO_SHEF_2016_Report.pdf

College to \$34,125 at the Colorado School of Mines. However, as indicated in the table above, the percentage of graduates with debt has decreased.

**AVERAGE STUDENT LOANS DEBT AT GRADUATION: ASSOCIATES DEGREE,
2012 – 2017**

Institution	2012	2013	2014	2015	2016	2017	Five Yr % Change
Adams State University	16,502	17,358	15,644	16,254	15,459	16,088	-2.51%
Aims Community College	11,596	12,267	12,295	11,611	11,045	10,492	-9.52%
Arapahoe Community College	12,241	13,129	14,471	13,756	13,144	13,000	6.20%
Colorado Mesa University	17,291	16,708	18,605	17,696	16,814	17,280	-0.06%
Colorado Mountain College	13,579	11,684	11,658	11,477	10,634	11,004	-18.96%
Colorado Northwestern Community College	18,770	19,865	18,258	17,688	15,911	17,734	-5.52%
Community College of Aurora	13,690	15,802	13,552	13,874	15,372	14,427	5.38%
Community College of Denver	17,418	17,304	17,201	15,441	13,406	12,596	-27.68%
Front Range Community College	16,374	16,162	16,040	16,092	16,325	16,226	-0.90%
Lamar Community College	13,895	12,186	12,817	11,194	12,898	11,670	-16.01%
Morgan Community College	14,602	15,016	12,575	16,805	13,201	11,323	-22.46%

AVERAGE STUDENT LOANS DEBT AT GRADUATION: ASSOCIATES DEGREE, 2012 – 2017							
<i>Northeastern Junior College</i>	10,571	10,605	10,564	11,401	12,031	13,801	30.56%
<i>Otero Junior College</i>	12,645	9,461	11,587	9,651	9,926	10,322	-18.37%
<i>Pikes Peak Community College</i>	12,617	11,711	11,175	10,855	11,978	11,630	-7.82%
<i>Pueblo Community College</i>	14,890	15,190	14,442	14,825	13,522	13,341	-10.40%
<i>Red Rocks Community College</i>	13,999	16,418	15,176	12,555	12,914	11,965	-14.53%
<i>Trinidad State Junior College</i>	13,546	12,900	11,952	12,786	12,786	11,721	-13.47%
LOANS INCLUDED: Federal Stafford Loans Unsubsidized; Federal Perkins Loan; Federal Stafford Loans Subsidized; Federal Health Profession Loans; Other Loans							
NOTE: In this table, Average Students Loan Debt is calculated as the average loan amount per student only for students that have debt upon graduation, not the average debt of all degree receiving students per institution.							

Average Student Loans Debt at Graduation: Baccalaureate Degree, 2012 – 2017

Institution	2012	2013	2014	2015	2016	2017	Five Yr % Change
Adams State University	23,636	24,621	25,205	26,308	26,135	25,617	8.38%
Colorado Mesa University	25,045	25,280	24,961	27,081	25,961	26,850	7.21%
Colorado Mountain College		15,045	16,170	21,022	17,563	18,338	NA
Colorado School of Mines	30,987	31,023	31,783	33,596	33,745	34,125	10.13%
Colorado State University	23,902	25,156	25,661	25,565	26,304	27,233	13.94%
Colorado State University - Pueblo	24,060	23,267	23,552	25,741	23,583	25,212	4.79%
Fort Lewis College	20,948	21,667	21,767	23,624	22,438	21,504	2.65%
Metropolitan State University of Denver	26,640	26,267	26,653	28,632	27,782	27,130	1.84%
University of Colorado - Boulder	24,485	25,173	25,362	26,519	27,522	28,689	17.17%
University of Colorado - Colorado Springs	23,184	24,703	25,501	26,857	25,065	27,121	16.98%
University of Colorado at Denver	26,948	29,167	29,410	29,479	29,597	29,064	7.85%
University of Northern Colorado	24,224	25,001	25,563	25,859	25,356	25,337	4.59%
Western State Colorado University	20,794	22,953	23,387	23,672	25,350	25,146	20.93%

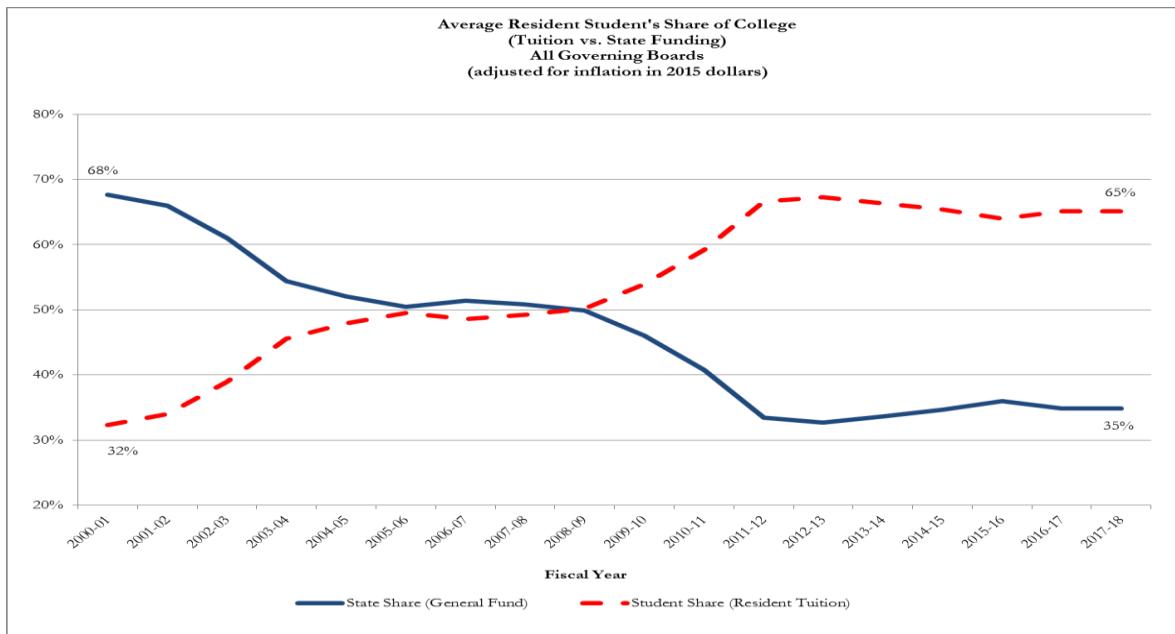
General Fund support for institutions and tuition caps (Requests R1 and R2)

- 10 What would be the impact of R1 and R2 on the State's "inverted smiley face"? How much do you expect this to change the ratio of what the State pays to what the resident student pays?

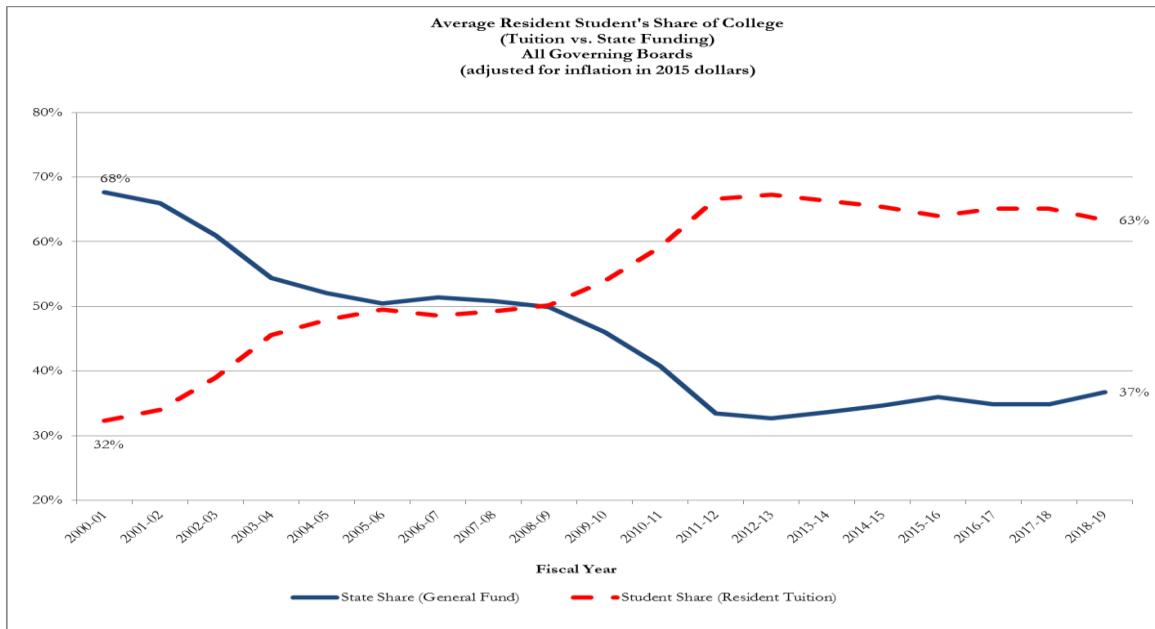
The Colorado Department of Higher Education's (CDHE) budget request items R-1 and R-2 are linked to affordability and predictability for Colorado's students and families by providing general fund increases for FY 18-19 and into additional fiscal years to moderate tuition growth to a 3% statewide goal.

In the current fiscal year, the General Fund increase was able to keep the student's share versus the state's share of cost per FTE constant at a 35% to 65% split. As evidenced by the chart, there was a rapid inversion in financing during the recession. This was in large part due to cuts to state support for higher education. As a result, total tuition revenue grew and total state support shrunk, placing the state in a scenario where one percent growth in resident, undergraduate tuition is approximately \$9.6 million and one percent growth in state support is about \$6.6 million. As such, significant and sustained General Fund increases are needed to reverse the financing burden.

Coming out of the recession, Colorado was able to consistently reduce the burden on students and families over the span of a few years. This was due to sustained funding increases. In FY 16-17, after significant investments in prior fiscal years, funding was held flat, and no progress was made in shifting the burden from students and families.



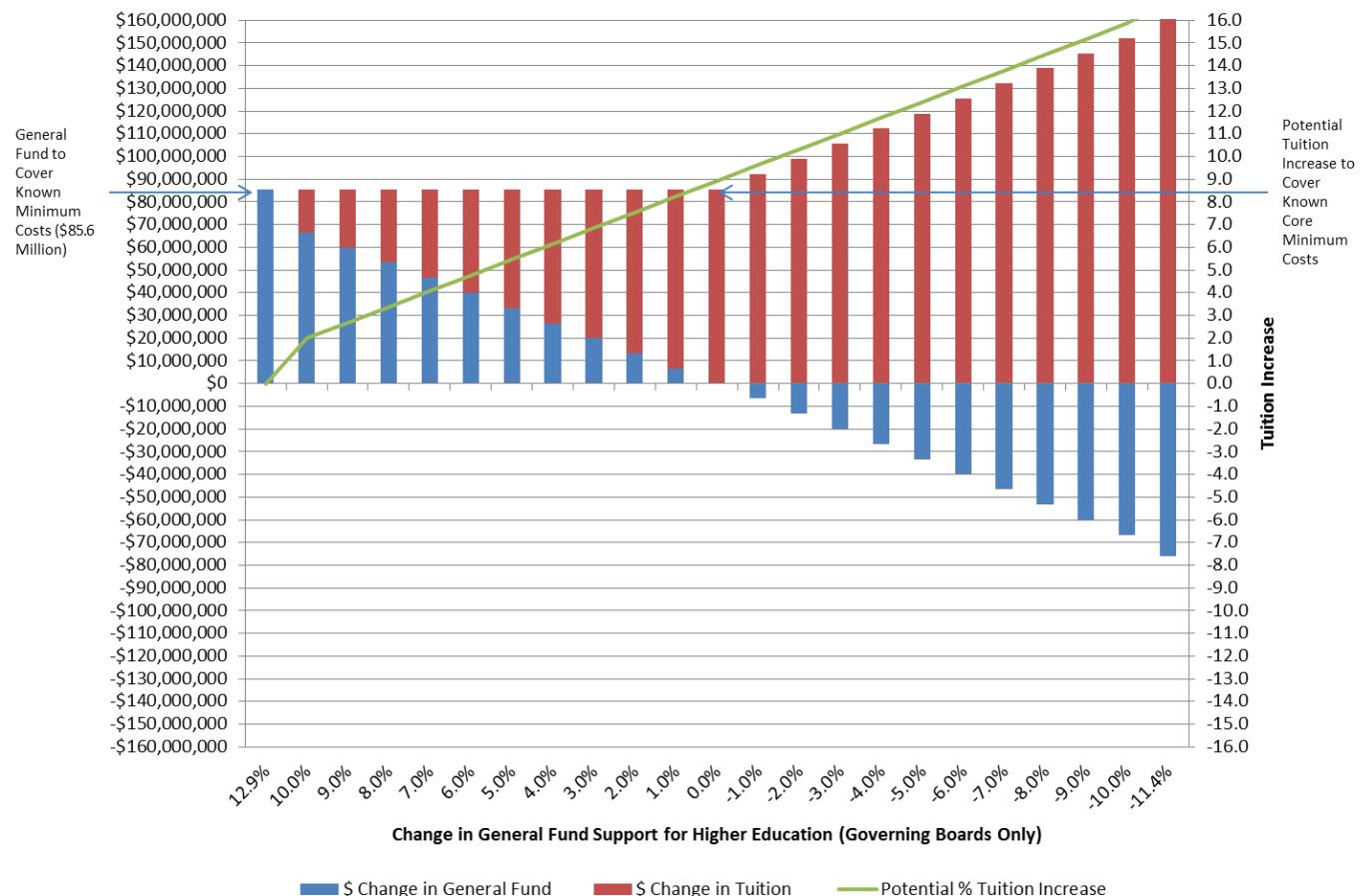
The Department's proposed budget reduces the burden on students and families by approximately 2% in FY 18-19 as evidenced by the chart below. However, providing a single year of investment will only provide a single year of relief to students and families. A sustained effort, like the annualized approach requested by the Department could shift the burden to 60% on students and families and 40% on the state by 2021-22. However, continued increases will be needed to fully reverse this trend.



- 11 What is your funding goal for higher education? Should we be trying to cover inflation? Grow institutions? Fund at the level of other states?

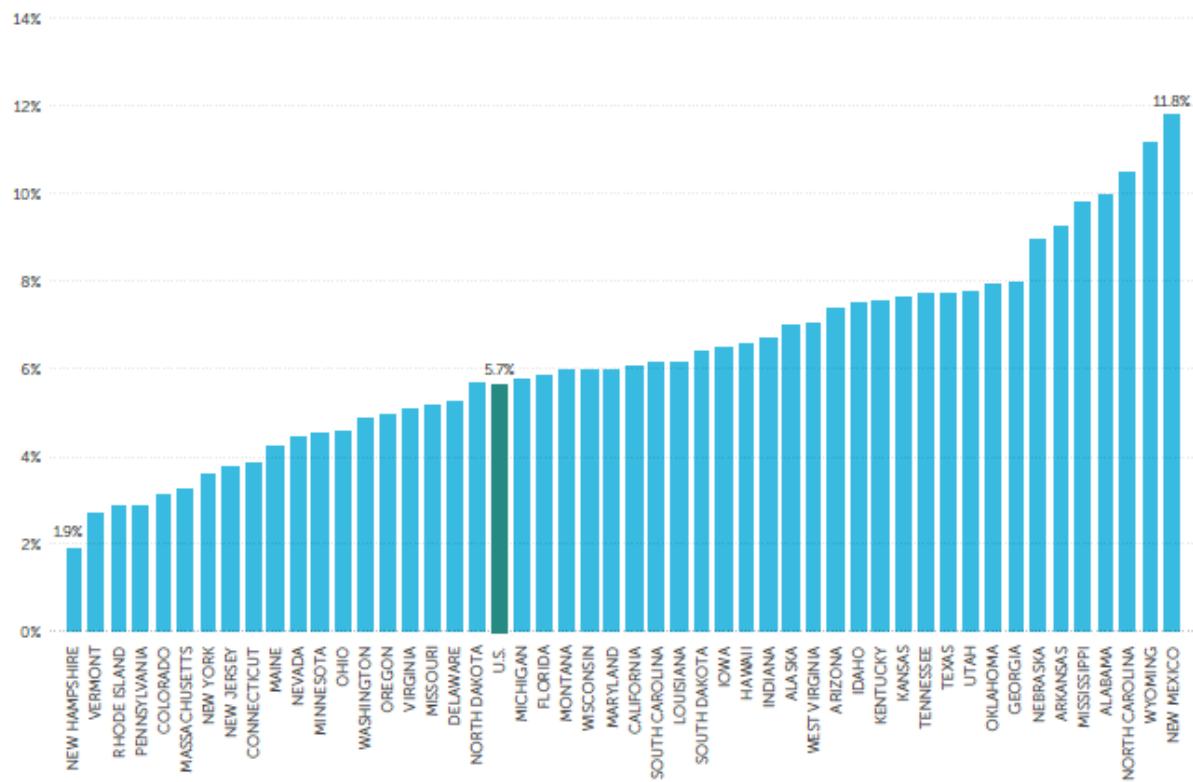
The Colorado Department of Higher Education's (CDHE) funding goal for higher education is to achieve affordability and predictability for Colorado's students and families. The goal is not to match what other states do for higher education, but rather to make sure that each Coloradoan who desires a post-secondary credential has an affordable pathway to success.

The Department articulated this through the Cost Matrix, which demonstrates the link between state financing for core minimum costs and resident undergraduate tuition. While the core minimum costs are linked to inflation and health care, the true articulation of this chart is to demonstrate the financing trade-off between state support and passing costs onto students and families. Covering costs assists institutions in their ability to keep higher education affordable, but the goal is not just to cover the costs, but to ensure that the state investment is passed on to students by moderating tuition.



According to the 2017 Trends in College Price report from College Board, Colorado's average in-state tuition and fees rank at the 11th highest in the nation. However, Colorado provides the fifth lowest amount of tax revenue to higher education, the third lowest funding per FTE, and the fourth lowest per \$1,000 of personal income, to higher education as evidenced by the charts below. By providing additional resources to higher education, Colorado can provide an affordable pathway to a post-secondary credential that will alleviate the cost burden on students and families and allow the next generation of Coloradoans to contribute to the state's economy.

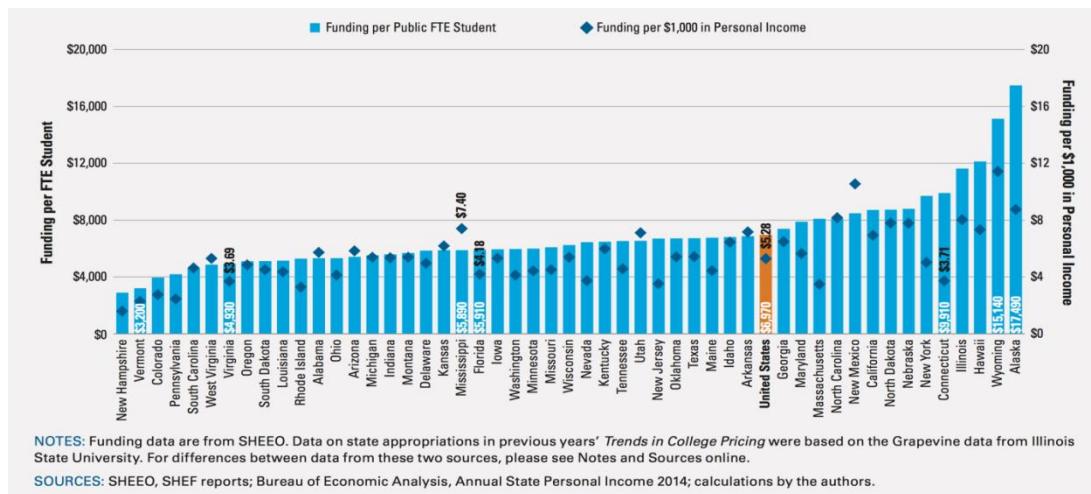
**FIGURE 19
PERCENT OF TAX REVENUES ALLOCATED TO HIGHER EDUCATION, FY 2014**



Excludes Illinois

NOTE: Higher education support is state and local tax and nontax support for public and independent higher education, including special purpose appropriations for research-agricultural-medical.

SOURCES: State Higher Education Executive Officers, with data from the U.S. Census Bureau and North American Association of State and Provincial Lotteries.



- 12 Discuss the decision to increase funding for Pell students in the model. Are there changes you would like to see in the model in the near-term or longer term? Should the model be used to incentivize training that prepares students for real jobs, e.g., based on student employment after completing training or based on training in high-demand fields? Is the model sufficiently transparent? Sufficiently flexible? Too “clunky”?

The Colorado Department of Higher Education (CDHE) was asked, through a Joint Budget Committee Request for Information, to consider additional emphasis within the model for Pell-eligible students. The Department was also formally asked by four presidents (Colorado Mesa University, Colorado Community College System, Adams State University, and Metropolitan State University-Denver) to consider changing the weighting for Pell students. These two requests align with the Colorado Commission on Higher Education's (CCHE) Master Plan goal to increase completions for low-income and minority students. Building off of the JBC's request, the Commission's Master Plan, and the institutional requests, CDHE staff worked with institutional financial representatives to change Pell student supports on the Role and Mission part of the model and on the Completions part of the model.

These changes were made to incent institutions to enroll and complete more Pell-eligible students in alignment with the CCHE Master Plan. In the Role and Mission part of the model, the weighting was increased from 10% of the College Opportunity Fund (COF) stipend amount to 12.5% of the COF stipend amount. This is done to incent institutions to enroll more Pell students as institutions will get additional dollars from this factor through increased Pell enrollment. Additionally, this change recognizes the added cost to provide the necessary support services for Pell-eligible students to be successful. The weight for Pell-eligible student completions was changed from 1.6 to 2.0. It is not enough to just enroll more Pell-eligible students, but these students must successfully complete, as well. The Pell completions weight applies to all credential levels (Certificates through Doctorates), so this increased weight will be applied to any Pell-eligible completer.

Stable and predictable funding is critical for affordability. As such, CDHE is cautious about continuously changing the model. However, one change that the Department would like to work toward implementing is providing support for first-generation students in the formula. Including this population also aligns with the CCHE's Master Plan to increase attainment amongst underserved populations. Work is underway in coordination with the Data Advisory

Group (DAG) – the group of institutional research representatives – on defining and capturing “first generation” students for inclusion in the enrollment SURDS (data) submissions.

The Department believes that the model provides incentives for institutions to prepare students for employment. There are existing incentives for Science Technology Engineering and Math (STEM) and Healthcare fields, and institutions are rewarded for students that complete high-demand credit hours and degrees. The Role and Mission part of the model allocates \$20 million in funding through a weighted credit hour matrix. The model also rewards completions in STEM and Health fields, so institutions have an incentive to get students to enroll in these high-demand fields.

CDHE believes that the model is transparent. Colorado Revised Statutes 23-18-303 outlines much of what is included in the model. Some components on the Role and Mission side of the model have been adjusted, but outside of the Department’s request to increase the weighting for Pell students, the Completions side of the model has been consistent. Institutions know the model components and the model is discussed annually with the Colorado Commission on Higher Education (CCHE) in a public meeting.

What can be challenging is understanding how the different model components interact. This can make the model appear “clunky”. The Department is aware of the need to have a more publicly available model that can be accessed by different stakeholders, and CDHE is working with a software developer to provide a product that can be used by external stakeholders. Providing an accessible model will help demonstrate its flexibility and smoothness.

- 13 How significant is the model in incentivizing institutional behavior? Do you feel it affects institution’s choices? How? For example, if certificates were weighted more heavily, would you expect that to result in more enrollments and completions? How could we track this?

Similar to outcomes based funding models nationwide, Colorado’s model is designed to incent institutional behaviors through weights applied to different student success measures, notably completions, high-demand field completions (STEM and Healthcare), and target population completions (low-income students). Fiscal year 2018-19 will be the fourth year that institutional allocations will be made using the outcomes based funding model and incentives structure created under House Bill 14-1319. Seeing change and determining the direct cause can take time as institutions shift and adjust to the incentive structure. However, the Department has seen promising indications of behavioral changes since 2015, the year before the model was implemented. Between 2015 and 2017, the total number of credentials produced has increased by 6.4%. Aligning with the direct incentive to increase STEM credentials, done in the model through a premium weighting, the state has seen an approximate 12% increase in those awards. These changes are similar to results for Tennessee as captured in a Lumina Foundation Report that found increases in degree production two years after the implementation of an outcomes based funding model.⁴ While additional study and time are needed to determine the true impact of Colorado’s funding model on institutional behavior, there does appear to be a change in student outcomes since the model’s inception.

The funding model aligns incentives, funding, and statewide goals. The COF stipend serves to fund institutions for resident student enrollment, and there is an additional enrollment factor for low-income resident students designed to incent increased enrollment of that population. While funding is also provided through Role and Mission factors designed to offset institutional costs, funding is also allocated based on student outcomes. The legislation required

⁴ <https://www.luminafoundation.org/files/resources/early-results-tn-0314-1.pdf>

funding for student completions and retentions, and each year that the model has been used to make allocations, the percentage of funding going toward outcomes has increased. The model incents completions by awarding funds for each certificate or degree conferred, with bonuses built in for high-demand fields (STEM and Healthcare) and completions of low-income students. The model also awards funding for student retention as students cross credit hour thresholds marking progress toward a degree. If the state desires to innovate and change its higher education system, there are other approaches that could yield results like creating an innovation fund.

Changing the weights in the funding model must be intentional, with a specific goal in mind. Not all institutions can produce certificates, not all certificates produced are equal in value, and not all certificates generated in Colorado are included in the funding model. Increasing the weighting on certificates could increase the number of students enrolled in certificate programs (this could be tracked through the Department's course hour file), and ultimately it could result in more students with certificates. However, the model's weighting on certificate completions of .25 is applied to all certificates in the model regardless of economic value. Adjusting this incentive would need to be accompanied by potential adjustments in other model weights to ensure that any increased enrollment and completions provide the student with the best possible outcome.

Financial Aid and Request R4 (Emergency Retention Grants)

[Financial aid changes in the request R4 (add \$1.5 million legislation for Emergency Retention Grants), Request R5 (add \$4.0 million for Colorado Opportunity Scholarship Initiative) and R1 (add \$13.9 million for need-based aid and work study)]

- 14 Explain the need for the Emergency Grants and why these cannot be funded another way, such as institutional resources or through base state funding for need-based financial aid.

Financial aid is packaged to offset a static cost of attendance measure, and award notices are provided to students at the beginning of their enrollment period. Colorado's financial aid programs are designed to be included in a student's aid package, and do not possess the flexibility to address a financial emergency that would force a student to choose between staying in their post-secondary course of study or paying for the emergency. Traditionally institutions offer potential students a financial aid package as part of the admissions process (and each year thereafter), so a majority of aid is budgeted for at the beginning of the year, leaving institutions with limited flexibility to address student emergencies. For this reason, a separate appropriation is needed to allow institutions a set-aside for unpredictable, emergency situations that may preclude a student from persisting or completing.

- 15 How will you measure the program's success?

In order to meet the Master Plan goal of increasing postsecondary credentials to 66% by 2025 it is critical that funding is available for needy students who are on the cusp of dropping out due to a financial emergency. The Department will measure the success of this program by the additional number of retentions and completions that result from this particular aid. It is anticipated that the \$1.5 million could help approximately 1,000 needy students annually.

- 16 Would it be better to merge COSI scholarships, the proposed Emergency Retention Grants, and any other scholarship programs into a single comprehensive program? Would this allow for more or less transparency? More or less efficiency in administering the funds?

The Colorado Opportunity Scholarship Initiative (COSI) was created in 2014 with the specific intention of leveraging Community Partner dollars as matching grants to fund student support programs and scholarships for qualifying students. Emergency completion and retention grants on the other hand will be used to target those specific students who are typically in their last year or only a few credits away from completing their degrees, and have experienced a financial life event that is forcing them to consider dropping out. Merging the emergency retention grants with COSI would not create more transparency. In fact, because they have distinctly different purposes and outcomes, merging the two programs would likely create confusion and undue administrative burden. For more information on COSI, see question 18.

- 17 How much does the Department know about individual institution's financial aid policies and use of state financial aid funds, given that financial aid policy is set by the governing boards? Is the Department confident that all "need based" aid is going to students who qualify based on need as reflected in federal calculations?

Department staff meet regularly with the financial aid directors from the institutions. The Department is confident that "need based" aid is going to students who qualify based on need as reflected in federal calculations. While many institutions of higher education do have specific financial aid policies, the Department regularly provides guidance to institutions on interpretation of guidelines. In providing this guidance, the Department utilizes its own guidelines and policies, which are posted on the Department's website and shared with institutions. Several institutions, particularly community colleges, draw heavily from the Colorado Commission on Higher Education (CCHE) Financial Aid Guidelines or simply use the CCHE Financial Aid Guidelines as their institutional financial aid policy.

To ensure that state need-based grant dollars are directed to eligible Colorado resident students who have the least ability to pay for their education, CCHE policy and guidelines define three funding levels. Using Expected Family Contribution (EFC) from a valid Free Application for Federal Student Aid (FAFSA) the institution will first award need-based dollars to Level 1 applicants (least ability to pay EFC). Level 2 applicants will be considered after meeting the need of all Level 1 applicants. Level 3 applicants will be considered after meeting the need of all Level 1 and Level 2 applicants. By utilizing the EFC from a valid FAFSA, CCHE and institutions are able to ensure that federal calculations are used to determine which students have the highest need.

Colorado Opportunity Scholarship Initiative (Request R6)

- 18 JBC Staff has recommended a bill to eliminate the current restriction that not more than ten percent of the money in the COSI Fund in any fiscal year may be awarded for student success programs and that no more than 3.0 percent of the money in the Fund may be used for administration. This change will allow the program to spend down its corpus while maintaining grants for student success programs and administration at the current level. If the General Assembly also authorizes a \$2.0 million General fund increase (instead of the \$4.0

million requested, staff believes the program could continue to commit funds at the current level for an additional four years. What does the Department think of this proposal? If the JBC sponsors a bill to modify this program, are there other changes the Department would suggest?

The Department and the Colorado Opportunity Scholarship Initiative (COSI) are supportive of the Governor's Budget Request to increase the annual appropriation by \$4.0 million and would welcome the opportunity to work with JBC staff to discuss statutory changes that enable the program to be more efficient. COSI provides services and/or scholarship support in 52 of Colorado's 64 counties, and is developing policies to encourage coverage in the remaining counties, especially in such high-need areas as the San Luis Valley. As it matures, the program is moving toward an approach that fully integrates scholarship and the necessary student support services and demonstrates success through data-driven analysis.

Currently, COSI funds over 30 Community Partner Program Grants for student support programs, serving more than 12,400 students across the state. These programs support secondary and post-secondary efforts in urban and rural settings across Colorado. The proposed budget request, to increase the annual appropriation by \$4.0 million, keeps the program from spending down the corpus, maintains current levels of scholarships and rigorous support services, and allows the program to grow.

The requested increase allows the funding for student support services and scholarships to grow by 12% and 69% respectively. An evaluation conducted by COSI, published on November 30th, found that students receiving funds from the program persisted at a rate of 94 percent, 21 percentage points higher than non-recipients, so an expansion of the program could have a robust impact on the number of students retaining and completing a credential, in alignment with our Master Plan goals.

COSI staff will be glad to cooperate in finding more efficient and effective ways to ensure that all Coloradans have the opportunity to participate—and succeed—in post-secondary education. Staff is prepared to work with the JBC, the OSPB, and other constituents, particularly the COSI Board, to achieve that end.

Last Dollar Scholarship Options

19 What are your thoughts about the various “last dollar” scholarship options presented by staff:

*Last dollar scholarships are a common financial aid strategy, but what is different about the recent wave of ‘free college’ or ‘Promise’ programs is clear messaging and universal application. These two factors have contributed significantly to the success of the Tennessee Promise Program highlighted by JBC staff. Additionally, last dollar scholarship options, such as the ones presented by JBC staff, have been most successful in states that have dedicated revenue sources that guarantee continuity of the program through the ups and downs of a state’s economy and budget. The Tennessee Promise, for example, is funded by creating an endowment with **\$361 million** mostly of excess lottery revenue. Interest income on the endowment is used to fund the program. In year 2 of the Tennessee Promise*

Program (2016-17) the program awarded \$25.3 million in aid to 23,295 enrollees in year 3 they expect to award \$33 million. To replicate the success of a program like Tennessee's, a last dollar scholarship must have simple messaging, be universal, and have a dedicated funding source. See below for the Department's comments on each individual proposal.

A - Free tuition and mandatory fees for community college (subsidy could extend to ATCs and other institutions with a 2-year mission) without regard to income, for students coming directly from Colorado high schools/GED under age 19 who attend 30 credit hours per year and follow a degree pathway;

Though this option would allow for the universal messaging that has made the Tennessee program so successful, the Department has serious concerns around the cost and sustainability of such a program in Colorado. As staff noted, rough estimates for this initiative suggest it would cost \$15 million General fund in year 1, annualizing to approximately \$25 million in year 2. Without a dedicated funding source, it would be difficult to deliver on a promise to cover tuition and mandatory fees for all students through ups and downs in the state's economy. Additionally, by not covering the total cost of attendance including room and board and books, the Department has serious concerns that low-income students, who are least likely to enroll already, would not realize the full benefit of the program because they cannot afford to enroll full-time and work to cover additional costs.

