DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING AGENDA

Institutions of Higher Education

Friday, January 10, 2025

11:00am – 5:00pm

11:00-12:00 Metropolitan State University of Denver and Colorado Mesa University

Main Presenters:

- Janine Davidson, President, Metropolitan State University of Denver
- John Marshall, President, Colorado Mesa University

Supporting Presenters:

- Kaycee Gerhart, Vice President of Government and External Affairs, Metropolitan State University of Denver

Topics:

Executive Request, Institutions' Funding Request, and Cost Drivers

- Metropolitan State University of Denver: Pages 4-6 in the packet, Questions 1-5
- Colorado Mesa University: Pages 9-17 in the packet, Questions 1-5

Economic Impacts

- Metropolitan State University of Denver: Pages 6-7 in the packet, Question 6
- Colorado Mesa University: Pages 17-18 in the packet, Question 6

Financial Aid/Free Tuition Messaging

- Metropolitan State University of Denver: Pages 7-8 in the packet, Questions 7-8
- Colorado Mesa University: Pages 18-22 in the packet, Questions 7-8

12:00-2:00 **Higher Education Roundtable with CFOs at 1525 Sherman, Room 104**

2:00-3:15 Adams State University, Fort Lewis College, Western Colorado University

Main Presenters:

- David Tandberg, President, Adams State University
- Steven Schwartz, Interim President, Fort Lewis College
- Brad Baca, President, Western Colorado University

Topics:

Executive Request, Institutions' Funding Request, and Cost Drivers

- Adams State University: Pages 23-26 in the packet, Questions 1-5
- Fort Lewis College: Pages 28-31 in the packet, Questions 1-5
- Western Colorado University: Pages 35-37 in the packet, Questions 1-5

Economic Impacts

- Adams State University: Page 26 in the packet, Question 6
- Fort Lewis College: Pages 31-32 in the packet, Question 6
- Western Colorado University: Pages 37-38 in the packet, Question 6

Financial Aid/Free Tuition Messaging

- Adams State University: Pages 26-27 in the packet, Questions 7-8
- Fort Lewis College: Pages 32-34 in the packet, Questions 7-8
- Western Colorado University: Pages 38-39 in the packet, Questions 7-8

<< 3:00pm – 3:15pm BREAK >>

3:30-5:00 University of Colorado System, Colorado State University System, Colorado School of Mines, University of Northern Colorado

Main Presenters:

- Todd Saliman, President, University of Colorado System
- Chancellor Tony Frank, Colorado State University System
- Dr. Paul C. Johnson, President, Colorado School of Mines
- Andy Feinstein, President, University of Northern Colorado

Supporting Presenters:

- Callie Rennison, Chair, University of Colorado Board of Regents
- Alastair Norcross, Chair, Systemwide University of Colorado Faculty Council

- Kimberly Slavsky, Co-Chair, Systemwide University of Colorado Staff Council
- JáNet Hurt, Co-Chair, Systemwide University of Colorado Staff Council
- Alex Radz, Chair, Intercampus Student Forum

Topics:

Executive Request, Institutions' Funding Request, and Cost Drivers

- o University of Colorado System: Pages 40-56 in the packet, Questions 1-5
- o Colorado State University System: Pages 63-67 in the packet, Questions 1-5
- o Colorado School of Mines: Pages 77-79 in the packet, Questions 1-5
- o University of Northern Colorado: Pages 81-83 in the packet, Questions 1-5

Economic Impacts

- o University of Colorado System: Pages 56-58 in the packet, Question 6
- o Colorado State University System: Page 67 in the packet, Question 6
- o Colorado School of Mines: Page 79 in the packet, Question 6
- o University of Northern Colorado: Pages 83-84 in the packet, Question 6

Financial Aid/Free Tuition Messaging

- o University of Colorado System: Pages 58-60 in the packet, Questions 7-8
- o Colorado State University System: Pages 68-73 in the packet, Questions 7-8
- o Colorado School of Mines: Pages 79-80 in the packet, Questions 7-8
- o University of Northern Colorado: Pages 84-87 in the packet, Questions 7-8

R8 New Cash Fund for Higher Ed (CU and CSU ONLY)

- o University of Colorado System: Pages 60-62 in the packet, Questions 9-11
- o Colorado State University System: Pages 73-76 in the packet, Questions 9-11

DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING

Metropolitan State University – Denver Responses

Friday, January 10, 2025

11:00AM – 12:00PM

QUESTIONS FOR ALL GOVERNING BOARDS/INSTITUTIONS

Please briefly introduce yourself and the institution(s) you represent. (Please keep to 5 minutes per institution/governing body)

Executive Request, Institutions' Funding Request, and Cost Drivers

1 [Sen. Bridges]: The institutions have requested an increase of $80.2 million General Fund, including financial aid, which is over $100 million more than Governor's request. The JBC has asked other state agencies to propose budget cuts. How can higher education assist the JBC in balancing the budget?

Response: Higher education understands the challenging state of the budget and appreciates the hard work of the Joint Budget Committee to balance the various priorities across Colorado. Our sector is experiencing inflationary pressures like those seen across all state agencies (3.4%). We believe it is our responsibility to truthfully communicate the resources we need to continue to deliver on our mission for the state, while working together to identify how to meet those needs.

At MSU Denver, state investment makes up roughly 45% of our education and general revenues while tuition composes approximately 55%; our university currently has very limited revenue sources outside these two levers. Our commitment to remaining affordable requires the State's support to ensure our university can continue to deliver successful student outcomes that strengthen the workforce and economy.

MSU Denver has taken steps over the past several years to ensure we use resources efficiently and in service to our students. The University recently enhanced its annual budget process to be more strategic, transparent, collaborative and data driven. A new Budget Circular provides economic data as a backdrop to be considered when making budget requests and requires the use of a cost-benefit tool, an assessment of multi-year impacts, and an identification of offsetting savings. These changes have mitigated the "use-it-or-lose-it mentality" around spending and resulted in savings and efficiencies, including reallocating budget between departments in place of making additional requests.

We look forward to working in partnership with the JBC this session to strike a feasible balance between state investment and tuition increases, while protecting affordability for our students.

2 [Sen. Bridges] Discuss your employment trends in an environment of declining student enrollment. In particular, How much has the FTE for faculty/staff involved in your educational mission changed between FY 2018-19 and the present? How much has student FTE enrollment changed over the same period? Are those two trends aligned, i.e., has the faculty/staff to student ratio changed? Why/why not?

Response: The COVID pandemic brought unanticipated and unprecedented changes to enrollment at MSU Denver, and at universities and colleges across the country. In 2018, MSU Denver's enrollment was 19,437 students and is currently 16,600 as we continue to rebound from the severe enrollment declines in 2020-2022. During this time, our total number of faculty has declined by 21 (1,488 to 1,467). As the need to support our students in new and different ways—particularly in the areas of mental/behavioral health and holistic advising—has grown in the last five years, we have increased our total staff by 145.

Our overall faculty-to-student and staff-to-student ratios have changed marginally and remain on the high side of the national average. In 2018-19, our faculty-to-student ratio was 17:1 and in 2023-24 was 16:1. Our staff-to-student ratio has changed more prominently, moving from 26:1 to 18:1 over the last five years so that it is no longer well above national averages.

We are proud that in this time we have been able to provide more targeted and focused student supports from faculty and have seen increases in both completion and retention rates at MSU Denver.

3 [Rep. Bird]: How does the WINS agreement affect your budget, both directly and indirectly? Understanding that classified staff are a small portion of the employees, doesn't the WINS agreement have equity impacts and create pressure for pay?

Response: MSU Denver has 42 classified employees, so the direct impact of the WINS agreement is relatively minimal in terms of the funds necessary to support the required increases for classified employees. However, as the Department of Personnel and Administration (DPA) continues to evaluate step increases for compression within the classified system, the impact of these increases can be more substantive. For example, in the current fiscal year, FY25, the required salary increase for classified employees of 3% was about $106,000, but the necessary funding for the step increase was $367,000. Given that MSU Denver must pay classified employees in alignment with the WINS agreement and DPA step increases, these costs are considered mandatory within the University's budget, which limits flexibility. Additionally, step increases evaluate classified employees only in comparison to other classified employees. This not only creates an unfunded financial obligation for the University but can also indirectly cause salary compression between classified and non-classified employees performing similar work.

The WINS agreement does create indirect budget pressure on the University to provide cost-of-living increases for non-classified employees that match those of classified employees. This creates a financial imbalance, as required increases for a small group of employees at a modest cost compel the University to extend similar increases to the majority of employees at a much larger cost. In recent years, MSU has offered slightly smaller increases to non-classified employees and provided one-time adjustments if revenue exceeded expectations. However, this approach leads to challenges in explaining why a few employees receive larger increases than most of the workforce. With rising budget pressures at both the State and University levels, matching WINS-related increases for all employees would place significant strain on MSU's budget. If revenues fall short, the University may be unable to sustain these increases to maintain a structurally balanced budget.

4 [Sen. Bridges]: How has pay for your adjunct and non-tenure-track teaching faculty changed in recent years? Have you taken steps to improve pay/pay equity for these types of employees? What do those salaries look like right now?

<u>Affiliate (aka Adjunct) Faculty</u>
Response: Affiliate faculty are paid per credit hour and that credit hour rate increases based on the highest degree obtained. Prior to FY23-24, affiliate faculty were paid at a university-wide rate based on credit hour and degree and certain departments would supplement those rates to attract talent in competitive markets.

Starting in FY23-24, each MSU Denver School and College has their own rate based on employment market conditions. The table below summarizes the current rates by School/College and degree.

	Bachelor's	Master's	Terminal
CBUS	$1,160	$1,302	$1,364
CHHS	$1,206	$1,354	$1,419
SOE	$1,160	$1,302	$1,364
CACED	$1,206	$1,354	$1,419
CLAS	$1,206	$1,354	$1,419
SOH	$1,206	$1,354	$1,418

These rates will increase by $27.33 in Spring 2025 and in total overall affiliate pay rates have increased by 14% over the last five years. MSU Denver recently commissioned a pay equity study in 2024, which found that our university's affiliate pay is in line with the median of the market.

Non-Tenure Track Full-Time Faculty (aka "Category II)

Response: These faculty are full-time and paid a nine-month contract like tenured faculty. These NTT faculty are hired and receive raises based upon the College and University Professional Association (CUPA) average for an Assistant Professor for their discipline at the following rates:

1-3 years of service – 80%
4+ years of service – 85%
Senior Lecturer – 88%

Since these salaries are tied to CUPA, increases occur based on increases of the average data which are evaluated annually.

5 [Sen. Kirkmeyer/Bridges; Reps. Taggart/Bird]: Provide feedback on the Executive Branch request for a bill to improve transparency. Are there components you would like to have included in such a bill?

Response: MSU Denver and our fellow IHEs report a significant amount of data at the state and federal levels on topics ranging from revenues and expenses, staffing pattern and salaries, programmatic and financial aid investments, student demographics, retention and completion measures, and more. As the legislature considers a bill focused on transparency, we encourage the use of existing data and reporting requirements to satisfy as much of the need as possible. Where new or different data measures are desired, we ask that IHEs are consulted on the timelines by which that data can be most meaningfully produced, and to align with existing reporting deadlines wherever possible. Having an annual calendar of state required reports for IHEs, with clear definitions, would make implementation of reporting much more predictable and easily executed than it is today.

Economic Impacts

6 [Sen. Amabile] What can you tell us about the economic impact of your institution(s) on the state?

Response: In combined impact, MSU Denver contributes $953.8 million annually in economic impact to Colorado through its expenditures on operations, capital projects, wages and campus spending (FY19-23). MSU Denver contributes to the local and statewide economies through its expenditures on operations, capital projects and wages. The direct, day-to-day expenditures of the University, combined with student and visitor spending, cause a ripple effect throughout the statewide economy.

MSU Denver's economic growth well outpaced inflation, growing 36% from 2019 – 2023, despite the challenges of the pandemic. Directly employing 2,573 people, MSU Denver supports and sustains another 4,660 jobs in Colorado as a result of its operational, student and visitor spending. Another 82,837 MSU Denver alumni live and work in the state.

In addition, the University's faculty, staff and students make an estimated $3.1 million in charitable donations and volunteer for nearly 280,000 hours each year, valued at $8.4 million.

This data is based on the most recent MSU Denver Economic Impact Report, produced in 2024. More details can be found at: https://www.msudenver.edu/economic-impact/.

Financial Aid/ Free Tuition Messaging

7 [Staff] Discuss any "Promise"/Free tuition program you've launched at your institution. What has been the impact so far? Do you have recommendations or feedback on launching a statewide initiative that helps low-to-moderate income students understand a statewide front-end ("promise") for low-income students related to tuition and fees, as well as the back-end tax credit for students with AGI up to $90,000?

Response: MSU Denver offers the Roadrunner Promise, which waives tuition and fees for eligible students. There are two eligibility tracks, one tied to an adjusted gross income of $60,000 and one tied to an expected family contribution as calculated on the FAFSA. With the federal transition away from the expected family contribution, MSU Denver is working to streamline the eligibility criteria to provide greater transparency and clarity for students and their families. Since implementation in Fall 2022, 10,400 students have been eligible for our Roadrunner Promise and the institution has invested $4,352,337 in program funds to students, after leveraging available federal and state aid.

At a state level, MSU Denver supports consistent communication that helps all students understand that higher education is affordable and attainable. This has been a key tenent of our University messaging and we are happy to support statewide efforts focused in this way. If the State wishes to move in the direction of a state-supported promise program, MSU Denver believes that coordinating accurate cost estimates with all IHEs, clearly establishing eligibility criteria, and making the necessary investment at the state level are key.

MSU Denver appreciates the efforts by the legislature to make higher education more accessible for families with incomes less than $90,000. We also appreciate the opportunities created to provide feedback to ease the implementation of this back-end tax credit. MSU Denver would support efforts to shorten the timeline from when eligible students make tuition and fees payments and the time of receipt of the tax credit. In addition, MSU Denver has several questions about eligibility for students who may transfer to/from our university while meeting all other eligibility requirements. We look forward to continuing to work with legislators, the Governor's Office and CDHE to find resolution so that we can implement this program in service to our students.

8 [Sen. Bridges]: How are the programs being provided at your institution(s) by the Colorado Opportunity Scholarship Initiative (COSI) different from the supports that your institution is providing? Discuss the effectiveness and impact of COSI funding at your institution.

Response: COSI-funded programs have many similarities to other scholarship and cohort programs offered at MSU Denver. The combination of scholarships, intentional advising, and cohort/community-building are best practices for student success and elements we replicate in COSI and non-COSI funded programs. Certain COSI initiatives provide funding for student populations where MSU Denver does not have sufficient funding to deliver directed programs on its own, but the elements of these programs are very similar to several other success initiatives we have on campus. Oftentimes, students who are eligible for COSI programs may also be eligible for non-COSI scholarship and cohort programs offered at MSU Denver.

One of the key differences between our COSI and non-COSI programs is the significant reporting requirements associated with COSI grants. These requirements and maintaining compliance with these grants often demand a significant amount of people power.

DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING

Colorado Mesa University Responses

Friday, January 10, 2025

11:00AM – 12:00PM

QUESTIONS FOR ALL GOVERNING BOARDS/INSTITUTIONS

Please briefly introduce yourself and the institution(s) you represent. (Please keep to 5 minutes per institution/governing body)

Executive Request, Institutions' Funding Request, and Cost Drivers

1 [Sen. Bridges]: The institutions have requested an increase of $80.2 million General Fund, including financial aid, which is over $100 million more than Governor's request. The JBC has asked other state agencies to propose budget cuts. How can higher education assist the JBC in balancing the budget?

Response: CMU is grateful for the JBC's support for higher education in recent years and recognizes the difficult position the Committee is in as it works toward balancing the State's FY 2025-26 budget. To that end, we appreciate the opportunity to partner with the Committee to develop thoughtful budget recommendations that respond to the State's resource constraints without jeopardizing the important progress Colorado public higher education has made with funding increases over the last several years toward national medians in state support. We believe that given the reality of limited funding for higher education, it is critical that available funds be aligned with state higher education priorities and policy. If increasing undergraduate college attainment for first-generation, low- to middle-income students – particularly in programs directly related to workforce needs – is a policy priority, then the first use of limited state dollars should be to serve those students.

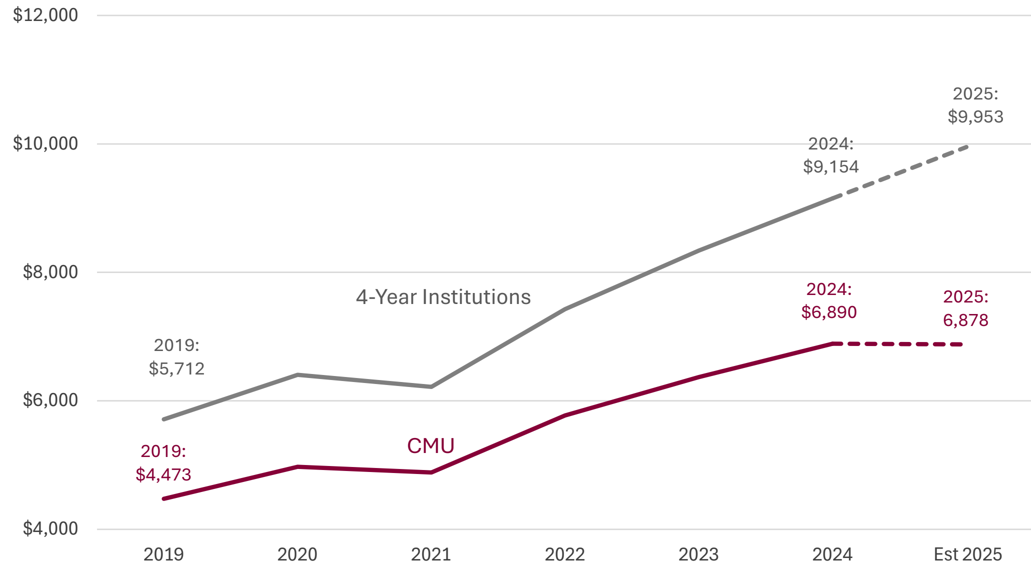
It is by now well known that Colorado ranks near the bottom of all states in the amount of funding it provides for postsecondary education. As of FY 2023, Colorado's level of state funding per student ranked 42nd and represented just 60% of the national average for per-student funding.[1] Rarely acknowledged, however, is that Colorado's ranking is based on the average level of state funding per resident student, when in fact funding per FTE varies widely among institutions. For CMU, the institution receiving the least amount of State funding per resident student in Colorado, the comparison to peer institutions is even more stark than when state-level comparisons are made based on averages.

As mentioned by JBC Staff, CMU did not sign the joint higher education letter to the Committee. We fundamentally agree that higher education's cost increases should be covered just as they are for other state agencies. However, the current funding approach has increasingly disadvantaged CMU students. The nature of the funding formula is to maintain cumulative base funding, with low sensitivity to enrollment changes. As more students have chosen to attend CMU, the funding per student has been diluted as shown in Figure 1. In 2019, CMU's funding per resident FTE was $4,473, or $1,239 below the average of all 4-year institutions. By 2024, that gap had widened to $2,264. Given our 35% Fall 2024 freshman class growth, we estimate that our

[1] State Higher Education Executive Officers Association, 2024, "State Higher Education Finance: FY 2023."

funding per student in the current fiscal year will drop below last year while the average for all 4-year institutions increases.

Figure 1. Projected State Funding per 4-Year Institution Resident Student FTE (Nominal Dollars)



In short, the distribution of State funding implies that CMU students are less valuable than their counterparts at other state institutions. Why does this disparity exist? If the disparity can't be explained in terms of a strategic goal or priority, we would urge the JBC to use this and future budget cycles to work with CMU to address this growing base funding inequity.

The difficult decisions ahead should be made in full awareness of the current headwinds facing higher education and the impacts of those decisions on Coloradans seeking an opportunity for a better life through postsecondary education and training. Historically, higher education has been the State's budget balancing mechanism. This forces institutions to make a difficult tradeoff between affordability (tuition increases) and quality (program cuts).