B - Free tuition and fees at any institution for students who are Pell eligible or have a household income under \$75,000 for students coming directly from Colorado high schools/GED under age 19 who attend 30 credit hours per year and follow a degree pathway;

Similar to above, the Department has serious concerns regarding covering the cost and ensuring the sustainability of such a program in Colorado. As staff noted rough estimates for this initiative suggest it would cost \$32 million General Fund in year 1 and it would be difficult to annualize to anything beyond a second year. As a result, the program would create a short-term bump in enrollment and likely significant challenges with retention and completion, especially if students cannot access similar funds for future years. Additionally, the vast majority of these funds would go to higher income families since Pell students need a much smaller amount as part of a last dollar scholarship. Finally, this program does not have the benefits of universal messaging since there is an income restriction on it.

C - Additional \$1,000 for any Pell-eligible student coming directly from Colorado high schools/GED under age 19 who attends 30 credit hours per year and follows a degree pathway. This is expected to translate to free tuition and fees for these students. Is this the best way to spend dollars to improve recruitment, retention, and affordability?

While affordability is critical, so too are cost predictability and critical student support wrap-around services. Our concern is that an incentive at this amount isn't large enough to allow all Pell eligible students to enroll full time (note that only 22% of CO Pell students receive the maximum Pell award). In addition, we are concerned that the proposed amount would not send a powerful enough message to combat narratives around student debt. The opportunity cost associated with giving up a job or family obligation in order to meet the requirements of the \$1,000 annual scholarship may be greater than the monetary benefit of the scholarship. The Department feels that resources should focus on more sustainable approaches to affordability by buying down tuition, incenting Pell

completions, and increasing traditional need-based financial aid – all components of our FY 2018-19 request in R-1. To incent Pell completions, the Department allocates its need-based aid appropriation to institutions using a methodology that increases the amount of aid institutions receive as Pell-eligible students cross grade-level thresholds. This approach is designed to incent low-income student completion.

Finally, in each of the scenarios above the Department is deeply concerned that the requirement for students to enroll in 30 credit hours and follow a degree pathway would be difficult to administer and disproportionately negatively impact low-income students. Since these students are most likely to have to work to cover additional living costs, they are most likely to struggle to meet these requirements. As such, with a full time requirement, we can expect each of these proposals to disproportionately benefit middle and upper-middle income students.

- 20 Do you think it would drive enrollment if the State disseminated a consistent statewide message that low-income students may attend any public institution in the State without paying tuition and mandatory fees?

*As Joint Budget Committee staff noted, the free college program that has been successful in Tennessee by increasing college enrollment rates is largely attributable to the ‘free’ messaging universal applicability. Tennessee is able to fully meet demand for its program due to a **\$361 million** endowment. Oregon tried a similar program and ran immediately into serious fiscal challenges due to the high demand for the program and the lack of stable state funding. Though promising a free education to low income students may increase enrollment rates initially, unless the state can ensure that the promise will be fully delivered, and the students supported on their academic journey, we risk creating a program that we could not sustain or that would not drive the change needed to improve student outcomes.*

Career and Technical Education (Request R5):

- 21 Discuss the types of obstacles to CTE expansion that you hope this type of program will address. Do you anticipate that all of the institutions that qualify (CCCS, CMU, LDCs, ATCs) will receive a “piece of the pie” or do you envision a higher-stakes competitive grant process? Are you expecting a few large proposals or many small ones (particularly relevant given that the Department says it will absorb related workload)? Will grants be one-time program or ongoing?

Capacity is a function of a variety of factors including: labor market demand, student interest, accreditation requirements for specific programs, space availability and requirements, additional resources for students, and qualified faculty. Each institution faces a different variety of issues in expanding capacity, and each institution may need to focus on different labor market demands.

This program will allow institutions to isolate their biggest barriers to increasing capacity of their existing high need programs and submit a request to the Department for grant funding. These issues may be related to purchasing additional materials, student recruitment, short-term tuition assistance, increasing the number of faculty, faculty

training, integrating technology or creating new partnerships. This program provides an opportunity to target and enhance capacity for certain underserved populations and locations across the state.

The Department anticipates all institutions that currently offer high-value short-term certificate programs would qualify to apply and that there would be a competitive grant process. Grants would be awarded based on a number of criteria including the demonstrated need, feasibility, anticipated return on investment, alignment with state or regional workforce needs (as defined by the Talent Pipeline report), and ability to address special populations (concurrent enrollment, department of corrections and others). The Department anticipates accepting requests between \$100,000 and \$1 million, and awarding multiple grants of varying amounts to address the highest need and accomplish the largest increases in certificate production. The Department anticipates that these will be one-time grants to recipients with the possibility to expand into out-years if additional capacity needs can be addressed.

As part of the RFP review process the Department will coordinate with the Workforce Development Council. Since the Executive Directors of the Department of Labor and Employment, the Department of Education, the Office of Economic Development and International Trade, and the Department of Higher Education already sit on the council this will allow for representatives from a variety of departments to analyze the proposals and to assess the efficiency through which the proposals meet Colorado's needs.

- 22 Discuss how this initiative will intersect with the Talent Pipeline analysis of state needs and the Workforce Development Council.

The typical entry education level, for about 7% of all top jobs as identified in the 2017 Talent Pipeline Report, is a postsecondary certificate. For an additional 10% of the top jobs, the typical entry-level education is either long-term on the job training or apprenticeship. Furthermore, many of the most in-demand skills in Colorado, as identified by the 2017 Talent Pipeline Report, are skills that could be gained via career and technical education, including Linux, Java, SQL, and Freight+. The occupational clusters with the highest number of projected annual openings are healthcare, construction and extraction, and business/finance. Career and technical education can help prepare students for future careers in each of these pathways.

- 23 Nearly 1000,000 students are engaged in CTE programs administered by high schools, while only 10,000 high school students are concurrently enrolled in postsecondary institutions for CTE. To-date, much the state's support for CTE has been directed to middle schools and high schools via the state categorical Career and Technical Act funding. How do secondary schools fit into the state's goals for producing more technical credentials? Do these programs produce certificates too? Should they?

Providing CTE opportunities to students in middle and high school can help direct them towards opportunities in high-demand fields in the Colorado workforce. Specific to CTE Programs, secondary and post-secondary programs are required to create service area specific Programs of Study for all CTE Programs which include all of the high school courses, post-secondary courses (including transfer opportunities to 4 year institutions), and industry recognized credential opportunities for students to be employable at the end of a CTE Program. Currently, House Bill 17-1041 requires school counselors to discuss alternative educational opportunities provided through certificates and

military enlistment with students and parents/guardians when developing the student's individual career and academic plan (ICAP). As a result, students in high school now have career and technical education as part of their career pathway discussion.

When offered through a postsecondary institution, CTE courses can count towards a post-secondary certificate or credential that is awarded prior to high school graduation. The Department currently allocates \$450,000 annually in targeted financial aid funding to support CTE credential production.

In the Department's Concurrent Enrollment report for academic year 2015-2016, 10,282 Concurrent Enrollment students were enrolled in CTE courses. However, this does not include data from Area Technical Colleges (Emily Griffith Technical College, Pickens Technical College, and Delta-Montrose Technical College now Technical College of the Rockies). With the ATCs included, the number of Concurrent Enrollment students in CTE courses will likely increase.

To support the CTE work being done by secondary schools, House Bill 16-1289 provides a \$1 million annual appropriation supporting a 3-year pilot program awarding school districts up to \$1,000 per student for successful completion of one of the qualified programs. All funding last year was used to reward certificate or industry recognized credential production. Approximately 1,800 credentials were funded, but 1,300 were not due to lack of adequate incentive funding. The majority of these industry recognized credentials qualify a student for employment. The state is working on a plan to expand the collection and reporting of all credentials, including industry certifications.

- 24 What share of short-term certifications are generated by the private and nonprofit sectors in Colorado? Industry itself? How do these entities fit into the State's long-term vision for creating a more educated population?

The Department estimates that approximately 30,500 certificates are generated (6,000 from nonprofit and 24,500 from private), but the Department is unable to determine exactly what share of these are short-term certificates. Of the approximate 50,000 total certificates produced in 2017, about 60 percent are issued by private and nonprofit institutions. Industry has taken a larger role in certificate production, but this data is not reported to the Department.

Open Educational Resources

- 25 The Open Educational Resources Council created by S.B. 17-258 (Lundberg/Rankin) has recommended a new Colorado Open Educational Resources initiative. Does the Department support this idea? Why or why not?

The Department is supportive of the open educational resources initiative. As part of the Open Educational Resources (OER) Council process, the Department provided several staff members to support the council's work and is supportive of the proposed recommendations.

An OER initiative can be an innovative strategy in assisting our state in meeting our Master Plan goals for credential completion. Specifically, OER is aligned to our strategic goals of improving student success and investing in affordability and innovation. As the report cited, OER can contribute to the affordability of higher education and can contribute to increased retention rates and more credit hours completed per term, which increases the likelihood that students will persist and earn a credential. Investments in initiatives such as OER can have a high return on investment for our state and for our students.

Addressing Educator Shortages

- 26 Discuss the initiatives in the Governor's letter regarding addressing educator shortages. Discuss your proposed plans for addressing the problem, including the potential use of General Fund identified as a set-aside in the Governor's budget transmittal letter. Will these require new legislation?

The Governor's transmittal proposed to set aside \$10.0 million from the Marijuana Tax Cash Fund (MTCF) to support policy proposals from the teacher shortage report focused on rural educators. In coordination with the Colorado Department of Education (CDE), the Colorado Department of Higher Education (CDHE, the Department) worked to develop the request proposals for the funds set aside in the executive branch request. Of the \$10.0 million, CDHE requests \$2.0 million to implement higher education related strategies outlined in the strategic plan: [Colorado's Teacher Shortages: Attracting and Retaining Excellent Educators](#).

The requested funds will be used to support a Request for Proposals (RFP) from higher education educator preparation program providers (EPP). EPPs would be able to select from one or more of the following initiatives to address teacher shortages: (1) developing dual licensure programs to address teacher shortage areas; (2) cultivating new partnerships with school districts to align educator preparation program enrollment and completion with specific districts' teacher shortage areas; (3) seeding sustainability through establishing and/or expanding residency and Grow Your Own Programs in collaboration with school districts; and (4) advancing collaboration with school districts by establishing itinerant teacher corps in shortage areas. The RFP will be a competitive review process rewarding requests that focus on rural teacher issues.

These initiatives were informed by and are aligned with the strategic action plan's recommended strategies below.

- *Increase the Number of Teachers Trained through Traditional and Alternative Educator Preparation Programs that Include Teacher Residencies and Grow Your Own Programs (Goal 1, Objective 1, Strategy 3);*
- *Increase the Number of Dual Licensure Program Offerings in Teacher Shortage Areas (Goal 3, Objective 2);*
- *Align Educator Preparation Program Content and Endorsements with the Needs and Expectations of School Districts (goal 1, Objective 1, Strategy 4); and,*
- *Align Student Teaching Practicums with Anticipated District Teacher Position Openings (Goal 3, Objective 3, Strategy 4).*

Below is a more detailed analysis of each of the RFP options.

Increase the Number of Teachers Trained through Traditional and Alternative Educator Preparation Programs that Include Teacher Residencies and Grow Your Own Programs

(Goal 1, Objective 1, Strategy 3)

Teacher residencies are a recent addition to EPPs; however, the early analysis of data shows that completers of these programs report higher preparation and retention rates than completers of traditional and other types of alternative programs. One advantage and strong aspect of teacher residencies is the induction process (support that includes activities such as opportunities to participate in professional learning communities with fellow teachers, observation of master teachers, additional planning time, reduction in number of preparations, co-teaching opportunities, and one-on-one mentoring) that is built into the program. In these programs, residents complete a year-long practicum under the mentorship of a master teacher while completing the required educator preparation coursework for licensure. This mentorship serves as the induction process for the pre-service, resident teacher who is integrated and acclimated into the school district and school prior to becoming a full-time teacher of record the following year. The greatest strength of teacher residency programs is the strong induction and support, as induction is essential to retaining educator talent. Program completers of teacher residencies, such as Colorado's Public Education & Business Coalition (PEBC) Boettcher Teacher Residency Program (which provides alternative EPP, as well as traditional EPP at The University of Colorado at Denver), as well as Urban Teachers in Washington, D.C., rate their preparedness to teach more highly than other types of programs and tend to remain in teaching longer (Omni, 2017 and Urban Teachers, 2015). Residencies would be particularly beneficial to urban and rural areas in Colorado as they could increase retention factors.

Grow Your Own programs target paraprofessionals serving in schools or secondary students interested in a career in teaching. The premise of *Grow Your Own* programs is to cultivate talent among individuals who are vested in the community (current or former residents of the school community) and is aimed at increasing retention due to motivation to give back to their communities. The programs are usually a collaboration between EPPs and local school districts targeted at paraprofessionals working in schools, as well as residents of the community—including high school students—who may be interested in pursuing teaching. Urban and rural school districts could find such programs beneficial to grow their local teacher core to allow them to recruit from populations that are familiar with and invested in the community. Also, paraprofessionals bring a wealth of knowledge, established relationships, and commitment to schools in which they are already employed. Opportunities for high school students to explore the teaching profession can be valuable as well. The Teacher Cadet Program of Colorado offers juniors and seniors interested in the field of education an honors level course in the foundations of education that is often accepted for college credit in Colorado EPPs. The programs (provided by either traditional or alternative EPPs) such as these aimed at local residents offer a short and long-term solution to teacher shortages in hard-to-staff schools.

Increase the Number of Dual Licensure Program Offerings in Teacher Shortage Areas (Goal 3, Objective 2)

Dual licensure benefits both teacher candidates and school districts. Licensure in two areas increases the marketability and employment for teacher candidates and offers schools teachers who are capable of serving multiple instructional needs. Dual licensure programs that offer special education, culturally and linguistically diverse, and STEM licensure preparation are needed to address teacher shortage areas, and are essential for EPPs preparing teacher candidates who serve in rural areas. This strategy could be low cost for EPPs that have existing complementary programs without requiring hiring new faculty. At the same time, this strategy could be high cost for EPPs that would need to create new programs and hire new faculty.

Align Educator Preparation Program Content and Endorsements with the Needs and Expectations of School Districts (Goal 1, Objective 1, Strategy 4)

The teacher shortage areas in Colorado reflect those across the country, i.e., science, mathematics, special education,

and foreign language. The only content area teacher shortage cited in Colorado that is not collectively representative of other states is art/music/drama. Colorado also has a shortage of teachers of color, a shortage echoed in states throughout the nation. Colorado's rural school districts and schools face shortages in the same areas; however, the shortages are more severe due to the increased challenges of hiring and retaining teachers to serve these areas. These shortages are most pronounced in remote rural communities. Educator preparation programs should integrate their work by identifying the school districts that recruit the highest percentages of their completers, establishing collaborative partnerships with the districts, and aligning program enrollment with the districts' needs. EPPs should also conduct environmental scans of teacher shortages across the nation, assess program enrollment and content and adjust accordingly. This alignment could assist in assuring school districts of potential teacher supply, increasing the likelihood of employment for candidates, as well as increases in EPPs' job placement rates.

Align Student Teaching Practicums with Anticipated District Teacher Position Openings (Goal 3, Objective 3, Strategy 4)

Teacher candidate placement can present challenges for EPPs as teacher candidates content area, school district capacity for hosting a teacher in the wake of teacher effectiveness measures, and proximity of teacher candidates' residence to the host school must be considered. However, to the extent possible, EPPs should place candidates in schools that anticipate position openings in candidates' content area. This alignment can allow for the teacher candidate and school to assess fit for potential hiring. In cases where a mutual fit is determined, the student teaching practicum experience could serve as a form of induction; hence, yielding benefits of increased preparedness and retention similar to that of teacher residences.

Additionally, the Department is currently reviewing mini-grant proposals that will be supported by \$379,000 in Title II A – Improving Teacher Quality funds (federal funds). Fourteen proposals have been submitted to date to include, for example, those to support the retention of teachers by creating a robust mentoring and induction program, creating field experiences in rural settings to improve the perception of teaching in the area, and “Grow Your Own” programs to attract high school juniors and seniors to the profession. All proposals address strategies outline in the strategic plan. The programs will only be funded once, and must be sustained by the EPP providers and district(s) or BOCES partners. The breadth and depth of the proposals, as well as the enthusiasm exhibited by the partners lends support for the Department’s current request. These grantees could also leverage the state funds to support their federally funded efforts, thereby expanding their programs.

The expected outcomes of these initiatives will seed the sustainability of a teacher pipeline in rural communities by creating multiple pathways for teacher candidates to include residency and Grow Your Own models of preparation, decrease the number of unfilled teaching positions across rural school districts by aligning the needs of school districts with educator preparation program enrollment and completion; and create collaborative and innovative staffing solutions for rural and remote rural school districts by creating an itinerant teacher corps to serve multiple school districts in a geographic shortage area. None of the initiatives proposed in this request require new legislation.

Program Duplication

- 27 It seems there is more and more higher education program duplication. Does this drive costs? Is this a problem? If it is a problem, what can be done to address it?

Program duplication review was removed from the Colorado Commission on Higher Education's (CCHE) program review authority in 2004, so the CCHE has not considered this criteria as part of the review process since the statutory change took effect. In 2004, the statute revised the CCHE's authority to only consider if a program meets an institution's statutory role and mission. As a result of removing program duplication from the review criteria, Colorado Department of Higher Education (CDHE) staff believes that there is likely more program duplication within the state.

There is one instance, for which, the CCHE retained the authority to consider duplication of programs in its review, and that is in regards to the approval of Bachelor of Applied Science (B.A.S.) degrees in the Community College System.

Generally, program duplication allows increased access as students are able to attend a program in their home community. As stated by CDHE's Director of Academic Affairs, "program duplication is often not a problem because most students, especially working adults with family, consider proximity of an institution, not which programs the institution offers, when considering which institution to attend. Also, having duplicate programs around the state can help meet state and regional workforce needs."

Institutions consider market conditions when expanding and creating new degree programs, so they are keenly aware of the demand before expanding. If the new program cannot cover cost, it will not be created, so program duplication is really driven by economic demand. By providing local access points to educational opportunities, program duplication may reduce the cost for students through lower tuition (see the example above) or by eliminating other cost of attendance factor like living expenses by allowing students to remain at home

S.B. 17-267 COPs

- 28 (a) Do you expect higher education buildings to be used as collateral for issuing the COPs? At what rate compared to other state buildings? (b) Where are you in the process of identifying buildings? (c) Do you know how many assets are in higher education? How many of these already been collateralized? How much is available for future collateralization?

While the Colorado Department of Higher Education (CDHE) anticipates that higher education facilities will be included in the collateralization for the Certificates of Participation (COPs) to be issued pursuant to Colorado Revised Statutes (C.R.S) 24-82-1301, the Department's role in this process was coordinating between the institutions and the Office of State Planning and Budgeting (OSPB). Statute directed OSPB, institutions, and the Office of the State Architect to work together to generate a list for collateralization. As such, the Department is unable to speak to the rate at which higher education facilities are being used for collateralization, relative to other state agencies as our frame of reference is strictly tied to higher education institutions. However, each Governing Board was able to determine its own eligible facilities, so inclusion of higher education facilities was a Governing Board decision. Higher education institutions hold a substantial number of assets, comprising approximately 70% of state square footage and current replacement value. However, the availability for collateralization is a question better directed to each institution. Some higher education institutions have been included in the preliminary list of state facilities that can be collateralized for lease purchase agreements and at least some of them are likely to be

collateralized. The rate at which higher education facilities will actually be collateralized compared to other state buildings cannot be determined at this time as the lease purchase agreements have not yet been developed. The first set of lease purchase agreements will not be executed until after July 1, 2018, pursuant to SB 17-267.

2:45-3:00 BREAK

3:00-4:30 PANEL 1: COMMUNITY COLLEGES, LOCAL DISTRICT COLLEGES, AREA TECHNICAL COLLEGES

INTRODUCTIONS AND OPENING COMMENTS (5 MINUTES PER GOVERNING BOARD)

Note: the JBC requests only one speaker per governing board

Presenters:

- Dr. Nancy McCallin, President, Colorado Community College System
- Dr. Leah Bornstein, President, Aims Community College
- Dr. Carrie Besnette Hauser, President, Colorado Mountain College
- Jeff Barratt, Executive Director, Emily Griffith Technical College
- Teina McConnell, Executive Director, Pickens Technical College
- Michael Klouser, Director, Technical College of the Rockies

- 1 *[For background, please include data on your average annual rate of growth in increasing credential-production for the last five years versus the prior five years and your projected rate of growth between 2017 and 2025. How many credentials do you expect to issue as of 2025? How does this compare to the Department's aspirational goal for your governing board?] Did the 2012 State Master Plan affect your institution's activities for the last five years? If so, how? Do you expect the 2017 Master Plan refresh to affect your activities? If so, how? Are there specific initiatives you are implementing or plan to implement for this purpose? In your opinion, why has the State made so little progress in achieving its goals? Why is resident enrollment growth so weak? How much of it is the cost of higher education?*

Colorado Community College System

The CCCS master plan is aligned with both the 2012 State master plan and the updated 2017 version. Both drive the investment of resources in our system. As an example, CCCS is implementing Navigate, a software product that will help students identify areas of academic interest, link those interests to specific certificate and degree programs and show future job demand and salary data, build schedules around daycare and work obligations, and offer the ability to monitor academic progress and provide intervention in the form of advising and/or access to wrap around services to those who need them most. The ultimate goal of this implementation is to more efficiently and effectively meet our master plan goals. CCCS has made significant progress toward the master plan goals, accounting for 59.4% of the certificate and degree production over the last decade in the state and increasing our share of credential production from 30.3% to 38.1% during the same time period. Our enrollment is countercyclical to economic cycles, but our enrollment is stabilizing and beginning to grow moderately again. As you are aware, our colleges offer some of the lowest tuition and fees in the state and we strive to maintain affordable tuition despite the State ranking 47th in state funding for higher education.

For background, CCCS's average annual rate of growth in increasing credential-production for the last five years is 6.6 percent. This compares to the prior five year average annual growth rate of 7.2 percent. CCCS anticipates that the average annual growth rate moving forward will moderate but continue to grow through 2025.

Aims Community College

The 2012 CO State Master Plan informed the Aims Community College 2012-2017 Strategic plan. The four strategic goals were imbedded into the Aims Strategic plan and were further operationalized by the college leadership. Aims is working on developing our next strategic plan for 2018-23 and continues to support the 2017 CO Rises Master Plan in Strategy #1 which includes objectives centered on completion, diverse student populations, and retention.

One initiative that is currently underway is the redesign of the student placement process and the structure of the developmental education model. Aligned with the state's Strategic Goal #3, the developmental redesign at Aims Community College should have a positive impact on students' timely completion by ensuring that more students place directly into college-level classes in their first semester of coursework. Along with the use of a multiple measures assessment approach, Aims plans to support student success through intensive workshops and boot camps for math students and expanded access to co-requisite instruction for student in English.

The State's Strategic Goal #2: Erase Equity Gaps will also have a direct impact on initiatives at Aims Community College. Beginning in the fall 2017 semester, Aims Community College joined two other colleges in Colorado and started working with the Center for Urban Education (CUE) at the University of Southern California on the "equity-minded reform of mathematics." The work will continue through the spring 2018 semester, and Aims anticipates that the work with CUE will lead to initiatives that stretch beyond the mathematics department as the College works to address the needs of its LatinX student population. The college is also working with the University of Texas Austin to design, implement and evaluate a males of color mentoring program.

Aims believes the state is struggling to complete its goals due to a number of factors, through two challenges continue to emerge in our experience. First, students continue to struggle with academic preparation as they enter college. The State's work on supporting K-12 to ensure college student readiness by 2021 will help support this challenge. Second, Colleges need additional support in addressing the socio and cultural effects that lead to the equity gap. Intensive services directed at traditionally underserved students would benefit colleges in Colorado as they work to retain low-income students who identify as ethnic minorities. Lastly, Aims is fortunate to have not increased tuition for a number of years. While many colleges in Colorado have had to grapple with this difficult decision, Aims students continue to benefit from flat tuition experience over the last five years.

Colorado Mountain College

The CCHE's Master Plan goals were incorporated into specific performance metrics at Colorado Mountain College (CMC). CMC developed a performance dashboard for annual performance, by metric, by campus, by term and by student type, in order to monitor progress. The college uses these metrics to evaluate campus performance, college-wide performance, and the activities of executive leaders.

In terms of background information, the following tables summarize CMC's total credentials over the past ten years:

Prior Five Years	2007	2008	2009	2010	2011
CMC Total Credentials	704	771	670	805	838
% Increase/-Decrease over Base Year (2007)		+9.5%	-4.9%	+14.3%	+19%

Last Five Years	2012	2013	2014	2015	2016
CMC Total Credentials	934	1,122	1,215	1,361	1,304
% Increase/-Decrease over Base Year (2012)		+20.1%	+30%	+45.7%	+39.6%

The college's average year-over-year increase in credentials awarded was +8%, a trend that is projected to continue between 2017 and 2025. Importantly, the completion trend among Latino students at CMC exceeds the college-wide average over the past five years. CMC's completion production exceeds the CCHE benchmarks for reaching the 2025 statewide goal.

Statewide performance is strong but reflects the realities of an economy that is functioning at a very high level. Historically low unemployment and job growth is, appropriately, influencing more Coloradans to pursue work rather than college. This trend is exactly what we would expect to see according to the principles of human capital theory: that individuals will seek the most profitable outcomes at all times. In times of growth, personal profit is maximized in the labor market. In times of economic decline, personal profit might be more realized through investments in education.

Overall, Coloradans do not seem to exhibit acute price sensitivity, generally speaking. Enrollments in Colorado institutions are comparable to enrollments in states of similar size and diversity, regardless of the price of college. What makes Colorado unique is the "opportunity cost" of education in light of a very strong economy. It is not the direct price of college that is driving attendance decisions, but rather the cost of earnings foregone—the cost of time and additional work income—that appears to have depressed in-state enrollments. Regarding the enrollments of out-of-state students, according to the Western Interstate Commission on Higher Education, all states in the U.S. except three—Colorado, Utah, and Texas—are experiencing flat or declining numbers of high school graduates. As a result, the volume of non-resident demand is down and will likely continue to be down for the foreseeable future.

Area Technical Colleges

The 2012 Master Plan helped lend priority to the Area Technical Colleges' focus on closing the attainment gaps via increased credentialing, focusing on completion, offering a better return on investment than our peers, and addressing the disparities of underserved students. While completion and placement have always been at the forefront of the ATCs, we used the Master Plan, along with our accrediting body standards, the Council on Occupational Education (COE), to focus our efforts.

*We feel confident we continue to offer a very attractive, viable and valuable education for our students and local and state economy. The vast majority of our students are from Colorado, and in the last five years, **our resident student FTE has increased by 55 percent**. However, given relatively low state funding support, coupled with a higher cost of living, we acknowledge that the cost of higher education, including tuition at our schools, represents a major obstacle for students.*

With regard to the number of certificates issued, we will include that information as part of our hearing presentation.

- 2 Has the State chosen the right goals? Are these goals still relevant, in light of the experience over the last five years? Should the goals be more dynamic and updated more frequently?

Colorado Community College System

These are the right broad goals; some of the specific out-year targets may be unrealistic given the time frame and past performance. CCCS believes that it has disproportionately contributed to, for example, meeting the credential production goal by being responsible for 59.4% of credential production in the state over the last decade and increasing our share of credential production from 30.3% to 38.1% over the same time period. But, it would be a massive stretch to meet the 66% statewide goal in the time frame specified in the 2017 DHE master plan. In terms of the CCCS master plan, we have a ten year plan, with a scheduled check-in after 5-years to reevaluate goals. This seems like an appropriate set of time frames for evaluation for the state master plan as well.

Aims Community College

The “2017 CO Master Plan refresh” is still relevant to Aims as the thematic trends found within the document parallel the Aims 2018-2023 strategic plan. That said, the State can continue to build collaborative partnerships between other critical state agencies in Colorado (dept. of labor, dept. transportation, etc.) and CDHE/CDE specific to its Master Plan; ensuring jobs and housing are available for individuals who complete a credential is critical to overall student success.

In addition, the goals fail to account for and provide support for non-credit options that lead to meeting workforce demand. A stronger focus on CTE opportunities in high school through concurrent enrollment and on non-credit options would be helpful to meeting the state’s economic goals.

Colorado Mountain College

The CCHE selected appropriate goals. They are simple, easy to understand, and implementable on our campuses and college-wide. Changing the goals more frequently than every five years would be difficult, as it would require frequent changes in systems and strategies. It typically takes 1-2 years for a strategy to be fully implemented, and then another 2-3 years for the results to materialize.

Area Technical Colleges

Yes – we agree with the statewide goals for the master plan. For the Area Technical Colleges, we are still content that focusing on completion, retention, underserved, STEM and affordable education, all components of the

Master Plan, are at the core of our mission. We would agree that the goals should be revisited more frequently than every five years. The Master Plan should also ensure that all areas of the state are being served – including providing career and technical education to rural areas.

- 3 Given limitations on the state budget, how can we get a better education for citizens without simply building a bigger institutional system?

Colorado Community College System

We believe that CCCS is currently providing a great education to our students and that national data around the cost of certificates and degrees demonstrate that the State of Colorado gets a significant return on its state appropriations investment compared to other states in terms of outcomes. In terms of CCCS, taxpayers receive an annual 13.5% internal rate of return on their investment in CCCS and students receive an annual 14.8% internal rate of return on their investment in CCCS. CCCS is constantly looking for ways to improve its operational efficiency and student outcomes. But at a certain point, if you want to be able to serve additional students, there are additional costs associated.

Aims Community College

No response provided.

Colorado Mountain College

Encouraging the federal government to change the structural limitations of our financial aid systems would have the most profound impact on improving colleges' productivity and improving structural innovation. Currently, financial aid follows assumed standards of a bygone era. If the federal government allowed aid to be applied consistently through the year, regardless of academic term, and treated all credits equally, rather than providing more aid for full-time students and less for part-time ones, then college operations could begin to innovate more quickly to the needs and preferences of students, often tied directly to employer needs and labor market demands. Without these changes, the majority of students will continue to be locked into a system with limited flexibility and one that assumes all students are 18-22 years old, enrolled full-time in two 15-week terms, and have parents contributing to their costs. The majority of students don't fit this model, and yet the financial aid system—the largest contributor to which is the federal government—continues to operate in ways that assume a "traditional" (but dated) student profile.

It is expected that Congress will take up the reauthorization of the Higher Education Act in 2018. Therefore, an opportunity to modify federal financial aid strictures may be available soon.

Area Technical Colleges

Efforts to assist the ATCs in building capacity in existing infrastructure via instructional support (increased faculty and support resources) to offer more cohorts in CTE programs each year, as well as increased investments in modalities like hybrid instructional delivery, and upskilling incumbent workers within our business and industry partners, are some examples in which we can leverage existing infrastructure. Given that CTE

programming is space, equipment, and consumables intensive, additional dollars in operating expenses, coupled with industry donations, would assist in building capacity for additional capacity-building.

Remote delivery of cost-effective CTE courses in rural Colorado remains a challenge. When possible, local governments, industry, and ATCs partner to share infrastructure and equipment to deliver education to the outlying communities. However, there may be untapped infrastructure, equipment, and industry experts willing to educate through the ATCs within the government sector throughout rural Colorado. We continue to seek opportunities to develop a combined strategy to eliminate obstacles, while developing and/or enhancing existing policy to allow partnership development among these partners.

- 4 There has been a lot of talk about the value of higher education. How do we know if a college degree or certificate is worth it?

Colorado Community College System

In terms of CCCS, taxpayers receive an annual 13.5% internal rate of return on their investment in CCCS and students receive an annual 14.8% internal rate of return on their investment in CCCS. We believe this demonstrates the value and worth of obtaining a degree or certificate.

Aims Community College

At Aims Community College we evaluate graduates' success on three criteria:

- Percent employed in their area of study*
- Continuing education*
- Serving in the military*

Colorado Mountain College

There is little evidence to suggest that a college degree is not "worth it." A college degree is the single most important and consistent contributor to individual earnings in the U.S. economy. This said, not all degrees have the same value in the marketplace, so students should have all of the information they need to make an informed decision. Moreover, not all degrees are worth the debt one might incur to earn them. Colleges have a responsibility to equip their students with the information they need to make informed choices and then provide evidence on actual returns to specific degrees.

Let's also not forget that there are two types of returns to degree: individual returns and social returns, often referred to as "positive externalities." Economists (e.g., Leslie and Brinkman; Heller; OECD) have determined that both types of returns are positive and greater than typical investment yields of 3%-4%. Specifically, individual returns are typically between 6%-9% per year—compounding—over a lifetime. Social returns have been estimated to be even greater, as high as 16% per year. Social returns come in the form of costs foregone to governments (for corrections, human services, and social welfare subsidies) and higher taxes through higher incomes and property ownership.

Area Technical Colleges

Our role is to complete and place students into employment, as quickly and affordably as possible. We do not offer students loans, and the vast majority of our programs can be completed in less than one year. Many students will complete one credential, go into the workforce, and then return for other credentials. We believe we offer a strong return for the state investment.

From the ATC perspective, the value of a degree or certificate is dependent, in part, on if the outcome stimulates the economy and produces an improved quality of life without accruing overwhelming debt for the individual. For decades, ATCs have produced and delivered low cost, high return, industry specific training that is relevant to the community they serve.

- 5 What is your institution's graduation rate, and how does it compare to your peers? What is the default rate for your graduates who have debt? What can the legislature do to help your institution(s) retain and graduate students?