Of course, service quality bears a direct relation to staff and faculty salaries. Better salaries improve institutions' ability to attract and retain top talent, limiting turnover and providing continuity and stability for students. Yet, in a resource-constrained environment, institutions face a double-bind. On the one hand, the compounding effect of state policy decisions such as WINS, paid family and medical leave, and an increasing minimum wage adds to the natural market-induced pressure on salaries, while on the other hand institutions must manage smaller State funding allocations while maintaining affordability to compete in a highly price-sensitive market.

To the extent that State funding for higher education must be reduced to balance the budget, CMU recommends that the Committee strive to align available funding with the State's top strategic priorities. If the State's primary goal with respect to funding higher education is to support resident undergraduate students attending public 2- and 4-year institutions by buying down the cost of tuition, we would urge the Committee to consider how it can continue to ensure that limited State dollars are invested in the programs and public institutions that most effectively deliver these critical outcomes.

In our experience, mitigating the impact of declining resources requires making strategic, targeted cuts rather than across-the-board reductions and reallocating existing funds to areas in the budget that are most essential to maintaining progress on attainment, especially among the student populations most at-risk of not enrolling in or completing postsecondary education. This should entail a thorough evaluation of the purpose, cost, and effectiveness of all State appropriations for higher education. As a first step, we suggest the Committee consider reducing funding for CCHE special programs before making cuts to operating support for institutions, in order to protect college access and affordability for resident undergraduate students. Likewise, the JBC should work with CCHE to maximize the allocation of existing and, if available, any new funding for student financial aid to its most efficient and strategic use – support for resident undergraduate students attending public IHEs. Shifting funds from graduate student aid and aid for students attending private IHEs to Colorado Student Grant (CSG) allocations would help attenuate the impact of tuition increases that may be necessary for to offset reduced State appropriations. As discussed in detail in our response to Question 8, we would also urge the Committee to consider reallocating funds from the Colorado Opportunity Scholarship Initiative (COSI) to institutional support or CSG, as COSI's significant administrative costs and extensive policy requirements makes it a relatively inefficient use of State resources that often duplicates existing structures and programs run by the institutions themselves.

If after exercising the above options, the Committee still determines to reduce operating support for public IHEs, these reductions should be made to institutions differentially in consideration of each governing board's:

- amount of State funding per resident undergraduate FTE,
- the share of their total Education & General revenue from State funding and resident tuition, and
- their enrollment trends and student profile.

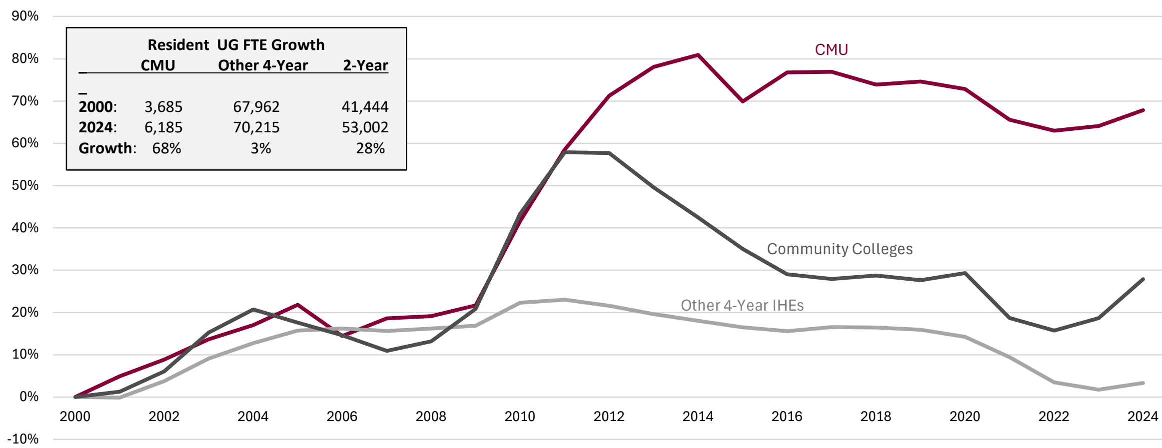
Reductions of this nature could be accomplished using the existing funding formula, for instance by running the total reduction to governing boards through Step 2 and then using Step 1 to make targeted adjustments (up or down) to individual governing boards based on consideration of the above metrics.

Figure 1 illustrates what happens when funding decisions do not account for the critical factors outlined above. During the recent period of State budget growth, CMU's absolute funding has increased but its funding per resident student has actually declined relative to the state average for 4-year institutions and, due to the historic growth in enrollment this fall, declined in absolute terms even with a 9.4% increase in State funding. The Committee should strive to ensure that any reductions in State funding do not further exacerbate historical base funding inequities that worsen the relative position of institutions who, like CMU, are growing enrollment, driving progress on State goals, and have limited capacity to raise revenue from sources other than the State and resident students.

2 [Sen. Bridges] Discuss your employment trends in an environment of declining student enrollment. In particular, How much has the FTE for faculty/staff involved in your educational mission changed between FY 2018-19 and the present? How much has student FTE enrollment changed over the same period? Are those two trends aligned, i.e., has the faculty/staff to student ratio changed? Why/why not?

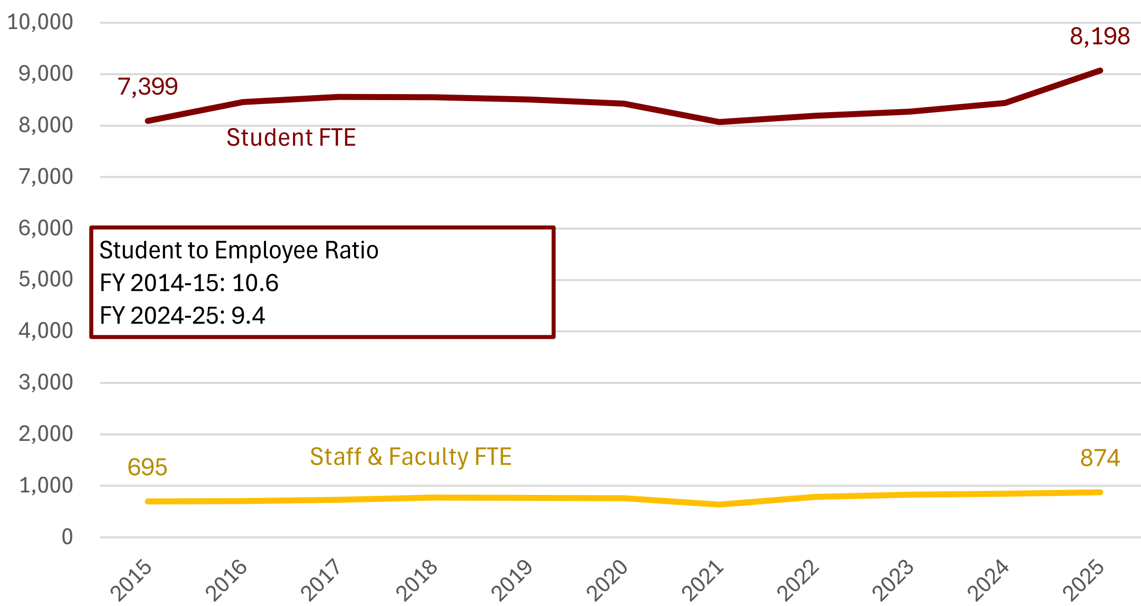
Response: CMU's enrollment is not declining; in fact, this fall we welcomed our largest freshman class in the 100-year history of our institution. Compared to fall 2023, our fall 2024 first-time student population grew by more than 35%, with fall-over-fall growth in full-time equivalent students of over 8%. Importantly, while the magnitude of this historic growth is unprecedented, the pattern is consistent with CMU's long-term trend of increasing and maintaining enrollment even at a time when enrollment statewide and nationally has been declining. Figure 2 shows how CMU's cumulative enrollment growth over the past two and a half decades has far outpaced other public IHEs in Colorado.

Figure 2. Cumulative % Change in Resident Undergraduate FTE 2000 to 2024



In order to provide a quality education and college experience for all students – and to not only grow but retain our student body – CMU has invested in both new staff and faculty positions as well as increasing total compensation for our employees. The need for labor-intensive services such as student advising and counseling is magnified by the fact that 45.1% of CMU's student body is first-generation and 34.3% are Pell-eligible. These students thrive when they are connected to coaches and advisors with low caseloads. Accordingly, CMU has prioritized adding new advisor positions in recent years, but the growth in staff has failed to keep pace with enrollment, particularly this fall.

Figure 3. CMU Student v. Staff/Faculty FTE since FY 2014-15



Even with significant investments in new staff and faculty, CMU's ratio of staff and faculty to students has remained stable over the past decade and **is the lowest among Colorado's public 4-year IHEs**. Figure 3 depicts the change in budgeted staff and faculty FTE relative to the change in actual student FTE at CMU over the last ten years, updated through FY 2024-25.

Table 1 compares CMU's student-to-employee ratio to other public 4-year IHEs in Colorado. Based on information from the annual budget data book submission, as of FY 2022-23 (the most recent year for which actual FTE figures were available at the time of this writing), CMU had the fewest staff and faculty FTE per student FTE, a testament to CMU's commitment to administrative efficiency and keeping the cost of college low for students and families.

For CMU, the question is not how to reduce or avoid administrative bloat, but rather how to maintain and improve the quality of our services in the midst of resource constraints that drive an untenable level of "efficiency". To serve our largest-ever freshman class and the second-largest population of first-generation students among Colorado's 4-year IHEs, CMU will need to continue to invest in faculty and support staff. In particular, investments that help maintain low caseloads for advisors will ensure that our students thrive, even though they may cause our student-to-staff ratios to decline over time.

Table 1. FY 2022-23 Student to Staff/Faculty FTE, CO Public 4-Year IHEs

Institution	Ratio
CMU	**1:9.0**
CU Colorado Springs	1:7.8
Metro	1:7.7
CU Denver	1:7.1
Adams	1:6.8
CSU Fort Collins	1:6.5
Western	1:6.4
4-Year IHE Average	**1:6.3**
Mines	1:6.3
Ft. Lewis	1:6.3
CSU Pueblo	1:5.8
CU Boulder	1:5.6
UNC	1:5.1

3 [Rep. Bird]: How does the WINS agreement affect your budget, both directly and indirectly? Understanding that classified staff are a small portion of the employees, doesn't the WINS agreement have equity impacts and create pressure for pay?

Response: CMU estimates the total cost of the COWINS agreement in FY25 at $4.3 million. This estimate includes both the direct cost of the agreement's pay increases for CMU's 86 classified staff, as well as the "indirect" costs associated with providing commensurate increases to non-classified employees to mitigate pay inequities and compression that are expected to result from the classified pay increase. CMU expects that roughly 80% of the cost of the agreement will be borne by the Education & General (E&G) budget. Despite notable recent efforts to improve pay for all CMU staff, including classified and exempt administrative staff and faculty, administrator salaries are currently just 61% of the median among our fellow public 4-year institutions in Colorado according to the most recent data from the College and University Professional Association (CUPA) salary survey.

The estimated costs of the COWINS agreement are detailed in Table 2 below. The direct cost of the agreement's 3% across-the-board and step increases for classified employees is estimated at $430,000 in FY25, based on data provided by the Department of Personnel. Alone, however, the required increases in classified compensation would create pay disparities between similarly situated employees in the same job or job class, leading to reduced morale and potential violations of Colorado's equal pay law.

As an example, CMU's classified custodian staff will receive a combined 12% increase in pay in FY25 pursuant to the COWINS agreement; on average, the cost to provide an equivalent increase to our 25 non-classified custodians is nearly $5,200 per employee, or $130,000. Notably, since FY22 (the year before the first pay increase under the partnership) the base hourly wage for an entry-level custodian has grown $4.47 (32%), from $13.77 to $18.24. For auxiliary custodians (non-classified), the base hourly wage of $15.91 is 87% of the classified base wage, despite concerted efforts to maintain parity.

More broadly, the 9.6% increase in total classified wages and salaries resulting from the agreement is driving untenable pay compression across many academic and administrative departments at CMU unless comparable salary adjustments are made for positions outside the job classes directly impacted by the agreement. For instance, the average annual salary for an entry-level CMU custodian in the State classified system will reach $42,600 in FY25, just $2,000 less than the current average salary of our admissions counselors – a position that requires a college degree and regular interactions with the public. CMU conservatively estimates that it would take a 6.6% increase to non-classified salaries to mitigate compression resulting from the agreement. In total, CMU estimates that the indirect costs to prevent identified disparities and compression issues could reach $3.9 million in FY25, of which $3.3 million (85%) would be E&G costs.

Table 2. COWINS Agreement Costs to CMU in FY 2024-25 (includes benefits)

	Classified Employees		**Non-Classified Employees**		**Total**
	3% ATB	Step Plan	Equity	Compression	
E&G	$130,046	$294,005	$ -	$3,258,184	**$3,682,235**
Non-E&G	$4,089	$1,274	$189,745	$470,491	**$665,599**
Total	**$134,135**	**$295,279**	**$189,745**	**$3,728,675**	**$4,347,834**

Thus, the base core minimum cost model used by Colorado IHEs accounts for the short-term impact of the COWINS agreement – direct costs of across-the-board and step plan pay increases for classified staff, as well as an estimate of the cost to adjust salaries in similar positions or job classes – but underestimates the real economic impact and compounding of costs over multiple years. Significant changes in pay like the step adjustments have a far-reaching ripple effect on a large organization like CMU, particularly when compensation accounts for roughly two-thirds of our operating budget.

CMU recognizes that the COWINS agreement represents an important step toward providing fair and competitive pay for classified employees, but remains concerned about the lack of an identified funding source to cover the substantial costs entailed by the agreement. Unlike State agencies, for whom the cost of the COWINS agreement is assumed to be funded in the State budget, institutions of higher education must compete against other State priorities and agency requests to receive funding for this mandate. If the State does not cover these costs, CMU must decide between passing the costs on to students and families in the form of increased tuition or reducing the level or quality of services we provide.

4 [Sen. Bridges]: How has pay for your adjunct and non-tenure-track teaching faculty changed in recent years? Have you taken steps to improve pay/pay equity for these types of employees? What do those salaries look like right now?

Response: CMU has made significant investments in compensation for both tenured- and other full-time (non-tenured/tenure-track) faculty in recent years in order to reward performance, address pay inequities, and make faculty salaries more competitive with our peer institutions. These investments have focused specifically on improving both pay and benefits for full-time faculty, who are responsible for the vast majority of student instruction at CMU.

To evaluate CMU's total compensation policies and priorities, it is important to understand the composition of our instructional staff, which includes three distinct groups of employees: full-time faculty, part-time faculty (adjuncts), and support staff. Full-time faculty include both tenured/tenure-track professors and regular, non-tenure-track faculty, i.e., full-time teaching faculty with no research assignment. All full-time faculty are benefits-eligible exempt employees of CMU. Part-time faculty, or adjuncts, teach on a temporary part-time basis and are not benefits-eligible, though CMU does make PERA contributions on their behalf. Administrators include full-time professional staff at CMU who share their real-worlds expertise with students through teaching individual course sections. As an example, our director of institutional research often teaches a statistics course.

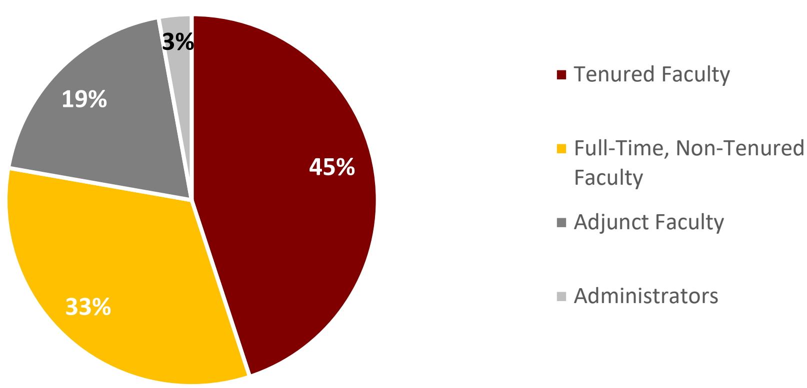
Table 3. CMU Instructional Faculty & Staff FTE Counts, FY15 and FY20 through FY24

	FY15	FY20	FY21	FY22	FY23	FY24
Tenured/Tenure-Track Faculty	177.89	202.69	196.97	198.93	201.75	232.80
Other Full-Time Faculty	76.00	92.45	88.93	91.67	95.37	96.83
Subtotal, Full-Time Faculty	253.89	295.14	285.90	290.60	297.12	329.63
Adjunct Faculty	121.50	132.19	135.08	140.91	144.74	146.70
Administrators	19.29	24.74	22.62	29.47	32.96	32.19
Total, All Faculty Types	**394.68**	**452.07**	**443.60**	**460.98**	**474.82**	**508.52**

Table 3 depicts the make-up of CMU's instructional faculty and staff in each of the past five years, compared to ten years ago (FY 2014-15). Full-time faculty have consistently made up about two-thirds of CMU's instructional staff, with tenured/tenure-track faculty accounting for 45%, over the past decade. In FY 2023-24, adjunct professors account for 29% of instructional staff, down from 31% in FY 2014-15.

While headcounts reveal the absolute number of faculty and staff engaged in instruction at CMU, a more precise estimate of the *role* of different types of faculty looks at the share of credit hours taught, also referred to as tenure density. Figure 4 illustrates the tenure density of CMU's instructional offerings for the academic year 2022-23, confirming the significant role that full-time faculty play in the classroom. In fact, full-time faculty teach just over three-quarters (78%) of available credit hours – with tenure-track faculty responsible for 45% - while adjuncts account for about 19% of credit hours.

Figure 4. Share of Course Credit Hours by Staff Type, AY 2023-24



CMU's use of and investment in non-tenured/tenure-track and adjunct faculty is consistent with our institutional mission and the needs and expectations of our students. Unlike at larger research institutions, nearly all our full-time faculty are teaching faculty who devote most of their time to student instruction, rather than specialized research. Some of our most popular programs, such as Business and Health Sciences, are taught by faculty who are current or former practitioners, whose real-world experience provides invaluable learning opportunities for students. This is especially true at CMU Tech, where skilled tradespeople and local industry leaders taking part-time roles as adjuncts and non-tenure track instructors meet students looking to turn a 1- or 2-year credential into immediate job prospects. A significant number of these faculty teach part-time while maintaining a professional career in their industry or choose to teach after retiring from industry. CMU's recent investments in these full-time faculty is a direct reflection of their importance to our identity as an institution and the success of our students.

CMU has prioritized investments in total compensation for tenured and other full-time faculty over the last two years based on several key factors, including:

- limited resources and the need to balance fair compensation with tuition affordability,
- intense competition among institutions statewide and nationally for top talent,
- the dramatic increase in the cost of living in Western Colorado since the pandemic,
- the share of instructional credit hours assigned to full-time faculty, and
- faculty input identified and prioritized by the Faculty Senate.

Additionally, we have taken the last two years to retool our salary planning process, with a focus on performance- and market-based adjustments that reward our most effective faculty and seek to make salaries more competitive with peer institutions.

As a result, CMU invested more than $782,000 in other full-time faculty in the current and prior fiscal year combined. In FY 2023-24, CMU increased aggregate salaries for these faculty by $311,000 (6.5%), resulting in pay increases for 90% of our non-tenured/tenure-track faculty and an average annual salary bump of $3,384. In FY 2024-25, other full-time faculty salaries grew a total of $471,000 (14.5%); 78.4% of these faculty received an increase, with increases averaging $3,317 per person. Currently, CMU's administrative staff are working with the Faculty Senate to design a promotional rank scheme for non-tenured/tenure-track faculty that would make them eligible for up to two promotions-in-rank while at CMU, with associated base pay bumps of $2,500 and $3,500, respectively.

Despite these successful initiatives, CMU faculty salaries remain well below those of our Colorado peers. Based on FY 2023-24 data from the College and University Professional Association (CUPA), the median salary of CMU faculty (regardless of tenure and rank) is just 74% of the median among Colorado's public Masters- and Doctoral-granting institutions; the figure for non-tenured/tenure-track faculty is the same. CMU administrative staff salaries are even further behind market at just 61% of the Colorado median. As noted above, CMU's low level of funding relative to other Colorado institutions limits our capacity to grow faculty compensation—including adjunct compensation.

5 [Sen. Kirkmeyer/Bridges; Reps. Taggart/Bird]: Provide feedback on the Executive Branch request for a bill to improve transparency. Are there components you would like to have included in such a bill?

Response: CMU supports enhanced transparency in higher education but does not believe this would require new legislation. Rather, strong leadership at the Department of Higher Education (CDHE) would be far more important and impactful to this effort. Decisions about the collection and use of IHE data should be based on collaboration between CDHE and IHEs. For instance, CDHE could use its existing statutory authority to coordinate an effort to establish a mutually agreed-upon data governance framework, which would provide the foundation for collecting, securing, using, and sharing data. CDHE can and should also work with IHEs to provide access to deidentified student-level data reported by governing boards. Our concern with legislation is that it can become too narrow or prescriptive, limiting its effectiveness and turning what ought to be habits of good leadership and business management into mandates to fulfill or boxes to check.

To be clear, both the goal and many of the specific ideas that have been proposed under the auspices of improved transparency make good sense, both for IHEs and the people of Colorado. We encourage CDHE to work with IHEs to formalize the role of a public IHE advisory group with regard to making decisions that impact data decisions and standards for data collection, sharing, and publishing. We are also willing partners in the effort to analyze the effectiveness of legislation and believe IHEs can play a vital role in validating datasets and models created by CDHE, ensuring fiscal note data is accurately reported to the legislature, and investigating trends in student enrollment, credential completion, financial aid awards, and demographics. Lastly, it is essential for CDHE and IHEs to work closely together to ensure a secure exchange of data between IHEs and the State. Again, we believe all of these goals and more can be accomplished within the authority already granted to the department, and that strong leadership is a more important and necessary condition for improving transparency than new legislation.

Economic Impacts

6 [Sen. Amabile] What can you tell us about the economic impact of your institution(s) on the state?

Response: Comparing the Western Colorado economy to that of the State and nation overall helps put CMU's economic impact into full perspective. As of 2023, Mesa County's median household income was $69,758 – a significant increase from just before the pandemic but less than the median income for the US ($74,580) and barely more than three-quarters of the Colorado median household income ($89,930). A relative lack of college graduates is certainly a key contributor to the lagging economy. The college-going rate for Mesa County Valley School District 51, which serves the vast majority of Mesa County students, is just 45%, 5% less than the State and 17% less than the nation. Just one-third of Mesa County residents holds a Bachelor's degree or higher, far below the attainment rates among all Coloradans and Americans.

CMU is one of the most important drivers of the Western Colorado economy. Our most recent Economic Impact Report, completed in October 2024, shows why. CMU:

- represents 13.4% of the City of Grand Junction's population, with faculty and staff accounting for about 2%;
- contributes $505 million in economic output and $256 million in GDP to the region;
- supports 4,137 jobs in Mesa County and paid total wages of $175 million in 2023; and,
- generated $13 million in state tax revenues and $8.2 million in local tax revenues in 2023.

Capital projects are a small but representative sample of the overall impact that CMU has on the local and state economy. In 2023, CMU spent $32.9 million on building expansions and remodels. Most of these projects were managed by local construction companies, generating sales, jobs, and tax revenues that are then reinvested locally, magnifying their economic impact.

Given the economic challenges the have long faced Western Colorado, however, CMU's true economic impact shouldn't be measured only by dollars of output or wages paid, but by the way we partner with our community to meet pressing needs and provide opportunities for a better life. CMU's new Bachelor's and

Master's degrees in Social Work are an excellent example. Working with regional partners, CMU identified a significant shortage of mental health professionals in Mesa County, despite its higher rates of suicide and drug overdose deaths relative to the rest of the State. It became clear that a local talent pipeline could help address the shortage, however, social work programs are costly to run and graduates typically make low salaries compared to other many other professions with similar educational qualifications, often making the field less attractive to potential entrants. In response, CMU determined that the benefits of the program to the community outweighed the costs to the institution, and secured grants from local government agencies and Colorado foundations to provide scholarships and conditional loan forgiveness to graduates who stay in Western Colorado to work.

We would encourage the JBC to consider regional economic disparities and the roles that local institutions of higher education play in economic development when deciding how to balance the State budget. Western Colorado's workforce and local business environment depend deeply on the investments that CMU makes in the community and the partnerships we form to lead the way on key issues, such as water and health care. Moreover, cutting funding for education in an area with one of the lowest postsecondary attainment rates in the State would be shortsighted and send the message that closing attainment gaps is no longer a priority of our State's leaders.

Financial Aid/ Free Tuition Messaging

7 [Staff] Discuss any "Promise"/Free tuition program you've launched at your institution. What has been the impact so far? Do you have recommendations or feedback on launching a statewide initiative that helps low-to-moderate income students understand a statewide front-end ("promise") for low-income students related to tuition and fees, as well as the back-end tax credit for students with AGI up to $90,000?

Response: With the third lowest price (tuition and fees) among Colorado four-year institutions, affordability is one of CMU's strategic pillars. In line with this priority, CMU launched the CMU Promise in Fall 2024 to alleviate the financial burden of pursuing a college degree. Currently, the CMU Promise guarantees that a student from any of 22 Western Colorado counties with a household income of $65,000 less can attend CMU tuition-free. In Fall 2025, eligibility for the CMU Promise will expand to all Colorado counties for families making $70,000 or less.

In its first year, CMU Promise has been a clear success. Highlights include:

- Student enrollment from families making $65,000 or less increased 143 fall-over-fall
- Eligible students saved a total of $510,245 on tuition costs in fall 2024 thanks to a combination of institutional, state, and federal aid sources
- First-time enrollment from the 22 Promise-eligible counties jumped 36% from last fall

While the actual cost of a college degree is a major barrier to college access, we recognize that the complexity of pricing and discounting and the lack of clear and consistent information among students and families often poses just as much an obstacle to pursuing postsecondary education. We believe that several factors have contributed to the initial success of our promise program. First, we strove to make our message as simple and straightforward as possible: anyone from Western Colorado who meets the income eligibility requirement can go to CMU tuition-free, full stop. Second, we launched a CMU Promise tour in fall 2023 during which university leaders visited local high schools in Western Colorado to share the message directly with students and families in every eligible county. The CMU Promise tour was more than a megaphone; it helped build trust in CMU and credibility in the idea that a college degree was within reach, even for a student from Nucla, Gypsum, Olathe, Cedaredge or Rifle. In turn, the CMU Board of Trustees decided to expand eligibility for the CMU Promise in May, well before we experienced our significant fall 2024 gains, placing a wager that the transparency and goodwill established in the lead up to year one would continue to catalyze the success of CMU Promise into the future.

Our recommendations for a statewide promise program hew closely to our experience so far in implementing our own promise program. The program must be simple in design with a straightforward pitch that anyone can understand, even if they lack a college education themselves or believe that one is financially out of reach. There should be as few exclusions, caveats, and hoops to jump through as possible so that the program is widely available and easy to navigate regardless of a student or family's circumstances. Importantly, institutions must lead implementation and marketing of the program, since they know their current and prospective student populations best and interact with them regularly on multiple fronts. Given the advanced state of many institutional promise programs, much of this work is already being done.

8 [Sen. Bridges]: How are the programs being provided at your institution(s) by the Colorado Opportunity Scholarship Initiative (COSI) different from the supports that your institution is providing? Discuss the effectiveness and impact of the COSI funding at your institution.

Response: The JBC should consider eliminating COSI and redirecting the program's appropriated funding and its corpus to a higher use, such as buying down tuition or increasing financial aid for resident undergraduates. There are few meaningful differences between the student supports that CMU provides to COSI scholars and those provided to non-COSI scholars. COSI funding supports programming that CMU would otherwise provide in its absence, and the focus areas identified by COSI align directly with the pillars of CMU's current strategic plan, as seen in Table 4. While there is no notable difference in student success between COSI and non-COSI scholars, COSI is a particularly inefficient means of achieving those results relative to other aid programs and requires more time spent reporting to the state and designing programs that align with complex regulations as opposed to serving students.

Table 4. Alignment of COSI Focus Areas to CMU Strategic Pillars

COSI Required Focus Area	COSI Focus Area Description	CMU Strategic Plan Pillar	CMU Activities
Addressing Educational Equity Gaps	COSI programs must intentionally focus on erasing educational equity gaps among historically marginalized populations.	Promoting and Enhancing the Value of Higher Education	67% of CMU population is First-Gen and/or Pell Eligible. Programming, onboarding, services, and supports focus on supporting most of our student populations needs.
Postsecondary Transition and Enrollment	Building early connections with students and providing support with such enrollment tasks as: application, essay preparation, transcript submission, orientation, and fee waivers.	Promoting and Enhancing the Value of Higher Education	Students are required to attend Orientation. Students could attend a postsecondary success course, early-start programming. Students are assigned an admissions counselor, a first-year academic & financial advisor (IRIS Advisor) and a faculty advisor.
Financial Aid and Paying for College	Programming focused on FAFSA/CASFA completion, support in navigating the institution verification process, financial literacy, and assistance with accessing and understanding the full range of financial aid programs and locating resources for public and private scholarships.	Promoting and Enhancing the Value of Higher Education	FAFSA/CASFA communications, workshops, virtual working sessions, and 1:1 support are available all year long.
Academic Success & Student Support	This focus area prioritizes supporting the academic, social & wellness, and personal/family needs to support the student through to completion. Example activities include building community, individualized meetings, postsecondary success course, skill building workshops/seminars.	Educational Programs & Student Sense of Belonging	Students are assigned a first-year academic & financial advisor (IRIS Advisor) for individualized meetings. Students are encouraged to participate in clubs and organizations on campus. Students are invited to participate in workshops, counseling and wellness skill building, and/or postsecondary success courses.
Completion & Transition to the Workforce	Completion activities to ensure an understanding of educational/financial next steps. Encouraged to build an active partnership and connection with institutional career services.	Promoting and Enhancing the Value of Higher Education	Students who have borrowed funds are required to complete exit counseling. Students are encouraged to engage with career services for resume building, interview skills, etiquette, job search, etc.

CMU recently completed an internal analysis of the effectiveness of COSI funding compared to other types of financial aid. The analysis included data from FY 2021-22 and covered three specific domains: operational effectiveness, resource allocation, and student success. The charts in Figure 5 illustrate results of the analysis and point to the relative inefficiency of COSI funding at CMU.

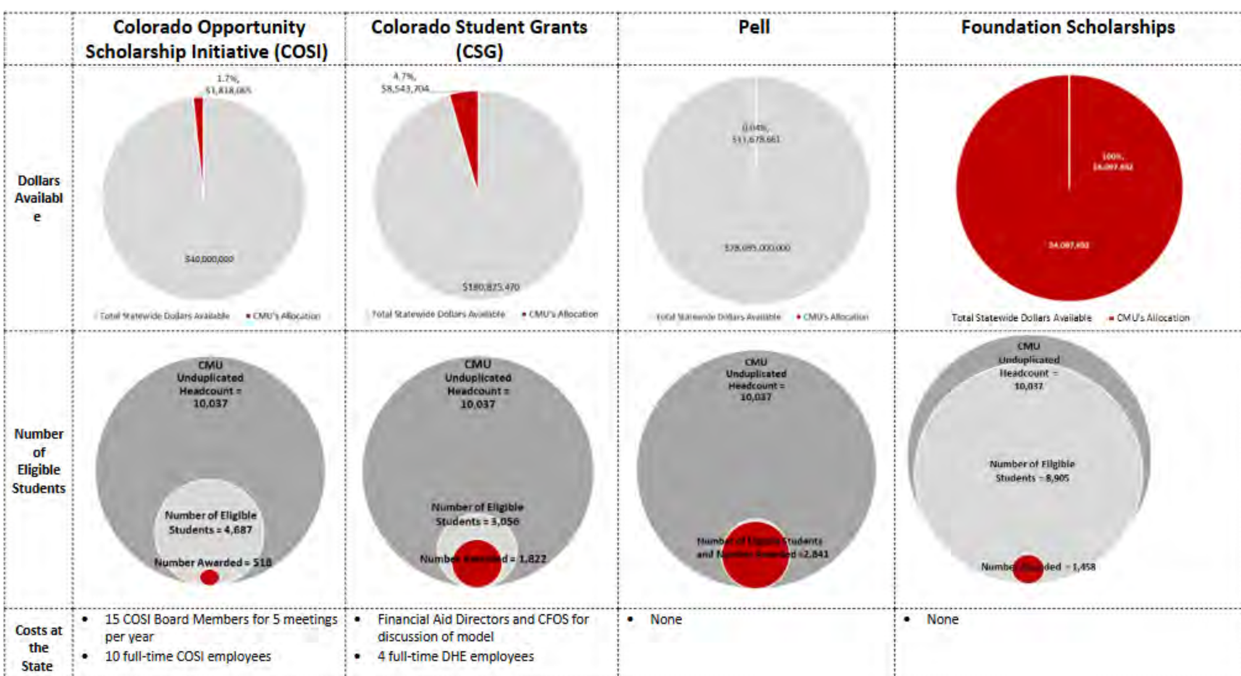
Operational Efficiency. COSI requires significantly more human resources to operationalize than other major financial aid programs. For instance, one can compare COSI to CSG allocations, as both programs provide need-based financial aid to students with a similar demographic and economic profile. As shown in Figure 5, COSI requires 5.75 FTE to implement compared to 0.03 FTE for CSG.

Resource Allocation. In FY 2021-22, COSI supported approximately 518 students, compared to the more than 1,800 students who benefited from CSG aid. With the recent redesign of COSI, CMU expects to receive fewer COSI dollars going forward, which will likely decrease the number of beneficiaries and, with the same level of human resources devoted to COSI, further reduce its operational efficiency.

Student Success. CSG students are more likely than COSI students to retain or graduate. During the 2021-22 academic year, 76.4% of COSI students either continued from the previous year or graduated, compared to 80.9% of CSG recipients.

In our view, COSI starts from the right premise – the need to provide *both* financial aid and wraparound supports to disadvantaged students – but arrives at the wrong conclusion: a heavily-regulated top-down program that duplicates the work that institutions are already doing to improve college access and success for vulnerable populations. State funding for this work could be valuable, but if the JBC desires to improve its efficiency and effectiveness, it should provide funds in a way that allows institutions to tailor programming to their unique student bodies based on their first-hand experience of what works and what doesn't – or simply redirect the funding to existing need-based financial aid (CSG) or operating support for institutions.

Figure 5. CMU Analysis of Operational Effectiveness of COSI



	Colorado Opportunity Scholarship Initiative (COSI)	Colorado Student Grants (CSG)	Pell	Foundation Scholarships
CMU Time and Money Spent	Time: $486,112 (5.75 FTE) Scholarships: $470,609	Time: $3,825 (0.03 FTE)	Time: $3,825 (0.03 FTE)	Time: $41,520 (0.79 FTE)
Net to Students after CMU Time and Money Spent	47.4%	100.0%	100.0%	99.0%
Success	76.4%	80.9%	73.3%	84.0%

Note: All data is from 2021-22 academic and fiscal year. **In 2021-22, the CMU Financial Aid Office managed $76,031,341.82 in Financial Aid funding.**

DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING

Adams State University Responses

Friday, January 10, 2025

2:00PM – 3:15PM

QUESTIONS FOR ALL GOVERNING BOARDS/INSTITUTIONS

Please briefly introduce yourself and the institution(s) you represent. (Please keep to 5 minutes per institution/governing body)

Executive Request, Institutions' Funding Request, and Cost Drivers

1 [Sen. Bridges]: The institutions have requested an increase of $80.2 million General Fund, including financial aid, which is over $100 million more than Governor's request. The JBC has asked other state agencies to propose budget cuts. How can higher education assist the JBC in balancing the budget?

Response: The $80.2 million general fund increase details what it would take to keep institutions whole while keeping tuition increases held to inflation (2.7%). Other options could be increasing tuition by more than the 2.7% inflationary figure creating budget barriers for these students. At Adams State, we strive to maintain affordability as we serve a high percentage of low-income, Pell-eligible, first generation, and underrepresented minority students. Too large of a tuition increase would create additional barriers for these students.

12% of Adams State students come from the bottom quintile (lowest 20%) of income earners. Statewide in Colorado, that figure is 5.8% for the other public universities. On the other end, only 18% of Adams State students come from the top income quintile (highest 20%). Statewide in Colorado, the average is 42.67% for the other public universities. We also serve the largest share of Pell grant eligible students. We are serving a population that is distinctly different from the other universities in Colorado. It is a population that would likely not be served if not by us. We are keenly aware of that, and strive to keep serving this population.

Budget reductions would likely have to be made if the State is unable to support the current level of funding plus non-discretionary increases. Even before the most recent economic forecast and initial budget proposed by the Governor, all Adams State executive team members were challenged to find savings and to cover needs through reallocation of budget resources as opposed to new budget dollars. Examples include a faculty line being used to cover student needs in our writing studio, another position moved to cover tutoring needs, and a budget office position moving to student business services. These are examples of reallocations made to better serve our student needs without increasing overall expenditures. We continually look at our programs and assess program viability. Examples of this include the elimination of a philosophy minor and outdoor education and stewardship major and putting geo-sciences on hiatus.

It is important to remember that 52% of our operating budget comes from the state. Therefore, reductions in state funding directly harm our basic operations to a very large degree.
Because salaries and benefits compose three quarters of our education and general budgets, additional budget reductions would mean personnel reductions. We have already cut to the bone and are operating a very lean and efficient operation, but we would make every effort to minimize the impact any cuts would have on

student success, which is our top priority.

2 [Sen. Bridges] Discuss your employment trends in an environment of declining student enrollment. In particular, How much has the FTE for faculty/staff involved in your educational mission changed between FY 2018-19 and the present? How much has student FTE enrollment changed over the same period? Are those two trends aligned, i.e., has the faculty/staff to student ratio changed? Why/why not?

Response: The ratio of faculty/staff to students is not a simple linear relationship (e.g., a reduction in enrollment of one student does not equate to a reduction of one faculty member). There are core minimum course offerings to maintain in order to ensure a quality education and student success in a timely manner. Offices such as Financial Aid and other support functions have a minimum amount of staffing required to function within a wider range of student enrollment populations and internal and external demands and requirements.

Furthermore, our faculty report that our mission of serving the underserved has resulted in significantly more work to support the current student population as compared to pre-pandemic workload. The changes in faculty/student FTE and staff/student FTE have varied only marginally over the last five years with the ratio of faculty to students going down slightly and the ratio of staff/students going up slightly. Overall the increase and decreases have been less than 1.0 FTE.

	Total Faculty FTE	**Student FTE**	**Student to Faculty FTE**	**Full-time FTE Staff**	**Student FTE**	**Student to Staff FTE**
2023-24	142.3	2395.1	16.83	257	2395.1	9.32
2022-23	129	2229.36	17.28	243	2229.36	9.17
2021-22	135	2341.02	17.34	243	2341.02	9.63
2020-21	126	2341.02	18.58	247	2341.02	9.48
2019-20	127.6	2,265.80	17.76	258	2,265.80	8.78
2018-19	129.3	2,268.88	17.55	265	2,268.88	8.56

3 [Rep. Bird]: How does the WINS agreement affect your budget, both directly and indirectly? Understanding that classified staff are a small portion of the employees, doesn't the WINS agreement have equity impacts and create pressure for pay?

Response: The approved across the board cost of living (3%) for Classified was approximately $102,350 in base salary. In addition, the implementation of Steps increased base salaries by another $333,300 for a base increase to classified salaries of $435,650. This also increases benefit costs by an additional $95,840. As a direct result of these increases, we needed to increase professional/exempt staff salaries to maintain compliance with the Equal Pay Act by $164,200. With benefits, the total cost comes to $194K. These base adjustments only addressed the most immediate compliance concerns. We will be engaging in a comprehensive salary study to evaluate and structure our professional and faculty salaries to address further pay equity issues. As part of this study, we will also be addressing any inequities caused by the implementation of the classified steps program. Furthermore, as the State continues to increase contributions to other benefits (Health, Dental etc) for classified staff, it is also important that we can fund those contributions as well as make equitable contributions to Faculty and professional staff benefits.