Colorado Community College System

Our graduation rate for first-time, full-time students is 24.0 percent. This compares to a national average of 21.9 percent for two-year public institutions. Please note that our graduation rate does not include the 15.0 percent of our students who successfully transfer annually, which we consider to be a similar success to graduation. Our default rate is 16.2 percent. To help us retain and graduate students, the Legislature should continue to provide stable and adequate funding for higher education so that institutions can plan for the future and make investments in retaining and graduating students.

Aims Community College

The graduation rate for Aims Community College in 2015-16 was 26.7% compared with the

- a) Colorado CC graduation rate of 27.4%.
- b) The HLC Peer graduation rate of 21.8%
- c) National Peer Group rate of 22.9%

Aims Community College' default rate is currently 18.9%; Note the default rate is not disaggregated by graduates vs. those who have not graduate, but by all former students who have borrowed loans at Aims Community College.

Increasing state aid so community college students could attend full time would assist with improving graduation rates and lowering default rates.

Colorado Mountain College

According to the graduation measures used by the U.S. Department of Education, CMC's graduation rate (in 150% of typical program) is 20%, which exceeds the typical average among public community colleges. However, CMC's successful "transfer out" rate is 38%, which is among the highest such rates in the U.S. So, CMC's

“successful completion” rate—graduation and transfer combined—is 58%. Importantly, the typical graduation rate among Latino students at CMC, 29%, exceeds the college’s overall rate by nearly 30%.

Importantly, CMC operates five (5) bachelor’s degree programs, authority for which was granted by the General Assembly in 2010. Much of the most recent degree production at CMC is attributable to bachelor’s-level programs. Importantly, more than 95% of all BA graduates at CMC are classified as “in-district” students, meaning that they reside in the central mountain region. Without CMC, these students would have few, if any, options for completing their BA degrees.

CMC expects that the number of BA graduates will continue to increase over the coming years. However, given that several of the college’s BA program have natural enrollment ceilings due to limited residency slots at hospitals (for nursing students) and schools (for teacher education students), management expects that the absolute number of enrollees will stabilize in the coming years. (Note: due to the fact that CMC awards a limited number of BA degrees, the college is often classified as a four-year college in DHE reports. This is acceptable, but does make direct comparisons with “peer institutions” more difficult at times given the college’s very unique mix of degree programs.)

The legislature could help CMC retain and graduate more students by providing additional resources to concurrent enrollment programs. We have found that students who begin at the college while in high school have much higher completion rates than students who do not. And yet, high schools – particularly those in rural areas -- sometimes lack the resources to help their students with expenses such as books, computers, and materials fees. Providing this support to school districts would have a materially positive impact on completion rates.

Area Technical Colleges

For the past three years, since the ATCs have been accredited by COE, we have seen consistent achievement with completion. In addition, we do not offer loans, so we are not contributors to the \$1.2 trillion dollar student loan crisis. We do offer flexible, interest free payment plans, as we are committed to working with our students to ensure they have access to the educational programs that we offer. As a note, over the course of the last five years, our tuition increases have ranged from 0-4 percent, so we continue to remain committed to offering an affordable, quality educational option for students.

	Completion	Placement	Licensure
<i>Council on Occupational Education Standards</i>	60%	70%	70%
Emily Griffith	85%	84%	99%
Pickens	80%	83%	88%
Technical College of the Rockies	94%	90%	92%

6. What standards are used to determine what certificates you offer? How do you ensure they are valuable to students? How are your certificate programs accredited? If the State is interested in

increasing the number of credentials, how can it ensure that additional certificates produced represent something substantive rather than simply additional pieces of paper?

Colorado Community College System

Our colleges have industry and program specific advisory boards that provide input into the service area demand and the technical skills that are needed within the certificate's curriculum to meet employer specifications. This assures that our curriculum and the skills students are receiving instruction on and acquiring have value in the marketplace. Our certificates are accredited in the same fashion as our associate's degrees.

Aims Community College

Aims uses a feasibility study process that incorporates an environmental scan, market analysis, advisory committee recommendations, and workforce demands. Certificates are examined in accordance with state requirements and align to current offerings or meet emerging needs (i.e. Surgical Technology certificate or Cyber Security certificate). Aims regularly adjusts certificates and programs based on advisory input, changing market demands, and student feedback. Aims' is accredited by the HLC. The state should exercise caution in merely increasing the number of credentials so that it doesn't artificially increase credential levels when employers do not demand credit credentials. The state is encouraged to support financially and legislatively non-credit offerings that meet workforce demand and allow for greater flexibility in delivery and scheduling, faculty credentialing, faster implementation, and reduced costs.

Colorado Mountain College

All applied programs at CMC have local "advisory committees" comprised of professionals in the field and employers. These advisory committees help organize the curricula to ensure that they are relevant. Moreover, the college is implementing a "program health score" process that evaluates the demand, productivity, and labor market returns of academic programs at the college. Though in its first official year, this process should prove very valuable in providing regular, objective information on program relevancy.

Area Technical Colleges

Each of our CTE programs have engaged, and robust advisory committees that meet at a minimum, twice a year, to weigh in on curriculum and offer suggestions for modifications where applicable. These committees also assist the institution in internship opportunities and placement for our graduates. All of our certificate programs meet criterion set forth by the Colorado Community College System (CCCS) as well as meeting standards for our accrediting body, the Council on Occupational Education (COE).

Emily Griffith Technical College: *Emily Griffith Technical College for example, has implemented a program exigency process that looks at completion, placement, and licensure data, and correlates with Local Market Information (LMI), to ensure our programming is still viable to our business and industry partners and in the workforce. Many workforce development programming is incubated in non-credit programs such as our Construction Careers Now and Culinary Quick Start program, that provides a pipeline into our CTE for-credit certificates and offers entry-level employment.*

Pickens Technical College: Supporting Pickens in its work to ensure effective CTE programming/Certificates and opportunities that meet student and industry needs are the following:

Occupational Advisory Committees. Each CTE program has an advisory board made up of community members and business and industry partners connected to the program's specific content. The advisory committees for each program aid instructional staff in assessing the needs of the students, business and industry, as well as keeping instructional staff abreast of the latest equipment, methods, and technologies in their respective occupational areas.

Institutional Advisory Committee. This committee plays an important role in providing information and recommendations to assist leadership in decision-making to support the school as a whole. The Institutional Advisory Committee includes leaders from industry, businesses, and the community

Technical College of the Rockies: Programming at TCR is determined by the communities it serves. Industry and community leaders begin the dialogue through a variety of channels such as workforce development, local councils, industry organizations, etc. These inquiries are examined in partnership with TCR using a variety of metrics to determine viability, cost effectiveness, sustainability, and scalability among others. If acceptable, the programs are developed and aligned with the Colorado Community College System (CCCS), accredited with the Council on Occupational Education (COE), and if possible, aligned with industry based certification (IBC). Doing so ensures comprehensive, integrated training that results in high probability of career success. Following program launch, continuous monitoring of completion, placement, and licensure enables the industry partners, advisory boards and ATCs to determine credential viability.

Requests R1 and R2 - General Fund and Tuition Increases

- 7 Discuss your thoughts on the current funding allocation model. How do you feel about the increased weight on Pell? Are there other adjustments you support this year? If certificates were weighted more heavily, would you expect that to result in more enrollments and completions? How could we track this?

Colorado Community College System

CCCS is supportive of increasing the formula weight on Pell. If certificates were weighted more heavily in the formula, that would reflect a policy focus on serving students in those areas as well as a recognition of the value of these middle skill jobs in the economy. All other things being equal, this would likely allow additional investment in capacity and program offerings in certificate programs, which in the long-term would result in additional enrollment and completions. Tracking this can be tricky given the sensitivity of our students to economic conditions and the volatility of state investment over extended periods of time, but over the long-term standard methods for tracking enrollment and completions would demonstrate the value of these investments. And we believe CCCS has a track record for increasing credential production over the last decade, as mentioned in previous responses.

Aims Community College

Aims Community College is not part of the allocation model. We support the current funding appropriation for local district colleges.

Colorado Mountain College

Does not apply to CMC.

Area Technical Colleges

While the Area Technical Colleges are thankful for the funding support that we receive, we would like to see a more equitable allocation model, one that better recognizes our space and capacity issues. Given we are not eligible for COF, gaming revenues, fee for service or state capital constructional appropriations, we are continually looking for alternative funding methods that do not include tuition increases. The Area Technical College FTE allocation per student is significantly less than our peers, and given our lack of general education classes with very high enrollment and low cost to deliver, plus the higher inherent cost of delivering Career and Technical Education (CTE), we see a funding gap. We are full supporters of a model that is built on performance, and with our low cost and very high rates of completion/graduation and placement into employment, we would welcome a model that weights certificates more heavily. We track all metrics related to certificates, and are more than happy to share this information with a larger working group, as needed.

- 8 Potential model changes: Are there other changes you would like to see in the model in the near-term or longer term? Should the model be used to incentivize training that prepares students for real jobs, e.g., based on student employment after completing training or based on training in high-demand fields? Is the model sufficiently transparent? Sufficiently flexible?

Colorado Community College System

In addition to the certificate weighting mentioned in the previous question, in the long-term, adding a performance component for the successful retention and completion of first generation students would be important to consider. In terms of transparency and flexibility, the model does (as all models do) have limitations. It certainly would be helpful for the governing boards to be able to directly run the model to assess the impact of potential changes.

Aims Community College

See Above

Colorado Mountain College

Does not apply to CMC.

Area Technical Colleges

As discussed in the previous answer, we would welcome a model that places more emphasis on performance, specifically on graduation rates and placement into employment. As of right now, all we see is an “average” allocation that is not based on any specific metrics.

- 9 How significant is the model in incentivizing institutional behavior? Do you feel it affects your institution’s choices? How?

Colorado Community College System

The outcomes from the funding allocation model certainly impact a governing board's ability to invest in programs and impacts students through its effect on tuition rates.

Aims Community College

See Above

Colorado Mountain College

Does not apply to CMC.

Area Technical Colleges

As the Area Technical Colleges are not part of the funding model, this question does not apply.

- 10 Discuss the total General Fund and tuition increase proposed for your governing board in the Executive request. *[Note: this question applies primarily to the Colorado community college system, as tuition increases for the other governing boards are not appropriated. However, other boards are requested to respond to parts a, and b to the extent feasible.]*
- How much of an increase in education and general revenue do you anticipate needing in FY 2018-19? If this is greater than the projected increase in the Boulder-Denver-Greeley CPI, explain why.

Colorado Community College System

Once we have Spring 2017 census figures, final decisions from the General Assembly on classified salaries/benefits, and final decisions on General Fund operating/controlled maintenance state funds allocated to CCCS, we will be able to provide more defined clarity on the question. However, based on the Governor's request and current enrollment projections, the total revenue increase necessary to cover anticipated operating and controlled maintenance costs is approximately 3.5 to 4.25 percent. FY 2017-18 Boulder-Denver-Greeley CPI is projected to be 3.1 percent. Given our reliance on highly educated personnel, the fact that these personnel make up over 70 percent of total operating costs, and the need to invest in technology to stay competitive, overall costs do tend to trend slightly higher than Denver Boulder Greeley CPI. However, we pride ourselves on maintaining affordable resident tuition for our students compared to other governing boards in the state, as evidenced by the chart of page 11 of the JBC Higher Education briefing document.

Aims Community College

Aims Community College anticipates a needed 3.25% increase in revenue to support increases in education and general expenses. The anticipated need is slightly above the Denver-Boulder-Greeley CPI and is primarily due to anticipated increases in health insurance, potential increases in PERA contributions, and salary increases.

Colorado Mountain College

Due to adjustments in local property assessments demanded by the Gallagher Amendment, CMC's revenues for 2017-18 were \$2.8M less, or about 7%, than they would have been without the impact of Gallagher. The college absorbed this loss by restructuring its retirement benefit plan for all new employees. Since such a decline in property tax revenues is ongoing in nature, 2018-19 will also result in \$2.8M less revenue than CMC would have without the rate change. The Denver-Boulder-Greeley CPI is currently 3.1%. CMC projects that it's base operating costs will increase by 4% or more in 2018-19 due to rising health care costs (about 5% in 2018), increases in salaries and wages to maintain COLA (3.1%), and adjustments to employees affected by the proposed increase in PERA contributions (3 percentage point growth). CMC maintains five different tuition rates, based on a variety of tuition classifications and student levels. We do not yet know how much new revenue will be needed from net tuition, but expect some increases in the coming year. Note, however, that CMC's in-district tuition is the lowest in the entire state (\$65 per credit hour), so even minor changes in dollar values can appear to be large from a percentage standpoint. A 3% increase in in-district tuition at CMC would result in an increase of about \$2, which would yield a total net tuition amount well below the \$2.8M property tax revenues foregone.

Area Technical Colleges

NA, as the State does not set our tuition rates.

- b) How much of your annual need for increased revenue for educational programs is driven by salary and benefits for staff overall? How much of this is for classified staff?

Colorado Community College System

Personnel costs account for approximately 70.0 percent of our total operating costs. Of these personnel, approximately 15.0 percent are classified staff.

Aims Community College

Sixty-five percent of the increased revenue needed is attributed to benefits and salaries for employees. Aims Community College does not currently employ state classified staff.

Colorado Mountain College

CMC does not participate in the state personnel system, so it has no classified staff.

Approximately 83% of the college's Ge&E budget is allocated to salaries and benefits.

Area Technical Colleges

See above.

- c) Does the maximum undergraduate resident tuition rate increase proposed for your governing board in R3 (3%) accurately reflect your tuition need if R1 General Fund support is approved? Why or why not?

Colorado Community College System

Generally it does, all other things being equal. However, a large variable in terms of cost for CCCS is what the General Assembly does regarding the various PERA stabilization proposals. For CCCS, the impact of the various proposals range from no impact to approximately \$5.5 million to approximately \$10.5 million in additional base cost increases above the increases identified in the Governor's request. The results and timing of the implementation of a PERA stabilization proposal could have a significant impact on our colleges' cost structure and potentially tuition revenue need. For example, an additional \$5.5 million for PERA would necessitate a revenue increase of 4.7 to 5.5 percent, and an additional \$10.5 million for PERA would necessitate a revenue increase of 5.8 to 6.6 percent.

Aims Community College

The Aims Community College Board of Trustees do not anticipate increasing tuition for the seventh year.

Colorado Mountain College

Does not apply to CMC.

Area Technical Colleges

See above.

- 11 ATCs and LDCs are not currently part of the funding model, other than to receive an “average” increase. Given your reported goals of increasing credential-production, should they be funded through the model in part based on your performance in generating certificates and degrees? Is the funding for non-state public institutions fair? Why or why not?

Colorado Community College System

We feel this question is most appropriately answered by the Department.

Aims Community College

State appropriations represent 12% of Aims Community College's FY 2017-18 revenue. Aims receives adequate local funding which will allow the College to advance its goals of increasing credential production. Aims is comfortable with receiving the average appropriation that all state funded institutions receive and feel it is fair.

Colorado Mountain College

State support for local district colleges is less than 10% of the overall operating budgets to these institutions, so it is unlikely that changes to the funding formula would result in significant changes. Also, the LDC's performance regarding degree production is higher than most peer campuses. Consequently, if the LDC's were included in the model, the net effect would likely be an increase in state funding to these institutions; which could reduce revenues to other colleges with less diverse mixes of revenues and for which state support is a far more important share of support.

Area Technical Colleges

Yes, we believe that the funding model should recognize performance, but not only for certificate growth, but also in the overall graduation/ completion rates, as well as the placement rates into employment. The ATCs are driving a substantial amount of the credential growth in Colorado, and the model should recognize the inherent disconnect between the “average” funding model, and the cost of delivering successful CTE programs.

Financial Aid, R4, R6, and Last Dollar Scholarship option

12 How significant do you believe the *real* net cost of attendance, after grant aid, is to whether students attend and complete at your institution? How significant do you believe *perceived* cost is in whether students enroll in your institution? How does your institution work with high schools to help students understand the real net cost, as opposed to the perceived cost?

Colorado Community College System

Each student is different and has access to different levels of information regarding cost of attendance, but for our students it likely is a combination of both. CCCS does many things to work with high schools to help students understand the real net cost of attendance. One example is the net price calculator, which allows a student to calculate the real net cost of attendance.

Aims Community College

Aims Community College has one of the lowest costs of attendance in the state. That makes it attractive to local students who are concerned about cost. However, since salary rates are lower in Weld County, the perceived cost may still be a factor for some families. The college works with high schools to educate students and their families about the cost of attendance as well as financial aid available – especially grants and scholarships - to pay for higher education.

Colorado Mountain College

The perception of college costs is real for all institutions, but the reality suggests that it has a modest impact on enrollment decisions. Most students with demonstrated financial need at CMC are able to cover their tuition, fees, and books with grant support. Students at CMC have the lowest loan debt in the state as well.

To reach high school students, CMC implemented a “President’s Scholarship” program three years ago, which awards every graduating senior with a \$1,000 scholarship to the college. One-thousand four hundred seniors receive personalized scholarship awards each spring. A condition of receiving the scholarship, however, is to complete a Free Application for Financial Assistance (FAFSA) and to register full-time. Full-time students with demonstrated need, based on the results of the FAFSA, receive very healthy financial aid awards, which addresses the perception of college costs directly.

Importantly, the single greatest direct cost to students in the CMC service area is housing. The typical cost of housing in the central mountain region is between 15-40% higher than the statewide average. CMC has some on-

campus housing options, but most are for traditional-aged students. The college is actively involved in finding housing solutions for its students (and faculty and staff), but has not yet identified a comprehensive answer.

Area Technical Colleges

Price, regardless of real vs perceived, is a major barrier for our students. Through the combination of various types of aid, we are able to communicate with most students that the real cost of attendance is an attainable number to them. We work hard to keep tuition levels at an affordable rate, to keep the real costs as low as possible. In order to overcome perceptions of cost, we develop content and marketing to help students understand the costs of attending post-secondary programs at the ATCs. In addition, we have student services support positions, including recruiters, navigators, intake specialists and advisors that work in a high touch manner with students, both prospective and current, to understand the real costs of attending programs and assist in retention efforts.

Specific to High Schools, these same support positions will work with High School advisors, as well as the students themselves, providing program and college content (catalogs, flyers, web links etc...) to help educate prospective students on the real costs. In addition, we encourage students to concurrently enroll in our post-secondary programs, which will allow them to utilize district funds to help cover their tuition and offset the real costs of a certificate. We have seen a steady increase in concurrent enrollment participation.

Our students rely heavily on financial aid. We council all financial aid recipients on the cost of education, their responsibility, and all other options available to them. Expectations on attendance is clearly explained to all students who accept financial aid.

The tuition costs at the ATCs continue to be lower than our community college and university partners. Students are made aware of the real and perceived cost of education and are given comparative costs of attending other institutions statewide. We work closely with high school counselors in our service area to ensure students and parents have the information necessary to make appropriate decisions on their education.

- 13 How does your institution use financial aid for resident students to promote enrollment, retention, and completion? Given that institutions have flexibility to establish their own financial aid policy, how does your institution's use of state-supported financial aid differ from that of other public institutions?

Colorado Community College System

CCCS uses financial aid during the recruitment process as one way to help promote enrollment and encourage retention and completion. Our colleges are always looking for additional ways to use financial aid to promote enrollment, retention, and completion outcomes and are working with a consultant to identify key strategies to target more effectively students with financial aid.

Aims Community College

Aims Community College Community College awards financial aid on a rolling basis as applications are received. All students are treated equally (i.e. no “front-loading” for freshmen). State-funded merit aid is used for high achieving entering students and then institutional funds are used for retention and completion for students with cumulative GPA’s of 3.0 or higher. Because of the lower tuition cost at Aims Community College, the state-supported financial aid stretches further than at other institutions.

Colorado Mountain College

Again, CMC provides a “President’s Scholarship” to all newly graduating high school seniors. To help retain these students, CMC provides an “Encore” scholarship to those who return for their second year. The retention rate of Presidential Scholars is above 80%.

Area Technical Colleges

Our student support positions, including financial aid, meet with all prospective and current students, to walk them through what financial aid they are eligible for. This not only includes federal and state aid, but also foundational and institutional scholarships that are available to help offset their cost of attendance. At Emily Griffith, we utilize “360 degree scholarships”, which are scholarships, administered by our student services team, via our foundation, that provide dollars to cover unexpected life events. These dollars, spread across items like child care, transportation etc., are key tools to retain our students, and help them complete programs, partially by eliminating the choice between these life events and the cost of tuition.

- 14 Would it be better to merge COSI scholarships, the proposed Emergency Retention Grants, and any other scholarship programs into a single comprehensive program? Would this allow for more or less transparency? More or less efficiency in administering the funds?

Colorado Community College System

This is probably a question best answered by the Department, since they would better understand how they currently administer the COSI scholarships as well as how they would administer the proposed retention grants and whether there would be efficiencies gained in administrative program consolidation.

Aims Community College

Each of these programs has a specific purpose and different criteria with the capacity to assist different groups of students. It would be difficult to wrap them into one program and still meet unique student need.

Colorado Mountain College

Without specific details regarding the Emergency Retention Grants program it isn’t possible for CMC to offer a well-informed opinion about the most appropriate strategy. However, all need-based grant programs could technically be pooled into a single funding line provided the CCHE had the authority and direction to allocate the funds to each of the state’s financial aid programs. Importantly, CMC supports the COSI initiative. The benefits of the program extend well beyond the actual dollars allocated. As a result of the COSI initiative, CMC

has been able to raise hundreds of thousands of additional dollars for need-based scholarships and deepen its relationship with the school districts in its large geographic service area. Maintaining the COSI initiative should be a priority.

Area Technical Colleges

We will utilize all types of aid – we ask that all financial aid programs recognize the students that we serve. We don't have a position on whether the Emergency Retention Grant program should be stand alone or not.

15 R4 emergency retention grant program:

- a) Discuss how your institution would use R4 emergency retention funding, if approved. If your institution has already implemented an emergency grant program, are there additional students not currently served whom you would like to serve if this request were approved?

Colorado Community College System

Some of our colleges' foundations have emergency grant and loan programs to help students meet emergency situations, like transportation, housing, and health issues, that would prevent students from completing courses and/or a credential. We would use this funding in a similar fashion to the existing programs, and we are confident there are additional students who could be served if the program's criteria are consistent with our current practices.

Aims Community College

Aims Community College would use emergency retention funding to assist students who have an unexpected circumstance that might prevent them from completing a semester or from completing their program of study. Aims Community College implemented an emergency grant program in fall 2017 funded entirely by student fees. Based on the high number of requests, the state funds would allow Aims Community College assist more students. Our limited institutional funds could be utilized for students who do not qualify for the state funds (i.e. out-of-state, WUE, and DACA students).

Colorado Mountain College (Includes response to all parts of the question)

CMC currently operates a program very similar to the emergency retention funding decision item recommended by the Department of Higher Education. CMC's program is called "No Barriers" and allows all enrolled students to receive "just-in-time" funding for students who find themselves in fiscal emergencies. Students receive "No Barriers" funds by way of an application to the CMC Foundation, which allows the student to describe his or her particular circumstances. Importantly, no public funds are used for "No Barriers" grants; they are fully funded by way of individual gifts to the CMC Foundation, so, yes, these programs are attractive to donors. However, donations often fall short of actual need.

The current need-based aid program is an inadequate vehicle to deliver an emergency retention program, as state grant dollars are awarded to students within existing "cost of attendance" guidelines. Traditional financial aid is not emergent, but planned—often well before a final enrollment decision occurs. If the state authorized IHEs to

hold back a proportion of need-based grants for purposes of awarding emergency grants, this could work, but this could have the effect of lowering total grant aid for students.

Area Technical Colleges (Includes response to all parts of the question)

Periodically, our students experience unanticipated changes in their financial or personal lives while enrolled. To be able to utilize emergency grants in order to allow students to continue their education would be helpful.

We will always look towards the private sector for donations, but as we are smaller career and technical education colleges, we don't have a large donor base or advancement staff to actively fundraise.

- b) Is there sufficient flexibility within your state need-based aid allocations to provide an emergency grant program such as that requested in R4 if you wished to?

Colorado Community College System

There is the potential for our state need-based financial aid allocations to be used for an emergency grant program. However, there are two issues with using need-based financial aid for this purpose: timing and eligibility. Financial aid is given to a student at the start of a semester, which may not align with the emergency needs of the student. In addition, we aim to allocate all of our need-based financial aid, so holding back a portion for emergency needs would make full allocation less feasible. Finally, not all students who have an emergency need would be those who receive need-based financial aid. If the emergency grant program was funded from our need-based financial aid allocation, a large percentage of our students would not have access to the emergency grants.

Aims Community College

There is sufficient flexibility for students who have financial need. There are students at Aims Community College without need who may request an emergency grant due to unexpected circumstances and the state need-based aid could not be used for them.

Colorado Mountain College

See Part A.

Area Technical Colleges

See Part A.

- c) Is there another way to fund this program? Isn't an R4-type grant program attractive to private donors?

Colorado Community College System

This type of grant program could be attractive to private donors, and CCCS has attempted to use such funding when available.

Aims Community College

Institutional funds are limited at most schools. Some private donors may be interested in an emergency grant program; however, an endowment requires multiple years to become established so there is a sustainable source of funds. If an endowment is not established annual fundraising would be utilized and would be no guarantee of funds each year or the amount could fluctuate. Aims Community College Community has had a higher number of emergency fund request than anticipated in the first semester.

Colorado Mountain College

See Part A.

Area Technical Colleges

See Part A.

- 16 What are your thoughts about the various “last dollar scholarship” options presented by staff:
- A - Free tuition and mandatory fees for community college (subsidy could extend to ATCs and other institutions with a 2-year mission) without regard to income, for students coming directly from Colorado high schools/GED under age 19 who attend 30 credit hours per year and follow a degree pathway;
- B - Free tuition and fees at any institution for students who are Pell eligible or have a household income under \$75,000 for students coming directly from Colorado high schools/GED under age 19 who attend 30 credit hours per year and follow a degree pathway;
- C - Additional \$1,000 for any Pell-eligible student coming directly from Colorado high schools/GED under age 19 who attends 30 credit hours per year and follows a degree pathway. This is expected to translate to free tuition and fees for these students.
- (a) Is Option C (or any of the options) the best way to spend dollars to improve recruitment, retention, and affordability?
- (b) Would students benefit from a consistent statewide message that low-income students may attend any public institution in the State without paying tuition and mandatory fees? Do you think this would drive enrollment?

Colorado Community College System

While we do appreciate the focus on low income students and the commitment to providing an affordable education, our concerns (which we have expressed previously) center around whether the state can reasonably fulfill this kind of promise. As is documented in the write-up, successful programs of this type set aside significant funding in a separate fund to allow it to manage through all types of economic conditions and their corresponding state revenue implications. Colorado does not have a trust fund or an endowment and it has relatively low overall reserves (that would likely be needed to address other areas of state revenue shortfalls in the event of even a mild recession). Also, when the next economic downturn hits, this will put downward pressure on state revenues and state appropriations to higher education and upward pressure on tuition rates at a time when the number of students who would qualify for the program will be simultaneously increasing, both of which create a larger amount of state funding needed to sustain this type of program. The last thing the state wants to do is to make promises to students (many of whom already have high risk factors related to successful completion) which the state cannot meet or be forced to fund a program by further reducing operating

funding to higher education, which impacts quality and the ability of students to access higher education in the first place.

Aims Community College

Option A – Aims Community College would have very few students who qualify for a program such as this due to our low cost. The majority of our students who come right out of high school qualify for Bright Futures grant (specific to Weld County graduates) and/or other federal and state funds or scholarships that cover their full tuition and fees. Therefore, the students who would qualify under Option A would be the higher income families or those who choose not to complete the FAFSA. The 30 credit hour requirement might be a barrier for some of our students.

Option B – This would require students to complete a FAFSA and would also require verification of family income. The 30 credit hour requirement might be a barrier for some of our students.

Option C – Most of the Aims Community College Community College students who receive the Federal Pell Grant would not qualify due to our low cost.

It is important to note that processing for all of these options would be manual due to the 30 credit hour requirement. The set-up in Banner aligns with the federal requirement that students must enroll in at least 12 credits per semester to be considered full-time.

All of these options speak more to the completion agenda with the 30 credit requirement. While it is important to encourage students to enroll in a maximum number of credits, and we know that it helps with retention and completion, it is not necessarily the reality for community college students. It is aligned more closely with a 4-year university reality.

A consistent statewide message of higher education affordability is both positive and appreciated. It may help drive enrollment to some degree, but is only one factor. Other things that factor in are academic preparedness, understanding of workforce needs and the relationship to higher education, student and family situations, etc.

Colorado Mountain College

While the concept of free tuition is an attractive message, the delivery of such a program should only be contemplated in states that have stable funding for higher education and the authority to raise revenues as needed to accommodate growing demand and natural inflation. Given Colorado's extreme restrictions on public revenue and the inability of the legislature to raise taxes to fund expanding initiatives, the conditions may not be ideal to contemplate a "free college" concept. (Members are encouraged to harken back to the very short-lived Colorado "guaranteed, pre-paid tuition" program of the early 2000's, which was withdrawn nearly as quickly as it was created.) Once the message of "free college" is embedded in the psyche of the public, it becomes expected, regardless of changes in state-level financial fortunes.

CMC currently offers a "first dollar" \$1,000 scholarship to every graduating senior, so this would likely be the preferred strategy, though there are merits to the other two options. We are uncomfortable messaging "free tuition" as it is a promise that could be very damaging if unfulfilled. Our preference is to maintain the most affordable tuition in the state while creating incentives for students to complete their financial aid paperwork in a timely manner and to enroll full time. Importantly, students with high demonstrated need have very little financial exposure to tuition and fees, and these costs are nearly universally covered by state and federal grant programs. If the state wanted to dramatically impact college affordability and lower debt, it would be wise to contemplate additional strategies for middle income students.

Area Technical Colleges

As a group of three institutions, we support any state effort to expand postsecondary opportunities. We caution, however, that many of our current programs have waiting lists for enrollment.

Also, many students enroll at ATCs and Community Colleges to obtain certificates that do not follow a degree pathway. Does the “Last Dollar Scholarship” apply to students seeking these quick-entry-into-the-workforce certificate programs? If not, we believe this program would not support many in our population who seek opportunities for gainful employment but cannot afford to do so.

Career and Technical Education Request R5

- 17 There was support in the General Assembly during the 2017 session for a Long Bill amendment to increase categorical funding for CTE. Do you see request R5 as an effective way to support CTE expansion or would you recommend a different approach? Describe how R5 could be used to expand CTE access at your institution. Are there major obstacles that this initiative would not be able to address?

Colorado Community College System

This request would likely be an effective way to support CTE expansion. For example, , a grant to a welding program for additional welding stations and corresponding space could increase the capacity of that program to produce successful students who hold certificates in an area of higher employment demand and high wages.

Aims Community College

Aims would encourage the state to create grants that can be utilized immediately to meet workforce needs. Grants that provide scholarship opportunities for students pursuing degrees in high demand fields such as education or high cost fields such as aviation, allied health, or industrial technology would be highly effective in meeting workforce demand.

Colorado Mountain College

The Department’s proposal in R5 could provide much needed resources to launch new CTE programming. If these funds were available, CMC would likely seek to use them to build capacity in high demand programs in mountain resort communities, including hospitality/culinary arts, allied medical professions, and construction trades. Ideally, such a program would prioritize partnerships among colleges, industry, and K-12 school districts.

The biggest obstacle to starting CTE programs is the cost of equipment, which can be substantial. It was not clear in the R5 proposal if these costs could be included. The biggest obstacle to sustaining CTE programs is maintaining consistent demand with ebbs and flows in the economy. Addressing this could be accomplished if the grant funds could be used over multiple fiscal years, which would help colleges plan for and address natural fluctuations in enrollments.

Area Technical Colleges

The ATCs support the proposed R5 funding initiative as it allows our institutions a way to build capacity and meet market need for these high-demand, high-value CTE certificates. With our low funding and waiting lists for programs, any additional state resources would be welcome. ATCs could use the R5 proposed funding to build capacity in programs in health sciences and IT where most of these high-demand, high-value programs reside, by hiring more faculty that are paid higher due to market-driven conditions (our LPN programs require a masters level credential for faculty for example), and there is a small pipeline available due to the robust economy that exists in Colorado. A suggestion would be, in the award process to applicants, that programs must have a high completion and placement in existing programs that are requesting an increase in capacity-building/expansion, require performance-based criterion for awardees, and set a higher-than-average wage criterion, preferable \$16/hour and ideally closer to \$20/hour as a starting wage. Obstacles in building capacity for additional programming would be space constraints, cost of CTE equipment, and the ability to attract and retain highly qualified faculty. Current economic forces in high-demand industries such as Industry and Trades, Healthcare, and Technology have priced our compensation packages too low to compete. Many of our teaching positions go unfilled as a result. Additional R5 funding dollars would assist in reducing these barriers for institutions.

Concurrent Enrollment

- 18 How many concurrent enrollment partnerships do you have between your institution and local high schools? How many students are you serving each year?

Colorado Community College System

CCCS has concurrent enrollment partnerships with most of the school districts in our service areas, and we served 25,513 students in the 2017 academic year.

Aims Community College

Aims Community College serves between 38 and 42 schools each year through concurrent enrollment program, including robust partnerships with three early college programs wherein students are able to earn a degree or certificate through Aims Community College.

Aims Community College has seen growth in concurrent enrollment over the past several years. These numbers reflect growth across our concurrent enrollment (on and off campus), career academy and early college programs and are unduplicated. Between 2014 and 2017 Aims saw growth of around 64%. Aims is on track to see additional growth in the 2017-2018 school year.