4 [Sen. Bridges]: How has pay for your adjunct and non-tenure-track teaching faculty changed in recent years? Have you taken steps to improve pay/pay equity for these types of employees? What do those salaries look like right now?

Response: Adjunct salary rates were adjusted prior to FY 2023-2024. Rates were increased by 20%, as indicated in this table:

Instructor Qualifications	*Previous Rate per Credit Hour*	*New Rate per Credit Hour*
Bachelor's degree	*$500*	*$600*
Master's degree	*$600*	*$720*
Master's degree +30 credits	*$666*	*$800*
Terminal degree	*$1000*	*$1200*

These rates are comparable, or higher than the rates at other Colorado IHE's apart from the research institutions.

Non-tenure track faculty salaries are comparable to those of similarly ranked and experienced tenure track faculty. Any Cost of Living Adjustments are applied to all full-time faculty: tenure track, tenured and non–tenure track faculty.

Furthermore, we do not have a cadre of "professional" adjunct faculty, as institutions in more urban settings may employ. Our adjunct faculty tend to be working professionals who teach a class or two on the side because they want to.

5 [Sen. Kirkmeyer/Bridges; Reps. Taggart/Bird]: Provide feedback on the Executive Branch request for a bill to improve transparency. Are there components you would like to have included in such a bill?

Response: We are awaiting additional details on what is being requested by the Executive Branch. However, it is important that there is collaboration between the Department of Higher Education (DHE) and the public institutions of higher education (IHEs). Formalizing institutional data governance with regard to making decisions of data definitions, data collections, data sharing, and data publishing would ensure this collaboration occurred. Institutions should have the opportunity to review and confirm their data when used by DHE for analysis and modeling. Furthermore, when it comes to fiscal note responses, DHE should be required to share the compiled fiscal note response with all public IHEs that submitted an estimated fiscal note. This will help ensure the consistency and accuracy of cost estimates used in fiscal notes, and allow for potential errors and oversights to be identified earlier.

As an institution, we take transparency, data sharing and use very seriously. For example, we submit multiple student-level data to the state through the Student Unit Record Data System (SURDS), this includes semester enrollment information with demographics, course-level data for each student, degrees awarded with individual student information, and financial aid awarded. In addition, yearly ad hoc reports are submitted for students with disabilities to be aggregated with other IHEs. Within our external facing website, we update a

Census Tableau each fall and spring semester to allow for the examination of various outcomes, and other data points, and for the filtering of data in different ways based on demographic information. Also, we post the Common Data Set each year which is a set of standardized questions for all IHEs in the country to answer and post related to enrollment and persistence, admissions, academic offerings and policies, student life, annual expenses, financial aid, faculty and class sizes, and degrees conferred, etc. Finally, we post Student Outcomes each Spring semester that include Undergraduate and Graduate Retention Rates, Undergraduate Persistence Rates, Undergraduate and Graduate Graduation Rates, and links to Program licensure pass rates per accreditation needs. Any additional reporting requirements would increase the burden on our staff.

Economic Impacts

6 [Sen. Amabile] What can you tell us about the economic impact of your institution(s) on the state?

Response: Adams State University is critical to the health of our local economy. Our most recent estimate of our economic impact was over $100M into the San Luis Valley and our most recent study indicates a robust ROI - every $1 invested in Adams State generates $4 to the local economy. We recently commissioned an updated Economic Impact Study.

Moreover, we are designated as a Rural Anchor Institution, the only one in Colorado, by the Alliance for Research on Regional Colleges (AARC). Rural Anchor Institutions are place-bound and vital to the health and well-being of their regions. AARC's findings indicate that our community would be in significant distress without Adams State University.

Specifically, Rural Anchor Institutions are found to:

1. Sustain local economies and fuel economic development
2. provide college educated workers for high-demand local industries
3. are important partners in building health infrastructure
4. provide an access point for educational opportunities
5. rural public colleges are underfunded and need more financial support to serve their communities

Financial Aid/ Free Tuition Messaging

7 [Staff] Discuss any "Promise"/Free tuition program you've launched at your institution. What has been the impact so far? Do you have recommendations or feedback on launching a statewide initiative that helps low-to-moderate income students understand a statewide front-end ("promise") for low income students related to tuition and fees, as well as the back-end tax credit for students with AGI up to $90,000?

Response: Adams launched a new "Adams Promise" program that went into effect this fall (2024). The Adams Promise guarantees that for any full time on campus student from southern Colorado with an AGI of $70K or below, their full tuition and fees will be 100% covered with aid. This was primarily covered with Pell and Colorado Student Grants, although some institutional aid was needed. We also currently award any full time Colorado resident with a Student Award Index (SAI) of $25K or less a Colorado Student Grant of $5K for the year, or $2,500 per semester. We are currently gathering some additional data and are hoping to expand the Adams Promise to the entire state. If we were able to prioritize Colorado Need Based Grants to this population, it is likely that we would be able to make any adjustments to our award practice to cover a statewide promise using primarily Pell and Colorado Student Grant funding.

8 [Sen. Bridges]: How are the programs being provided at your institution(s) by the Colorado Opportunity Scholarship Initiative (COSI) different from the supports that your institution is providing? Discuss the effectiveness and impact of COSI funding at your institution.

Response: One difference provided by Adams' COSI grant is the intentional support given to non-traditional students. Many of our institutional initiatives are geared more toward traditional students. The scholarship amounts for COSI students are also higher than for other programs we work with. At Adams, Finish What You Started has served 114 students and 23 credentials have been completed. We are currently serving 61 students (financial & resources) through Postsecondary & Matching grants. In June we reported 204 students being served/supported in San Luis Valley schools. We have helped them complete college applications, set up campus visits, and provided support in filling out the FAFSA and CASFA. Our program also received an award from COSI for 10 years of service at ASU.

DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING

Fort Lewis College Responses

Friday, January 10, 2025

2:00PM – 3:15PM

QUESTIONS FOR ALL GOVERNING BOARDS/INSTITUTIONS

Please briefly introduce yourself and the institution(s) you represent. (Please keep to 5 minutes per institution/governing body)

Executive Request, Institutions' Funding Request, and Cost Drivers

1 [Sen. Bridges]: The institutions have requested an increase of $80.2 million General Fund, including financial aid, which is over $100 million more than Governor's request. The JBC has asked other state agencies to propose budget cuts. How can higher education assist the JBC in balancing the budget?

Response: At FLC, more than 80% of our general fund budget is allocated to salaries and benefits. This structural reality means that any significant reduction in state funding disproportionately impacts our human resources—the very individuals responsible for delivering high-quality education, student support services, and campus operations.

While tenured faculty and classified staff have statutory protections against reductions in force, the burden of such cuts would fall primarily on exempt staff and non-tenure-track faculty. These roles are essential to the day-to-day delivery of student support services, including:

- Mental and physical health supports that address increasing student well-being needs.
- Academic advising and retention initiatives that ensure students stay on track to graduate.
- Basic needs assistance programs, including housing and food security support.

Cuts to these areas would have a direct, measurable impact on student outcomes, retention rates, and overall institutional performance.

FLC already faces significant challenges in maintaining competitive salaries relative to our peer institutions. This issue is compounded by our mountain community's high cost of living, where housing, transportation, and basic expenses consistently outpace statewide averages.

Annual cost-of-living adjustments (COLA) are not merely a tool for retention—they are essential for our employees to meet basic needs and continue serving our students effectively. Any disruption to COLA funding would exacerbate existing disparities, reduce morale, and accelerate turnover, further straining our capacity to meet student needs.

Any budget reductions must go through our shared governance process and are done through a strategic lens. However, due to our small institutions' lack of economies of scale, we do not have the same flexibility as larger institutions to smooth out the impact.

2 [Sen. Bridges] Discuss your employment trends in an environment of declining student enrollment. In particular, How much has the FTE for faculty/staff involved in your educational mission changed between FY 2018-19 and the present? How much has student FTE enrollment changed over the same period? Are those two trends aligned, i.e., has the faculty/staff to student ratio changed? Why/why not?

Response: Between FY 2018-19 and Fall 2024, student FTE increased modestly from 2,918 to 2,938, including graduate and concurrent enrollment. Over the same period, faculty FTE decreased from 251 to 235, resulting in a shift in the student-to-faculty ratio from 11.5:1 to 12.7:1. This adjustment reflects ongoing efforts to optimize instructional resources in response to evolving enrollment patterns, program demand, and budget constraints.

In contrast, staff FTE increased slightly from 577 to 583, signaling a strategic investment in student support services. This growth is particularly evident in areas such as academic advising, mental health counseling, and basic needs support, which have become increasingly critical for student retention, well-being, and success.

Overall, while the employee-to-student ratio decreased slightly from 5.04:1 to 4.99:1, this shift reflects a deliberate reallocation of resources toward high-impact services that directly address student needs. Our strategy prioritizes maintaining academic quality while ensuring robust support systems are in place to foster student achievement and persistence.

These trends are not entirely aligned, as faculty numbers have decreased while staff numbers have increased. However, this divergence is intentional, driven by a commitment to balancing instructional capacity with essential student services in response to changing student demographics, expectations, and challenges.

In summary, the adjustments in faculty and staff FTE represent strategic, data-informed decisions aimed at aligning resources with areas of greatest student need and institutional priority, ensuring both academic excellence and comprehensive support services.

3 [Rep. Bird]: How does the WINS agreement affect your budget, both directly and indirectly? Understanding that classified staff are a small portion of the employees, doesn't the WINS agreement have equity impacts and create pressure for pay?

Response: The WINS agreement increased FLC's budget obligations by $372,000 in FY 2024-25, with an additional estimated cost of $208,000 in FY 2025-26. Beyond these baseline costs, the STEP pay adjustment costs an additional $50,000 annually, and the 5.9% increase in benefit premiums results in an estimated $151,000 increase in expenditures.

While classified staff represent a smaller proportion of our overall workforce, the financial and cultural ripple effects of these adjustments extend far beyond this group. Direct budgetary impacts include increased fixed personnel costs, which reduce institutional flexibility for discretionary spending in areas such as program innovation, infrastructure upgrades, and student support services.

Indirect impacts are equally significant. These wage and benefit adjustments create upward pressure on pay equity across other employee groups, including administrative and professional staff, faculty, and temporary employees. As salaries for one group rise, maintaining internal pay equity becomes both a financial and cultural imperative, requiring additional adjustments to avoid disparities that could impact morale, retention, and recruitment.

Moreover, these increases occur in the context of finite revenue streams, including capped tuition increases and constrained state funding growth. As a result, every dollar directed toward compensation adjustments must be carefully weighed against other institutional priorities, such as student success initiatives, strategic academic investments, and campus infrastructure improvements.

While the WINS agreement directly addresses fair compensation for classified staff, it also indirectly amplifies broader institutional pressures around pay equity and resource allocation. These dynamics require ongoing budget discipline, strategic prioritization, and transparent communication to ensure FLC remains both fiscally responsible and responsive to employee needs while maintaining its commitment to student success.

4 [Sen. Bridges]: How has pay for your adjunct and non-tenure-track teaching faculty changed in recent years? Have you taken steps to improve pay/pay equity for these types of employees? What do those salaries look like right now?

Response: Fort Lewis College (FLC) remains steadfast in addressing pay equity and ensuring fair compensation for adjunct and non-tenure-track faculty, recognizing their critical contributions to student success and academic excellence.

In FY 2022-23, we implemented significant increases to adjunct pay rates to address historical disparities and align with regional benchmarks:

- Adjuncts with a master's degree received an increase of $120 per credit hour.
- Adjuncts with a terminal degree received an increase of $145 per credit hour.

These adjustments not only improved compensation but also underscored our commitment to valuing the expertise and dedication of adjunct faculty.

Similarly, we took steps to enhance non-tenure-track faculty salaries:

- Minimum salaries for instructors with a master's degree increased from $40,000 to $45,000 annually.
- Additional discipline and credential-based adjustments were implemented for field-specific market factors and expertise.

These combined changes represented an annual cost increase to the institution of approximately $173,000, including benefits, in FY 2023-24.

We recognize that pay equity is not a one-time fix but an ongoing commitment. As part of our strategy, we have established a practice of conducting regular salary reviews every three to four years to assess competitiveness, equity, and alignment with institutional goals. Our next scheduled salary review and adjustment cycle is set for FY 2025-26.

These improvements reflect our ongoing efforts to balance financial sustainability with fair and competitive compensation practices. By prioritizing pay equity for adjunct and non-tenure-track faculty, FLC aims to attract, retain, and support talented educators, ultimately enhancing the quality of education and student outcomes.

We remain committed to transparent communication, data-driven decision-making, and continued advocacy for resources that support equitable pay across all faculty groups.

5 [Sen. Kirkmeyer/Bridges; Reps. Taggart/Bird]: Provide feedback on the Executive Branch request for a bill to improve transparency. Are there components you would like to have included in such a bill?

Response: The Executive Branch's request for a bill to improve transparency in higher education data management is a step in the right direction. The bill should address the need for formalized data governance, data-sharing standards, and consistent methods for estimating the fiscal impact of legislation. The emphasis on collaboration between the Department of Higher Education (DHE), Institutions of Higher Education (IHE), and the General Assembly is crucial for success.

To ensure true two-way transparency, we suggest the following additions to the bill:

- Mechanism for IHE feedback on DHE data analysis: Including the ability to review and comment on DHE's analyses and methodologies. A formal process for IHE feedback on DHE data interpretations is essential.
- Transparency regarding DHE's decision-making processes: The bill should mandate the DHE to publicly share the rationale behind its decisions impacting IHEs, including details of any relevant data analysis or modelling used in decision-making.
- Regular reporting and data quality audits: The bill should include provisions for regular reporting by the DHE on the use of IHE data, including the number of data requests, the types of data accessed, and any limitations or challenges encountered. Independent audits of data quality and transparency practices would further ensure accountability.
- Fiscal note process: The bill should require the DHE to share compiled DHE and IHE fiscal note responses, including data sources and analytical methods, with all public IHEs that submitted fiscal impact estimates. This suggestion aims to increase consistency and accuracy in cost estimates, facilitate earlier detection of errors and oversights, and ensure that all costs are accurately reported to the legislature. The shared responses will help the general assembly receive a unified response, minimizing contradictions.
- Transparency in Legislative Processes: Include provisions for the General Assembly to share draft legislation affecting higher education with IHEs earlier in the process, allowing for more informed input.

Transparency is vital for accountability and informed decision-making. However, mandates requiring institutions to collect and report data in formats inconsistent with current practices often create unintended financial burdens.

We advocate for clarity of purpose in transparency requirements and encourage leveraging existing data collection systems to avoid redundant efforts. Transparency should serve actionable goals rather than becoming an unfunded mandate.

By incorporating these suggestions, the bill can ensure a more balanced and effective approach to transparency, fostering mutual understanding and cooperation between the DHE, IHEs, and General Assembly.

Economic Impacts

6 [Sen. Amabile] What can you tell us about the economic impact of your institution(s) on the state?

Response: Fort Lewis College (FLC) significantly impacts the Region 9 economy (Archuleta, Dolores, La Plata, Montezuma, and San Juan counties in Southwest Colorado) and Colorado. The most recent economic impact report, dated December 2022, highlights several key areas:

Regional Economic Impact:

- Total Economic Impact: FLC generated $161.8 million in added income for Region 9 in FY 2021-22, equivalent to approximately 3.3% of the region's Gross Regional Product (GRP). This surpasses the entire manufacturing industry's contribution to the region's economy. This impact supported 2,540 jobs.
- Operations Spending: FLC's direct spending on operations (payroll, facilities, supplies, services) contributed $64.4 million to the regional economy, supporting 781 jobs.
- Student Spending: Students attending FLC, many from outside the region, spent $19.7 million locally, supporting 325 jobs.
- Alumni Impact: FLC alums generated $72.4 million in added income, supporting 1,346 jobs. This reflects the long-term positive effects of FLC education on the regional workforce.
- Construction Spending: FLC's annual investments in construction added $5.4 million to the regional economy, supporting 87 jobs.

Statewide Economic Impact:
The report focuses primarily on the regional impact but implicitly acknowledges broader benefits. The increased earnings of FLC graduates contribute to the state's overall economy through higher tax revenues (both individual income tax and taxes paid by employers). The study quantifies the present value of added tax revenues and public sector savings to taxpayers at $39.2 million. Furthermore, the improved health and reduced need for social services among FLC graduates represent additional societal benefits that positively influence the state's overall economy.

Overall:
FLC is a substantial economic engine for Region 9, contributing significantly to its overall prosperity and job creation. The long-term benefits extend to Colorado through increased tax revenue and improved social indicators.

Financial Aid/ Free Tuition Messaging

7 [Staff] Discuss any “Promise”/Free tuition program you’ve launched at your institution. What has been the impact so far? Do you have recommendations or feedback on launching a statewide initiative that helps low-to-moderate income students understand a statewide front-end (“promise”) for low income students related to tuition and fees, as well as the back-end tax credit for students with AGI up to $90,000?

Response: Fort Lewis College implemented the “Skyhawk Promise” in 2019 for the Fall of 2020. When originally implemented, the program allowed all Colorado resident students whose expected family income was less than $60,000 to attend tuition-free. The expected family income was increased to $65,000 for Fall 2022 and to $70,000 for Fall 2023.

The FLC Tuition Promise commitment applies to each academic year's Fall and Spring semesters. Summer does not apply. All federal, state, and institutional gift aid will go toward tuition.
Gift aid includes:

- Institutional scholarships and grants
- Foundation scholarships
- Departmental scholarships
- Athletic scholarships

Additional grants, scholarships, work-study, and loan funds are available to help with other education costs, such as books and room and board.

If a student's award through these programs does not equal the full cost of tuition, FLC will make up the difference to fulfill the promise. If tuition increases, financial aid will increase with it. Funds will be awarded to meet 100% of the student's in-state tuition.

The table below shows a snapshot of the program:

Award Year	# of Students	Total Cost	Average Tuition Promise Award
FY 2020-21	89	$115,816	$1,301
FY 2021-22	62	$100,969	$1,629
FY 2022-23	66	$99,153	$1,502
FY 2023-24	88	$113,128	$1,286
FY 2024-25 (est)	86	$125,000	$1,252
TOTAL	391	$554,066	$1,394

The program's cost is covered by a combination of institutional funds and philanthropic support. In the context of FLC's total institutional aid, this program represents 1.2%.

We support expanding front-end support for students but also believe implementing new programming should be thoughtful in the face of additional administrative burdens.

8 [Sen. Bridges]: How are the programs being provided at your institution(s) by the Colorado Opportunity Scholarship Initiative (COSI) different from the supports that your institution is providing? Discuss the effectiveness and impact of COSI funding at your institution.

Response: Fort Lewis College (FLC) has engaged with the Colorado Opportunity Scholarship Initiative (COSI) through two distinct programs: Focus and Finish and Finish What You Started. Each initiative serves different objectives, with varying levels of success and institutional alignment.

Focus and Finish Initiative
The Focus and Finish funding was allocated primarily through scholarships to 19 students. However, after careful evaluation, FLC terminated its contract for this program in 2023. Two key factors drove this decision:

1. Administrative Burden: The reporting and compliance requirements associated with the program were disproportionately high relative to the level of funding provided.
2. Low Funding Levels: The financial support delivered through this initiative did not create meaningful impacts compared to the resources required to sustain the program.

Finish What You Started Initiative
The Finish What You Started program has been more impactful at FLC, with funding primarily directed toward student scholarships. Additionally, COSI funding supports one dedicated specialist whose role is specifically designed to assist returning students through:

- Advising and Mentorship: Helping students navigate re-enrollment processes and academic planning.
- Teaching Targeted Courses: Offering the "Steps 2 Success" curriculum, which covers:
    - Financial Literacy

- Financial Aid Navigation
- Career Exploration and Readiness
- Community and Campus Integration

These supports align well with institutional efforts to reduce barriers for returning students and promote smoother pathways toward degree completion.

Comparison with Existing Institutional Supports

While COSI programs bring valuable additional resources and focused interventions for returning students, FLC already provides a robust suite of support services aimed at student retention and success. These include:

- Advising Centers: Providing academic and career advising tailored to diverse student needs.
- Financial Aid Support Services: Helping students navigate scholarships, grants, and financial planning.
- Student Success Programs: Including first-year experience courses, peer mentoring, and tutoring services.
- Mental Health and Wellness Services: Addressing the holistic needs of students through counseling and wellness programs.