2017-2018:

1,682 students have participated in the fall 2017 semester alone!

2016-2017:

1,843 students participated in concurrent enrollment

2015-2017:

1,644 students participated in concurrent enrollment

2014-2015:

1,195 students participated in concurrent enrollment

Colorado Mountain College

Colorado Mountain College maintains approximately 25 concurrent enrollment agreements with local high schools, and 5-10 others throughout the state, mostly through agreements for online services. CMC serves approximately 1,700 high school students every year (note: this figure represents approximately 60% of all high school juniors and seniors in the college's 12,000 square mile service area).

Area Technical Colleges

Concurrent Enrollment is a rapidly growing segment of the Area Technical Colleges. For 2016-17, we served over 980 students, or roughly 28.5 percent of our CTE population. This number is spread out predominantly among all eligible High Schools in Aurora and Denver Public Schools (DPS).

Emily Griffith served 27 High Schools last year through our concurrent enrollment partnerships. Emily Griffith is working diligently with DPS this year to increase retention and completion through new communication, advising, and parent involvement strategies. This includes hosting welcome weeks for concurrent enrollment students at our campuses in September, to give students a chance to connect with one another as well as with our staff and faculty.

Pickens Technical College student population includes 48 percent secondary concurrently enrolled students. PTC serves 13 outlying school districts with 24 high schools.

Technical College of the Rockies is developing its short-term goal to offer concurrent enrollment opportunities for all students enrolled in secondary CTE programs at Delta County School District. Further, we are extending efforts to all other school districts in the service area to offer concurrent enrollment opportunities.

19 Do you think we could do more to grow concurrent enrollment in Colorado?

Colorado Community College System

From the 2013 academic year to the 2017 academic year, CCCS has increased the number of concurrent enrollment students by 52.0 percent, from 16,781 to 25,513. While there is certainly additional growth potential, the state would want to make sure that additional growth does not sacrifice continuing to provide high quality instruction and educational outcomes for students.

Aims Community College

Aims Community College serves a diverse geographical region. As such, one of the opportunities to grow concurrent enrollment is in rural school districts whose faculty might not be able to meet the HLC credentialing criteria or whose students can't get to a campus location. Support for these students and school districts are an important part of ensuring all students have access to these programs. Ideas that might support growth in these areas include, supporting technology solutions in rural communities so that students can take advantage of online/hybrid learning platforms from their home high schools. Supporting the growth of HLC credentialed faculty in our rural areas of the state would also support strengthened capacity and sustainability of concurrent enrollment programs in more remote locations.

Additional opportunities for growth in concurrent enrollment exist in strengthening the concurrent pipeline through CTE courses at area high schools and community colleges as well as creating avenues to encourage partnerships in early college models could boost concurrent enrollment participation in Colorado.

One last challenge, particularly salient for Aims Community College's partner high schools are the fiscal resources to increase concurrent enrollment course offerings. Aim's often hears from partnering high schools that there is a desire to increase concurrent enrollment offerings but fiscal resources limit their ability to do so.

Colorado Mountain College

There is no question that concurrent enrollment could—and should...and can—grow. Since the implementation of the concurrent enrollment programs act in 2009—considered by some policy organizations as the nation's finest and most comprehensive dual enrollment law—enrollments of high school students has grown dramatically. The state is now seeing the maturation of dual enrollment programs, which includes the development of early college school districts and “career academies.” The implementation of concurrent enrollment, though impressive and exhaustive in many regions, still favors certain students and certain districts, in particular those located closely to college campuses. So, work remains.

Area Technical Colleges

Concurrent enrollment is simply a supply and demand issue in that there is an increased demand from high school students for concurrent enrollment, but there is a capped funding allocation from corresponding districts. Some districts, such as Denver Public Schools, worked an increase in funding for concurrent enrollment into their last mill/bond levy that passed and provided additional dollars for funding these efforts. The ATCs still have to work with alternative funding sources for fees (which are nominal), kits (cosmetology and barbering for example), equipment, tools, and scrubs (health sciences as an example), that are barriers for students and parents that have to come up with dollars for these program costs.

Funding remains an obstacle in many rural districts. For Technical College of the Rockies and the geographic area it serves, there is no mill or bond measure to work with, and if students want to participate, they will need to pay out of pocket. However, through innovative resource allocation processes and careful implementation of HB 1289, we believe we can offset the cost of enrollment.

Certificates of Participation - S.B. 17-267

[State institutions only]

- 20 Do you expect any of your institutional buildings to be part of the COPs issued pursuant to S.B. 17-267? Are you engaged in a process to determine which buildings are selected? Do you expect the COPs issued pursuant to S.B. 17-267 to affect your bond ratings?

Colorado Community College System

The State Board for Community Colleges and Occupational Education has voted to approve two CCCS buildings to be part of the COPs issued pursuant to S.B. 17-267: E.S. French Hall at Northeastern Junior College and the Central Administration building at Pueblo Community College. The current replacement value for these buildings represents approximately 90-110 percent of the funding CCCS is anticipated to receive through S.B. 17-267. CCCS does not expect the COP issuance under S.B. 17-267 to affect our bond rating if our building collateralization stays between 90 and 110 percent of the funding we receive from the bill.

Aims Community College

Does not apply.

Colorado Mountain College

CMC is not eligible for state capital funding.

Area Technical Colleges

NA for the Area Technical Colleges.

Program Duplication

- 21 It seems there is more and more higher education program duplication. Does this drive costs? Is this a problem? If it is, what should be done to address it?

Colorado Community College System

CCCS works to provide education programs that align with job market need in the geographic areas of our colleges as well as around the state. Given reports of the shortages of employees for certain job types in Colorado (i.e., nursing) as well as the goal of the CCHE Master Plan to increase credential completion, any increased costs may be justified to meet the job market needs and the goals of the Master Plan.

Aims Community College

Through state committees such as Academic Council, institutional leaders are mindful of program duplication. There are benefits to program duplication in instances where community or student needs cannot be met by a single

institution/program. In limited clinical experience or internship type programs, program duplication can become a significant issue; however, institutional collaboration manages these concerns at the state level. Aims is comfortable with the current collaborative effort to minimize program duplication and maximize efficiencies.

Colorado Mountain College

Duplication is not a problem if student demand is robust. Duplication only drives costs if programs are low-enrolled and maintain costs that are above institutional averages. In a market-based system, like that in Colorado, duplication isn't a problem as it can create competition, which should spur innovation and drive costs down. Also, in a market-based system, students will inform us of their preferences by way of their enrollments. If multiple programs are in high demand and enjoy steady enrollments, costs should be sensible. Allowing languishing programs to continue to operate, on the other hand, does drive costs up.

Area Technical Colleges

There are checks and balances in the Community College System new program approval process that allows Chief Academic Officers at each institution to approve or disapprove. This process will most often catch a program that perhaps duplicates existing programming in that service area. Program redundancy does drive up costs as institutions could better allocate resources in areas where there was not an existing program that was meeting existing employment and market needs. There has historically been more of an issue with private schools, who are not required to engage in this type of checks-and-balances process, regarding redundancy of programming.

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED - DEPARTMENT OF HIGHER EDUCATION/CCHE ONLY (SEE SEPARATE LIST FOR GOVERNING BOARDS)

- 1 Provide a list of any legislation that the Department has: (a) not implemented, or (b) partially implemented. Explain why the Department has not implemented or has only partially implemented the legislation on this list. Please explain any problems the Department is having implementing any legislation and any suggestions you have to modify legislation.

HB 17-1004 College Credit for Military and Education Training is in progress. Revised policy still needs to be presented to the CCHE Commission. Per legislation, the deadline is June 1, 2018.

- 2 Does the Department have any HIGH PRIORITY OUTSTANDING recommendations as identified in the "Annual Report: Status of Outstanding Audit Recommendations" that was published by the State Auditor's Office and dated June 30, 2017 (link below)? What is the Department doing to resolve the HIGH PRIORITY OUTSTANDING recommendations? Please indicate where in the Department's budget request actions taken towards resolving HIGH PRIORITY OUTSTANDING recommendations can be found.

<http://leg.colorado.gov/audits/annual-report-status-outstanding-audit-recommendations-june-30-2017>

The Department of Higher Education did not receive any outstanding audits recommendations in 2017.

- 3 If the Department receives federal funds of any type, please respond to the following:
 - a. Please provide a detailed description of any federal sanctions or potential sanctions for state activities of which the Department is already aware. In addition, please provide a detailed description of any sanctions that MAY be issued against the Department by the federal government during FFY 2017-18 or 2018-19.

The Department of Higher Education has not received any sanctions and is unaware of any potential sanctions.

Although the Department is not aware of any federal sanctions or potential sanctions, as JBC staff referenced in the staff briefing document, Adams State University “is on probation with its accreditor.” In February 2016, Adams State University was placed under Accreditation Probation by their accrediting agency, the Higher Learning Commission (HLC). The Higher Learning Commission (HLC) is one of several regional and national organizations that accredit colleges and universities. It is a private educational association, not a government agency. Adams State University believes all of the issues identified by the HLC have already been addressed or are in the process of being addressed through changes in policy, procedure, and program oversight. Please refer to question 16 in the Day Two hearing packet for a response on this topic from Adams State University.

- b. Are you expecting any changes in federal funding with the passage of the FFY 2017-18 or 2018-19 federal budget? If yes, in which programs, and what is the match requirement for each program?

The Department of Higher Education receives federal funds for the No Child Left Behind (NCLB), GEAR UP, College in Colorado (CIC), and IES Research Partnership Grant. None of the funding Colorado receives from these programs is anticipated to be impacted by the FY 2017-18 or FY 2018-19 federal budget.

- *The funding for NCLB will end on June 30, 2018. No match requirement.*
 - *Currently the Department is in the 7th year of Gear Up 3, the funding will end September 2018. The program is built as a dollar-for-dollar match, which requires that at least 50 percent of the total cost of a GEAR UP project to be paid with state, local, institutional, or private funds (i.e., for each dollar of federal funds received, at least one dollar of state or private funds must be contributed). Matching contributions can be in the form of cash or documented in-kind contributions.*
 - *The funding for College in Colorado will end June 30th, 2018. No match requirement.*
 - *Currently, IES Research Partnership Grant is funded from 07/01/2017-06/30/2019. No match requirement.*
- c. Does the Department have a contingency plan if federal funds are eliminated?
- *The majority of the last year of the NCLB is contracted out to UNC, and the contracting work will end in June 2018.*
 - *The Department of Higher Education will request a no cost one-year extension for Gear Up 3 funds. If granted the extension, the Department will be able to continue spending funds through September 2019. In April 2018, the Department will be applying for Gear Up 4 funds. If awarded funds, the Department will be able to continue Gear Up 4 for seven years.*
 - *The federal funding for College in Colorado (CIC) is scheduled to end on June 30th, 2018. CIC has been a trusted and reliable resource for education and career exploration, planning and guidance for educators, parents, students and adult learners for more than a decade. During this time, the CIC websites and resources have been available free of charge to all users in the state. However, CIC's core federal funding ends June 30, 2018. The end of federal support has prompted CIC to propose a shared funding model to partner agencies and organizations. This has also provided the opportunity to review, assess and consider an updated product and services. The Colorado Department of Higher Education and CIC are working collaboratively with several other state agencies and key partner organizations to jointly identify the most valuable education, training and career planning tools and resources that will meet the needs of all stakeholders. CIC plans to maintain the current websites through at least Dec. 31, 2018 and potentially longer, depending on the products and services selected to update or replace the*

current sites. CIC is committed to minimizing any disruption in service and will continue to provide support and technical assistance to users, including carrying out all 2018 planned winter training workshops.

The goals during the next 12 to 18 months are to:

- minimize disruption in service to current College In Colorado users;*
 - obtain commitments for a sustainable funding stream;*
 - streamline individual access to tools and improve the user experience;*
 - ensure access to the future product including retaining valuable data;*
 - utilize new technology solutions for efficiency, effectiveness and outcomes tracking.*
- *IES Research Partnership Grant funding is scheduled to end June 30th, 2019. The vast majority of the IES Research Partnership is farmed out to Colorado institutions of higher education. The research work will end June 2019.*

- 4 Is the Department spending money on public awareness campaigns? If so, please describe these campaigns, the goal of the messaging, the cost of the campaign, and distinguish between paid media and earned media. Further, please describe any metrics regarding effectiveness and whether the Department is working with other state or federal departments to coordinate the campaign?

The Department launched an informal public awareness campaign in September 2017 around its Master Plan. The goal of the campaign is to increase awareness among stakeholder groups (K-12, business leaders, community leaders) and the general public about the need to increase credential completion in Colorado to meet our workforce needs, with a special focus on increased attainment for our traditional underserved populations. The Department has not and does not at this time foresee spending any funds on paid media. We are focusing on earned media (op-eds in local papers, social media), and our Commission members are doing some of the outreach.

The Department has a grant from the Lumina Foundation for our equity work; that grant includes approximately \$30k for communications work. We are using some of those funds for contract help in developing materials and messaging for our campaign.

- 5 Based on the Department's most recent available record, what is the FTE vacancy and turnover rate by department and by division? To what does the Department attribute this turnover/vacancy? Do the statewide compensation policies administered by the Department of Personnel help or hinder in addressing vacancy or turnover issues?

The Department does not participate in the State's classified personnel system. The number of FTE in the Department is small, approximately 30, so small numeric changes can have large percentage changes. Based on the most recently available data, the Department has a 1.5 FTE vacant, and had a turnover rate of 19.8% (6 FTE) in the past fiscal year. The FTE for Division of Private Occupation Schools (DPOS) are also

appropriated in the Long Bill. Currently, all positions are filled, but DPOS had an approximate 14% (1 FTE) turnover rate in the past fiscal year.

The reasons for turnover at the department are common to what is seen in most labor markets:

- *Career changes or promotions to other agencies.*
- *Family situations*
- *Low salary*
- *Limited career path*
- *Moved out of area*
- *Did not enjoy work*

- 6 Please provide an update on the Department's status, concerns, and plans of action for increasing levels of cybersecurity, including existing programs and resources. How does the Department work with the Chief Information Security Office (CISO) in the Office of Information Technology (OIT)? Have your information technology infrastructure and policies been audited for cybersecurity capabilities? If so, was the audit completed by the legislative auditor or an outside entity? Do you have dedicated cybersecurity personnel? How do your cybersecurity staff interact with the CISO in OIT? What unique security issues does your Department have? Do you handle private or sensitive data? What unique cybersecurity processes or tools do you use to protect this data?

The Colorado Department of Higher Education (CDHE) is not a managed customer of the Colorado Department of Information Technology. However, CDHE works to comply with OIT's policies on information technology and cybersecurity. CDHE's Director of Information Technology serves as the lead on cybersecurity for the Department. A technology representative, from the Department participates in the CISO's monthly all-staff meetings, and notification of the CISO office is a component of the Department's incident response plan. The Department warehouses student data, and this data classification is a critical driver in information security planning and strategy. The Department engages in an annual security assessment that is conducted by a third-party cybersecurity firm. Most recently, this assessment was framed in the context of the Center for Internet Security's Top 20 Security Controls Framework. The results of the assessment were used in developing the Department's 12-month security improvement strategy which includes the implementation of new technologies to ensure robust security practices.

- 7 What impact do the SMART Act and Lean processes have on your budget requests? Could they be used more effectively?

The SMART Act is directly aligned to the Master Plan goals pursuant to SB17-297 and had a confirming impact on the budget request. In developing the budget request, the Department considered requests that would increase the number of credentials produced and invest in affordability. As a result, successful outcomes in the budget request will be reflected in the SMART Act as they will enhance the Department's performance toward Master

Plan goals. As such, the budget and the Master Plan goals are inextricably linked, so the Department's performance and budget request are aligned.

The Department has participated in several LEAN processes. The latest LEAN process was regarding concurrent enrollment and contributed to the Open Education Resource study, which was a LEAN recommendation. However, these processes were not linked to the budget request. The department believes that future evaluation on the efficiencies of programs generated through the budget request could yield an opportunity for a LEAN or other process. The Department does use the Results First Research and Evidence Based Policy Team methodology when applicable in building the budget request.

- 8 Does your Department use evidence-based analysis as a foundation for your budget request? If so, please provide a definition for your use of “evidence-based,” indicate which programs are “evidence-based,” and describe the evidence used to support these programs.

The Department of Higher Education used evidence-based research and analysis as a foundation for this year’s Budget submission. The Department also engaged the Governor’s Office Results First Research and Evidence Based Policy Team when applicable in developing the request. This methodology is evident in R-1- Operating request for public colleges and universities, R-4- Emergency completion and retention grant and R-5 Occupational credential capacity. Evidence based data to the Department meant using research that was reliable, repeatable and applicable to Colorado’s Higher Education landscape and Master Plan Goals.

R-1

- *The additional \$6 million dollars for Pell-eligible students was proposed because, other states (Indiana, Tennessee and Ohio) with Outcomes-Based Funding Models illustrated Pell- eligible student enrollment was steady since implementation, however research has shown that additional resources directed towards Pell students will increase the number of Pell completions. The Lumina Foundation has illustrated how providing additional support to Pell students makes it more likely these students the will graduate on time, they are 12% more likely to attain a STEM degree, and thousands of more students will complete their degree with this assistance.*

R-4

- *As part of the foundation for this budget request, the Department of Higher Education researched several evidence-base solutions for increasing completions and retentions in post-secondary students. Nationwide data illustrated that emergency aid was able to create the greatest return in investment. A small monetary investment targeted towards a particular group of students on the cusp of graduating has proven to be able to affect thousands of students and increase the completions and retention rates for these students by almost 75%. For additional information on how other programs improving completions and retentions with emergency aid, please refer to the Department’s budget request.*

- *The Department of Higher Education researched other state programs to help determine what would be the appropriate award cap. Research revealed that awards amounts varied by institutional programs but the most commonly used amount was \$1,500. For additional information on how award cap amounts in other states, please refer to the Department's budget request.*

R-5

- *In order to meet the needs of Colorado's ever changing and dynamic economy, the Department of Higher Education used evidence-based research to support the request for additional General Fund dollars to be targeted towards increasing the number of high-demand certificate credentials. In particular, there will be an emphasis on providing additional services to Concurrent Enrollment students and inmates. In developing target populations for this program, the Department engaged the Governor's Office Results First Team. Their research demonstrates that Concurrent Enrollment is an evidence based strategy with high yields, so the Department decided to target this Cost-benefit analyses cited in the Department's request illustrate the positive impact of concurrent enrollment on underserved students and postsecondary education for inmates.*
- 9 Please identify how many rules you have promulgated in the past two years (FYs 2015-16 and 2016-17). With respect to these rules, have you done any cost-benefit analyses pursuant to Section 24-4-103 (2.5), C.R.S., regulatory analyses pursuant to Section 24-4-103 (4.5), C.R.S., or any other similar analysis? Have you conducted a cost-benefit analysis of the Department's rules as a whole? If so, please provide an overview of each analysis.

As described in the annual regulatory agenda submitted by the Department of Higher Education for 2015-2016 and 2016-2017 (attachments A and B), the department anticipated promulgating 16 rules (2 of which were rescinded). In regard to rules promulgated for Division of Private Occupational Schools (DPOS), requests for a cost-benefit analysis or regulatory analysis were not made and therefore they were not conducted. In regard to rules for the administration of the Colorado Opportunity Scholarship Initiative, requests for a cost-benefit analysis or regulatory analysis were not made and therefore they were not conducted. These Divisions have not conducted a cost-benefit analysis of their rules as a whole in the past two years. In regard to rules for History Colorado, please refer to their individual response to this question.

- 10 Describe the expected fiscal impact of proposed changes to PERA made by both the Governor's Office and the PERA Board of Directors. In addition to direct budgetary impacts, please describe any anticipated secondary impacts of an increase in employee contribution rates. For instance, does the Department anticipate a need to increase employee salaries to compensate for the increase in PERA contributions?

The proposed changes to PERA, made by the PERA Board of Directors, include a 2.0 percentage point increase in employer contributions from 20.15% to 22.15%, which will have a direct budgetary impact on the department. DPA will provide a statewide estimate for this impact. PERA's proposal makes this change starting January 2020, thus it will affect the Department's budget starting with FY 2019-20. The PERA Board proposal also includes a recommendation for contributions to be made on gross pay rather than net pay, which increases the salary base upon which the annual contribution is calculated for both employers and employees. This would have a direct impact on the Department's budget as well as employee take home pay. OSPB and DPA are looking into whether this impact can be estimated, and if so, a statewide response will be provided by DPA. The PERA Board proposal also includes a 3.0 percentage point increase in employee contributions—from 8.0 percent to 11.0 percent of pay—beginning in January 2020. Without an increase in employee salaries, these changes would reduce take home pay for state employees beginning in FY 2019-20.

The Governor's proposed changes to PERA will not have a direct budgetary impact on the Department, with the exception of maintaining the PERA Board's recommendation for employee and employer contributions to be made on gross pay rather than net pay. As mentioned above, this would increase the salary base upon which the annual contribution is calculated for both employers and employees. OSPB and DPA are looking into whether this impact can be estimated, and if so, a statewide response will be provided by DPA. The Governor's proposal includes a 2.0 percentage point increase in employee contributions—from 8.0 percent to 10.0 percent of pay—beginning in January 2019, a year earlier than the PERA proposal. The Governor's budget request includes an across-the-board salary survey increase of 3.0 percent for most state employees beginning July 1, 2018. With the proposed increase in employee contributions, this will average to a take home pay increase of 2.0 percent for the fiscal year. The proposed salary survey increase results in an increase of \$398,081 total funds, and \$10,239 General Fund for FY 2018-19 for the Department.

A majority of the higher education impact of the proposed PERA changes will be to institutional faculty and staff that comprises a substantial share of the PERA supported employees in the state. For these employees, a large share of potential salary increases (3% for classified staff) would be consumed by the increased employee contribution. For specific institutional impacts, please refer to the institutional responses.

11 Senate Bill 17-267 required Departments, other than Education and Transportation, that submit budgets to OSPB to propose a budget that is 2.0 percent below the total funds budget in FY 2017-18. Please highlight the following regarding the 2.0 percent reduction:

- Where these reductions can be found in the Department's request;
- What programs are impacted by the reduction; and
- Total amount of the reduction.

In accordance with statute, the Colorado Department of Higher Education (CDHE) complied with the request to submit a budget that reduced total funds by 2%. This request was reviewed and discussed robustly. In the course of its statutory duties, the Office of State Planning and Budgeting complied with the provisions of S.B.17-267. A provision of the bill required OSPB's consideration of proposed two percent reductions for certain principal department budgets. OSPB found the process to be useful. In recommending the budget request, especially in the General Fund, while considering each department's budget reduction items, OSPB also took into account the various pressures on spending and needs throughout the state. Additionally, S.B. 17-267's provisions informed decision making in the request, in particular the recommendation for a decrease in the Budget Stabilization factor

in the School Finance Act as well as the recommendation to increase the statutory reserve in the General Fund. With respect to the two percent target of General Fund spending as defined in the bill, these two items exceeded the suggested target.

12 Please provide the following information for the Department's custodial funds and continuously appropriated funds:

- Name of the fund;
- Amount of funds received;
- Whether the revenues are one-time or multi-year;
- Current cash fund balance;
- Source(s) of the funds;
- A list of FY 2015-16 and FY 2016-17 expenditures from these funds;
- Expected uses of the funds in FY 2017-18 and FY 2018-19; and
- Legal authorization and restrictions/limitations on the Department's use of these funds.

Please See Attachment C for this information.

13 What is the Department's process for engaging in (or disputing) federal land, environmental, jurisdictional, and/or water policy issues? How do you coordinate with other departments, the Governor's Office, local governments, and/or citizens?

This question does not apply to the Colorado Department of Higher Education. Individual institutions will provide a response as necessary.

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED - GOVERNING BOARDS ONLY

- 1 Provide a list of any legislation that the governing board has: (a) not implemented, or (b) partially implemented. Explain why the governing board has not implemented or has only partially implemented the legislation on this list. Please explain any problems the governing board is having implementing any legislation and any suggestions you have to modify legislation.

Colorado Community College System

There are none.

Aims Community College

All legislation has been fully implemented.

Colorado Mountain College

CMC has implemented all legislation of which it is aware.

Area Technical Colleges

There is no legislation that we have not implemented.

- 2 Does the governing board have any HIGH PRIORITY OUTSTANDING recommendations as identified in the "Annual Report: Status of Outstanding Audit Recommendations" that was published by the State Auditor's Office and dated June 30, 2017 (link below)? What is the governing board doing to resolve the HIGH PRIORITY OUTSTANDING recommendations? Please indicate where in the governing board's budget request actions taken towards resolving HIGH PRIORITY OUTSTANDING recommendations can be found.

<http://leg.colorado.gov/audits/annual-report-status-outstanding-audit-recommendations-june-30-2017>

Colorado Community College System

There are none.

Aims Community College

An independent audit firm annually audits Aims Community College. The 2017 audit team provided an unqualified opinion.

Colorado Mountain College

Colorado Mountain College has no outstanding recommendations from the LAC.

Area Technical Colleges

As components of our local school districts, we aren't subject to Audit from the State Auditor.

- 3 If the governing board receives federal funds of any type, please respond to the following:
 - d. Please provide a detailed description of any federal sanctions or potential sanctions for state activities of which the governing board is already aware. In addition, please provide a detailed description of any sanctions that MAY be issued against the governing board by the federal government during FFY 2017-18 or 2018-19.
 - e. Are you expecting any changes in federal funding with the passage of the FFY 2017-18 or 2018-19 federal budget? If yes, in which programs, and what is the match requirement for each program?
 - f. Does the governing board have a contingency plan if federal funds are eliminated?

Colorado Community College System

CCCS is not aware of any federal sanctions or potential sanctions.

No, we are not expecting any significant changes in federal funding.

CCCS would need to cut or adjust programs if federal funding was eliminated.

Aims Community College

There are no federal sanctions pending against Aims Community College.

TRIO: Aims receives \$470,000 in TRiO SSS grant funding which may be impacted by a 2-3% decrease. Though not directly part of the federal budget, the proposed reauthorization of the Higher Education Act would add a 20% match requirement of an estimated \$95,000 to support the TRiO SSS grant program.

Perkins: Aims Community College receives Perkins grant funding of approximately \$400,000 each year. The proposed budget may impact funding by up to 23.9%, resulting in a loss of almost \$100,000 each year.

Colorado Mountain College

CMC has no sanctions from federal agencies.

In the current budget year, FFY 2017-18, CMC experienced no material changes to its budget. The college believes that, if the FFY 2018-19 budget conforms to the proposals made by the Trump Administration, several programs could experience revenue declines. Though it is far too soon to tell with certainty, federal grant programs such as the TRiO Upward Bound, TRiO Student Support Services, and Adult Education and Family Literacy Act grant may be impacted. Reductions in these grants will result in commensurate reductions in services.

Area Technical Colleges

- a. EGTC/PTC is not aware of any sanctions or potential sanctions for state activities. In addition, we are not aware of any sanctions that may be issued against the governing board by the federal government in FY18 or FY19.

b. All federally funded activities and grants that we are recipients of have already been awarded through 9/30/18. At this time, we are not expecting, nor are we aware of, any changes to the overall funding levels.

c. EGTC/PTC look at all federally funded activities on an annual basis. In the event of federal dollars that are lost, in support of key strategic scope, we have a few options that we will consider. Federal dollars are currently used to support a full suite of academic delivery and instructional support for Colorado refugees, as part of the Colorado Refugee Service Provider grant. In addition, we annually receive Perkins funding, which is used to help offset the cost intensive nature of Career and Technical Education (CTE) equipment in our classrooms. We also receive Adult Education and Family Literacy Act (AEFLA), which helps offset testing costs for students, tuition relief for English Language Acquisition (ELA) and offsets some instructional costs to help provide job readiness for our students.

In the event that EGTC loses funding levels in any of these areas, we will determine the strategic benefit of continuing to offer these services. If we feel that part or all of this scope is paramount to the core value of our institution, we will seek other sources of funding. This could include utilizing our Foundation (Emily Griffith Foundation), via corporate and private grants, other grants that have a scope match, or even our general fund. However, it is very realistic that reduced federal funding levels will severely impact our programs, and result in closure of programs, either in part or in full.

For Pickens, federal funds support tuition and program enhancements and a minimal amount of related staff. If the funds were discontinued, we would scale back these activities.

- 4 Is the governing board spending money on public awareness campaigns? If so, please describe these campaigns, the goal of the messaging, the cost of the campaign, and distinguish between paid media and earned media. Further, please describe any metrics regarding effectiveness and whether the governing board is working with other state or federal departments to coordinate the campaign?

Colorado Community College System

CCCS does not spend money on public awareness campaigns per se, but we do spend money on marketing/advertising to promote enrollment and educate students on course offerings, etc. In FY 2016-17, our 13 colleges collectively spent \$3.1 million on marketing/advertising, which represents approximately 0.7 percent of the total expenditures by our colleges.

Aims Community College

Aims Community College is not participating in any awareness campaigns.

Colorado Mountain College

The college is not involved in any particular “campaigns” but will use the spring and summer of 2018 to raise the public’s awareness of the impacts of the Gallagher Amendment on rural local governments.

Additionally, in celebration of its 50th Anniversary throughout 2017, the college hosted a variety of events and received extensive media coverage throughout the year. In 2018, CMC’s president will visit 5th grade classes across the college’s service area to seed the importance of college to students and their teachers.

Area Technical Colleges

EGTC runs public awareness campaigns, coordinated through our marketing team. The below outlines, in detail, the current campaign strategy:

Goal: Promote interest in our educational offerings, generate leads and increase enrollment

Primary Audience: Working adults, earning low-wages with less than two years of college in the Denver metro area (primarily southwest, east and far northeast Denver areas). Our students often have full-time jobs and children to take care of. In many cases, attending a 4-year or 2-year college, at this stage in their lives is not feasible.

Key Messages: Our messaging focuses on accessibility and upward mobility. Accessibility not just in location but in cost and in time required to earn a certificate (less time in school means less time juggling home, work and childcare schedules). Our message addresses their primary needs:

“Graduate debt-free and be on your way to a long-term career in just a few months!”



Targeting Advertising:

We are focusing less on traditional broadcast media and more on digital media which is cost effective, allows us to target a specific audience and to track the effectiveness of our campaigns.

1. Geo-targeted ads
2. Search engine marketing/ Google Adwords
3. Remarketing ads
4. Social media ads



Tracking

Our focus is on tracking number of leads generated from ads and cost per acquisition

1. website traffic, sources and conversions
2. cost per ad
3. cost per lead
4. number of clicks on an ad
5. number of leads generated from an ad (via the landing page)

6. number of leads who convert into applicants
7. number of applicants who enroll
8. cost per acquisition/applicant

Web Traffic:





Landing Pages

Goal: the goal of our landing pages is to:

1. Generate leads (by collecting contact info for follow up)
2. Track the effectiveness of an ad campaign

Once an individual clicks on an ad, they are brought to a landing page that is specific to that ad (which allows us to track leads from that ad). Landing pages are meant to have a simple look with few links. Each landing page is specific to an ad that promotes a specific program (a single program can have more than one landing page depending on the number of ads running).



Earn Your Massage Therapy Certification

GRADUATE DEBT-FREE IN 5 MONTHS!

Interested in learning the skills of promoting healing through health, touch, and wellness?

The Massage Therapy program at Emily Griffith Technical College (EGTC) explores anatomy and physiology; pathology; best business practices and ethics; and lifestyle wellness.

Hands-on, real-world learning will prepare you for success!

- Practice on actual clients in the EGTC Massage Therapy Clinic under faculty guidance.
- Participate in workshops with massage professionals.
- Attend massage business learning excursions.
- Prepare for the Colorado Massage & Bodywork Licensing (MBLEx) Examination.

Start your licensed massage therapist career in a clinic, spa, health club or resort in as little as 5 months.

Graduates of our program are connected to employment opportunities through our partners,



Hospitality Management Programs

Hospitality is the second largest industry in Colorado and is expected to grow 18% by 2024, according to the US Department of Labor.

In just 6 months, you can train to become a lodging manager, a food service manager or concierge representative with the Hospitality Administration & Management Program at Emily Griffith Technical College.

Subscribe to our mailing list

* indicates required

First Name *

Last Name *

Email Address *

Phone Number *

Choose a field of study *

Subscribe



Learn the fundamentals of the hospitality industry needed for a successful entry-level career.

Gain real world experience through an embedded internship at a local hotel or restaurant.

Graduate debt-free!

Examples:

- Water Quality:

<http://opportunity.emilygriffith.edu/water>

- ELA: <https://www.egfoundation.org/esl-classes>

- Massage:

<http://opportunity.emilygriffith.edu/massage>

Lead Nurturing

Automated Email Marketing (Drip Campaigns) will be triggered once a lead is generated. This email example is the desktop version. The emails in the lead nurturing phase (pre-application) will be program specific and will provide information about the benefits of our educational opportunities.

Goal: motivate people to complete the application.

Social Media

Word-of-mouth has always been one of our most effective tools in promoting our institution. We utilize our large Facebook audience of nearly 9,000 followers (and growing) to spread our message.