The COSI programs complement these existing services by providing targeted scholarships and specialized advising for specific student groups. However, they do not represent a fundamentally different approach to student support.

While the Finish What You Started initiative has helped reduce financial barriers and offer tailored support to returning students, FLC has not yet observed a measurable increase in retention or graduation rates directly attributable to COSI funding. The existing institutional programs already address many of the same barriers COSI targets, making it challenging to isolate the program's unique impact.

DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING

Western Colorado University Responses

Friday, January 10, 2025

2:00PM – 3:15PM

QUESTIONS FOR ALL GOVERNING BOARDS/INSTITUTIONS

Please briefly introduce yourself and the institution(s) you represent. (Please keep to 5 minutes per institution/governing body)

Executive Request, Institutions' Funding Request, and Cost Drivers

1 [Sen. Bridges]: The institutions have requested an increase of $80.2 million General Fund, including financial aid, which is over $100 million more than Governor's request. The JBC has asked other state agencies to propose budget cuts. How can higher education assist the JBC in balancing the budget?

Response: Western Colorado University (Western or the University) supports the IHE collective request, which represents an increase of 3.4%, less than the Governor's November 1st requested statewide increase of 3.6%. Western receives a high percentage of funding via State appropriations, and as such, a small percentage change in either direction has a large impact on the University's overall budget. As a small, rural institution, Western continually looks for efficiency, and works to keep expenses down in all areas across campus. On an annual basis, Western must review and reduce projected expenditures in comparison to anticipated revenues to ensure it has a balanced budget. Repeating this process in the face of reduced revenue has resulted in a highly efficient operating budget. In contrast to other institutions of higher education who have large, specialized teams, Western has many "offices" of three or less staff performing critical administrative functions. All administrative staff wear multiple hats and provide support to areas that would traditionally be outside their realm of responsibility. Western is currently in the process of conducting a Comprehensive Compensation Study with an external vendor. Initial estimates indicate that Western's faculty salaries lag the market average by 16.2%, while administrative (non-classified) salaries lag the market average by 10.4%. Outside of mandatory increases (expenses that are out of the University's control, i.e. utility costs, critical software contracts, risk management premiums, etc.) Western has not increased standard operating budgets in many years. In fact, after reducing operating budgets by $1.5M in response to the COVID-19 pandemic, only $686k was restored in FY22. In recent years, compliance costs related to Title IX and ACA have put additional strains on the University's operating budget. Western has no other choice but to operate as efficiently as possible.

When facing a reduction in State support, Western's two options are to increase tuition and/or cut expenditures. Western prides itself on providing a high-quality education at a low cost, fulfilling the critical role of ensuring students in remote areas have equal opportunities for economic mobility and success. While annual increases in tuition are necessary, there is a threshold above which the increase would move the University away from its accessibility mission. As such, a reduction in State support would require strategic cuts, rather than across the board, percentage-based cuts. Western has previously undertaken a Strategic Resource Allocation process in response to budgetary constraints, to determine how best to make Western thrive. A similar process would be necessary, with campus and community engagement, to determine what, as a University, would be discontinued. The end goal would be to cause as little disruption to Western's campus population as possible, while recognizing that further budgetary reductions will have a direct impact on student learning and the student experience. Reductions would also likely mean ending whole programs, which would result in layoffs. To Western, it is imperative for the State to continue to prioritize funding for post-secondary education, as having an educated workforce is the foundation of economic stability for Colorado and provides social mobility for our citizens.

2 [Sen. Bridges] Discuss your employment trends in an environment of declining student enrollment. In particular, How much has the FTE for faculty/staff involved in your educational mission changed between FY 2018-19 and the present? How much has student FTE enrollment changed over the same period? Are those two trends aligned, i.e., has the faculty/staff to student ratio changed? Why/why not?

Response: In 2018, Western's FTES (Full-Time Equivalent Students) was 2,258, with a total faculty count of 170 (comprising 142 lecturers, tenure-track, and tenured faculty, along with 28 part-time adjuncts). By 2023-24, FTES had increased to over 2,400 while the number of lecturers, tenure-track, and tenured faculty remained relatively steady at 143 and part-time adjuncts rose to 37.

Student-to-faculty ratio, which was low for Western in 2018, was 14:1. It increased to 18:1 during the COVID years but is currently ~17:1. During this time, non-faculty staffing grew from 216 to 236 positions, many of which were funded through grants or auxiliary programs, or driven by federal or state legislative mandates. Additionally, many of the new staff positions are student support positions, in areas such as retention, advising, community wellness, and equity and inclusion.

While Western experienced a dip in enrollment in fall 2024, it anticipates recovery with this year's timely release of the FAFSA and the successful implementation of Workday Student software. Regardless, the University carefully reviews campus academic programs and services to ensure staffing efficiency. However, several offices and areas supporting all students with vital services have only one or two staff members, limiting flexibility to reduce personnel costs. For instance, Western's one-person office of disability services supports over 300 students with their accommodation needs.

Overall, Western's faculty and staff support has aligned appropriately with its FTES, creating a student-to-faculty ratio consistent with the University's role and mission as a regional baccalaureate institution.

3 [Rep. Bird]: How does the WINS agreement affect your budget, both directly and indirectly? Understanding that classified staff are a small portion of the employees, doesn't the WINS agreement have equity impacts and create pressure for pay?

Response: The COWINS agreement had a direct budget impact in FY2024-25 of nearly half a million dollars due to step increases, along with compression pay to non-classified managers, and non-classified positions that had similar roles. In FY2025-26 Western anticipates an additional direct budget impact of nearly one hundred thousand dollars. The agreement also puts pressure on the University to provide commensurate salary adjustments to non-classified staff, to ensure that compensation increases across the University are equitably distributed. When facing a tight budget year, it is not uncommon that faculty and non-classified salary increases have to be foregone. This exacerbates the initial findings of a compensation study conducted for Western which indicated that faculty and non-classified staff salaries lag significantly behind the market, 16.2% and 10.4%, respectively. When the University can only fund its mandatory obligations under COWINS, it creates morale issues across the campus.

4 [Sen. Bridges]: How has pay for your adjunct and non-tenure-track teaching faculty changed in recent years? Have you taken steps to improve pay/pay equity for these types of employees? What do those salaries look like right now?

Response: Non-tenure-track benefitted faculty lecturers (those working half-time or more) have received salary increases in recent years, driven by a task force charged with identifying disparities between Western's salaries and those of our peer group. This effort focused on reducing the pay gap for faculty earning the least in a high-cost-of-living environment. As of now, 80% of faculty lecturers have base salaries of $50,000 or more.

In addition to salary adjustments, Western has supported non-tenure-track faculty by providing reassigned time from the standard teaching load of 15 credits per semester. This reassigned time allows faculty to engage with students in activities beyond the classroom, such as advising, career mentoring, course and curriculum development, helping students secure internships, participating in search committees, and representing their departments on the Faculty Senate and its subcommittees. Furthermore, non-tenure-track faculty teaching at least half-time receive departmental funds for professional development. They are also eligible to apply for institutional grants, alongside tenured and tenure-track faculty, to supplement these funds.

To better support non-tenure-track faculty, Western conducted a survey in the past year. The results showed that 81% of respondents agreed or strongly agreed with the statement: “My department has an atmosphere of respect, regardless of faculty member rank, and I feel that my contributions are important and my ideas are welcome.” Respondents also identified increasing salary levels to at or above peer institutions as their highest priority. In 2024, Western hired a consultant to conduct a comprehensive compensation study. The goal of this study is to align salaries with peer institutions. Initial study results show a significant salary gap between peers and Western; however, the University will not be able to implement the recommendations of the study without first identifying sufficient funding.

5 [Sen. Kirkmeyer/Bridges; Reps. Taggart/Bird]: Provide feedback on the Executive Branch request for a bill to improve transparency. Are there components you would like to have included in such a bill?

Response: Western supports legislation to improve transparency and recommends guidelines ensuring transparency in both directions. It is imperative that the Department is transparent with institutions of higher education to ensure that data they present has been verified, that impacts of fiscal notes are properly portrayed, and to maintain collaboration between institutions and the Department. Western’s Office of Institutional Effectiveness and Planning (OIEP) is the primary office responsible for responding to data requests. OIEP currently complies with all data requests in a timely manner and strives to provide transparency with all available data. Adding additional reporting requirements will be administratively burdensome to OIEP, which is currently comprised of only 2.5 FTE.

Economic Impacts

6 [Sen. Amabile] What can you tell us about the economic impact of your institution(s) on the state?

Response: Western recently contracted the University of Colorado Boulder’s Leeds School of Business, Business Research Division to provide an economic impact study, which was delivered in October of 2024. The study was based on data provided by Western for the fiscal years 2021-2023. Included in the study was salary and operating expenditures, capital spending by Western, as well as student and visitor estimated spending. Excluded from the study were alumni, retirees, and capital construction financed by private donors.

The statewide economic contribution over those three years was $511.5M, an average of $170.5M per year. The impact to Gunnison County during that time period was $422.1M, an average of $140.7M per year.

Financial Aid/ Free Tuition Messaging

7 [Staff] Discuss any "Promise"/Free tuition program you've launched at your institution. What has been the impact so far? Do you have recommendations or feedback on launching a statewide initiative that helps low-to-moderate income students understand a statewide front-end ("promise") for low income students related to tuition and fees, as well as the back-end tax credit for students with AGI up to $90,000?

Response: The Mountaineer Promise guarantees that standard tuition and mandatory fees will be covered through a combination of federal, state, and institutional scholarships and grants for eligible Colorado residents. Western commits to covering the standard tuition and mandatory fees for all students whose families' Adjusted Gross Income is less than $70,000 a year.

In addition to the Mountaineer Promise, Western is also currently providing scholarship opportunities through the Geiman Scholars program and continues to work towards fully funding the Gunnison Valley Promise.

The Geiman Scholars program was launched two years ago and endowed last year through a generous gift from Dave and Jeanne Geiman. The Geiman Scholars Program provides first-generation students who show academic potential and motivation in middle school and high school an opportunity to attend Western. The program is focused on students who might not otherwise consider a university education due to financial restraints. The program includes activities to increase awareness of and access to institutions of higher education. The heart of the Geiman Scholars is a mentoring process to support students as they learn about and prepare for university life. Once they matriculate to Western, they receive a $15,000 scholarship ($10,000 from Dave and Jeanne Geiman and $5,000 from Western). The program is currently focused on Gunnison Watershed School District students, and Western welcomed the first cohort of four students in fall of 2024. There are currently 19 students in the Geiman Scholars program.

The Gunnison Valley Promise (GVP) is intended to provide a tuition free education for Gunnison Watershed School District graduates regardless of their ability to pay. It is a top funding initiative for the remaining time of the Elevate Western Campaign. When fully funded, GVP could support up to 100 students annually.

The University supports any and all efforts to make post-secondary education more affordable and accessible to all Coloradans. Western understands that there may be some hesitancy on student's behalf regarding back-end tax credits as currently provided through HB24-1340 and would support changes that would allow students to receive the funding more expeditiously.

8 [Sen. Bridges]: How are the programs being provided at your institution(s) by the Colorado Opportunity Scholarship Initiative (COSI) different from the supports that your institution is providing? Discuss the effectiveness and impact of COSI funding at your institution.

Response: Western's Adult Degree Completion (ADC) program has been fortunate in receiving funding from two COSI programs; Back to Work (BTW), a $250,000 grant, used between winter of 2021 and summer of 2024 and Finish What You Started (FWYS), a $530,000 grant, to be expended between winter of 2021 and summer of 2026. ADC offers adult learners across Colorado 100% online, asynchronous curricular pathways for bachelor's degrees and professional certificates. With COSI, Western provided student aid to 48 ADC students, with 28 graduates, via the BTW program, and, so far, 52 ADC students (and six graduates) with the FWYS program. Annual COSI scholarships average $2,200 per student, representing a 33% discount in tuition and fees. What's more, with COSI funding, Western built a Success Advisor team, offering immediate and personal student wrap around support. COSI funding has made Western's ADC program affordable and attainable, helping Coloradans with degree completion and career advancement. For example, with ADC, over 100 K-12 paraprofessionals have returned to higher education for their bachelor's degree and K-12 licensure, with the goal of becoming Colorado teachers. These paraprofessionals represent over 70 school districts across the state. Western looks forward to continued success with COSI, having recently been awarded a Career Launch grant ($50,000), which will fund aid for another 100 adult learners, aspiring for degree attainment and career advancement through the University.

Additionally, Western has been provided $19,506 of COSI funding for undergraduate students through the Matching Student Scholarships (MSS) program. This is matched by the Western Foundation, resulting in a total of $39,012 in scholarship funding. The funds are focused to provide support to low-income students and supplement Pell, Colorado Student Grant, and Mountaineer Promise Dollars. The COSI MSS uses guidelines regarding low-income students who can receive the funds. One fund focuses on Gunnison and Hinsdale counties, and the other is available for all Colorado students. Students must apply for this funding and the amount is based on the level of need the students show and the amount per student will vary from year to year. Students can receive the scholarship for all undergraduate terms and are provided resources that can help them attain graduation. An average of 20 students are supported each year by the program, and funds have positively impacted student retention and persistence to graduation.

DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING

University of Colorado System Responses

Friday, January 10, 2025

3:30PM – 5:00PM

QUESTIONS FOR ALL GOVERNING BOARDS/INSTITUTIONS

Please briefly introduce yourself and the institution(s) you represent. (Please keep to 5 minutes per institution/governing body)

- Todd Saliman, President, University of Colorado System
- Callie Rennison, Chair, University of Colorado Board of Regents
- Alastair Norcross, Chair, Systemwide University of Colorado Faculty Council
- Kimberly Slavsky, Co-Chair, Systemwide University of Colorado Staff Council
- Alex Radz, Chair, Intercampus Student Forum
- JáNet Hurt, Co-Chair, Systemwide University of Colorado Staff Council

Executive Request, Institutions' Funding Request, and Cost Drivers

1 [Sen. Bridges]: The institutions have requested an increase of $80.2 million General Fund, including financial aid, which is over $100 million more than Governor's request. The JBC has asked other state agencies to propose budget cuts. How can higher education assist the JBC in balancing the budget?

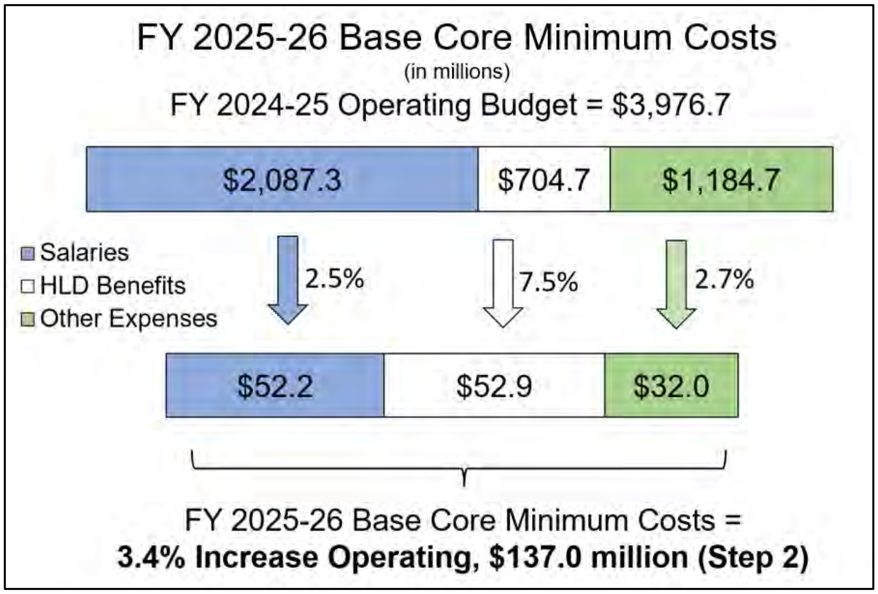
Response: The December 2024 Institutions of Higher Education (IHE) funding request for FY 2025-26 is based on the Governor's November budget request common policy assumptions. The IHE request includes no additional funding beyond common policy assumptions. The statewide total funds increase included in the November budget request is 3.6% compared to a 3.4% total funds increase in the IHE request. From a statewide General Fund perspective, the Governor's November budget request includes an increase of 7.9% compared to a 5.1% General Fund increase in the IHE request (assuming the resident tuition does not exceed CPI).

Continued investment in public higher education is critical in order to keep resident tuition in check and to continue making progress toward meeting the state's workforce demand. Before considering budget cuts to higher education, the University of Colorado respectfully requests that the committee first consider addressing base core minimum cost increases in the same way that common policy cost increases are included in the Governor's November budget request for state departments in FY 2025-26.

IHE Base Core Minimum Cost Increase

The University of Colorado supports the December 2024 IHE funding request, which covers the estimated base core minimum cost increase through Step 2 of the funding model. The FY 2025-26 base minimum core need for all of the institutions of higher education it is estimated to cost $137.0 million. This is illustrated in Figure 1a on the following page.

Figure 1a: Statewide Higher Education Base Core Minimum Costs



This estimate assumes a 2.5% increase in salary, in line with the WINS agreement, health life dental (HLD) increases included in the November budget request, and other inflationary expenses (i.e. software licenses, utilities, etc.) also included in the November budget request. If any of these common policy assumptions change, the higher education base core minimum cost calculations would be adjusted to reflect the adopted common policies.

If the JBC would like to keep resident tuition rate changes at inflation (2.7%, CPI from LCS September 2024 Revenue Forecast), it would result in the need for $80.2 General Fund ($65.1 million in state operating funding and $15.1 million in financial aid). Note, the CPI assumption will be updated to reflect the final 2024 calendar year CPI figure once finalized. This interaction of state funding and resident tuition is illustrated in Figure 1b.

Figure 1b: Statewide Higher Education Base Core Minimum Costs State Funding and Resident Tuition Interaction

Base Core Minimum Costs		$137.0	$137.0	$137.0	$137.0	$137.0	$137.0	$137.0	$137.0	$137.0
Resident Tuition Rates (Non-resident at CPI)	Resident	0.0%	1.0%	2.0%	2.7%	3.0%	4.0%	5.0%	6.0%	7.0%
	Dollar Amount	$35.8	$50.2	$64.5	$74.5	$78.9	$93.2	$107.5	$121.9	$136.2
Statutorily Required Increase for SEPs		$4.2	$3.6	$3.0	$2.6	$2.4	$1.8	$1.2	$0.6	$0.0
Step 2 State Funding	Percent	8.3%	7.1%	6.0%	5.1%	4.8%	3.6%	2.4%	1.2%	0.1%
	Dollar Amount	$105.4	$90.5	$75.5	$65.1	$60.6	$45.7	$30.7	$15.8	$0.9
Total State Funding	Percent	8.3%	7.1%	6.0%	5.1%	4.8%	3.6%	2.4%	1.2%	0.1%
	Dollar Amount	$105.4	$90.5	$75.5	$65.1	$60.6	$45.7	$30.7	$15.8	$0.9
Statutorily Required Financial Aid Increase		$24.5	$21.0	$17.5	$15.1	$14.1	$10.6	$7.1	$3.7	$0.2
Total State Funding with Financial Aid		$129.9	$111.5	$93.1	$80.2	$74.7	$56.3	$37.9	$19.5	$1.1

The University of Colorado understands the state is facing budget challenges as a result of Medicaid caseload, expiration of one-time federal pandemic dollars, and new funding obligations from 2024 legislation and voter-approved ballot measures. If policy makers are not able to make the requested level of state investment in higher education, CU would respectfully ask that more tuition rate setting authority be provided in order to help cover base core minimum costs. Each governing board would ultimately determine what tuition rate increases would be appropriate for its institution. Depending on state funding levels, the University of Colorado would likely consider budget reductions to limit higher resident tuition rate increases.

Figure 1c illustrates the difference between the November budget request versus the December 2024 IHE funding request and includes the expense from the statutorily required financial aid increase. The total difference between the two requests, including state operating funds and financial aid, is approximately $79.4 million (see column F).