- Content is focused primarily on the work of Emily Griffith Tech College and issues that are of interest to our students in relation to career tech education
- We're posting multiple times a day
- Utilizing lots of video content
- Tracking the value of our engagement

Videos

We have a large library of videos to help us get our message out in an interactive way. The videos are meant to give prospective students a feel for what it's like to be a student at Emily Griffith and what you can accomplish as a graduate. Videos are shared through multiple outlets, including:

- Homepage of website
- Program pages
- Landing pages (including A/B testing videos)
- Facebook: facebook.com/EmilyGriffithTech
- YouTube: youtube.com/EGTechnicalCollege
- Email marketing

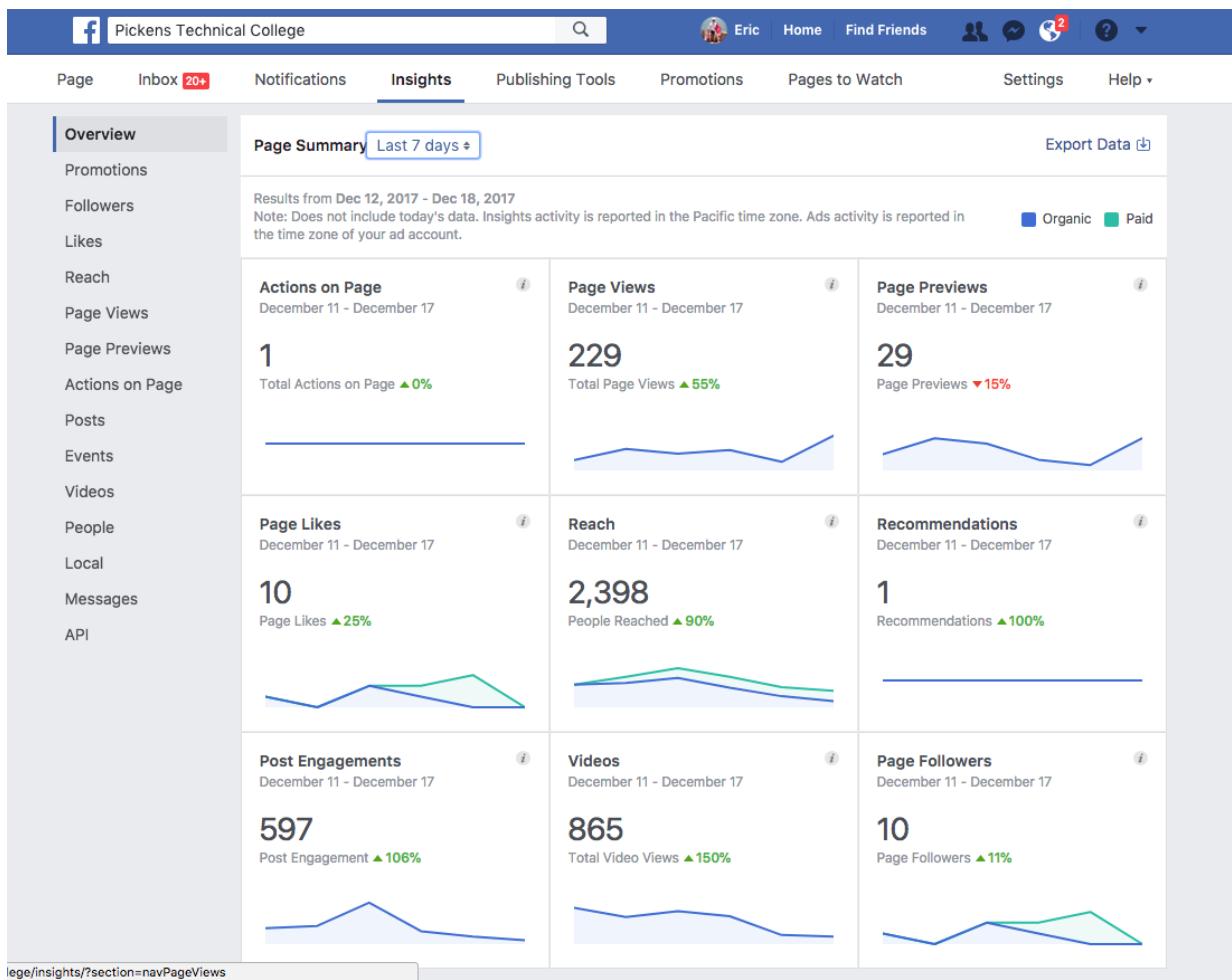
Pickens Technical College consistently runs public awareness campaigns coordinated through our marketing committee and our PR partners from Encite International.

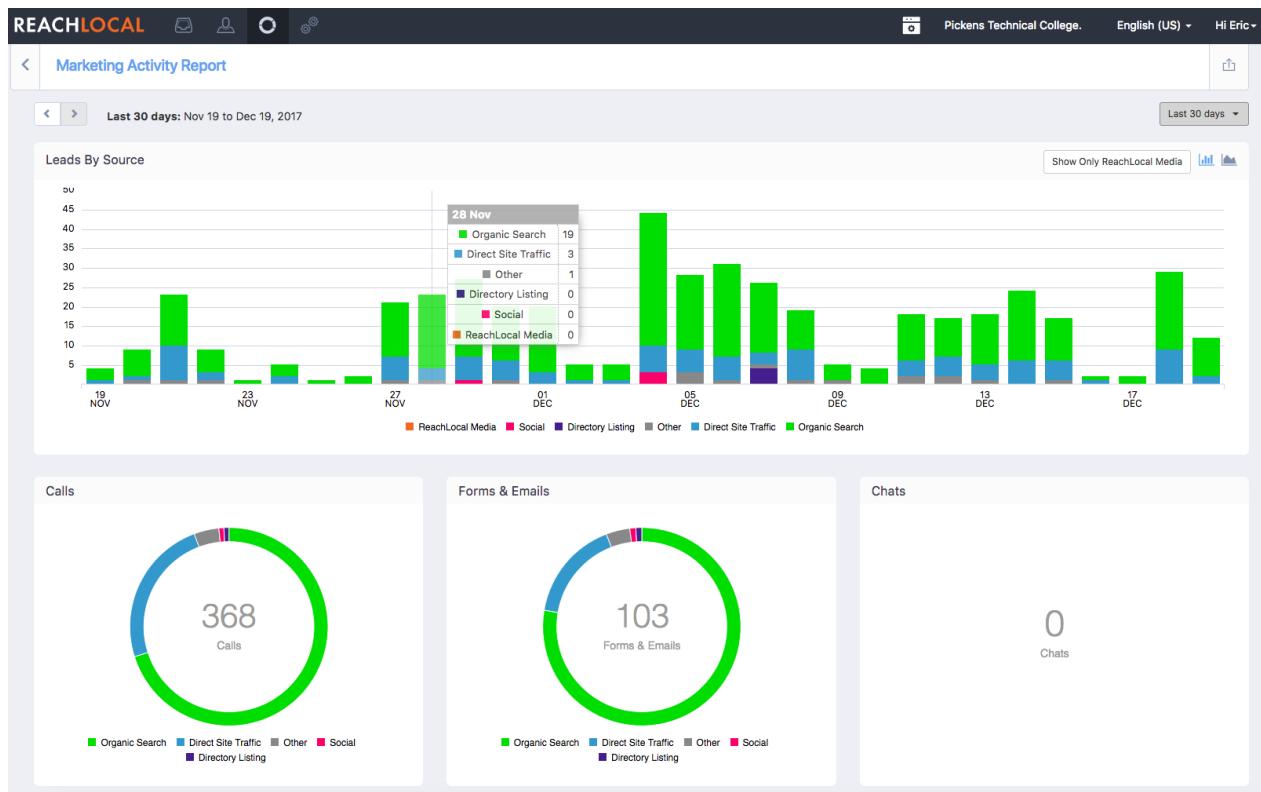
GOAL: To communicate the variety of certificate programs offered at PTC, communicate the benefits of completing the program and making sure students understand their career and college options beyond PTC. Our tag line is ‘It’s a great place to start’.

Our strategic marketing plan is included in this response. The strategic plan describes our campaign, the mediums that are utilized and the messaging used to drive potential students and other interested parties to our website and other social media channels.

METRICS

PTC uses several sources to determine the effectiveness of the campaign. Facebook analytics and ReachLocal are used primarily to track number of site visits and the number of people reached overall. PTC is also able to track specifically which posts are performing the best on social media. See the examples below:





Also from the ReachLocal Marketing Activity Report. It details the number of people that visited the PTC website and the number of phone call and website inquiries submitted by potential students.

How people are discovering you	Site Visits	Calls	Forms & Emails	Chats
Total	7,975	368	103	0
Organic Search	5,125	258	80	0
Direct Site Traffic	2,162	89	17	0
Other	623	15	4	0
Social	46	3	1	0
ReachLocal Media	18	0	0	0
Search & Site Retargeting	9	0	0	0
Search Engine Marketing	7	0	0	0
ReachDisplay Awareness	2	0	0	0
Directory Listing	1	3	1	0

The governing board is NOT working with other state or federal departments to coordinate this campaign.

- 5 Please provide an update on the governing board's status, concerns, and plans of action for increasing levels of cybersecurity, including existing programs and resources. Does the governing board work with the Chief Information Security Office (CISO) in the Office of Information Technology (OIT)? Have your information technology infrastructure and policies been audited for cybersecurity capabilities? If so, was the audit completed by the legislative auditor or an outside entity? Do you have dedicated cybersecurity personnel? What unique security issues does your governing board have? What unique cybersecurity processes or tools do you use to protect this data?

Colorado Community College System

CCCS is doing many things to increase cybersecurity, including the following:

- *Information Security Awareness Training: Workplace Answers is CCCS's ISA training solution, and it was deployed in October of 2017 to all 13 colleges. By educating the workforce with the knowledge of cybersecurity best practices, we have added another layer of security awareness to our organization.*
- *Intrusion Prevention System: Cisco's Next Generation Firewall solution is used to filter all external communications through the use of an intrusion prevention system built into the device. The IPS blocks malicious IP address sources for e-mail, viruses, and websites that are known for nefarious activity.*
- *Vulnerability Management: Tenable's (Nessus) vulnerability scanner is used to scan the entire CCCS network on a monthly basis. Each school is provided the results from their specific scan, and it is their responsibility to make the necessary software patches or configuration changes to fortify their IT assets.*
- *E-mail Filtering: Cisco's IronPort's are used to filter CCCS's e-mails for malicious links or attachments that are then blocked before reaching the end user. In cases where the e-mail might be malicious, a "Possible Spam" indicator is automatically inserted into the e-mails subject line to warn the workforce as well.*
- *Malicious Website Protection: We are currently evaluating and looking to acquire Cisco's Umbrella solution which used as an additional filter that blocks any computer on our network from connecting to websites that have already been vetted and are labeled as malicious.*
- *Sophos Anti-Virus: Sophos is enabled on all end-user computers and blocks malicious software from being downloaded. It also does periodic scans to search for and eradicate any malicious software on the employee's device or local removable media.*
- *Disaster Recovery Site: CCCS has contracted with OneNeck IT Solutions for an Infrastructure as a Service redundant datacenter facility in their Centennial location that is currently serving redundant*

Internet connectivity, E-Mail services, VoIP and Video Servers, Active Directory, DNS and a complete copy of all Oracle Databases for Banner and ODS. A complete copy of CCCS's Banner application and related services has not been completed yet, but when the project is done Lowry will be able to go offline entirely, and the redundant site will take over as the primary data center, with little to no downtime.

- *Banner Data Defense: Banner Data Defense is a solution offered by Ellucian that provides database and application server auditing, and firewall tools needed to secure our student's PII. This solution is currently under implementation, and once complete will provide the necessary controls needed to secure CCCS's critical databases.*

Yes, CCCS works with the Chief Information Security Officer (CISO) in the Office of Information Technology (OIT). Colorado's legislative mandate Section 24-37.5-404.5, C.R.S., states "...on or before July 1 of each year, each public agency shall develop an information security plan utilizing the information security policies, standards, and guidelines developed by the chief information security officer." CCCS submitted a security plan to the CISO before the July 2017 deadline, and is currently compliant with this mandate.

The OIT and the Internal Audit department both performed an in-depth review of CCCS's network infrastructure in 2017. The audit was external.

CCCS has one Senior Network Administrator dedicated to cybersecurity.

CCCS does not have unique security issues that other agencies or institutions do not face. We use the processes and tools described above to protect data.

Aims Community College

Current efforts

- *A dedicated Information Security Analyst*
- *Run regular scans for PCI compliance. This is done by an external entity.*
- *Run internal scans for vulnerabilities.*
- *Conduct information security training program.*
- *Regarding tools:*
 - *Paloalto firewalls for external protection*
 - *Bradford NAC for internal authentication*
 - *Proofpoint for spam filtering*
 - *Nessus scanning*
 - *Logrythm access tracking*
 - *Access tracking and alerting or sensitive data within our student information system*
 - *Cybersecurity plan in draft form*
 - *McAfee endpoint security - to be replaced*

- DHS NCATS program (scan of our externally exposed IPs via Nessus)

Security Roadmap for the future

- *Endpoint security replacement*
- *Replacement and enhancement of internal network authentication and network access control capabilities*
- *DMZ implementation*
- *External penetration testing*
- *Mobile device management*
- *Improving PII scanning tools*
- *Expand use of multi factor authentication*
- *Disk encryption*
- *System hardening*

Colorado Mountain College

As a local district college, CMC does not fall under the Office of Information Technology (OIT). CMC has utilized outside organizations to audit its policies related to cybersecurity. Previously, CMC worked with an organization to evaluate all of its Information Technology policies and procedures, including cybersecurity, as it assisted the college in developing a five-year technology master plan. This past year, CMC selected a new external auditor. The firm was chosen not only because of their far-reaching experience in financial auditing of educational institutions, but also because of its ability to conduct an extensive audit of CMC's Information Technology infrastructure and policies. Based on the recommendation from both outside organizations, Colorado Mountain College has also contracted with an outside organization to do broader penetration testing. CMC does not have specifically dedicated cybersecurity personnel. Instead, the duties are part of the job responsibilities of both the Executive Director of Information Technology and the Director of Network Services.

Area Technical Colleges

EGTC takes cybersecurity and the privacy of our data very seriously. As such, we have outlined the below action plan that we continue to strictly adhere to. In addition, we work closely with Denver Public Schools and their Department of Technology Services (DoTS) to strictly adhere to any governing/ school board policies regarding cybersecurity.

Actions/Roles/Responsibilities:

- A. All student records and associated data are maintained on file servers physically secured in the EGTC Main Data Facility (MDF) at 1860 Lincoln St.*
- B. Access to student data is controlled by Access Controls Lists established by password-secured user accounts established in Active Directory Organizational units. Appropriate access is assigned by EGTC's IT staff (contingent on job function) and follow the Principle of Least Privilege (access only granted when it is needed to complete a user's job).*
- C. All network egress points are secured by firewalls and have active intrusion detection systems.*
- D. Security and FERPA compliance is maintained by industry-best practices, including Principle of Least Privilege (commonly known as P.O.L.P. and originating*

at the Department of Defense in the 1970s), enforced by Access Control Lists, and security groups using domain level authentication with encryption provided on secure data.

Review/Evaluation:

- A. Technical infrastructure is monitored on a continuous basis via device level application and system monitoring*
- B. Student records are backed up locally hourly, and a nightly full backup is sent to a secure offsite data facility. Staff and faculty file shares utilize Shadow Copy to provide instant file recovery for end users.*

Pickens Technical College Financial Aid/Cybersecurity process:

Student submits FAFSA (FREE APPLICATION FEDERAL STUDENT AID) including PTC school code (012875) by accessing the free website (www.fafsa.ed.gov)

In 3-5 days electronic submittal is sent to our portal through software supplied by the Dept. of Ed called ED Connect. This process is the preferred one developed by the department to ensure all data is transmitted safely, utilizing the secured process called Verisign ID Protection (also supplied by Dept.).

Data (which consists of student/ parent financial information) is transferred via batch file transfer to Powerfaids (software component of Jenzabar). Each time a user accesses the website and electronic numeric code is sent via Verisign ID (this code is assigned to only one user). This data is transferred by utilizing the Aurora Public Schools firewall with data protection.

Data is verified for accuracy; if necessary additional documentation may be requested by mailing a missing information letter to prospective financial aid recipients (without social security numbers).

Request may include student or parent federal tax information, household size, and any other pertinent detail to verify accuracy of financial submissions. Students generally hand-deliver the requested documents; in many cases, copies must be made and originals are returned to them immediately.

This process may be repeated as necessary to ensure data is accurate.

Once file is validated an award is made to the individual student record and an award letter is generated (without social security numbers) and mailed and/or hand delivered to student.

All files are kept in a secure, locked file cabinet. No personal documentation will be left out for anyone to see.

After some discussion, it was determined that printed documentation needs to remain in the financial aid office, therefore a printer will be installed within the office.

- 6 Describe the expected fiscal impact of proposed changes to PERA made by both the Governor's Office and the PERA Board of Directors. In addition to direct budgetary impacts, please describe any anticipated secondary impacts of an increase in employee contribution rates. For instance, does the governing board anticipate a need to increase employee salaries to compensate for the increase in PERA contributions?

Colorado Community College System

The expected fiscal impact to CCCS of the proposed changes to PERA from the PERA Board of Directors is approximately \$10.5 million. The impact of the proposed changes from the Governor's Office would be approximately \$5.5 million. CCCS has not evaluated the need for employee salary increases to offset additional employee contributions to PERA, but we would attempt to avoid having employees see a net decrease in their pay.

Aims Community College

Aims Community College anticipates an approximate \$600,000 increase each year in employer contributions as a result of the proposed 2% increase. The proposed 3% increase to employee contributions would reduce take home pay by an average \$1,150 annually across all employee classes. The Board of Trustees and Aims management would take this increase into consideration as compensation levels are determined.

Colorado Mountain College

If PERA requires an increase in employee contribution rates from the current 8% up to a proposed 11%, which is effectively an increase of 38% in direct costs to employees, then college leadership will very likely recommend increasing employee salaries to compensate for their increase in PERA contributions. As a major employer in some of the highest cost locations in all of Colorado, CMC has an obligation to maintain services by shielding employees from a sudden loss of net income due to changes in benefits outside of their control or capacity to plan. Increasing salaries by 4.5% would not even fully shield employees from this change, considering ongoing inflation, and yet would cost the college \$1.6M. By comparison, a more typical cost-of living increase provided by CMC in recent years of 2.5% would cost the college \$900k. This additional increase of \$0.7M would be equal to 1% of the college's overall operating budget.

Area Technical Colleges

Assuming a 2% increase for employer contribution levels takes effect 1/1/2020, in line with PERA proposed changes, Emily Griffith will see a budgetary impact of roughly \$210,000 annually. Given we place a large emphasis on not increasing tuition levels above the Denver/Boulder area CPI (which has averaged 2.3% over the past five years), we will be forced to either cut services, or increase tuition, to absorb this employer contribution impact.

In terms of secondary impacts, primarily to employees' contribution levels rising up to 3% annually, we will need to look at the overall total compensation impact to employees. To the extent that this adversely impacts employees, it will become another barrier to attracting and retaining the most qualified employees. Currently, EGTC is undergoing an institution wide benchmarking analysis, which is scheduled to conclude by March of 2018. This

analysis will determine how our compensation, by employee, compares to regional industry mean rates. Any adjustments that we make will take place over the next three years. It is our goal, where applicable, to have every employee compensated fairly in comparison to the market mean, which will include any PERA and/or other total compensation impacts.

For Pickens, assuming a 2% increase for employer contribution levels takes effect 1/1/2020, we would see a budgetary impact of roughly \$115,000 annually. We will be forced to cut services or increase tuition and program charges.

- 7 Has the governing board been engaged in (or disputed) federal land, environmental, jurisdictional, and/or water policy issues? How do you coordinate with state government agencies, the Governor's Office, local governments, and/or citizens on these issues?

Colorado Community College System

No, CCCS has not engaged in or disputed any of these issues.

Aims Community College

The Aims Community College Board of Trustees is not involved in any disputes with the federal government.

Colorado Mountain College

No. As a local district college, CMC's engagement is primarily with local governments and local issues.

Area Technical Colleges

NA to the ATC.

- 8 Please describe your retirement programs. How many of your staff are on PERA? How many of your staff are on another retirement program? How has the share of your staff who are on PERA versus another retirement program changed over time?

Colorado Community College System

All of our staff are on PERA.

Aims Community College

Aims Community College is 100% defined benefit PERA employer. The only other options for Aims Community College employees is supplemental voluntary tax deferred plans - 401k, 403b and 457.

Colorado Mountain College

At the end of fiscal year 2016-17, 75% of full-time employees were on PERA, while 25% were on an Optional Retirement Plan (ORP). Virtually all part-time employees, including adjunct faculty, were enrolled in PERA.

As of September 1, 2107, the college modified the retirement plans offered to newly hired CMC employees. The purpose of this change was (a) to lower the College's ongoing operating expenditures for personnel, thereby addressing very real inflationary pressures as well as recent reductions in expected revenues, and (b) to limit the College's exposure to mandatory cost increases in the Public Employee Retirement Association (PERA) plans. PERA currently requires the College to contribute more than 20% of every dollar earned by CMC employees to the plan.

Although some positions are required by law to remain in PERA, CMC President Hauser exempted most positions and thus the College plans to shift most newly hired employees into a new ORP. The new ORP plan will require a contribution from employees equal to 8% of the employee's salary. The College will contribute 12% of the employee's salary to the plan as well as set aside an additional 2% as a match for voluntary contributions by employees. This plan is comparable to the ORP retirement plans in place at nearly all other public colleges and universities in the state. Current employees will maintain their current retirement plan and the respective current contribution levels. Newly hired employees that have 12 or more months in PERA will be allowed to continue in the PERA program at CMC.

The financial impact of this change will start gradually and accelerate over time as new employees are hired. In a typical year, the College transitions 10-15% of its regular workforce, a fairly typical turnover rate for large employers. Assuming that this will accelerate somewhat in the coming year due to the volume of retirements that will occur due to participation in a Voluntary Early Retirement Program (VERP), the College expects that the annual employment turnover rate may reach as high as 20% in 2019 > 2020. If this happens, by 2020, the proportion of all CMC employees covered by ORP could be greater than 50%. This shift could lower ongoing operating expenditures by millions of dollars annually, once at scale.

Area Technical Colleges

All employees within each of the Area Technical Colleges are employed by their local school districts, and, as such, are members of PERA.

- 9 What is the value of the physical assets at your institution(s)? How many have already been collateralized? How much is available for future collateralization?

Colorado Community College System

The current replacement value for all CCCS buildings is \$393,315,000. The System has issued Revenue Bonds that are secured by revenue generated by "Facilities" throughout the System. Facilities are broadly defined to include all buildings that are essential to generate tuition revenue. The Bond covenants prohibit the System from mortgaging or pledging any System Facilities as defined in the Bond covenants. With the exception of federal mineral lease COPs, CCCS bonds against a 10.0 percent tuition pledge rather than using buildings as collateral.

Aims Community College

The value of Aims Community College's buildings and improvements is \$104,497,000. Aims does not currently have physical assets that are collateralized and does not anticipate a need to collateralize the College's assets.

Colorado Mountain College

As of June 30, 2017, Colorado Mountain College owned the following capital assets, net of depreciation:

<i>Land</i>	\$13,524,612
<i>Library Materials</i>	\$617,160
<i>Construction in Progress</i>	\$3,473,802
<i>Land Improvements</i>	\$1,496,248
<i>Buildings</i>	\$110,036,071
<i>Equipment and Software</i>	\$2,026,811
<i>Infrastructure</i>	\$4,515,674
<i>Other Fixed Assets</i>	\$403,073
Total Capital Assets	\$136,093,451

CMC is not eligible for state capital funding, therefore, the collateralization questions do not apply.

Area Technical Colleges

NA to the ATC, as the physical assets are owned by our School District(s).

- 10 The OER Council has recommended an initiative costing \$660,000 General Fund for FY 2018-19, annualizing to \$1.1 million in subsequent years, for a grant program to promote the use OER at public institutions. Staff has also recommended including a statutory requirement that by fall 2021 institutional course catalogs identify which courses use OER. Do you have any input on this proposal?

Colorado Community College System

CCCS currently has significant electronic content delivery and free, open educational resources to save students money on books. We are generally supportive of moving in this direction and would welcome any support from the General Assembly in this area.

Aims Community College

Aims Community College is supportive of initiatives and funding used to support OERs as they can lower education costs for students; however, there is concern about the limited tactile component found in print textbooks that has been shown to increase learning. The nationwide consensus is that students do not purchase textbooks or delay purchasing textbooks because they are expensive. Due to the lower or no cost option along with the immediacy of delivery via electronic means, OERs provide students easier and sooner access to educational resources. Ultimately, the catalog statutory requirement identifying courses with OER availability is acceptable to Aims Community College in the spirit of lowering educational costs for students and for transparency.

Colorado Mountain College

Any support to expand awareness and use of OER materials would be positive. Many college faculty and staff are aware of OER options, but there is no single source of information for higher education professionals. If practicable, identifying courses with OER materials would be a helpful strategy. Colorado colleges already distinguish “guaranteed transfer” courses in their catalogs, so adding another indicator could be feasible. Most important, perhaps, would be a master list of OER options, by course. This would help faculty identify and select options already in use across the state.

Area Technical Colleges

The ATCs are in total support of this initiative that provides open educational resources for teaching and learning that reside in the public domain that permits their free use and repurposing by others. EGTC is using resources from the OER Commons, www.oercommons.org, and faculty are using the Higher Education Module Maker as part of this resource to design lesson plans and interactive modules for student learning.

Additional Financial Aid Information:

Colorado Community College System

No response provided.

Aims Community College

To calculate for various types of students would take significant programming. However, for in-district Aims Community College students who live with their parents, who are eligible for full Pell, there is about \$4,700 of unmet need once the Pell and Colorado Student Grant are paid.

Colorado Mountain College

<i>Current Tuition</i>	<i>Cost for 30 Credits</i>	<i>Cost of Attendance</i>	<i>Tuition + COA</i>	<i>Available Aid</i>	<i>(+/-)</i>
<i>In-District = \$65</i>	<i>\$1,950</i>	<i>\$11,000</i>	<i>\$12,950</i>	<i>\$15,220</i>	<i>+\$2,270 excess</i>

Area Technical Colleges

No response provided.



STATE OF COLORADO

DEPARTMENT OF HIGHER EDUCATION

John Hickenlooper
Governor

Lt. Gov. Joseph A. Garcia
Executive Director

Colorado General Assembly
Mike Mauer, Director, Legislative Council Staff
State Capitol, Rm. 029
Denver, CO 80203

Dear Legislative Council Staff and Mr. Mauer:

The Colorado Department of Higher Education (“Department”) respectfully submits the following document in fulfillment of the statutory requirement set forth in HB12-1008. For clarification, only the Division of Private Occupational School (DPOS) and the Colorado Opportunity Scholarship Initiative within the Department engages in rulemaking.

2015-2016 COLORADO DEPARTMENT OF HIGHER EDUCATION REGULATORY AGENDA

Below is the anticipated 2015-2016 rulemaking by the Division of Private Occupational Schools within the Department of Higher Education as required by HB 12-1008

Title/Description Proposed Rule	Basis and/or Statutory Authority	Purpose of Proposed Rule	Estimated Rule-making Schedule 2015	Parties Potentially Affected
Revise 8 CCR 1504-1, Section III – Minimum Standards, B. Approval of Education Services, (by adding 1. Programs and stand alone courses must have: b. a description of the components of education sufficient to allow students to understand the course content and means of delivery, and c. programs and courses offered must be supplemented by 3 evaluator reports that comply with instructions provided by the Division to the school).	Section 12-59-105.3(1), C.R.S.	To clarify the educational content and quality to better inform decisions and to compare offerings to other schools or programs; and evaluator reports ensure qualified evaluators verify adequacy of objectives, equipment, instructional materials, instructional staff, and other standards.	January	Affected positively: Members of general public; residents of Colorado desiring to seek admission in an approved Private Occupational School; and approved private occupational school owners and staff who can be assured the standards of occupational education will be qualitatively improved and necessary standards enforced. Affected negatively: Unlawful actors who have or intend to conceal or compromise the clarity of or quality of occupational education in Colorado. There is no anticipated fiscal impact.

Title/Description Proposed Rule	Basis and/or Statutory Authority	Purpose of Proposed Rule	Estimated Rule-making Schedule 2015	Parties that may be Affected by Adoption of Proposed Rule
Revise 8 CCR 1504-1, S III. F. 1."	Section 12-59-105.3(1), C.R.S.,	To clarify educational service need not be limited to a "diploma" but may also include a "certificate"	January	Affected positively: Persons desiring to seek admission in an approved Private Occupational School; approved private occupational school owners and staff. Affected negatively: None There is no anticipated fiscal impact.
Revise 8 CCR 1504-1, III. F. 9. (to state Clarify through revision that the cosmetology schools who have computed their programs and courses in credit hours will be required to revert to the clock hour conversion that all other states use under revisions to Office of Barbering and Cosmetology ("OBC") resulting from SB 15-106	SB 15-106	The purpose of the proposed amendment is to align the Division's rules with the Office of Barbering and Cosmetology who dictates the rules and regulations governing licensing standards for this industry; More specifically, the Board intends to bring uniformity to the means of calculating hours in the schools.	The Division will amend this rule once the OBC has finalized its regulations under its Sunset Review of 2015.	Affected positively: Persons needing clarification on calculating occupational educational hours. Occupational Schools may find this change simplifies calculations in state, across state lines and also with accrediting bodies and the USDOE. Affected negatively: Schools who are invested in maintaining the current method of calculating credit hours and all schools who have to make the initial changes to a new calculation method will need to revise and resubmit their programs and stand alone courses to the Division to comport with new calculation method as of July 1, 2015 thus may incur an increase in workload and a one-time cost to obtain re-approval. Anticipated fiscal impact on schools and Division due to increase workload initially.
Revise 8 CCR 1504-1, III. H. 1. r..	Section 12-59-105.3(1), C.R.S.	Technical change to clarify that Agents are not licensed but are "approved" by the Board/Division of Private	January	Affected positively: Persons seeking clarification on the process for authorizing agents, the only persons permitted to enter an enrollment agreement with the students Affected negatively: None.

		Occupational Schools.		There is no anticipated fiscal impact.
Title/Description Proposed Rule	Basis and/or Statutory Authority	Purpose of Proposed Rule	Estimated Rule-making Schedule 2015	Stakeholders/Persons/Parties that may be Affected Positively or Negatively by Adoption of Proposed Rule
Revise 8 CCR 1504-1, IV. E. 1. To clarifies that the Board has the authority and may use its discretion to file notice of claim upon or otherwise attach a school's surety or bond if the school fails to replace its surety or bond 15 days prior to the expiry date of the existing surety or bond.	Section 12-59-105.3(1), C.R.S. Powers and Duties of the Board.	Clarify the powers of the Board and explain the consequences of failing to adequately maintain its surety or bond to safeguard educational investments and prepaid unearned tuition of students.	January	Affected positively: Students who would be adversely affected by bond lapse; current bonds in good standing are necessary to safeguard student's interests are adequately protected. Affected negatively: Unlawful actors or school owners who do not timely renew the statutorily mandated surety or bond coverage; a claim on the bond may impact the school's/owner's ability to secure future bonds and/or may incur financial dealings.
Title/Description Proposed Rule	Basis and/or Statutory Authority	Purpose of Proposed Rule	Estimated Rule-making Schedule 2015	Stakeholders/Persons/Parties that may be Affected Positively or Negatively by Adoption of Proposed Rule
Rescind 8 CCR 1504-1, IV. F. 4. In order to be consistent with the removal of statutory language mandated by federal state authorization regulations.	34 CFR 600.9(a)(1) and all other regulations concerning state authorization and Section 12-59-105.3(1), C.R.S.	The purpose of the proposed rescission is to ensure compliance with federal regulations and state statutory revisions.	January	Affected positively: All stakeholders and Parties. There is no anticipated fiscal impact.
Title/Description Proposed Rule	Basis and/or Statutory Authority	Purpose of Proposed Rule	Estimated Rule-making Schedule 2015	Stakeholders/Persons/Parties that may be Affected Positively or Negatively by Adoption of Proposed Rule
Revise 8 CCR 1504-1, IV. E. 4. c. to omit the language "which is doing business in Colorado and"	Section 12-59-105.3(1), C.R.S.	To clarify that a bank or financial institution funding the surety/bond need not be located in or doing business in Colorado; the	The Division will address this amendment early in 2015.	Affected positively: All parties and persons benefit from the clarification and the facts that schools securing and maintaining surety or bond instruments that are backed by sound institutions. Affected negatively: None

		necessity is that the financial institution must be insured by a federal depositor's corporation and otherwise demonstrate good standing and financial solvency.		There is no anticipated fiscal impact.
Title/Description Proposed Rule	Basis and/or Statutory Authority	Purpose of Proposed Rule	Estimated Rule-making Schedule 2015	Stakeholders/Persons/Parties that may be Affected Positively or Negatively by Adoption of Proposed Rule
Rescind 8 CCR 1504-1, VII. T. & U	Section 12-59-105.3(1), C.R.S.	The purpose of the proposed rescission is to ensure compliance with federal regulations and state statutory revisions.	The Division will address this amendment early in 2015.	Affected positively: Members of general public; residents of Colorado, business owners and entrepreneurs who may be otherwise be clear that all flight schools are governed by the FAA and not under the Private Occupational School Act. Affected negatively: None There is no anticipated fiscal impact.
Title/Description Proposed Rule	Basis and/or Statutory Authority	Purpose of Proposed Rule	Estimated Rule-making Schedule 2015	Stakeholders/Persons/Parties that may be Affected Positively or Negatively by Adoption of Proposed Rule
Revise 8 CCR 1504-1, XI. A. to explain cease and desist power.	SB 15-171 And section 12-59-105.3(1), C.R.S.	To clarify the process and procedures the Board will follow to invoke its cease and desist power over institutions that fall under the jurisdictions of the Private Occupational School Act but are operating as an unauthorized or illegal private occupational school.	January	Affected positively: Members of general public; residents of Colorado desiring to ensure that all private occupational schools are treated similarly and that those who choose to act outside of the law will be brought to justice swiftly and efficiently. School owners and institutions operating legitimately will be protected from actors who refuse to follow applicable regulations yet continue to compete with legitimate operations that are disadvantaged and potentially harmed by actors who are not subject to regulatory measures designed to ensure equity and compliance with the law.