Figure 1c: November Request vs. December 2024 Institution of Higher Education Request

Part	A	B	C	D = A + B + C	E	F = E - D
Comparison	November Request	Rural Step 1 current law <1>	No funding cut from CDHE R-04 *COF Statute Realignment*	November Request with Rural Step 1 current law and No CDHE R-04	IHEs Request: Base Core Minimum Cost	Difference
Operating	$9.8	($7.3)	($4.0)	($1.5)	$65.1	$66.6
Financial Aid	$2.3	$0.0	$0.0	$2.3	$15.1	$12.8
Total	$12.1	($7.3)	($4.0)	$0.8	$80.2	$79.4
Resident Tuition Rate	2.3%	-	-	2.3%	2.7%	0.4%
Non-Resident Tuition Rate	2.4%	-	-	2.4%	2.7%	0.3%

<1> Section 23-18-303.5, (2)(a), C.R.S. (2024)

CU Base Core Minimum Cost Increase

As described in Figure 1d on the following page, the University of Colorado systemwide combined E&G operating budget, which is primarily comprised of state funding and tuition, is approximately $1.68 billion in FY 2024-25. Just like any other state agency, CU has annual cost increases associated with common policy expenses, including salary, HLD, and other expenses (CPI). Assuming a 2.5% increase in salary (Governor's November request), a 7.5% increase in HLD (Governor's November request for health premium), and an inflationary increase of 2.7% (CPI from LCS September 2024 Revenue Forecast), CU's anticipated base core minimum cost increase for FY 2025-26 is $59.7 million. The November request is approximately $24.0 million short of CU's $59.7 million base core minimum cost (assuming a 2.7% resident and non-resident tuition rate). Importantly, this shortfall does not reflect the other targeted cuts to some of the University of Colorado's campuses included in the Governor's November budget request.

Figure 1d: University of Colorado Systemwide Base Core Minimum Costs

Base Expenses (in millions)	A	B	C = A * B
	FY 2024-25 E&G Expenses	% Increase	Estimated FY 2025-26 E&G Expense
Salary	$902.3	2.5%	$22.6
HLD	$335.9	7.5%	$25.2
Other Expenses (CPI)	$441.3	2.7%	$11.9
Base Core Minimum Costs	**$1,679.5**	**3.6%**	**$59.7**

Base Revenue (in millions)	D	E	F = D * E
	FY 2024-25 Tuition Revenue	Tuition Rate Assumption	Estimated FY 2025-26 Tuition Revenue
Resident Tuition	$574.7	2.7%	$15.5
Non-Resident Tuition	$759.2	2.7%	$20.5
Total Revenue	**$1,333.9**		**$36.0**

C	F	G	H = C - F - G
CU's Estimated FY 2024-25 Base Core Minimum Cost	CU's Estimated FY 2024-25 Tuition Revenue	Governor's Request FY 2025-26 State Funding Increase	CU's Estimated FY 2025-26 Funding Gap
$59.7	**$36.0**	**-$0.3**	**$24.0**

In addition to what is shown in G in Figure 1d above, the Governor's November 1 budget includes an additional $25.8 million in cuts to three CU campuses, as detailed in Figure 1e.

Figure 1e: University of Colorado Targeted Budget Cuts in November Request

1	CU Anschutz	R-07 Reduction of Limited Purpose FFS (Rural Healthcare Wkforce - SB 22-172 and SB 24-221)	($1,351,667)
2	UCCS	R-07 Reduction of Limited Purpose FFS (Rural Healthcare Wkforce - SB 22-172 and SB 24-221)	($65,000)
3	CU Anschutz	R-07 Reduction of Limited Purpose FFS (Substance Use Disorders - SB 24-048)	($303,752)
4	UCCS	R-07 Reduction of Limited Purpose FFS (Cybersecurity - SB 18-086)	($2,800,000)
5	CU Anschutz	R-07 Reduction Limited Purpose FFS (Supporting Educator Wkforce - SB 21-185)	($239,778)
6	CU Boulder	R-07 Discontinue Limited Gaming Support of CHECRA	($1,000,000)
7	CU Anschutz	R-012 CU School of Medicine Refinance	($20,000,000)
		Total Additional Cuts to CU's Budget Included in Governor's November Budget	**($25,760,197)**

As shown below, considering these targeted cuts along with shortfall in Figure 1d, CU is facing a total state funding gap of approximately $49.8 million in FY 2025-26.

($24.0 million) state funding gap for operating
+($25.8 million) targeted budget cuts
= ($49.8 million)

These targeted funding cuts included in the November budget request would all have a negative impact on the University of Colorado, as outlined below.

1. CU Anschutz – Rural Healthcare Workforce

The Rural Health-Care Workforce Initiative (CORHWI) was established to expand the number of health-care professionals practicing in rural or frontier counties. The Rural Program Office is housed at CU Anschutz and provides reporting and institutional support for IHEs operating a rural track. SB 24-221 continued funding for the program in FY 2024-25, with roll-forward spending authority through FY 2025-26. CDHE R-07 states, "CU could continue to provide technical assistance through the Rural Office to participating initiative institutions instead of through state support." This statement is inaccurate because there isn't an alternative funding source to maintain the program. The CORHWI supports the work of 15 new or established "rural tracks" in institutions of higher learning across Colorado. These institutions train students to become nurses, physicians, physician assistants, dentists, public health professionals, and behavioral health professionals with the goal that many graduates will locate in rural and frontier counties. State funding supports direct-to-student aid in the form of scholarships and rural housing assistance and faculty salaries for teaching in the program.

2. UCCS - Rural Healthcare Workforce

The Rural Health-Care Workforce Initiative was established to expand the number of health-care professionals practicing in rural or frontier counties. SB 24-221 continued funding for the program in FY 2024-25, with roll-forward spending authority through FY 2025-26. The proposed cut will eliminate state funding support for direct-to-student aid for at least 14 low-income students. Students who have received scholarship support through the program in the past were typically within 250% of federal Pell grant eligibility. Eliminating state support is expected to reduce the number of students who graduate from nursing programs and go on to practice in rural areas, particularly in Southern Colorado, further exacerbating the shortage of healthcare providers in rural areas of the state.

3. CU Anschutz – Substance Use Disorders

SB 24-048 established establishes a voluntary program for employers to become recovery friendly workplaces within the Center for Health, Work, and Environment at the University of Colorado School of Public Health. CDHE R-07 states, "CU could continue this work through their existing funding instead of additional state funding." This statement is inaccurate because there isn't an alternative funding source to maintain the program. If state funding is discontinued, the program will be suspended and phase out its work by the end of 2025. The program promotes strategies to reduce Colorado's overdose rates such as fostering employment for individuals in recovery, reducing dependence on public welfare systems, and enhancing public health outcomes. This program provides high-risk industries with tools to adopt recovery-supportive policies and practices, helping individuals reintegrate into the workforce and contribute to their communities and the economy. By maintaining steady employment, individuals in recovery can remain productive, strengthen Colorado's workforce, and reduce recidivism – saving employers an average of $8,500 annually per employee in recovery through reduced turnover, absenteeism, and healthcare costs.

4. UCCS - Cybersecurity

The cybersecurity initiative at UCCS supports scholarships, student internships, and faculty positions. From 2019 to 2023, cyber funds have been used to hire 20 faculty members, employ 80 student interns, award 767 cyber degrees and certificates, and allot ~$3.2 million in scholarships to more than 940 students. State support also leveraged other matching funds and grants. CDHE R-07 states, "Now that the program has been established and the equipment and facility resources have been dedicated, institutions seeing benefits from the program can maintain it through existing resources." This statement is inaccurate because there is no alternative funding source to provide the scholarships and faculty support that have made this program so successful.

Eliminating funding will have a negative impact on program enrollment, retention, and graduation rates. If funding is eliminated, UCCS will be required to cut most or all cybersecurity program expenses, including funding for the National Cybersecurity Center, over 310 scholarships for students pursuing degrees and certificates in cybersecurity, funding for over 100 middle and high school students to attend summer cybersecurity camps, and funding for faculty positions, the director of the cybersecurity program, a full-time grant manager, and support staff for the program. Because the state funding supports on-going program expenses and not one-time fixed costs, eliminating the funding will eliminate the activities funded by these dollars, negatively impacting the state's cybersecurity initiatives for years to come. More importantly, this funding supports national security through advanced research and trains students to meet the state's growing cybersecurity workforce demands.

5. CU Anschutz – Supporting Educator Workforce

SB 21-185 required IHEs and others to design a teaching career pathway for individuals to enter the teaching profession. Additionally, the bill required the University of Colorado School of Psychiatry to provide support services for educators through the Educator Well-Being and Mental Health Program. CDHE R-07 states, "This bill was primarily in response to the pandemic and is already set to end in 2026." This statement is inaccurate because CU does not have internal funding to continue the program, and the proposed cut will remove a valuable mental health support to educators across the state. If the program is ended, it will exacerbate the teacher burnout rate, which remains one of the highest rates among any profession, leading to turnover and negatively impacting student success. This is one of the few programs that can offer immediate support across the entire state, including rural communities. Program employees have responded to community events impacting schools, including providing immediate response and ongoing recovery following two school shootings. Since its start in 2020, the program has served over 5,000 educators across 70 different school districts, provided 1,500 therapy sessions, and facilitated over 100 workshops.

6. CU Boulder – Discontinue Limited Gaming Support for the Colorado Higher Education Competitive Research Authority (CHECRA)

CHECRA, established in 2008, provides a state cost share for IHE federal research funding proposals. The source of funds is $2.1 million annually from the Limited Gaming Cash Fund. CDHE R-09 proposes discontinuing support from the Limited Gaming Cash fund for the program but recommends allowing the program to continue with funding from gifts, grants, and donations. No evidence is provided about the availability of funding from alternate sources and the proposal effectively discontinues CHECRA once current funds are exhausted.

On average, CU receives $1.0 million per year in matching funds from CHECRA. These funds have helped the campus and the state secure millions of dollars in federal grant funding, such as the $20.0 million National Quantum Nanofab award and the $8.0 million Advancing Sustainability through Powered Infrastructure for Roadway Electrification award.

Commitments from CHECRA are critical to demonstrating state support for research funding proposals. Furthermore, state fiscal support is often a requirement of the funding proposals, particularly for National Science Foundation grants. According to a white paper published by CHECRA last year, the 2024 projects supported by the authority had an estimated 1:32 direct economic benefit to the state. Discontinuing the source of funding for CHECRA would in turn eliminate a crucial tool used by research universities to seek federal support for research funding proposals. It would have a negative economic impact on the research IHEs and the state.

7. CU Anschutz – CU School of Medicine Refinance

The University of Colorado School of Medicine (CUSOM) receives General Fund support that is paid to the Department of Health Care Policy and Financing so the department can draw down a federal Medicaid match before returning the original funds and matching funds to CU. CUSOM uses these funds to supplement Medicaid payments. CDHE R-12 proposes reducing General Fund support by $20 million and states, "CUSOM can use its own funds or look to grants to fund the $20 million match fee." The expectation that the CUSOM can backfill such a cut or can fundraise to supplant the cut is simply not true. This cut will result in reduced federal funding for Medicaid and reduced state funding used to support the educational mission of CU Anschutz.

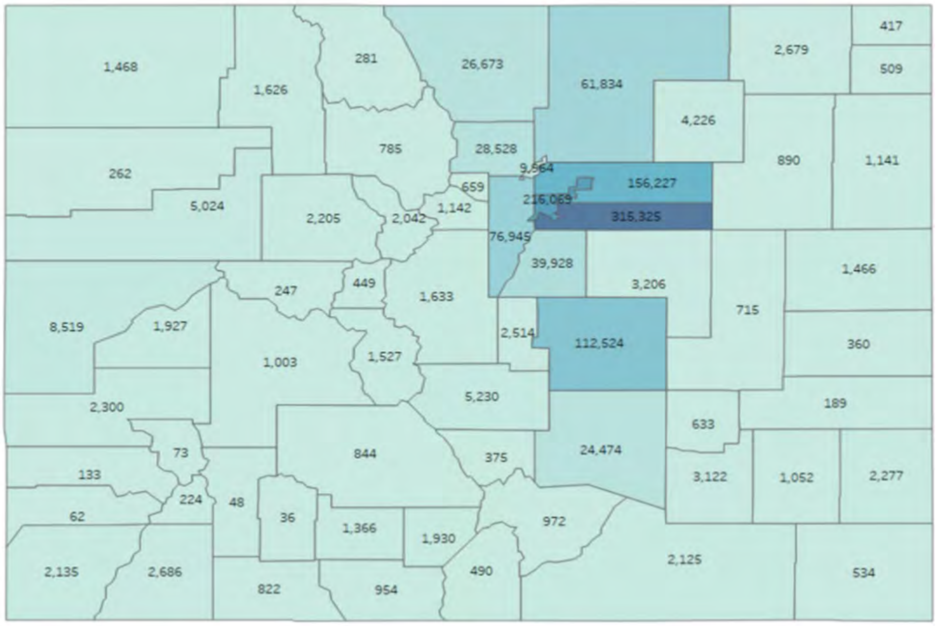
The CUSOM educates about 1,300 resident students per year, including individuals training as medical doctors, physician assistants, and physical therapists. The proposed reduction targeted to the CU Anschutz School of Medicine would result in the elimination of approximately 804 resident student slots over time. Additionally, the elimination in resident student slots would lead to reductions in total enrollment and revenue, which could put the school at risk of losing its accreditation. Furthermore, if there are fewer resident students enrolled at the CUSOM, the shortage of healthcare providers in the state will continue to increase. Finally, a reduction in funding would also negatively impact the provision of specialty education programs like virtual and in-person integrated behavioral health services and statewide youth suicide prevention trainings.

If the campus were to try to offset the state funding reduction through a tuition increase, it would cost resident students an average of $15,361 more to receive their degree. Neither a tuition increase of this magnitude nor the idea that existing campus funds or grant funding can supplant the cut is a realistic solution.

Additionally, the state funding is used as the match for the Upper Payment Limit program, which serves Medicaid patients and provides Medicaid related programing across the state. A cut of $20 million in state match would result in a cut of $20 million through the Upper Payment Limit federal match, which is an effective $40 million cut.

In FY 2023-24, UPL programs helped serve 141,510 unique Health First Colorado members (Medicaid patients), with 403,158 aggregate encounters encompassing residents of every county across the state (see Figure 1f). A $20 million cut is an approximate 40% decrease in the supplemental payment to providers and negatively impacts their ability to keep serving these patients across the state, amidst increasing community healthcare demand.

Figure 1f: Colorado Health First Members Served by University of Colorado Providers in FY 2023-24



A number of highly specialized educational programs and statewide provider trainings funded by the UPL federal match may also be eliminated to manage the proposed impact. Some examples include, but are not limited to:

- Integrated Behavioral Health:
  - Women's Behavioral Health Service Line
  - Promise Community Health Project
  - Virtual and In-person Integrated Behavioral Health Services
  - Warm Connections
- Statewide Youth Suicide Prevention Trainings
  - Educated and trained 43 primary care practices and 5 school districts (957 staff) on the "Zero Suicide" initiative, which includes screening, assessments, and follow-up care resource identification
- Diversity and Rural Track scholarships for MD students
- Colorado Hospitals Substance Exposed Newborn Quality Improvement Collaborative
- Colorado Pediatric Psychiatry Consultation & Rural Access Program

Any of these possible programmatic or rate related cuts would result in a reduction to staff tied to this revenue source, including staff and providers at:

- CU School of Medicine;
- Children's Hospital of Colorado and associated pediatric services;
- UCHealth; and
- Other community partners.

Budget Cuts

At the University of Colorado Denver (CU Denver) and the University of Colorado Colorado Springs (UCCS), budget cuts have been used as balancing measures in each of the last two years to account for declining enrollment.

- At CU Denver, reductions over the two years total $11.4 million, or 5.0% of the FY 2022-23 E&G budget, and 68 FTE.
- At UCCS, reductions over the two years total $7.4 million, or 4.4% of the FY 2022 23 E&G budget, and 31.4 FTE.
- Additional budget reductions would make it more difficult to avoid impacting student facing services and would likely have a negative impact on student success.

In order to reduce operating expenditures for FY 2025-26, the University of Colorado would explore the following:

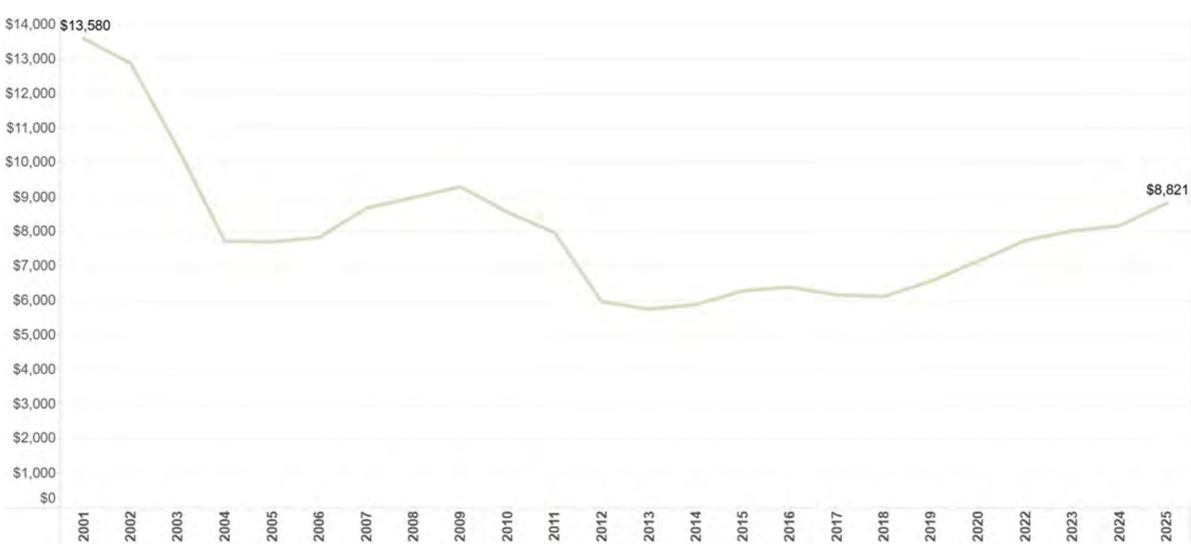
- Retirement incentives
- Eliminate or hold open vacant positions
- Staff reorganizations
- Resource realignment
- Reductions to operating budgets

To the extent possible, budget cuts will prioritize limiting the impact to students and student-facing support positions. However, previous budget reductions make it more difficult to avoid impacting student facing services and would likely have a negative impact on student success metrics like retention and graduation rates.

State Funding Over Time

Another aspect of funding to consider is the state funding decline the University of Colorado has experienced over time. Since FY 2000-01 state funding per CU resident student, adjusted for inflation, has decreased by approximately 35% through FY 2024-25, a cut of $4,759 per CU resident student from $13,580 to $8,821. This trend is illustrated in Figure 1g, below. This decline in state funding has been one of the contributing drivers to resident tuition rate changes over time.