				Affected negatively: Actors or institutions that have been operating without authorization. There is no anticipated fiscal impact.
Increase Fee Schedule posted under 8 CCR 1504-1, II.	Sections 12-59-116 and 12-59-105.3(1), C.R.S.	To adjust fee schedule so that the revenue generated from fees approximates the direct and indirect costs of administering the Private Occupational Schools Act.	December	Affected positively: All persons relying on the continued Affected negatively: None. There will be a fiscal impact to the schools required to meet the increase in fees schedule.

Below is the anticipated 2015-2016 rulemaking by the Colorado Opportunity Scholarship Initiative within the Department of Higher Education as required by HB 12-1008.

Title/Description Proposed Rule	Basis and/or Statutory Authority	Purpose of Proposed Rule	Estimated Rule-making Schedule 2015	Parties Potentially Affected
8 CCR 1504-9: rules for the administration of the Colorado Opportunity Scholarship Initiative	HB 14-1384	Statute requires Colorado Opportunity Scholarship Initiative Board to promulgate rules for the administration of the initiative.	Notice Date: June – 2015 Hearing Date: August – 2015 Adoption Date: August - 2015	Members of the general public, residents of Colorado desiring to seek postsecondary education, Public Institutions of Higher Education, Local municipalities.
REVISE: CCR 8 CCR 1504-9 (Emergency Rules)	OLLS Review	Revisions are required to add additional criteria for the evaluation of students and the initiative.	Adoption Date: September – 2015	Members of the general public, residents of Colorado desiring to seek postsecondary education, Public Institutions of Higher Education, Local municipalities.
REVISE: CCR 8 CCR 1504-9	OLLS Review	Revisions are required to add additional criteria for the evaluation of students and the initiative.	Notice Date: October - 2015 Hearing Date: November - 2015 Adoption Date: November-15	Members of the general public, residents of Colorado desiring to seek postsecondary education, Public Institutions of Higher Education, Local municipalities.



Colorado
Secretary of State
Wayne W. Williams



[Agency Rulemaking Home](#)

[eDocket](#)

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Departmental Regulatory Agenda

Official Publication of the State Administrative Rules (24-4-103(11) C.R.S.)

Confirmation

Date Filed October 31, 2016 17:06:19

Department 1504 Higher Education

Colorado Register publication date November 10, 2016

Agenda PDF [https://www.sos.state.co.us/CCR/Agendas/2016/Higher Education.pdf](https://www.sos.state.co.us/CCR/Agendas/2016/Higher%20Education.pdf)

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Colorado Department of Higher Education - Custodial Funds

	Name of Fund	Amount of funds received or awarded \$5,000,000.00 amount awarded each year of grant \$667,669.00 amount awarded in FY16-17	One-time/Multi-year Multiyear	Current cash balance	Source of funds Federal Project Grants Federal Formula Grants Private Grant	FY15/16 expenditures 4,740,750 424,124 94,045 81,091	FY16/17 Expenditures 4,785,224 482,657 108,436 114,573
1)	GearUp						
2)	Improving Teacher Quality						
3)	Kresge Foundation Grant	108,436	Multiyear				
4)	Lumina	114,573	Multiyear				

Colorado Department of Higher Edu

Name of Fund	Expected uses of funds FY17/18	Expected uses of funds FY18/19
GearUp	<p>Provide support to eligible low-income students, including students with disabilities, to help the students obtain a secondary school diploma (or its recognized equivalent) and to prepare for, and succeed in, postsecondary education.</p> <p>To provide grants to State educational agencies (SEAs), and, through the SEAs, to local educational agencies (LEAs) in order to increase student academic achievement consistent with challenging State academic standards; improve the quality and effectiveness of teachers, principals, and other school leaders</p> <p>Expansion of innovative FAFSA Completion Project to other states.</p>	<p>Provide support to eligible low-income students, including students with disabilities, to help the students obtain a secondary school diploma (or its recognized equivalent) and to prepare for, and succeed in, postsecondary education.</p> <p>To provide grants to State educational agencies (SEAs), and, through the SEAs, to local educational agencies (LEAs) in order to increase student academic achievement consistent with challenging State academic standards; improve the quality and effectiveness of teachers, principals, and other school leaders</p> <p>Expansion of innovative FAFSA Completion Project to other states.</p>
Improving Teacher Quality		
Kresge Foundation Grant	<p>To be used to support technical assistance provision to communities applying for and receiving state funding to develop and launch local college access and success collaboratives.</p>	<p>To be used to support technical assistance provision to communities applying for and receiving state funding to develop and launch local college access and success collaboratives.</p>

Lumina

Colorado Department of Higher Edu

Name of Fund	Legal Auth and restrictions on use of funds	
	AUTHORITY - Higher Education Act of 1965.	USE - Provide both the early intervention services and a scholarship component, targeted to low-income students in grades K-12.
GearUp	AUTHORITY - Elementary & Secondary Education Act Title II	USE - SEAs must use at least 95 percent of awards for subgrants to LEAs; LEAs may use the funds to develop, implement, and evaluate comprehensive programs and activities to improve teacher and school leader quality
Improving Teacher Quality	AUTHORITY - Kresge Foundation Board Approval.	USE - Funds may only be expended for charitable, scientific, literary, religious, or educational purposes. Within the meaning of the IRS Code of 1986.
Kresge Foundation Grant	All legal proceedings and matter pertaining to this grant are to be governed by the laws of the State of Indiana, and any dispute arising under this grant will be heard exclusively in the state of federal courts with subject matter jurisdiction sitting in Indiana, notwithstanding the conflicts of law principles of Indiana or any other state, except that nothing herein may be interpreted as: a waiver of the sovereign immunity of the state in which the Grantee is incorporated or headquartered, or an agreement by the Grantee to any obligation or undertaking contrary to the laws of its state of incorporation or headquarters which bind state agencies.	
Lumina		

A group of diverse graduates in caps and gowns, smiling and looking towards the camera.

Colorado Department of Higher Education JBC Presentation

Dr. Kim Hunter Reed, CDHE Executive Director

Luis Colon, CCHE Chair

January 3, 2018



Higher Education Policy in Colorado

- Colorado General Assembly
- Colorado Commission on Higher Education
- Governing Boards





Colorado's Institutions of Higher Education

- 13 Four-Year Institutions
- 15 Two-Year Institutions
- 3 Area Technical Colleges
- Private Occupational Schools
- Private Institutions

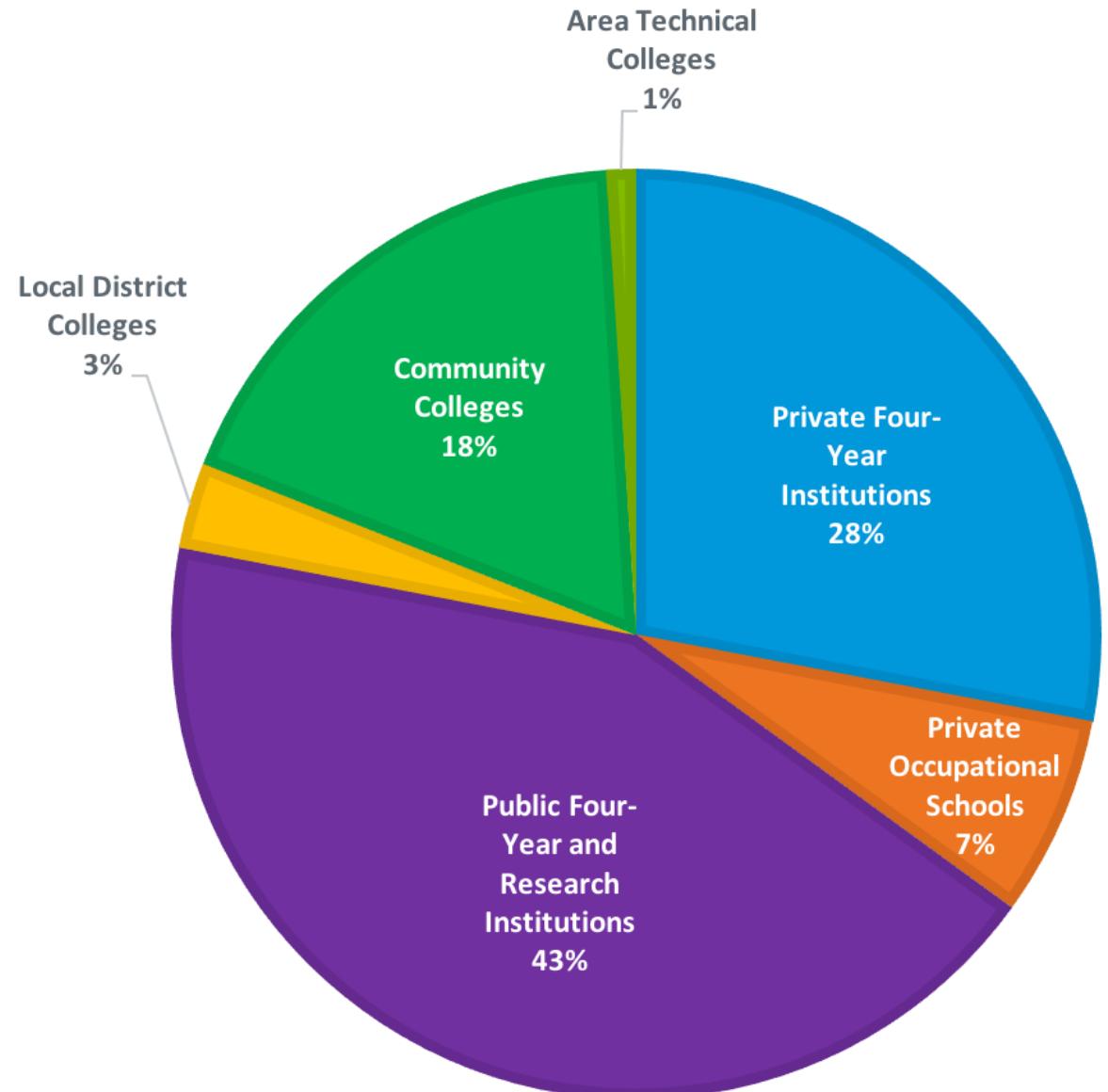
Higher Education Budget: System and DHE

Higher Education Governing Board, Local District Colleges and Area Technical Colleges Budget Breakdown <i>(based on FY 2017-18 appropriations)</i>	CCHE/DHE budget breakdown <i>(based on FY 2017-18 appropriations)</i>
<u>24,623</u> Total FTEs	<u>30.0</u> Total FTEs
<u>\$3,225,150,685</u> Total funds	<u>\$3,064,440</u> Total funds
\$26,192,333 General funds	\$0.0 General funds
\$2,535,118,707 Cash funds	\$300,345 Cash Funds
\$663,839,645 Re-appropriated funds	\$2,764,095 Re-appropriated funds
\$177,969,216 State Financial Aid	\$0.0 Federal Funds

2017 Colorado Student Enrollment

435,653

Includes all undergraduate and graduate
students for which we have data



Public Undergraduate Population in Colorado

By Gender

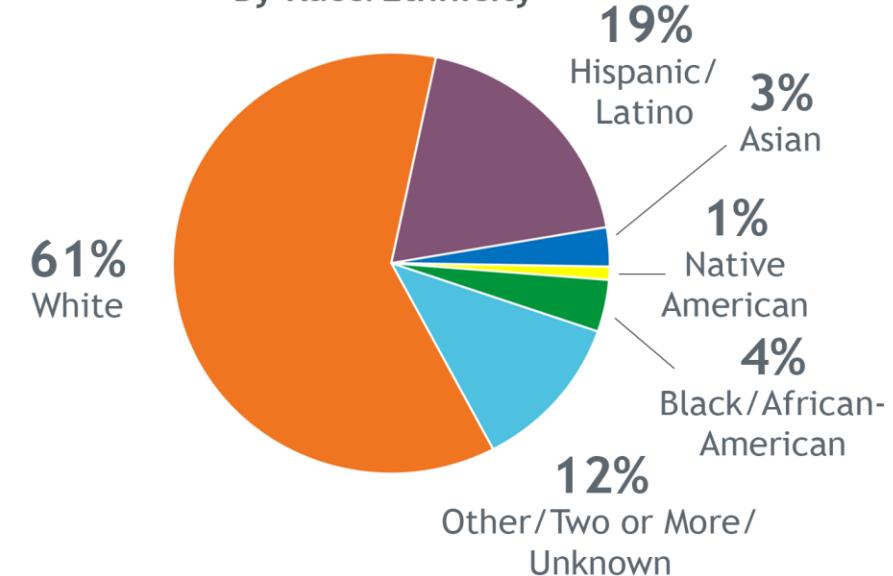


52%
Women

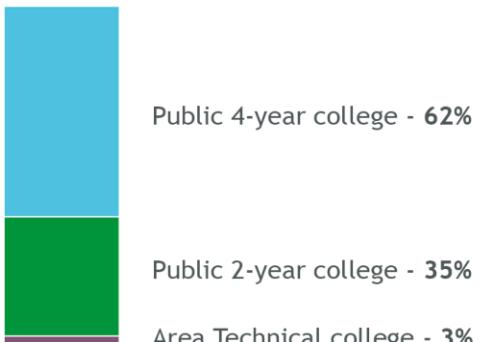


48%
Men

By Race/Ethnicity



Where They Go

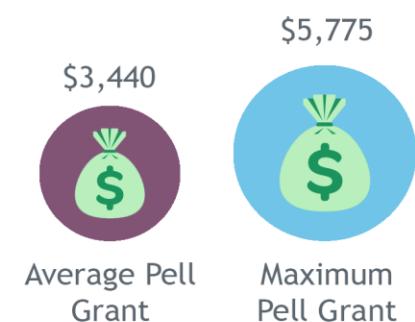


By Age

72%
24 and under **28%**
25 and older

Recipients of Pell Grants
1 out of 4
Undergraduates received a
Pell Grant

Pell Funding Amounts



In-State vs. Out-of-State

83%
In-State
15%
Out-of-State
2%
Unknown

*Data Source is Academic Year 2016-17 Enrollment Student Unit Record Data File

**File only contains information on students receiving aid from institutions participating in the state's financial aid program



COLORADO
Department of
Higher Education

CDHE's Performance, Accountability and Transparency Structure

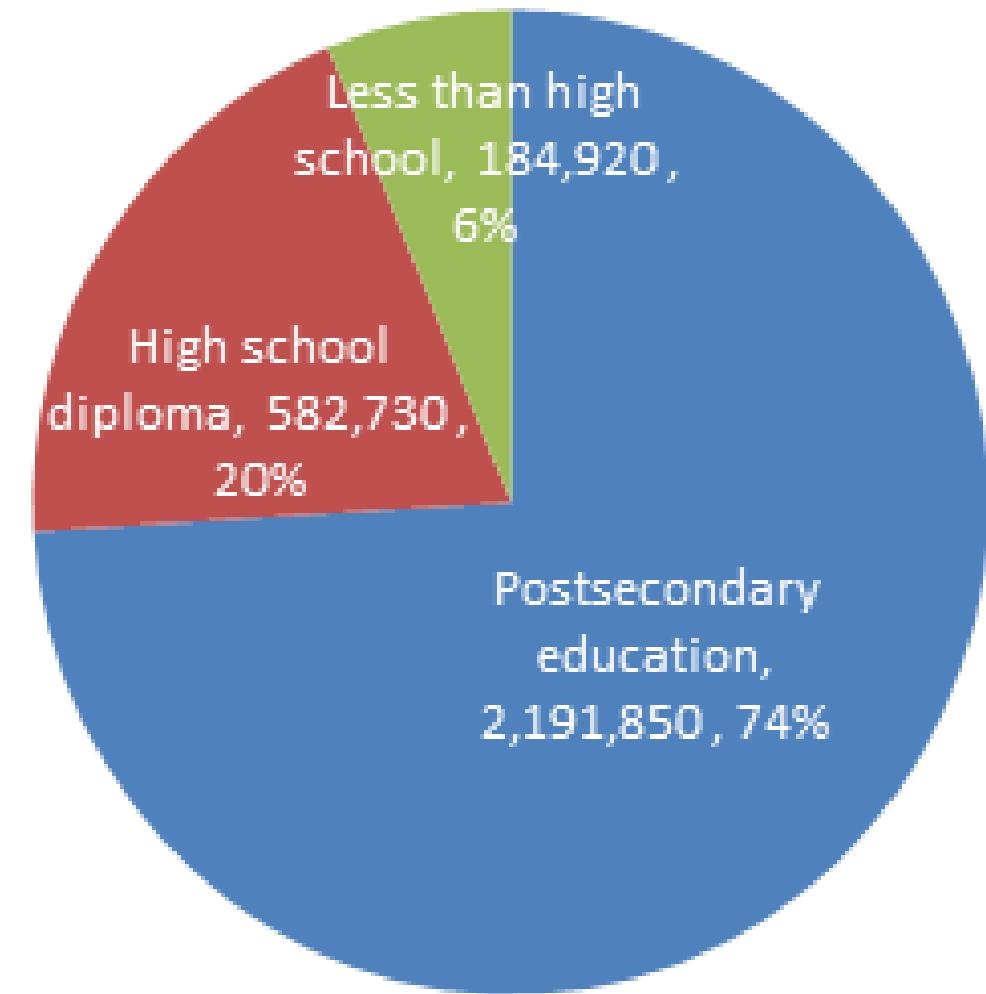
PERFORMANCE	ACCOUNTABILITY	TRANSPARENCY
<ul style="list-style-type: none">• Articulate Goals in Statewide Master Plan - Colorado Rises (<i>SB 10-003</i>)• Revised reporting on Master Plan Goals for SMART Act report (<i>SB 17-297</i>)	<ul style="list-style-type: none">• Collect institutional performance metrics aligned with Master Plan goals (<i>SB 17-297</i>)• Outcomes-Based Funding for Higher Education - Aligns with the Master Plan Goals (<i>HB 14-1319</i>)• CDHE Executive Director Goals progress reported monthly to Governor's Office	<ul style="list-style-type: none">• Master Plan Dashboard includes institutional level reporting• Governor's Dashboard – Aligns to Master Plan Goal #2 Erase Equity Gaps• Annual Outcomes Based Funding report aligns to Master Plan goals

The Need for Higher Education

Changes in the Labor Market: What We Know

- By 2020, 74% of all of the jobs will require some level of postsecondary education (*3rd highest in the nation*)
- In contrast, the demand for high school graduates in Colorado is the second weakest in the nation (*49th in the nation*)
- Unemployment rates are considerably lower for individuals with some level of postsecondary completion

Expected 2020 CO Educational Levels



Georgetown Center for Education and Workforce - 2013 study

2017 Talent Pipeline Report

97 percent of “top jobs” demand some level of formal postsecondary education or training

97%

55%

**Percentage of
adult
population in
Colorado with
a degree or
certificate**



THE #CORISES GOAL
BY 2025

66%

of adults in Colorado will earn a post-high school certificate or degree

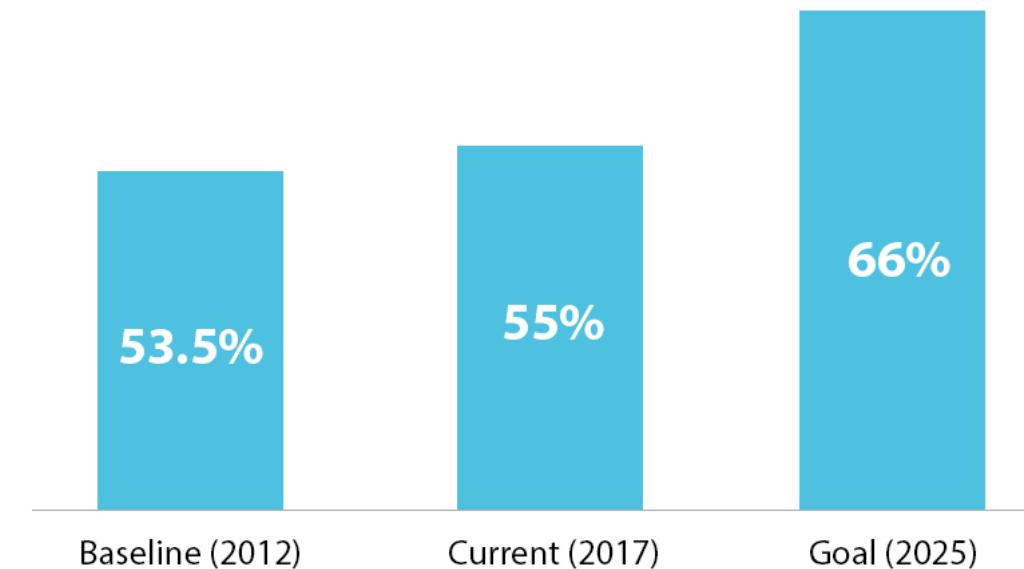
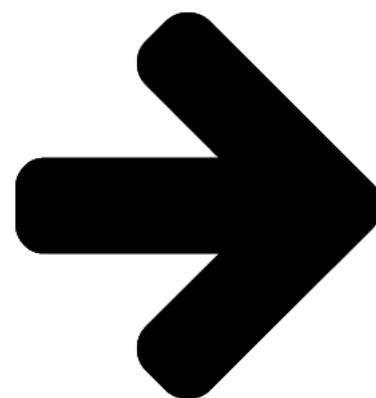
Attainment Drivers

Public Institutions

Private Institutions

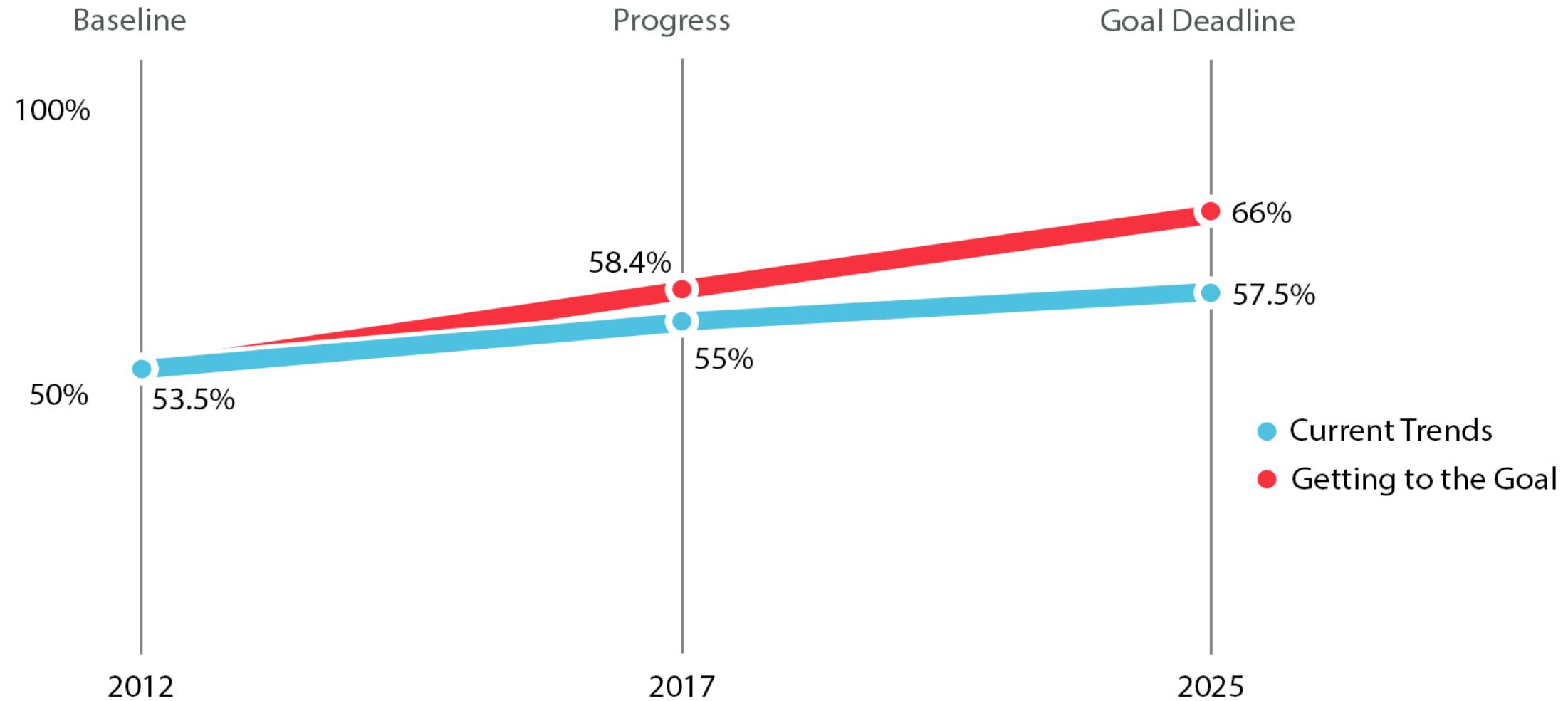
In/Out-Migration

Births/Deaths



COLORADO
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Statewide Attainment - Baseline, Progress, and Goals

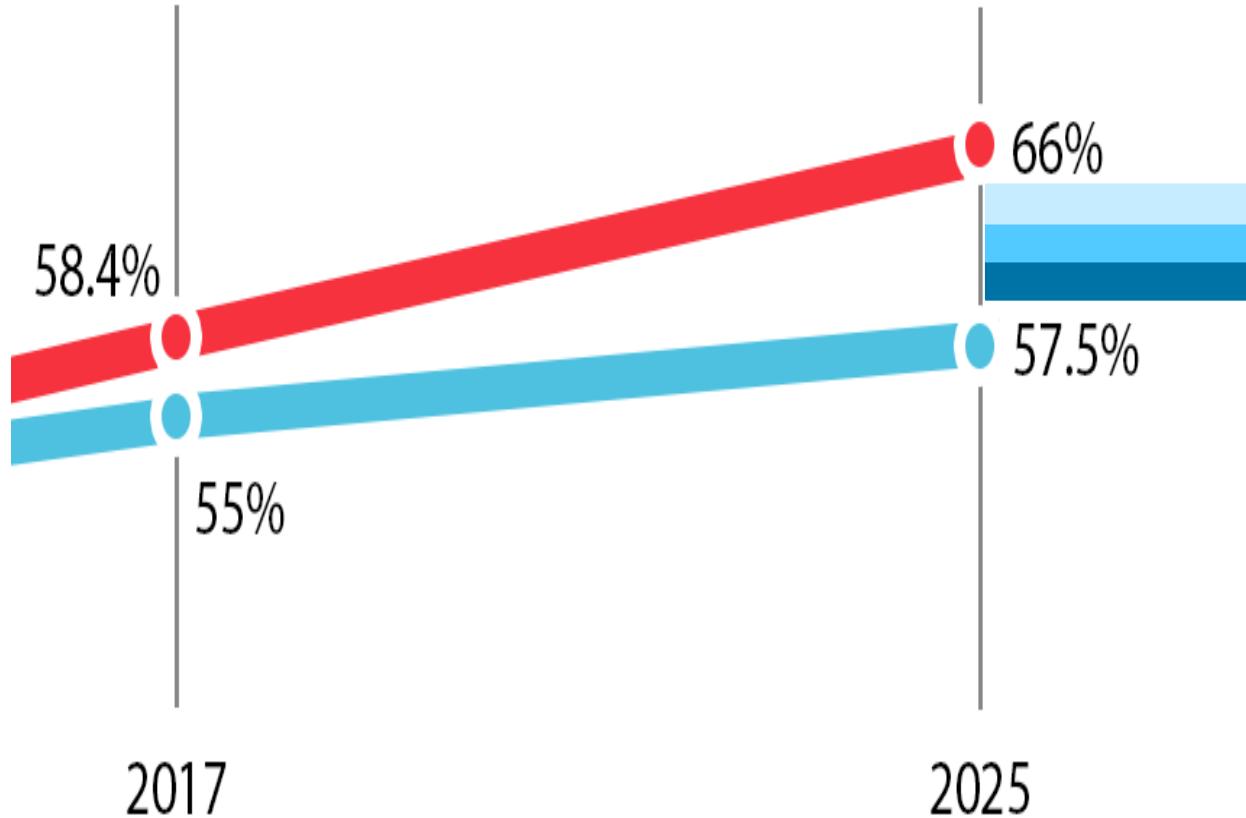


COLORADO
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Higher Education

How Do We Reach Our 66% Goal?

Progress

Goal Deadline



Reaching more students

Including all credentials

Engaging all sectors



THE COLORADO GOAL
66% ATTAINMENT BY 2025

STRATEGIC GOAL #1

Increase
Completion

STRATEGIC GOAL #2

Erase Equity
Gaps

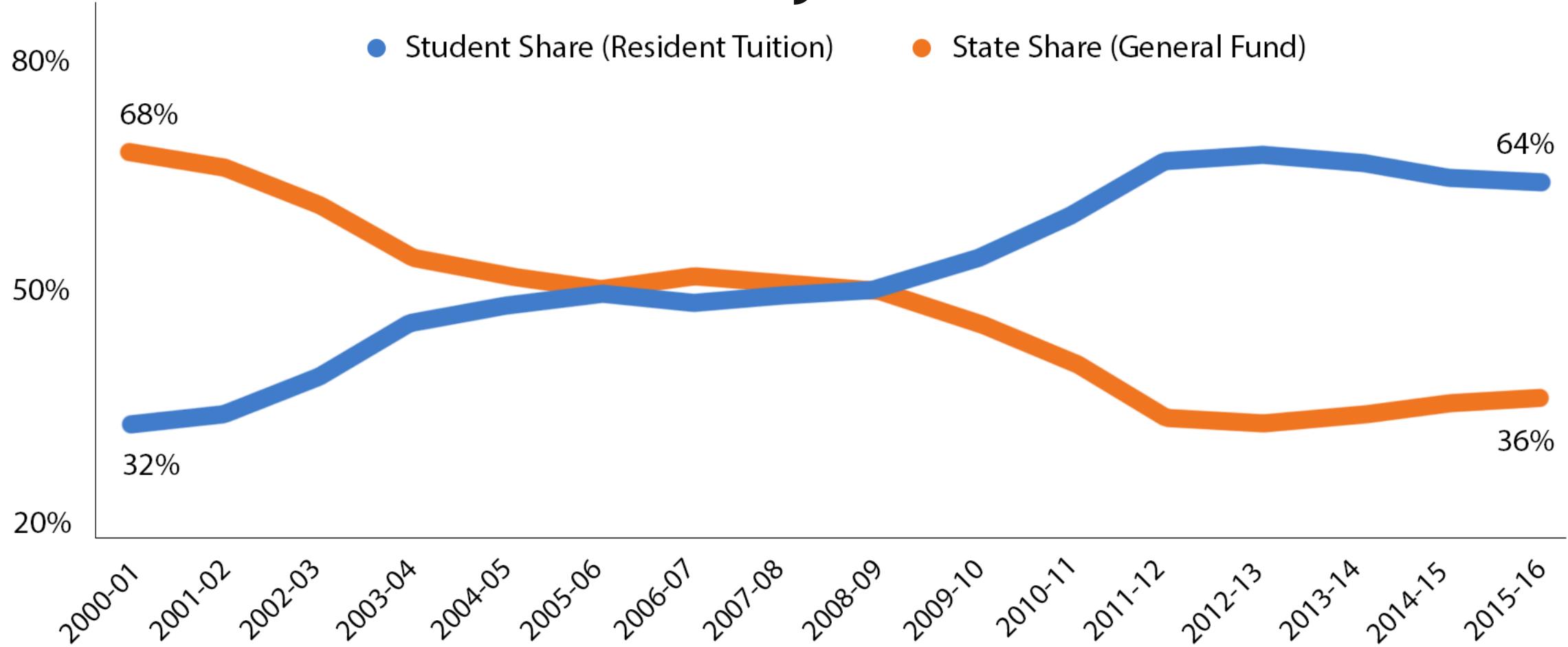
STRATEGIC GOAL #3

Improve Student
Success

STRATEGIC GOAL #4

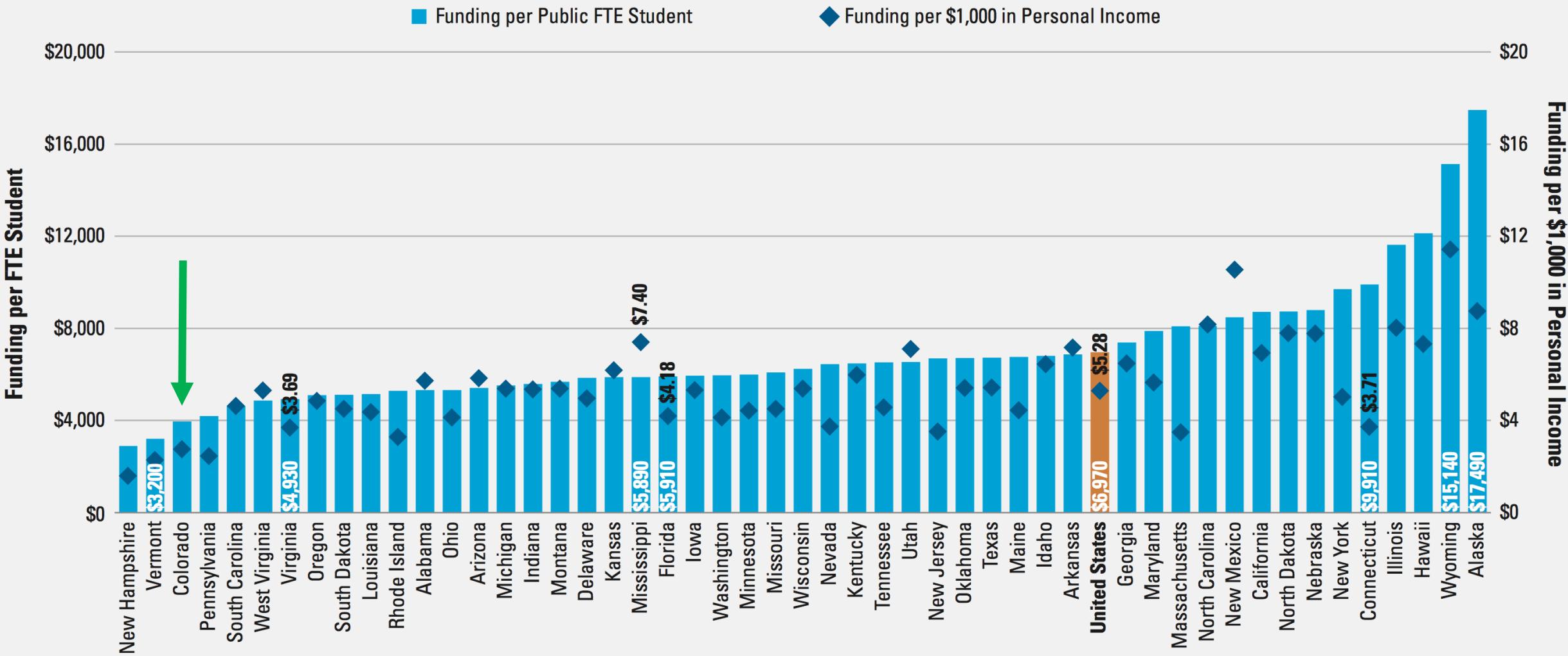
Invest in Affordability
and Innovation

Colorado Postsecondary Education Cost Share



COLORADO
Department of
Higher Education

State and Local Funding for Higher Education By State (2014-15)



NOTES: Funding data are from SHEEO. Data on state appropriations in previous years' *Trends in College Pricing* were based on the Grapevine data from Illinois State University. For differences between data from these two sources, please see Notes and Sources online.

SOURCES: SHEEO, SHEF reports; Bureau of Economic Analysis, Annual State Personal Income 2014; calculations by the authors.

Tuition and Debt

Average Colorado In-State
Tuition and Fees

\$10,800

11th Highest in U.S.*

Average Colorado Student Debt

\$26,259

13th Lowest in U.S.**

Source: *Colorado Department of Higher Education
2017 **Financial Aid Report and Trends in College
Pricing 2017, College Board

Governor Hickenlooper proposes

**\$86.9
MILLION**

increase for higher education in Colorado

Executive Budget Request: R-1 & R-2 Operating and Tuition

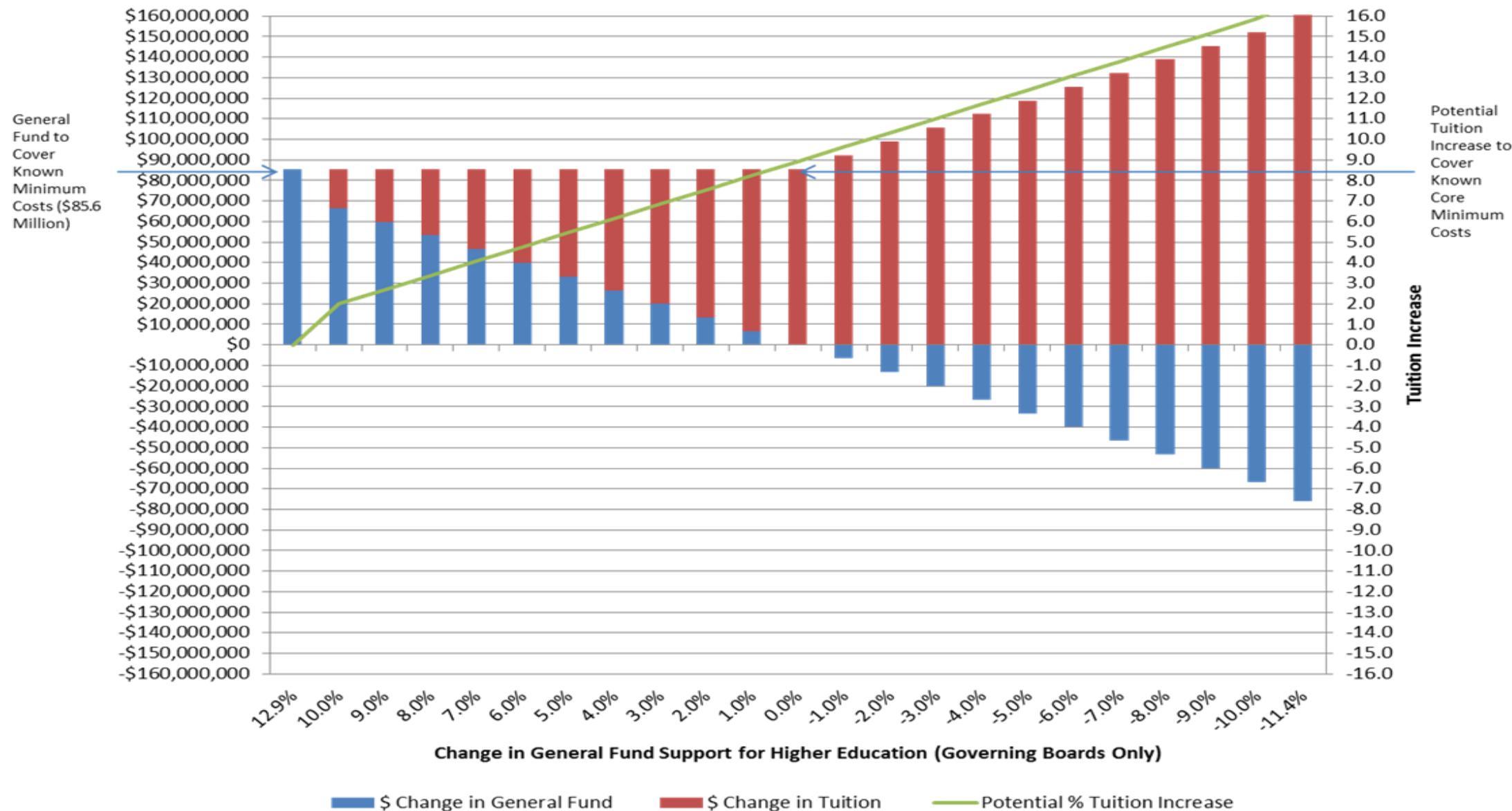
- **R-1: Improving Affordability and Outcomes**
 - **\$59.1 Million** in increased operating funds for public postsecondary institutions linked to a 3% statewide goal for tuition
 - **\$13.9 million** in additional financial aid, with increases provided in both need-based aid (\$11.9 million) and work-study (\$2.0 million)
- **R-2: Tuition Spending Authority**
 - **\$86.0 million** in cash fund spending authority for tuition linked to a 3% statewide goal for resident, undergraduate tuition

Change in Governing Board Allocations: FY 2018 to FY 2019 Request

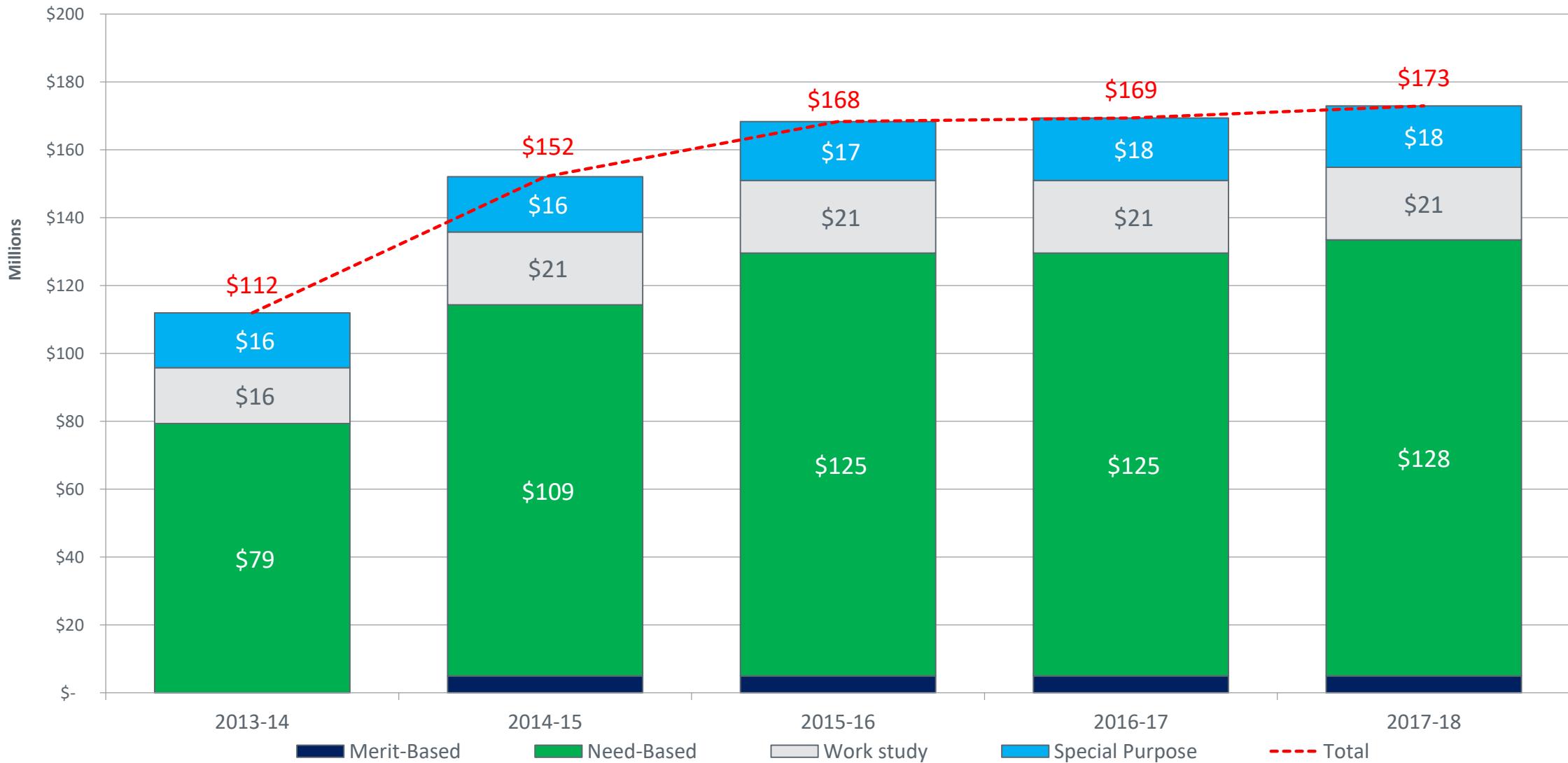
Governing Board	COF Stipend	23-18-203 FFS	SEP FFS	Limited Purpose FFS	Total*	% Change
ASU	-\$28,370	\$543,574	\$0	\$0	\$515,205	3.61%
CMU	\$1,165,026	\$1,311,560	\$0	\$0	\$2,476,586	9.54%
MSU Denver	\$2,202,007	\$2,670,830	\$0	\$0	\$4,872,836	9.44%
WSCU	\$223,821	\$735,054	\$0	\$0	\$958,874	8.11%
CSU	\$3,810,026	\$3,152,855	\$4,778,406	\$0	\$11,741,288	8.43%
FLC	-\$162,691	\$587,977	\$0	\$0	\$425,286	3.61%
CU	\$6,692,294	\$6,711,514	\$5,471,436	\$0	\$18,875,244	9.72%
Mines	\$244,349	\$645,220	\$0	\$0	\$889,569	4.14%
UNC	\$917,716	\$1,293,432	\$0	\$0	\$2,211,148	5.60%
CCCS	\$7,922,203	\$5,955,478	\$0	\$0	\$13,877,681	9.04%
TOTAL	\$22,986,383	\$23,607,492	\$10,149,842	\$0	\$56,843,717	8.56%

*Allocations may be \$1.00 dollar off from the allocations in the Schedule 13 due to rounding.

Financing Known Minimum Costs



State Funded Financial Aid Appropriations



Executive Budget Request: R-4 Emergency Completion and Retention Grants

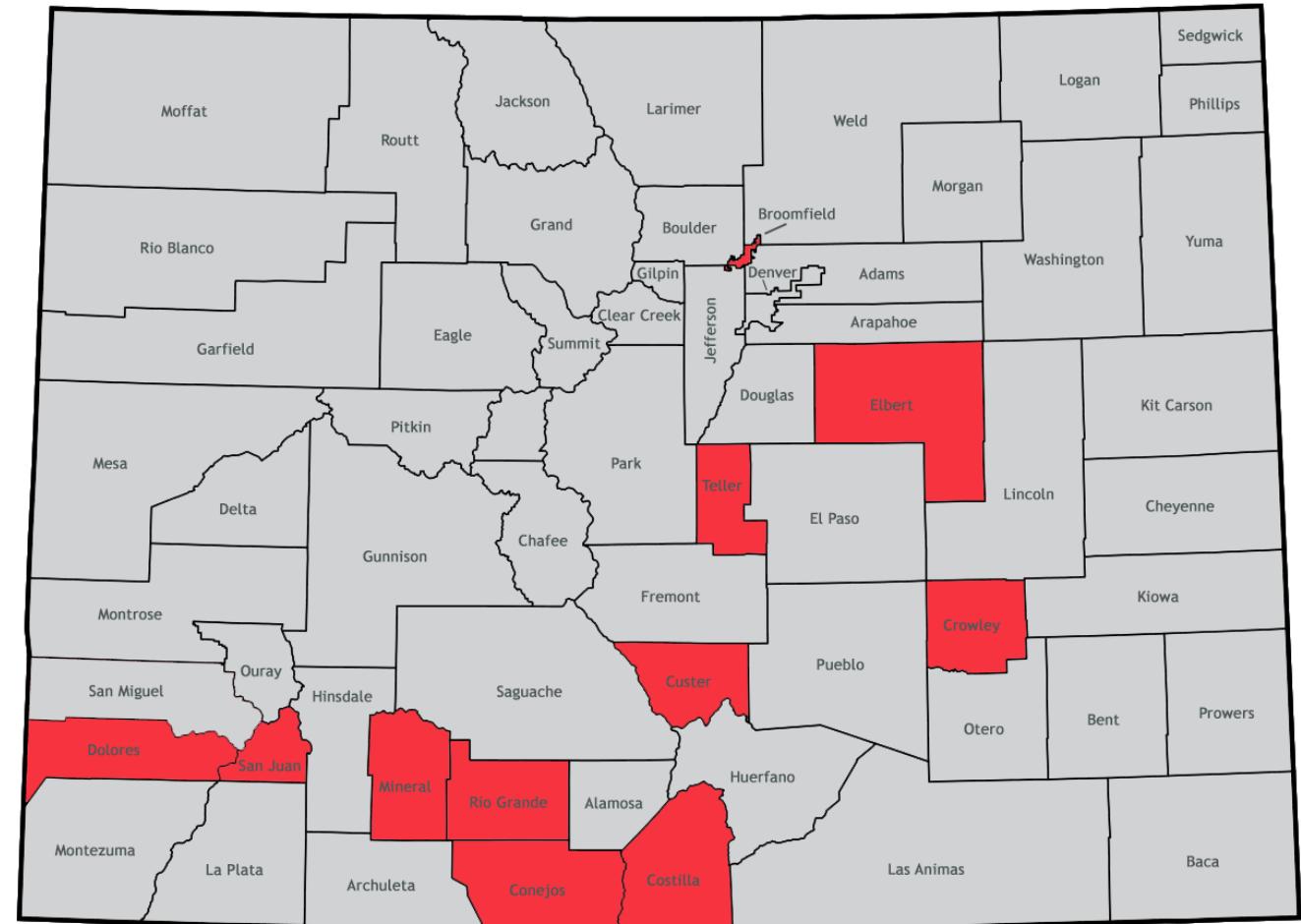
- \$1.5 million to create a new statewide grant program that targets aid to students facing unforeseen financial emergencies
- Financial aid is awarded for the cost of attendance, so unexpected financial circumstances can cause students to stop out
- State investment can provide an immediate impact and help institutions leverage existing resources

Executive Budget Request: R-5 Occupational Credential Capacity Grant Program

- \$5.0 million to increase institutional capacity to provide high-demand, high-wage certificates
- Focused on in-demand certificates aligned to the Talent Pipeline Report
- Brings more credential opportunities to students and can be targeted to specific populations (concurrent enrollment, corrections, adults, or others)
- Competitive RFP process in coordination with Colorado Workforce Development Council

Executive Budget Request: R-6 COSI

- \$4.0 million to bring the total annual appropriation to \$9 million General Fund in FY 2018-19
- Increase in state-community matching scholarships and sustains the current student support grants which have been proven to enhance student success
- 49/64 counties participated in 2016-2017



Executive Budget Request: Rural Teacher Initiatives

- \$10.0 million to address rural teacher shortages
 - CDE (\$8 million)
 - CDHE (\$2 million)
- Grow Your Own Programs
- Dual Licensure
- Education Provider/Rural District Talent Partnerships
- Innovation



Master Plan Aligned 2018 Budget Request

Strategic Goal 1 – Increase Completion <ul style="list-style-type: none">• Improving College Affordability and Outcomes• Emergency Completion and Retention Grant• Occupational Credential Capacity Grant Program• Colorado Opportunity Scholarship Initiative	Strategic Goal 2 – Erase Equity Gaps <ul style="list-style-type: none">• Improving College Affordability and Outcomes• Emergency Completion and Retention Grant• Occupational Credential Capacity Grant Program• Colorado Opportunity Scholarship Initiative
Strategic Goal 3 – Improve Student Success <ul style="list-style-type: none">• Emergency Completion and Retention Grant	Strategic Goal 4 – Invest in Affordability and Innovation <ul style="list-style-type: none">• Improving College Affordability and Outcomes• Tuition Spending Authority• Fort Lewis Native American Waiver• Emergency Completion and Retention Grant• Occupational Credential Capacity Grant Program• Colorado Opportunity Scholarship Initiative

Q & A

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@KimHunterReed



COLORADO MOUNTAIN COLLEGE

CMC highlights from 2016-17

- Overall, Colorado Mountain College served **16,819 unduplicated students (credit and non-credit)**, which was a slight decline from the previous year.
- **Seventeen percent of the students at CMC are Hispanic/Latino**; several CMC sites enjoy enrollments approaching or exceeding 25% or more Hispanic/Latino (Edwards, Rifle, Glenwood Springs, Carbondale), which would qualify these campuses as "Hispanic Serving Institutions."
 - **Hispanic/Latino enrollment has grown by 38% since 2011-12.**
 - Degree completion among Hispanic/Latino students **exceeds the overall college-wide rate.**
- **Concurrent enrollment registrations reached 1,418**, which is a 47% increase from 2011-12. This number is comparable to more than 50% of the juniors and seniors in all high schools in CMC's 12,000 square mile service area.
- Across all campuses, 1,221 students graduated in 2016-17, an **increase of 21% since 2011-12** (1,009).
- **Tuition rates for bachelor-level programs were frozen** in 2017-18, the third year CMC has not raised bachelor-level tuition.
- Tuition rates for associate-level programs increased by various increments in 2017-18, **but remain among the lowest** in the entire state of Colorado.
- Tuition rates in 2017-18 are as follows:

	<u>Associate Level</u>	<u>Baccalaureate Level</u>
○ In-district:	\$65 per credit hour	\$99/cr
○ In-state:	\$147/cr	\$212/cr
○ Service area:	\$143/cr	\$205/cr
○ Non-resident:	\$440/cr	\$440/cr

Gallagher Amendment

The biggest challenge facing Colorado Mountain College and all other locally funded services in rural communities in 2017 was the resetting of local residential assessment rates due to the Gallagher Amendment. In 2017, the General Assembly lowered the property assessment rate to 7.2% (from 7.96%), nearly a 10% reduction. At CMC, this change resulted in \$2.8 million in revenues foregone and is structurally permanent. (Note: When the Gallagher Amendment was added to the Colorado Constitution, the residential assessment rate was 21%; it has since declined more than 75% and cannot be corrected upward regardless of economic conditions.)

In fall 2017, the Colorado Mountain College Board of Trustees referred a question to the ballot in its multi-county taxing district (Summit, Eagle, Garfield, Lake, Pitkin and Routt/Steamboat Springs¹). The measure was titled “4B.” With limited time and resources to educate voters, the measure **failed 47% to 53%**, but passed in two counties. Had the measure passed, CMC would have been the largest tax district in the state to have ever successfully “Gallagherized.”

Every major newspaper in CMC’s service area endorsed measure 4B. Moreover, the measure received public support from numerous current and previous elected officials, including Rep. Millie Hamner (D, Dillon), Rep. Bob Rankin (R, Carbondale), Rep. Diane Mitsch Bush (D, Steamboat Springs), Rep. Dan Thurlow (R, Grand Junction), and Rep. Russ George (R, Rifle).

Links to select Editorial Endorsements:

- Vail Daily: [Vote Yes on Colorado Mountain College's Property Tax Issue](#)
- Glenwood Springs Post Independent: [Protect Our Economy; Back CMC's Tax Fix](#)

Links to support from Elected Officials:

- Rep. Millie Hamner: <https://www.summitdaily.com/opinion/summit-daily-letters-state-rep-millie-hamner-supports-cmc-ballot-item/>
- Rep. Bob Rankin: <https://www.postindependent.com/news/local/under-the-dome-column-the-special-session-that-wasnt/>
- Rep. Dan Thurlow: <https://www.postindependent.com/news/local/guest-opinion-gallagher-puts-undue-burden-on-local-governments/>
- Honorable Russ George, Former Speaker of the House:
<https://www.postindependent.com/opinion/letter-support-for-cmc/>

Links to guest columns from CMC President Carrie Besnette Hauser:

- [Gallagher's unintended effect on rural Colorado.](#)
- [David Versus Gallagher](#)

Links to Statewide Media Coverage of Rural Colorado Funding Challenges:

- [“Rural Colorado government services could retreat further because of forecasts pointing to more property tax cuts in 2019”](#) – Denver Post, Dec. 21, 2017
- [“As the Front Range grows, rural Colorado gets less: How rising home values in Denver are crippling small fire departments”](#) – Denver Post, Nov. 26, 2017
- [“Colorado’s hot property values are triggering tax cuts — and one local college is scrambling to offset the loss.”](#) Denver Post, Sept. 11, 2017

Importantly, the **impact of the Gallagher Amendment remains very real to rural communities in Colorado**. Small mountain towns, in particular, cannot keep pace with the volume of new population, job, and housing growth experienced in the Front Range.

¹ CMC also serves Chaffee, Grand and Jackson counties as part of its Service Area



EMILY GRIFFITH
Technical College



COLORADO AREA TECHNICAL COLLEGES

ABOUT AREA TECHNICAL COLLEGES

- Career and Technical Education
 - Secondary & Post Secondary
 - Certificates
- [Emily Griffith Technical College](#)
 - Denver Public Schools
- [Pickens Technical College](#)
 - Aurora Public Schools
- [Technical College of the Rockies](#)
 - Delta County School District

POST SECONDARY CERTIFICATES

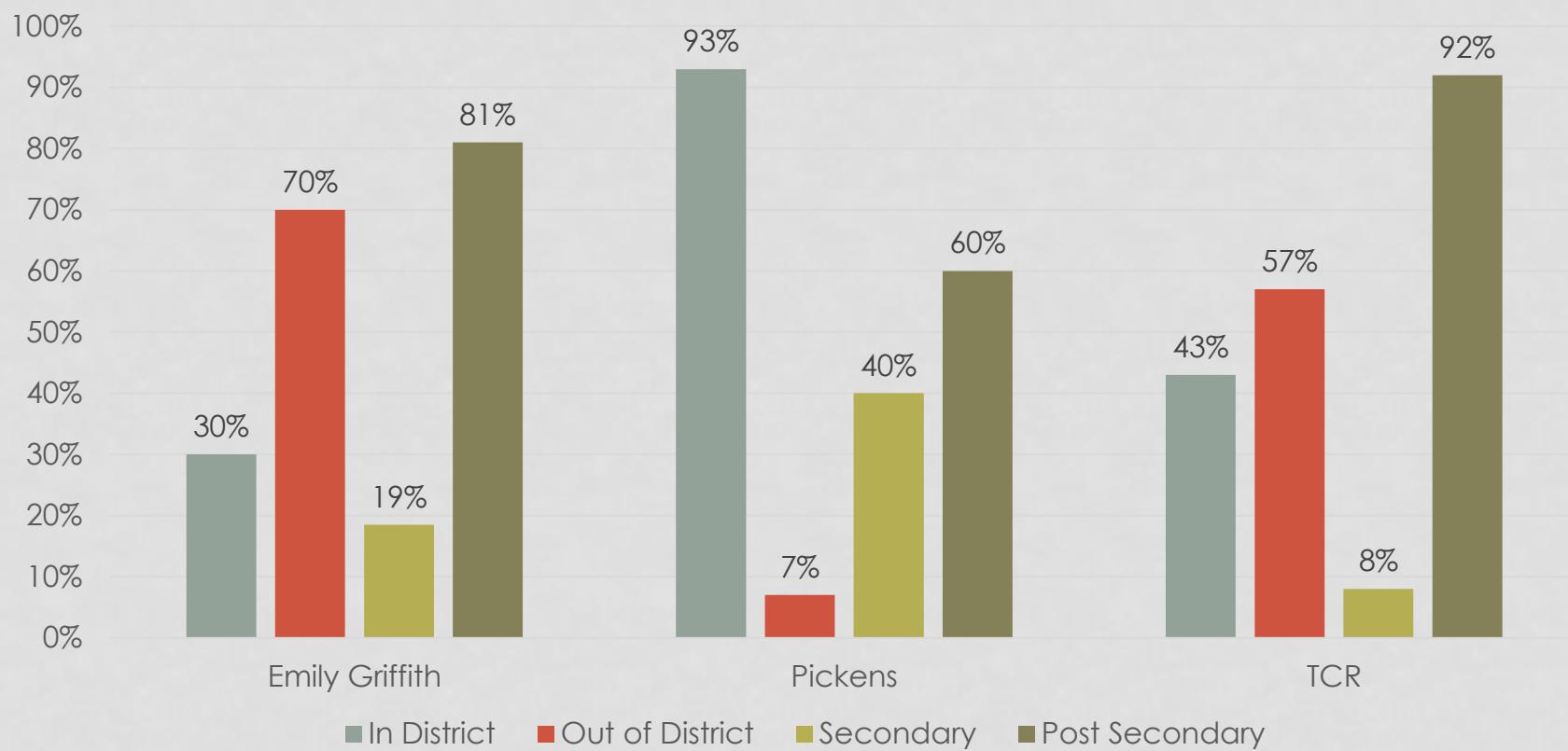
Program	Emily Griffith	Pickens	TCR
Automotive	✓	✓	✓
Barbering	✓	✓	✓
Cosmetology	✓	✓	✓
Dental	✓	✓	
Esthetician	✓	✓	✓
HVAC	✓	✓	
Medical Assistant	✓	✓	
Nail Technician		✓	✓
Practical Nursing	✓	✓	✓
Welding	✓	✓	

INDUSTRY PARTNERS

- **Emily Griffith**
 - Barbering ➔ Floyd's Barbershops
 - Licensed Practical Nursing ➔ Kaiser Permanente
 - Water Quality Management ➔ MillerCoors
- **Pickens**
 - Automotive ➔ Subaru & Havana Row Dealerships
 - Welding ➔ American Welding Society
 - Automotive, Motorcycle, & Precision Machining
➔ Stolle Machinery apprenticeship
- **TCR**
 - LPN ➔ Delta Co. Memorial Hospital, Montrose Memorial Hospital, & VA Hospital
 - CNA ➔ Willowtree, Colorow, Horizons
 - Law Enforcement ➔ Delta & Montrose Police & Sheriff