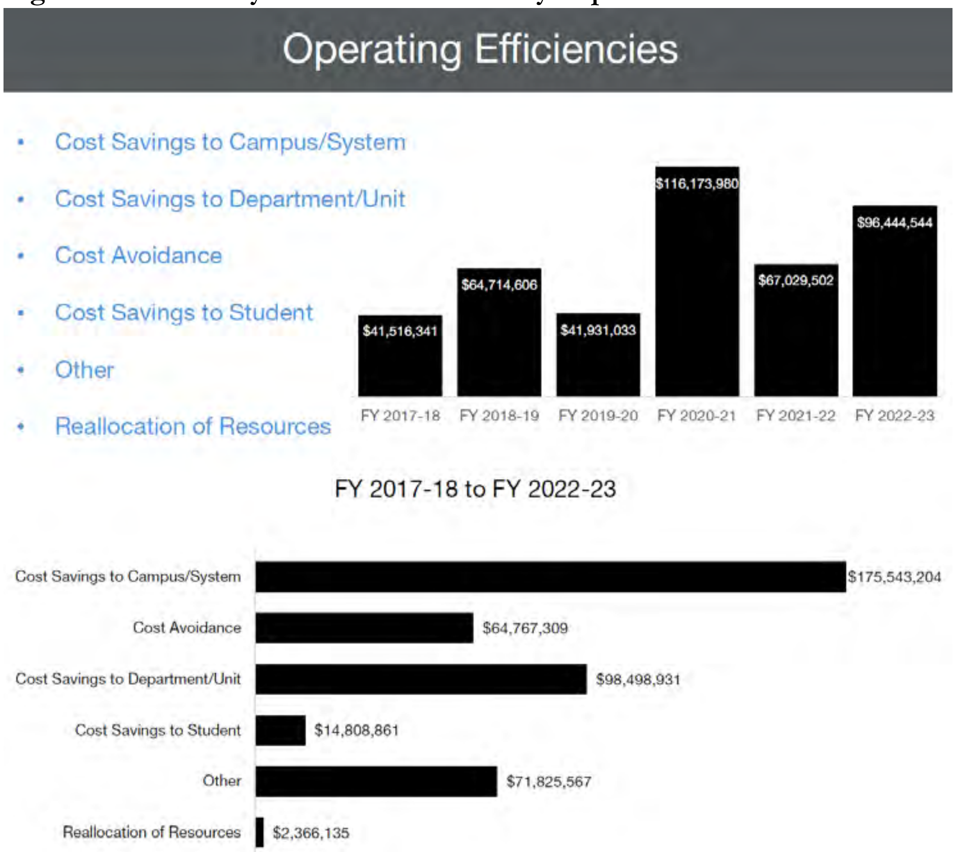
Figure 1g: University of Colorado State Funding Per Resident Student (adjusted for inflation)



Efficiencies

University of Colorado is consistently looking for ways to be more efficient, avoid expenses, and save the university and student and families money. Between FY 2017-18 and FY 2022-23, the University of Colorado has found approximately $428 million in efficiencies. A visual representation of this can be found in the following Figure 1h.

Figure 1h: University of Colorado Efficiency Report FY 2017-18 to FY 2022-23



Finally, CU is being solution-oriented in helping find ways to assist in balancing the FY 2025-26 budget. It is currently engaging in discussions about funding for the Auraria Higher Education Center and options to eliminate the double-count of approximately $31.4 million of state revenue under TABOR included in the Governor's November request (see DHE R-13, AHEC Enterprise).

CU is also willing to be of service to the state and steward part of the General Fund reserve, in order to generate prudent interest income and offset some future controlled maintenance costs for institutions of higher education. This proposal is included in the Governor's November request (see CDHE R-06, New Cash Fund for IHE Capital Expenses). Additional information on this topic can be found in responses to questions 9, 10, and 11.

2 [Sen. Bridges] Discuss your employment trends in an environment of declining student enrollment. In particular, How much has the FTE for faculty/staff involved in your educational mission changed between FY 2018-19 and the present? How much has student FTE enrollment changed over the same period? Are those two trends aligned, i.e., has the faculty/staff to student ratio changed? Why/why not?

Response: Figures 2a – 2d show changes in faculty and staff FTE compared to student FTE changes, from FY 2018-19 to FY 2023-24, by campus. (Source: Budget Data Books)

Figure 2a: CU Boulder – Faculty and Staff FTE vs. Student FTE

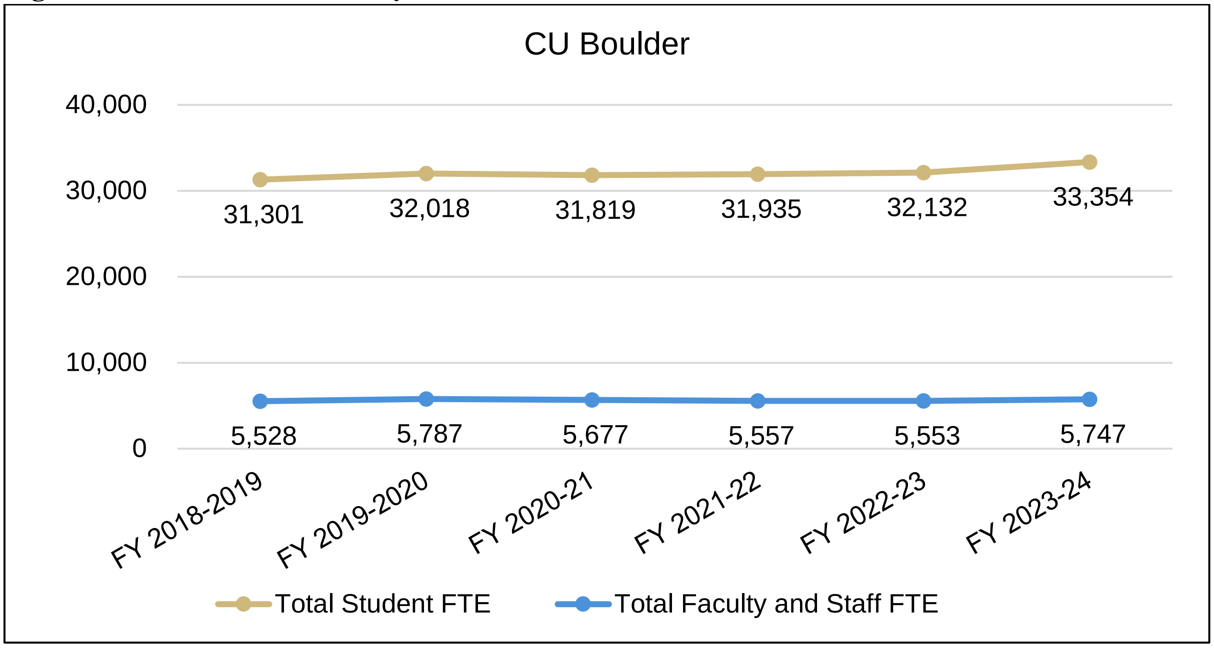


Figure 2b: UCCS – Faculty and Staff FTE vs. Student FTE

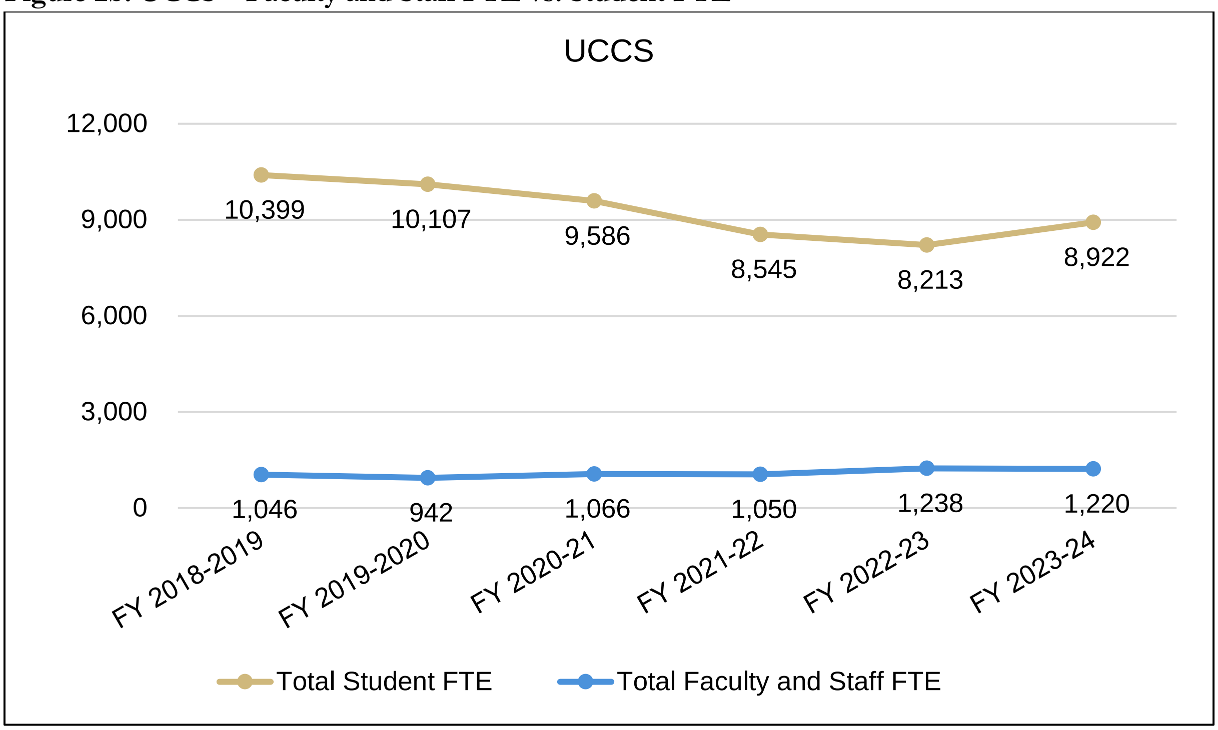


Figure 2c: CU Denver – Faculty and Staff FTE vs. Student FTE

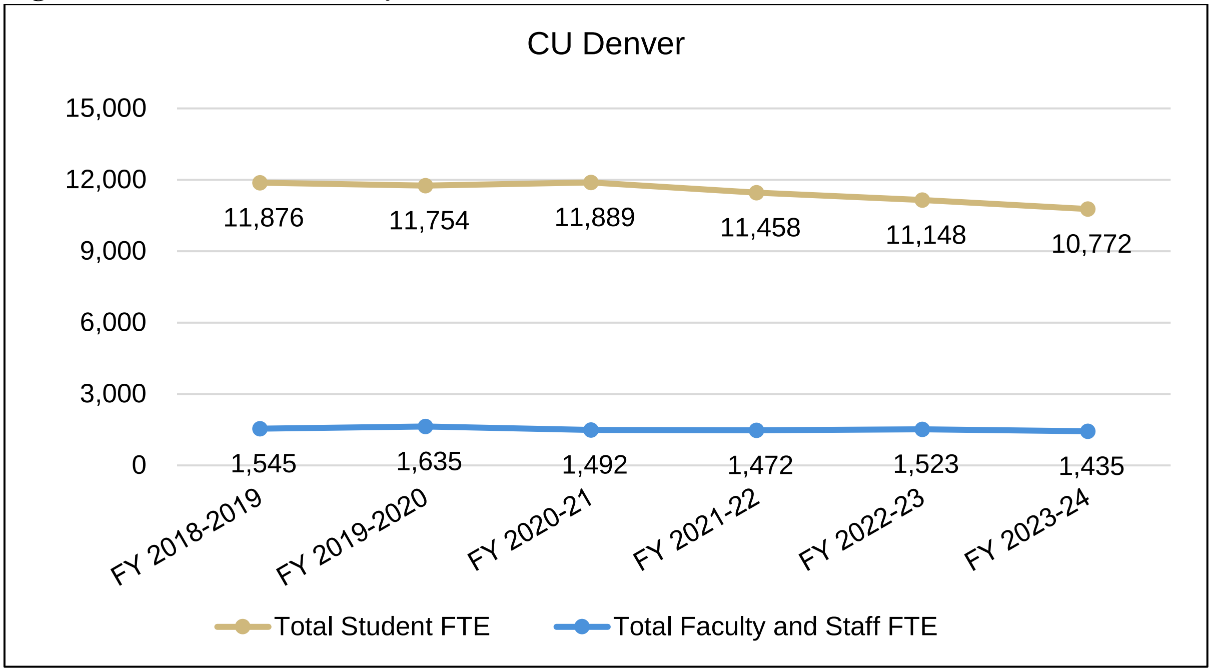
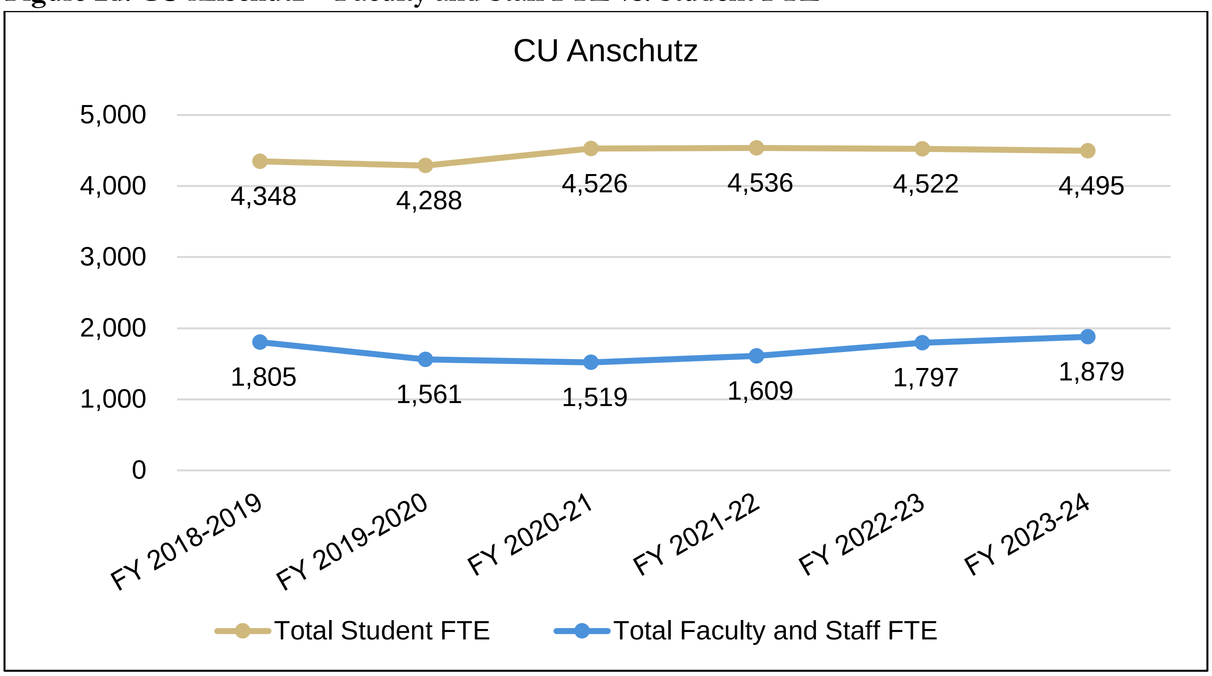


Figure 2d: CU Anschutz – Faculty and Staff FTE vs. Student FTE

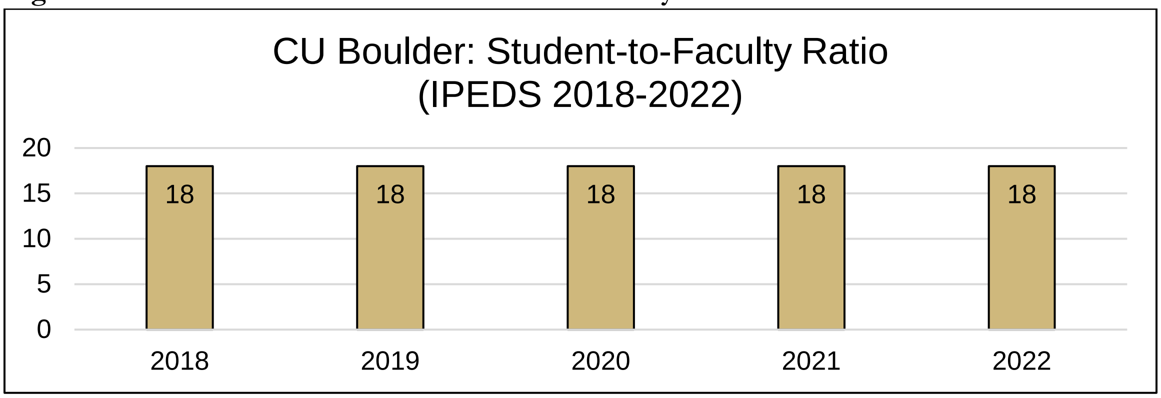


At three of the four campuses, the employment trends follow the overall trend in student enrollment. For instance, at CU Boulder, the overall student population has increased 6.6% and the total number of employees has increased 4.0%. CU Anschutz also shows corollary increases. CU Denver shows corollary decreases. However, at UCCS, as illustrated in Figure 2b, the campus experienced a decrease in student enrollment and an increase in total employees in the five-year period. Some growth in the total number of UCCS FTE is explained by the fact the campus was understaffed prior to its enrollment declines and positions were added to support the role and mission of the university in particular positions tied to student success. Fall 2022 IPEDS data show that UCCS employed about 200 FTE below the median number of its IPEDS peer group. While the campus has added some FTE to support new programs and other student-facing programing, it has also reduced the number of faculty and staff by 31.4 FTE over the last two budget years to help right-size the campus budget.

CU Boulder

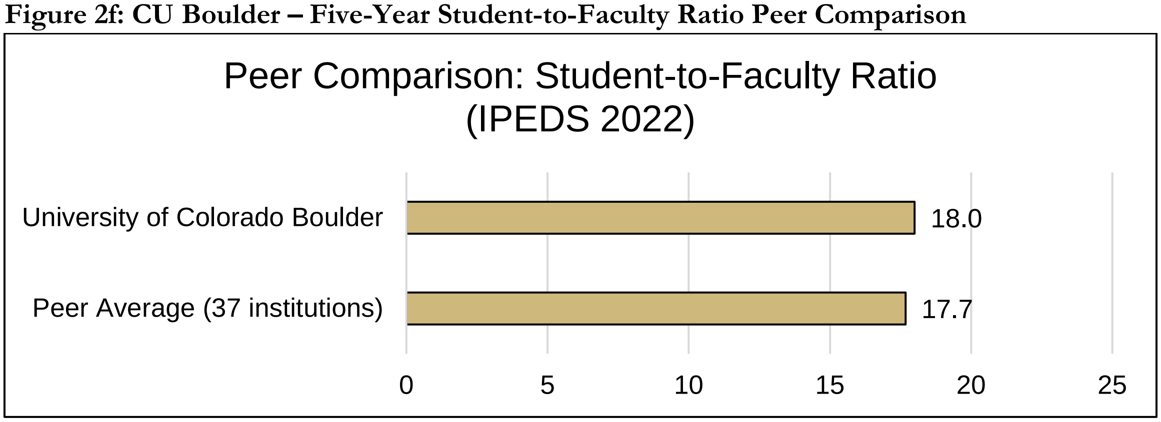
At CU Boulder, the trends between enrollment growth and total faculty and staff FTE have aligned. As shown in Figure 2e on the following page, between 2018 and 2022, the student-to-faculty ratio remained unchanged at 18 students per 1 faculty member. The consistent student-to-faculty ratio indicates that trends in student FTE and faculty FTE move together, and the trends are aligned.

Figure 2e: CU Boulder – Five-Year Student-to-Faculty Ratio



Additionally, as shown in Figure 2f, CU Boulder has a higher student-to-faculty ratio than the average of its 37 IPEDS peer institutions (CU Boulder with 18 students per 1 faculty member vs. IPEDS peer with 17.7 students per 1 faculty member).