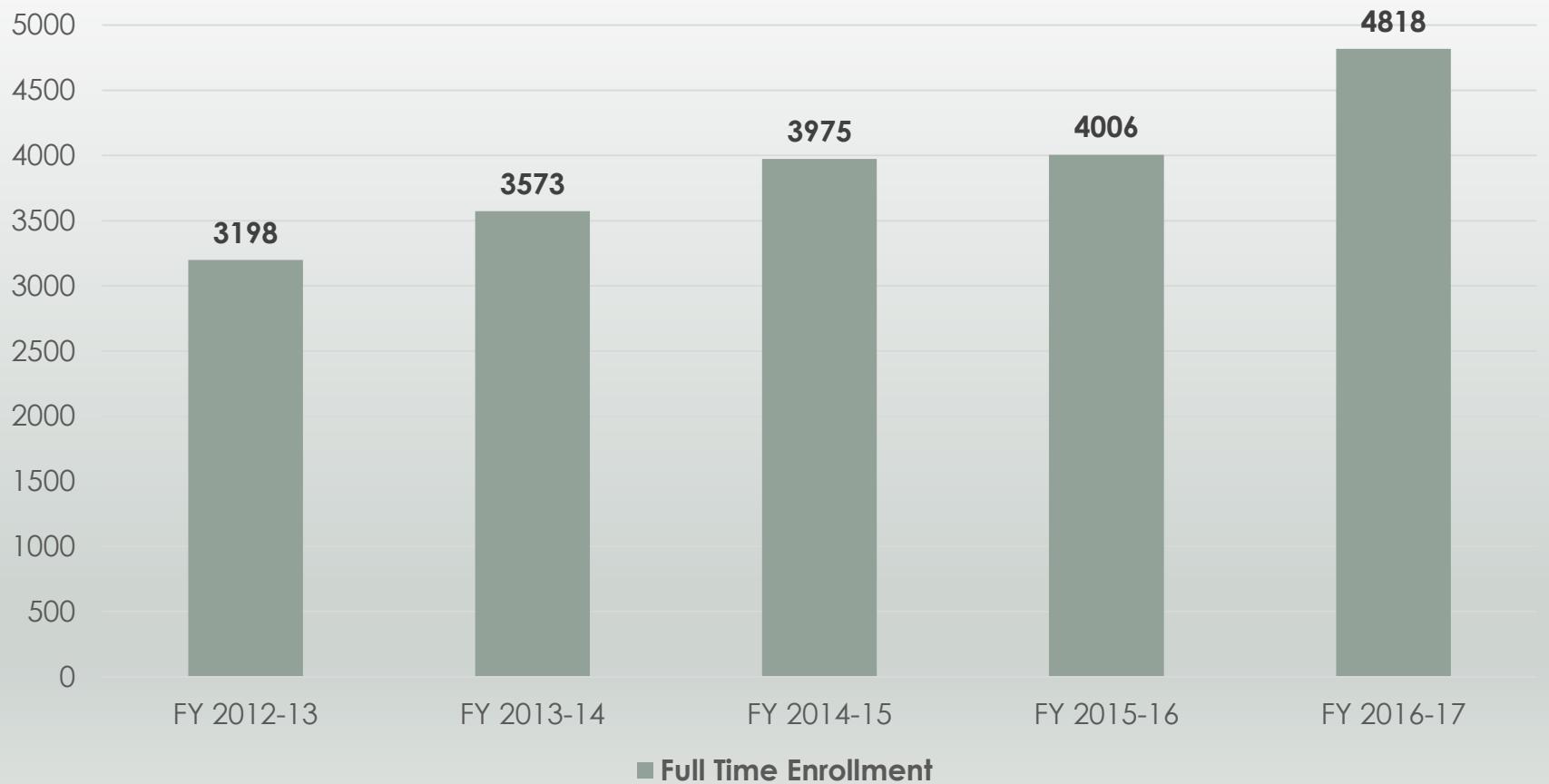
STUDENT DEMOGRAPHICS

Students served by ATC



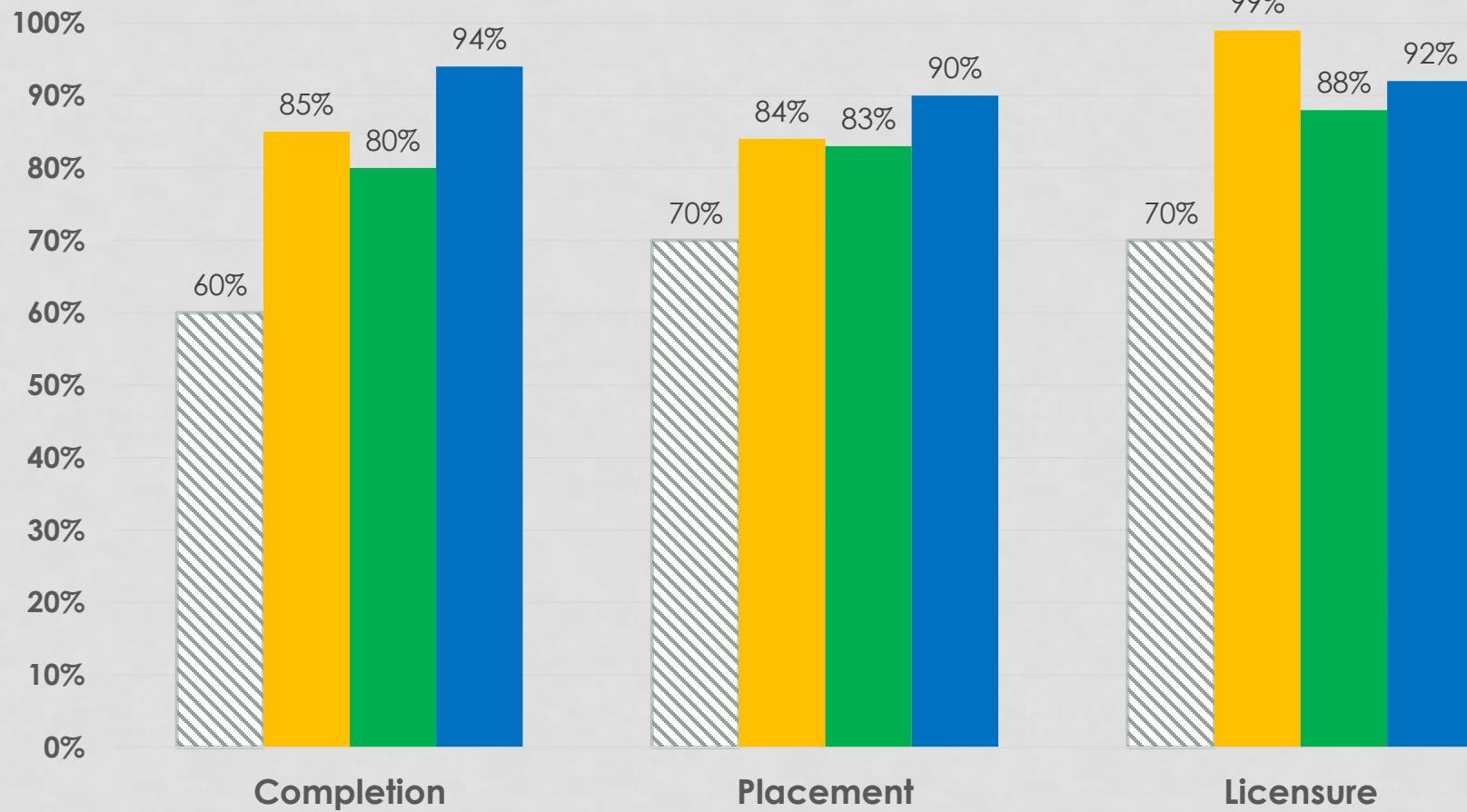
ENROLLMENT GROWTH

Full Time Equivalent Enrollment



EFFICIENCY MEASURES

ATC Education Standards



FY 2016-17 FUNDING SOURCES

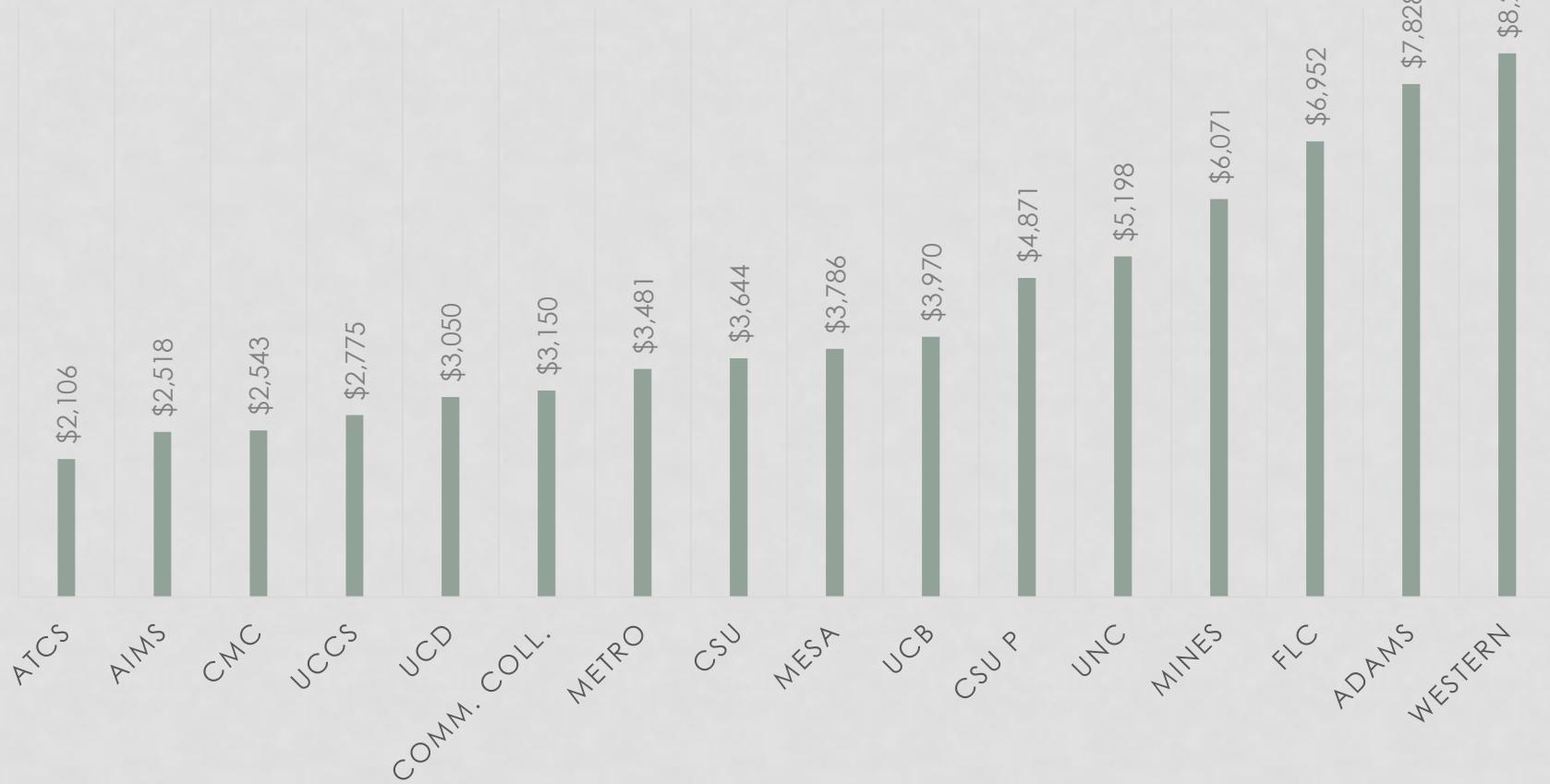
For our postsecondary programs, the Area Technical Colleges have two primary sources of funding – State General Fund and Tuition. The ATCs do not receive COF Stipends, Fee for Service, Amendment 50 Gaming Revenues, or State Capital Construction Appropriations.

	Emily Griffith	Pickens	TCR
Tuition	\$5,314,101	\$1,434,518	\$754,734
GF	\$6,930,346	\$1,844,768	\$1,196,607

STATE FUNDING PER STUDENT

FY 2016-17

General Funds per Resident FTE



WAIT LISTS

Emily Griffith

Program	Wait List	Program	Wait List
Barbering	25	Dental Assisting	-
Cosmetology	6	Medical Assisting	-
Esthetician	4	Phlebotomy	14
Nurse Assisting	1	Video Production	-

Technical College of the Rockies

Program	Wait List
Practical Nursing	20
Nurse Assisting	-
Welding	5

WAIT LISTS

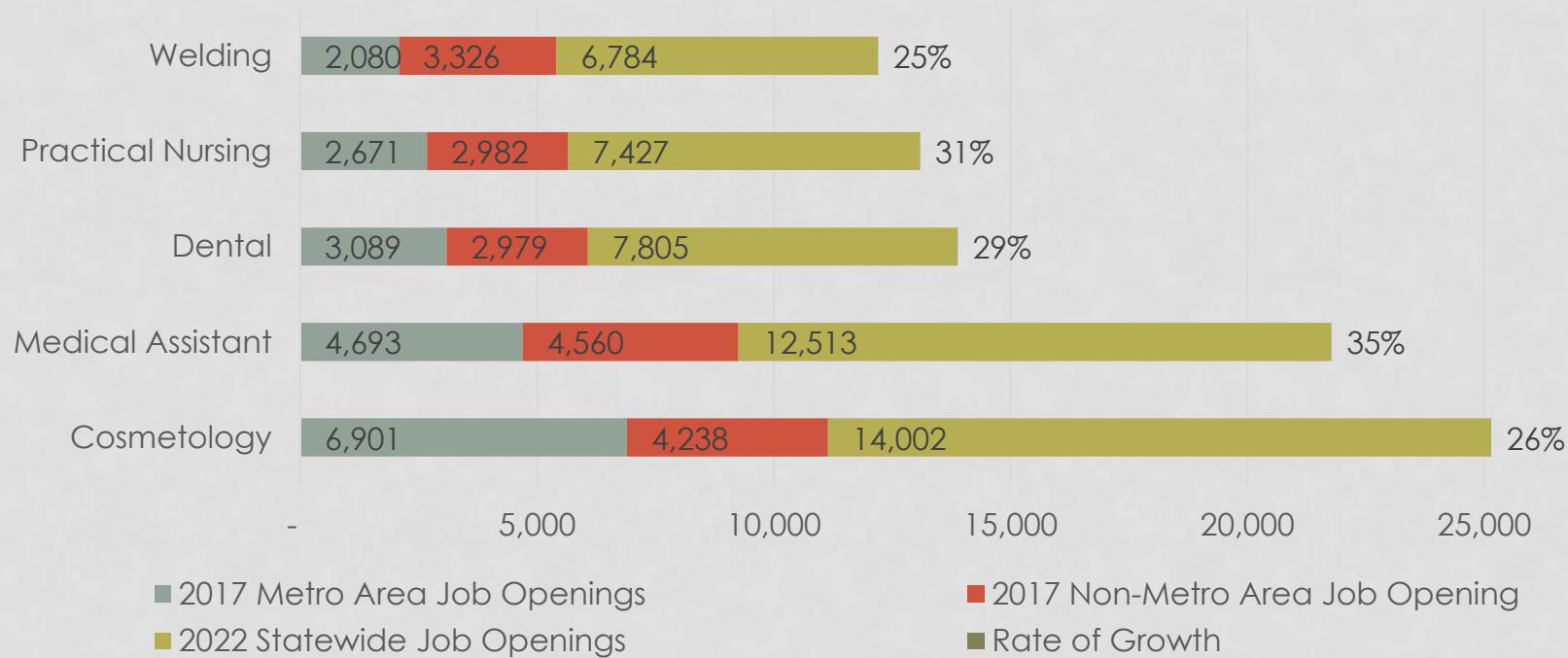
Pickens

Program	Wait List		
		HVAC	1
Automotive	34	Medical Assisting	39
Barber	31	Medical Billing/Coding	7
Cosmetology	47	Nail Technician	4
Dental	17	Advance Manufacturing	6
Diesel	28	Veterinary Assistant	16
Esthetician	10	Welding	27

CAPACITY CONSTRAINTS

- No capital construction funding
- No ability to expand in current physical spaces
- Recruitment and retainment of qualified instructors

INDUSTRY GROWTH IN COLORADO 2017-2022



OPPORTUNITIES TO GROW

- **Emily Griffith**
 - New lease to expand Cosmetology & Barbering at downtown campus
 - Exploring ways to expand Welding at Osage campus
- **Pickens**
 - Have land to expand space
- **TCR**
 - Have land to expand
 - Developing online training opportunities for Region 10
 - Expanding concurrent enrollment for rural schools in Region 10
 - Partnerships with other communities allow expansion of Cosmo, ECE, CAN, MA programs in Gunnison, Telluride, and Ridgeway

SUMMARY

- **Thanks for your support of the Area Technical Colleges and career and technical education in Colorado.**

DEPARTMENT OF HIGHER EDUCATION
FY 2018-19 JOINT BUDGET COMMITTEE HEARING AGENDA
(Day 1 of 3)

Wednesday, January 3, 2018
1:30 pm – 4:30 pm

1:30-2:45 Colorado Department of Higher Education

CDHE INTRODUCTIONS AND OPENING COMMENTS

Presenters:

- Dr. Kim Hunter Reed, Executive Director
- *[please identify names and positions of any others]*

QUESTIONS

Higher Education Master Plan

- 1 Why has the State made so little progress in achieving its goals so far? Why is resident enrollment growth so weak? How much of it is the cost of higher education? *[For background, please include data on your average annual rate of growth in increasing credential-production for the last five years versus the prior five years and your projected rate of growth between 2017 and 2025. How many credentials do you expect to issue as of 2025? How does this compare to the Department's aspirational goal for your governing board?]*
- 2 Particularly given the limited progress so far, what tangible steps are you taking toward achieving the Master Plan goals?
- 3 Are you including all degree producing institutions in the State in Master Plan goals? What assumptions are you making about the role of non-public institutions in helping the State achieve its goals?
- 4 Are the State's Master Plan goals still relevant, in light of the experience over the last five years? Should the goals be more dynamic and updated more frequently?
- 5 Given limitations on the state budget, how can we get a better education for citizens without simply building a bigger institutional system?
- 6 There has been a lot of talk about the value of higher education. How do we know if a college degree or certificate is worth it?

- 7 If the State is interested in increasing the number of credentials, how can it ensure that additional certificates produced represent something substantive rather than simply additional pieces of paper?
- 8 Discuss institutional graduation rates and student default rates. What can the legislature do to help institutions retain and graduate students?
- 9 Discuss student debt. How do you calculate the average debt load at graduation? Is that only for students who graduate with federal debt? What is the average length of time required for students to pay off student debt?

General Fund support for institutions and tuition caps (Requests R1 and R2)

- 10 What would be the impact of R1 and R2 on the State's "inverted smiley face"? How much do you expect this to change the ratio of what the State pays to what the resident student pays?
- 11 What is your funding goal for higher education? Should we be trying to cover inflation? Grow institutions? Fund at the level of other states?
- 12 Discuss the decision to increase funding for Pell students in the model. Are there changes you would like to see in the model in the near-term or longer term? Should the model be used to incentivize training that prepares students for real jobs, e.g., based on student employment after completing training or based on training in high-demand fields? Is the model sufficiently transparent? Sufficiently flexible? Too "clunky"?
- 13 How significant is the model in incentivizing institutional behavior? Do you feel it affects institutions' choices? How? For example, if certificates were weighted more heavily, would you expect that to result in more enrollments and completions? How could we track this?

Financial Aid and Request R4 (Emergency Retention Grants)

[Financial aid changes in the request include R4 (add \$1.5 million legislation for Emergency Retention Grants), Request R5 (add \$4.0 million for Colorado Opportunity Scholarship Initiative), and R1 (add \$13.9 million for need-based aid and work study)]

- 14 Explain the need for the Emergency Grants and why these cannot be funded another way, such as institutional resources or through base state funding for need-based financial aid.
- 15 How will you measure the program's success?
- 16 Would it be better to merge COSI scholarships, the proposed Emergency Retention Grants, and any other scholarship programs into a single comprehensive program? Would this allow for more or less transparency? More or less efficiency in administering the funds?

- 17 How much does the Department know about individual institution's financial aid policies and use of state financial aid funds, given that financial aid policy is set by the governing boards? Is the Department confident that all "need based" aid is going to students who qualify based on need as reflected in federal calculations?

Colorado Opportunity Scholarship Initiative (Request R6)

- 18 JBC Staff has recommended a bill to eliminate the current restriction that not more than ten percent of the money in the COSI Fund in any fiscal year may be awarded for student success programs and that no more than 3.0 percent of the money in the Fund may be used for administration. This change will allow the program to spend down its corpus while maintaining grants for student success programs and administration at the current level. If the General Assembly also authorizes a \$2.0 million General fund increase (instead of the \$4.0 million requested), staff believes the program could continue to commit funds at the current level for an additional four years. What does the Department think of this proposal? If the JBC sponsors a bill to modify this program, are there other changes the Department would suggest?

Last Dollar Scholarship Options

- 19 What are your thoughts about the various "last dollar" scholarship options presented by staff:
A - Free tuition and mandatory fees for community college (subsidy could extend to ATCs and other institutions with a 2-year mission) without regard to income, for students coming directly from Colorado high schools/GED under age 19 who attend 30 credit hours per year and follow a degree pathway;
B - Free tuition and fees at any institution for students who are Pell eligible or have a household income under \$75,000 for students coming directly from Colorado high schools/GED under age 19 who attend 30 credit hours per year and follow a degree pathway;
C - Additional \$1,000 for any Pell-eligible student coming directly from Colorado high schools/GED under age 19 who attends 30 credit hours per year and follows a degree pathway. This is expected to translate to free tuition and fees for these students. Is this the best way to spend dollars to improve recruitment, retention, and affordability?
- 20 Do you think it would drive enrollment if the State disseminated a consistent statewide message that low-income students may attend any public institution in the State without paying tuition and mandatory fees?

Career and Technical Education (Request R5):

- 21 Discuss the types of obstacles to CTE expansion that you hope this type of program will address. Do you anticipate that all of the institutions that qualify (CCCS, CMU, LDCs, ATCs) will receive a "piece of the pie" or do you envision a higher-stakes competitive grant process? Are you expecting a few large proposals or many small ones (particularly relevant given that the Department says it will absorb related workload)? Will grants be one-time program or ongoing?

- 22 Discuss how this initiative will intersect with the Talent Pipeline analysis of state needs and the Workforce Development Council.
- 23 Nearly 100,000 students are engaged in CTE programs administered by high schools, while only 10,000 high school students are concurrently enrolled in postsecondary institutions for CTE. To date, much of the state's support for CTE has been directed to middle schools and high schools via the state categorical Career and Technical Act funding. How do secondary schools fit into the state's goals for producing more technical credentials? Do these programs produce certificates too? Should they?
- 24 What share of short-term certifications are generated by the private and nonprofit sectors in Colorado? Industry itself? How do these entities fit into the State's long-term vision for creating a more educated population?

Open Educational Resources

- 25 The Open Educational Resources Council created by S.B. 17-258 (Lundberg/Rankin) has recommended a new Colorado Open Educational Resources initiative. Does the Department support this idea? Why or why not?

Addressing Educator Shortages

- 26 Discuss the initiatives in the Governor's letter regarding addressing educator shortages. Discuss your proposed plans for addressing the problem, including the potential use of General Fund identified as a set-aside in the Governor's budget transmittal letter. Will these require new legislation?

Program Duplication

- 27 It seems there is more and more higher education program duplication. Does this drive costs? Is this a problem? If it is a problem, what can be done to address it?

S.B. 17-267 COPs

- 28 (a) Do you expect higher education buildings to be used as collateral for issuing the COPs? At what rate compared to other state buildings? (b) Where are you in the process of identifying buildings? (c) Do you know how many assets are in higher education? How many of these have already been collateralized? How much is available for future collateralization?

2:45-3:00 BREAK

3:00-4:30 PANEL 1: COMMUNITY COLLEGES, LOCAL DISTRICT JUNIOR COLLEGES, AREA VOCATIONAL SCHOOLS

INTRODUCTIONS AND OPENING COMMENTS (5 MINUTES PER GOVERNING BOARD)

Note: the JBC requests only one speaker per governing board

Presenters:

- Dr. Nancy McCallin, President, Colorado Community College System
- Dr. Leah Bornstein, President, Aims Community College
- Dr. Carrie Hauser, President, Colorado Mountain College
- Jeff Barratt, Executive Director, Emily Griffith Technical College
- Teina McConnell, Executive Director, Pickens Technical College
- Michael Klouser, Director, Technical College of the Rockies

PANEL QUESTIONS

Higher Education Master Plan

- 1 Did the 2012 State Master Plan affect your institution's activities for the last five years? If so, how? Do you expect the 2017 Master Plan refresh to affect your activities? If so, how? Are there specific initiatives you are implementing or plan to implement for this purpose? In your opinion, why has the State made so little progress in achieving its goals? Why is resident enrollment growth so weak? How much of it is the cost of higher education?
- 2 Has the State chosen the right goals? Are these goals still relevant, in light of the experience over the last five years? Should the goals be more dynamic and updated more frequently?
- 3 Given limitations on the state budget, how can we get a better education for citizens without simply building a bigger institutional system?
- 4 There has been a lot of talk about the value of higher education. How do we know if a college degree or certificate is worth it?
- 5 What is your institution's graduation rate, and how does it compare to your peers? What is the default rate for your graduates who have debt? What can the legislature do to help your institution(s) retain and graduate students?
- 6 What standards are used to determine what certificates you offer? How do you ensure they are valuable to students? How are your certificate programs accredited? If the State is interested in increasing the number of credentials, how can it ensure that additional certificates produced represent something substantive rather than simply additional pieces of paper?

Requests R1 and R2 - General Fund and Tuition Increases

- 7 Discuss your thoughts on the current funding allocation model. How do you feel about the increased weight on Pell? Are there other adjustments you support this year? If certificates were weighted more heavily, would you expect that to result in more enrollments and completions? How could we track this?
- 8 Potential model changes: Are there other changes you would like to see in the model in the near-term or longer term? Should the model be used to incentivize training that prepares students for real jobs, e.g., based on student employment after completing training or based on training in high-demand fields? Is the model sufficiently transparent? Sufficiently flexible?
- 9 How significant is the model in incentivizing institutional behavior? Do you feel it affects your institution's choices? How?
- 10 Discuss the total General Fund and tuition increase proposed for your governing board in the Executive request. *[Note: this question applies primarily to the Colorado community college system, as tuition increases for the other governing boards are not appropriated. However, other boards are requested to respond to parts a, and b to the extent feasible.]*
 - a) How much of an increase in education and general *revenue* do you anticipate needing in FY 2018-19? If this is greater than the projected increase in the Boulder-Denver-Greeley CPI, explain why.
 - b) How much of your annual need for increased revenue for educational programs is driven by salary and benefits for staff overall? How much of this is for classified staff?
 - c) Does the maximum undergraduate resident tuition rate increase proposed for your governing board in R3 (3%) accurately reflect your tuition need if R1 General Fund support is approved? Why or why not?
- 11 ATCs and LDCs are not currently part of the funding model, other than to receive an “average” increase. Given your reported goals of increasing credential-production, should they be funded through the model in part based on your performance in generating certificates and degrees? Is the funding for non-state public institutions fair? Why or why not?

Financial Aid, R4, R6, and Last Dollar Scholarship option

- 12 How significant do you believe the *real* net cost of attendance, after grant aid, is to whether students attend and complete at your institution? How significant do you believe *perceived* cost is in whether students enroll in your institution? How does your institution work with high schools to help students understand the real net cost, as opposed to the perceived cost? *[For background, please provide the net cost of attendance, after grant aid, at your institution(s) by different income levels and, specifically, for Pell-eligible students]*

- 13 How does your institution use financial aid for resident students to promote enrollment, retention, and completion? Given that institutions have flexibility to establish their own financial aid policy, how does your institution's use of state-supported financial aid differ from that of other public institutions?
- 14 Would it be better to merge COSI scholarships, the proposed Emergency Retention Grants, and any other scholarship programs into a single comprehensive program? Would this allow for more or less transparency? More or less efficiency in administering the funds?
- 15 R4 emergency retention grant program:
- Discuss how your institution would use R4 emergency retention funding, if approved. If your institution has already implemented an emergency grant program, are there additional students not currently served whom you would like to serve if this request were approved?
 - Is there sufficient flexibility within your state need-based aid allocations to provide an emergency grant program such as that requested in R4 if you wished to?
 - Is there another way to fund this program? Isn't an R4-type grant program attractive to private donors?
- 16 What are your thoughts about the various "last dollar scholarship" options presented by staff:
A - Free tuition and mandatory fees for community college (subsidy could extend to ATCs and other institutions with a 2-year mission) without regard to income, for students coming directly from Colorado high schools/GED under age 19 who attend 30 credit hours per year and follow a degree pathway;
B - Free tuition and fees at any institution for students who are Pell eligible or have a household income under \$75,000 for students coming directly from Colorado high schools/GED under age 19 who attend 30 credit hours per year and follow a degree pathway;
C - Additional \$1,000 for any Pell-eligible student coming directly from Colorado high schools/GED under age 19 who attends 30 credit hours per year and follows a degree pathway. This is expected to translate to free tuition and fees for these students.
- Is Option C (or any of the options) the best way to spend dollars to improve recruitment, retention, and affordability?
 - Would students benefit from a consistent statewide message that low-income students may attend any public institution in the State without paying tuition and mandatory fees? Do you think this would drive enrollment?

Career and Technical Education Request R5

- 17 There was support in the General Assembly during the 2017 session for a Long Bill amendment to increase categorical funding for CTE. Do you see request R5 as an effective way to support CTE expansion or would you recommend a different approach? Describe how R5 could be used to expand CTE access at your institution. Are there major obstacles that this initiative would not be able to address?

Concurrent Enrollment

- 18 How many concurrent enrollment partnerships do you have between your institution and local high schools? How many students are you serving each year?
- 19 Do you think we could do more to grow concurrent enrollment in Colorado?

Certificates of Participation - S.B. 17-267

[State institutions only]

- 20 Do you expect any of your institutional buildings to be part of the COPs issued pursuant to S.B. 17-267? Are you engaged in a process to determine which buildings are selected? Do you expect the COPs issued pursuant to S.B. 17-267 to affect your bond ratings?

Program Duplication

- 21 It seems there is more and more higher education program duplication. Does this drive costs? Is this a problem? If it is, what should be done to address it?

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED - *DEPARTMENT OF HIGHER EDUCATION/CCHE ONLY* (SEE SEPARATE LIST FOR GOVERNING BOARDS)

- 1 Provide a list of any legislation that the Department has: (a) not implemented, or (b) partially implemented. Explain why the Department has not implemented or has only partially implemented the legislation on this list. Please explain any problems the Department is having implementing any legislation and any suggestions you have to modify legislation.
- 2 Does the Department have any HIGH PRIORITY OUTSTANDING recommendations as identified in the "Annual Report: Status of Outstanding Audit Recommendations" that was published by the State Auditor's Office and dated June 30, 2017 (link below)? What is the Department doing to resolve the HIGH PRIORITY OUTSTANDING recommendations? Please indicate where in the Department's budget request actions taken towards resolving HIGH PRIORITY OUTSTANDING recommendations can be found.

<http://leg.colorado.gov/audits/annual-report-status-outstanding-audit-recommendations-june-30-2017>

- 3 If the Department receives federal funds of any type, please respond to the following:
 - a. Please provide a detailed description of any federal sanctions or potential sanctions for state activities of which the Department is already aware. In addition, please provide a detailed description of any sanctions that MAY be issued against the Department by the federal government during FFY 2017-18 or 2018-19.
 - b. Are you expecting any changes in federal funding with the passage of the FFY 2017-18 or 2018-19 federal budget? If yes, in which programs, and what is the match requirement for each program?
 - c. Does the Department have a contingency plan if federal funds are eliminated?
- 4 Is the Department spending money on public awareness campaigns? If so, please describe these campaigns, the goal of the messaging, the cost of the campaign, and distinguish between paid media and earned media. Further, please describe any metrics regarding effectiveness and whether the Department is working with other state or federal departments to coordinate the campaign?
- 5 Based on the Department's most recent available record, what is the FTE vacancy and turnover rate by department and by division? To what does the Department attribute this turnover/vacancy? Do the statewide compensation policies administered by the Department of Personnel help or hinder in addressing vacancy or turnover issues?
- 6 Please provide an update on the Department's status, concerns, and plans of action for increasing levels of cybersecurity, including existing programs and resources. How does the Department work with the Chief Information Security Office (CISO) in the Office of Information Technology

(OIT)? Have your information technology infrastructure and policies been audited for cybersecurity capabilities? If so, was the audit completed by the legislative auditor or an outside entity? Do you have dedicated cybersecurity personnel? How do your cybersecurity staff interact with the CISO in OIT? What unique security issues does your Department have? Do you handle private or sensitive data? What unique cybersecurity processes or tools do you use to protect this data?

- 7 What impact do the SMART Act and Lean processes have on your budget requests? Could they be used more effectively?
- 8 Does your Department use evidence-based analysis as a foundation for your budget request? If so, please provide a definition for your use of “evidence-based,” indicate which programs are “evidence-based,” and describe the evidence used to support these programs.
- 9 Please identify how many rules you have promulgated in the past two years (FYs 2015-16 and 2016-17). With respect to these rules, have you done any cost-benefit analyses pursuant to Section 24-4-103 (2.5), C.R.S., regulatory analyses pursuant to Section 24-4-103 (4.5), C.R.S., or any other similar analysis? Have you conducted a cost-benefit analysis of the Department’s rules as a whole? If so, please provide an overview of each analysis.
- 10 Describe the expected fiscal impact of proposed changes to PERA made by both the Governor’s Office and the PERA Board of Directors. In addition to direct budgetary impacts, please describe any anticipated secondary impacts of an increase in employee contribution rates. For instance, does the Department anticipate a need to increase employee salaries to compensate for the increase in PERA contributions?
- 11 Senate Bill 17-267 required Departments, other than Education and Transportation, that submit budgets to OSPB to propose a budget that is 2.0 percent below the total funds budget in FY 2017-18. Please highlight the following regarding the 2.0 percent reduction:
 - Where these reductions can be found in the Department’s request;
 - What programs are impacted by the reduction; and
 - Total amount of the reduction.
- 12 Please provide the following information for the Department’s custodial funds and continuously appropriated funds:
 - Name of the fund;
 - Amount of funds received;
 - Whether the revenues are one-time or multi-year;
 - Current cash fund balance;
 - Source(s) of the funds;
 - A list of FY 2015-16 and FY 2016-17 expenditures from these funds;

- Expected uses of the funds in FY 2017-18 and FY 2018-19; and
 - Legal authorization and restrictions/limitations on the Department's use of these funds.
- 13 What is the Department's process for engaging in (or disputing) federal land, environmental, jurisdictional, and/or water policy issues? How do you coordinate with other departments, the Governor's Office, local governments, and/or citizens?
- ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED - GOVERNING BOARDS ONLY**
- 1 Provide a list of any legislation that the governing board has: (a) not implemented, or (b) partially implemented. Explain why the governing board has not implemented or has only partially implemented the legislation on this list. Please explain any problems the governing board is having implementing any legislation and any suggestions you have to modify legislation.
 - 2 Does the governing board have any HIGH PRIORITY OUTSTANDING recommendations as identified in the "Annual Report: Status of Outstanding Audit Recommendations" that was published by the State Auditor's Office and dated June 30, 2017 (link below)? What is the governing board doing to resolve the HIGH PRIORITY OUTSTANDING recommendations? Please indicate where in the governing board's budget request actions taken towards resolving HIGH PRIORITY OUTSTANDING recommendations can be found.
<http://leg.colorado.gov/audits/annual-report-status-outstanding-audit-recommendations-june-30-2017>
 - 3 If the governing board receives federal funds of any type, please respond to the following:
 - d. Please provide a detailed description of any federal sanctions or potential sanctions for state activities of which the governing board is already aware. In addition, please provide a detailed description of any sanctions that MAY be issued against the governing board by the federal government during FFY 2017-18 or 2018-19.
 - e. Are you expecting any changes in federal funding with the passage of the FFY 2017-18 or 2018-19 federal budget? If yes, in which programs, and what is the match requirement for each program?
 - f. Does the governing board have a contingency plan if federal funds are eliminated?
 - 4 Is the governing board spending money on public awareness campaigns? If so, please describe these campaigns, the goal of the messaging, the cost of the campaign, and distinguish between paid media and earned media. Further, please describe any metrics regarding effectiveness and whether the governing board is working with other state or federal departments to coordinate the campaign?

- 5 Please provide an update on the governing board's status, concerns, and plans of action for increasing levels of cybersecurity, including existing programs and resources. Does the governing board work with the Chief Information Security Office (CISO) in the Office of Information Technology (OIT)? Have your information technology infrastructure and policies been audited for cybersecurity capabilities? If so, was the audit completed by the legislative auditor or an outside entity? Do you have dedicated cybersecurity personnel? What unique security issues does your governing board have? What unique cybersecurity processes or tools do you use to protect this data?
- 6 Describe the expected fiscal impact of proposed changes to PERA made by both the Governor's Office and the PERA Board of Directors. In addition to direct budgetary impacts, please describe any anticipated secondary impacts of an increase in employee contribution rates. For instance, does the governing board anticipate a need to increase employee salaries to compensate for the increase in PERA contributions?
- 7 Has the governing board been engaged in (or disputed) federal land, environmental, jurisdictional, and/or water policy issues? How do you coordinate with state government agencies, the Governor's Office, local governments, and/or citizens on these issues?
- 8 Please describe your retirement programs. How many of your staff are on PERA? How many of your staff are on another retirement program? How has the share of your staff who are on PERA versus another retirement program changed over time?
- 9 What is the value of the physical assets at your institution(s)? How many have already been collateralized? How much is available for future collateralization?
- 10 The OER Council has recommended an initiative costing \$660,000 General Fund for FY 2018-19, annualizing to \$1.1 million in subsequent years, for a grant program to promote the use of OER at public institutions. Staff has also recommended including a statutory requirement that by fall 2021 institutional course catalogs identify which courses use OER. Do you have any input on this proposal?