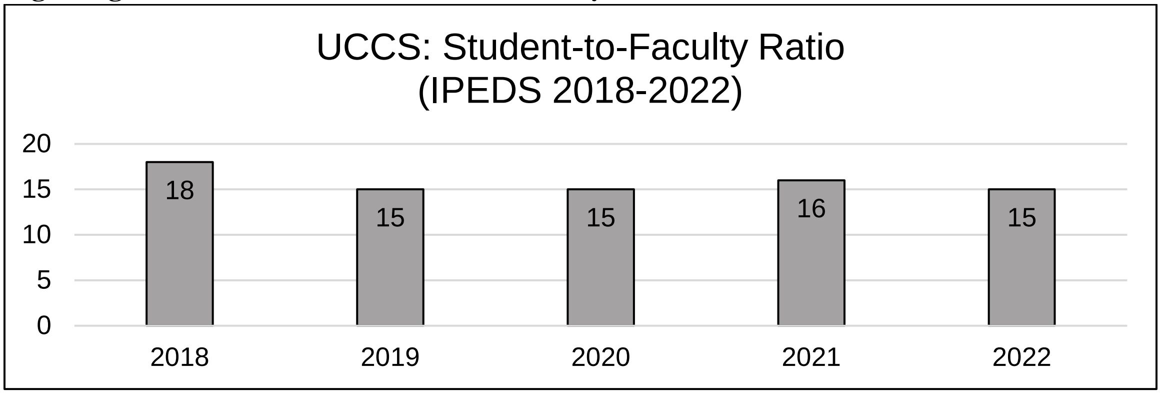
Figure 2f: CU Boulder – Five-Year Student-to-Faculty Ratio Peer Comparison



UCCS

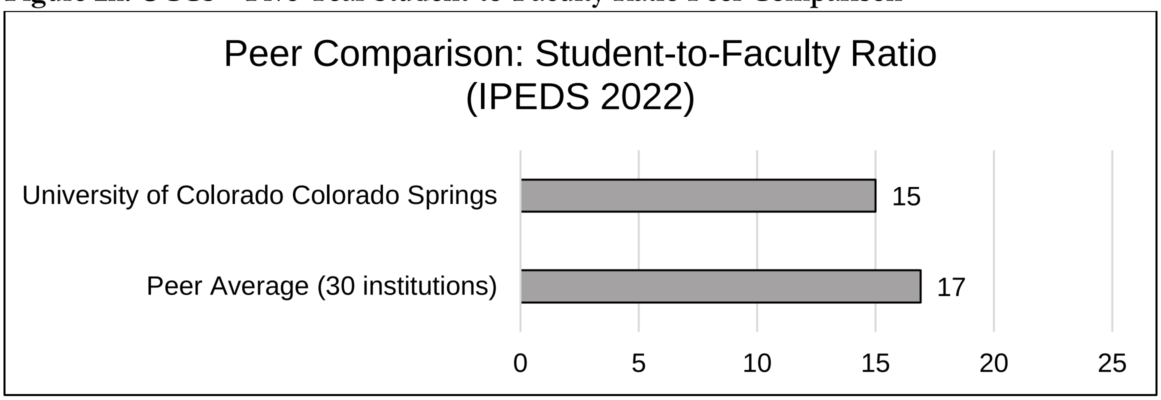
UCCS has seen fluctuation in enrollment and faculty and staff FTE over the last five years, ending at a student-to-faculty ratio of 15 students to 1 faculty member in 2022, as shown in Figure 2g.

Figure 2g: UCCS – Five-Year Student-to-Faculty Ratio



UCCS's five-year student-to-faculty ratio is below the campus' IPEDS peer average of 17 faculty per 1 student, as shown in Figure 2h.

Figure 2h: UCCS – Five-Year Student-to-Faculty Ratio Peer Comparison



CU Denver | Anschutz

At CU Denver | Anschutz, IPEDS consolidated reporting for the campuses show that the trends between enrollment growth and total faculty and staff FTE are aligned. Over the past five years of data, CU Denver | Anschutz's student-to-faculty ratio remained constant at 17 students per 1 faculty member, as shown in the following Figure 2i.

Figure 2i: CU Denver | Anschutz – Five-Year Student-to-Faculty Ratio

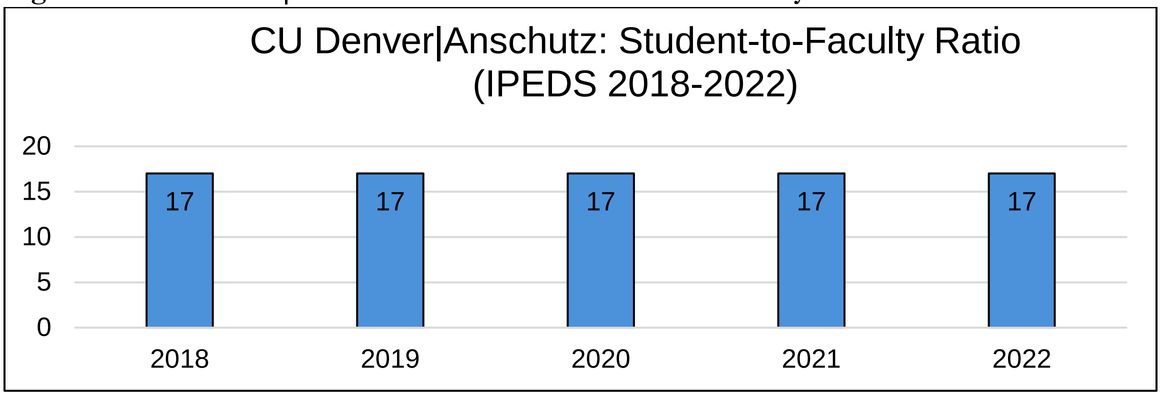
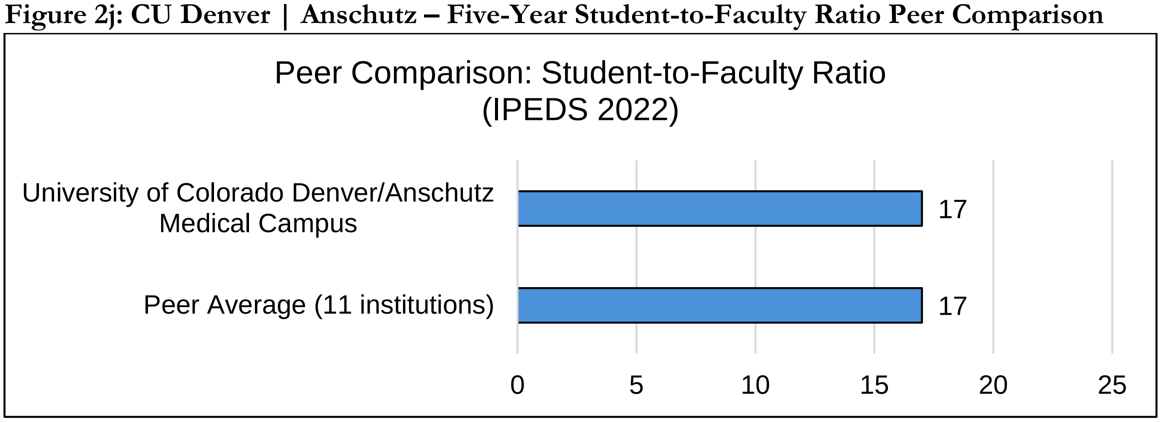


Figure 2j illustrates that the CU Denver | Anschutz student-to-faculty ratio aligns with the average for its 11 IPEDS peer institutions. The consistent student-to-faculty ratio indicates that trends in student FTE and faculty FTE move together, and the trends are aligned.

Figure 2j: CU Denver | Anschutz – Five-Year Student-to-Faculty Ratio Peer Comparison



3 [Rep. Bird]: How does the WINS agreement affect your budget, both directly and indirectly? Understanding that classified staff are a small portion of the employees, doesn't the WINS agreement have equity impacts and create pressure for pay?

Response: Of CU's almost 12,500 staff FTE, 1,269, or 10.2%, are classified staff. Per the WINS agreement, classified staff will receive a compensation increase of 2.5% in FY 2025-26. At CU this total classified staff increase in compensation will be approximately $1.9 million.

In addition to the direct cost of implementing the WINS agreement, there will also be an indirect cost to address equity issues created among non-classified staff in the same or similar positions, including but not limited to accountants, cashiers, campus police, and facilities, custodial, and grounds staff. There will also be compression issues created among classified and non-classified staff supervisors of affected employees.

One of the primary components of the indirect cost of pay (for non-classified employees) is tied to the December 2024 IHE base core minimum cost request of a 2.5% compensation increase for all employees. While the Governor's November budget request for state agencies included a 2.5% salary increase for both classified and non-classified employees, it did not include an increase for non-classified IHE employees including those at CU.

4 [Sen. Bridges]: How has pay for your adjunct and non-tenure-track teaching faculty changed in recent years? Have you taken steps to improve pay/pay equity for these types of employees? What do those salaries look like right now?

Response: At the University of Colorado, faculty salary rate increases apply to all faculty categories: tenure/tenure-track, instructional, research, or clinical faculty (IRC), and contingent (adjunct) faculty.

Contingent faculty (adjuncts), specifically lecturers and senior lecturers, are individuals hired to teach on a course-by-course basis. Lecturers are qualified to teach the particular course or courses for which they have been hired and their primary responsibility is teaching. Lecturers can be offered a semester or full academic year appointment. Lecturers have at-will appointments and are eligible for benefits when appointed at 50% time or more. Per CU policy, if the expertise of either a lecturer or senior lecturer is needed on a long-term basis, they shall be considered for an appointment as IRC faculty and can enter into a contract for up to five years, based on state law.

5 [Sen. Kirkmeyer/Bridges; Reps. Taggart/Bird]: Provide feedback on the Executive Branch request for a bill to improve transparency. Are there components you would like to have included in such a bill?

Response: CU is supportive of the idea of data transparency legislation. Some components that CU would like to have included in the bill, include:

- Formalizing the role of the public IHE data advisory group to collaborate when making decisions about definitions, collection, and use of IHE data collected through the department's Student Unit Record Database (SURDs);
- Providing access to deidentified student level statewide data reported by governing boards and state supported IHEs to reporting public institutions of higher education; and
- Sharing compiled Department of Higher Education and IHE fiscal note responses with all public IHEs that submitted an estimated fiscal impact rather than the recent DHE practice of omitting the department's response, assumptions, and calculations on reported fiscal impacts.

Increased data transparency will allow IHEs to evaluate data sets and provide analysis to inform the effective implementation of new legislation and help respond to questions posed by stakeholders and legislators For instance, recent legislation, including but not limited to the bills listed below, used public IHE data:

- HB 22-1349, Postsecondary Student Success Data System
  (Sponsors: Rep. Duran and Will; Sen. Bridges and Priola)
- HB 24-1340, Incentives for Post-Secondary Education
  (Sponsors: Rep. Bird and Taggart; Sen. Kirkmeyer and Zenzinger)
- SB 24-164, Institution of Higher Education Transparency Requirements
  (Sponsors: Sen. Buckner and Lundeen; Rep. McCluskie and Pugliese)

In all the examples listed above and more, IHEs could provide analysis to evaluate and inform on public policy outcomes and augment DHE data.

Additionally, increased data transparency should improve the consistency and accuracy of department and IHE fiscal note cost estimates, due to the earlier detection of potential errors and oversights.

Economic Impacts

6 [Sen. Amabile] What can you tell us about the economic impact of your institution(s) on the state?

Response: The University of Colorado is an economic driver in the state of Colorado, employing thousands of workers, purchasing good and services from local Colorado companies and vendors, importing investment, educating the state's workforce, and exporting research discoveries. Aside from the direct impact, the university facilitates company growth and job creation through research, tech transfer, and spinoff companies.

CU completed an economic impact study in Fall 2024. The study provides a snapshot of the university's economic contribution to the state and the economic contribution of the system and the four campuses to their respective communities.

The following summarizes the economic impact for the University of Colorado System:

- The University of Colorado is a top 5 employer in Colorado by employment, and generated an economic impact of $11.6 billion in FY 2023-24 for the State of Colorado.
    - The University of Colorado's affiliates, including the University of Colorado Hospital and Children's Hospital Colorado, generated an additional economic impact of $7.8 billion.
- The university directly employed a total of 51,185 individuals (faculty, staff, and student workers) at some point in FY 2023-24.
- Salary, wages, and benefits totaled $4.1 billion in FY 2023-24, representing 72% of total spending.
- The university operated on $7.1 billion in revenue, with a significant portion relating to sponsored programs and other restricted fund activity.
- The total economic impact for each CU campus is as follows in Figure 6a:

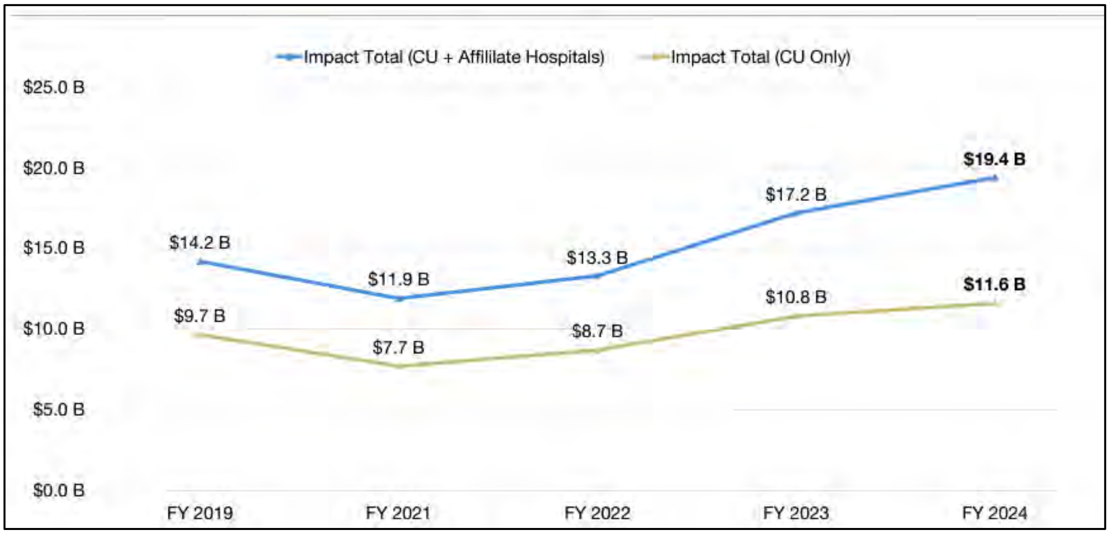
Figure 6a: CU's FY 2023-24 Economic Impact, $11.6 billion, by campus

CU Anschutz	CU Boulder	CU Denver	UCCS	CU System
$5.3 billion	$4.6 billion	$771 million	$690 million	$246 million

Calculated impact includes direct, indirect, and induced impact from expenditures.
Source: FY2023-24 CU Economic Impact Study. Analysis by Leeds School of Business, Business Research Division.

The following Figure 6b shows CU's economic impact over the last five years. CU's economic impact continues to increase following a contraction during the pandemic which can be seen in FY2020-21.

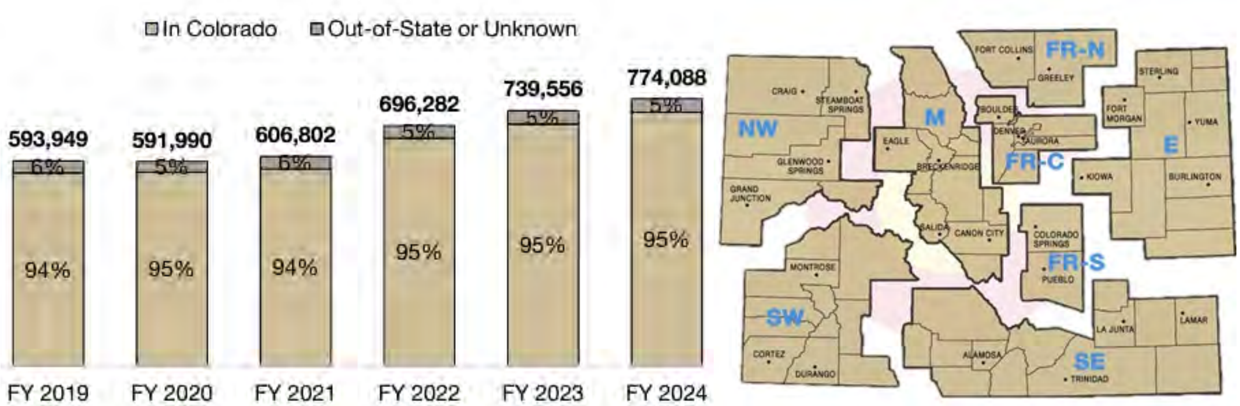
Figure 6b: CU Economic Impact – With and Without Affiliates



CU's impact stretches far beyond economics, and some impacts – like technology innovation, inventions, and patients served by CU providers – were not quantified in the economic impact study.

- Technology innovation: In FY 2022-23, there were 68 license and option agreements and 10 startups spun out of university technology.
- New inventions: In FY 2022-23, there were 145 invention disclosures, 189 patents filed, and 41 deals resulting from CU inventions.
- Patients served by CU providers: the following Figure 6c shows the number of patients served by CU providers, both by year and by region in Colorado. The number of patients served by CU Anschutz clinical faculty increased 30% from FY 2018-19 to FY 2023-24.

Figure 6c: Patients Served by CU Anschutz Clinical Faculty



By Region	FY 2019 Patients	FY 2020 Patients	FY 2021 Patients	FY 2022 Patients	FY 2023 Patients	FY 2024 Patients	% change from 2023	% change from 2019
Eastern (E)	6,491	6,142	6,582	6,957	7,282	8,012	10%	23%
Front Range (Central)	437,187	435,070	435,918	507,473	540,146	564,609	5%	29%
Front Range (North)	31,793	32,013	37,199	42,345	46,092	50,283	9%	58%
Front Range (South)	59,031	63,146	65,021	73,539	76,628	78,819	3%	34%
Mountain (M)	9,472	9,521	9,871	10,658	11,287	12,096	7%	28%
Northwest (NW)	6,813	6,991	7,738	8,259	9,033	9,722	8%	43%
Southeast (SE)	4,265	4,248	4,405	5,051	5,346	5,940	11%	39%
Southwest (SW)	3,978	4,055	4,507	4,859	5,338	5,942	11%	49%
Colorado Total	**559,030**	**561,186**	**571,241**	**659,141**	**701,152**	**735,423**	**5%**	**32%**
Out-of-State or Unknown	34,919	30,804	35,561	37,141	38,404	38,665	1%	11%
Grand Total	**593,949**	**591,990**	**606,802**	**696,282**	**739,556**	**774,088**	**5%**	**30%**

Financial Aid/ Free Tuition Messaging

7 [Staff] Discuss any "Promise"/Free tuition program you've launched at your institution. What has been the impact so far? Do you have recommendations or feedback on launching a statewide initiative that helps low-to-moderate income students understand a statewide front-end ("promise") for low-income students related to tuition and fees, as well as the back-end tax credit for students with AGI up to $90,000?

Response:

CU Promise Programs
A version of a CU Promise program is offered to Colorado undergraduate resident students at each of the three CU undergraduate serving campuses: CU Boulder, CU Denver, and UCCS. The program requirements and benefits vary slightly based on what a campus can afford, but all three campuses cover the cost of tuition and fees for the students with the highest financial need. CU would not be able to provide a CU Promise program without the support of the state and the legislature through Colorado's need-based grants and financial aid. Each campus program is detailed below.

CU Boulder: CU Promise
CU Boulder is committed to addressing affordability and increasing access to higher education through its CU Promise program, which began in 2006. The current program provides a combination of grants that cover the cost of tuition and fees for Colorado resident students with the greatest financial need. Families who are eligible have an adjusted gross income of $65,000 or less. Additionally, students with a negative Student Aid Index (SAI) may receive up to an additional $5,000 to help cover other education expenses beyond their tuition and fees. To qualify for the CU Promise, students must complete a FAFSA/CASFA.

Separate from the state's program, the CU Promise expanded the campus program for the 2023-24 school year, substantially increasing the number of eligible students. The campus expansion of the CU Promise greatly benefits students enabling them to retain and graduate at higher rates. As a result of the expansion, the number of students classified as CU Promise increased 62 %, from 1,922 to 3,122 students, over the prior year.

The number of Pell eligible students with tuition and fees covered increased 5.8% from 3,370 to 3,566 over the same period. The FAFSA Simplification Act expanded the number of students eligible for federal Pell grants beginning fall 2024. This increased CU Promise an additional 14%.

CU Denver: The CU Promise

CU Denver is committed to assisting students in their pursuit of a college education. The campus guarantees that eligible Colorado residents from low-income families will be able to afford the academic costs of a college education. The CU Promise program began fall 2005. Families who are eligible typically have an adjusted gross income of $65,000 or less. Eligible students receive a financial aid award package that includes a combination of grants, scholarships, and work-study sufficient to fund the student share of tuition and fees. To qualify for the CU Promise, students must complete a FAFSA/CASFA.

The number of Pell eligible students who had tuition and fees covered in FY 2023-24 was 2,483, an increase of 10% and 229 students over the prior year.

UCCS: Clyde's Pride Promise

UCCS is committed to promising Colorado residents who are Federal Pell Grant eligible a total grant award of $12,500 each year they are enrolled at UCCS, to cover the cost of tuition, fees, and books. Families who are eligible typically have an adjusted gross income of $65,000 or less. To qualify for Clyde's Pride Promise, students must complete a FAFSA/CASFA.

UCCS has been able to assist more than 2,000 Colorado resident students, or nearly one-third of its resident undergraduate students, each year since 2006 through the Clyde's Pride Promise program. The number of students classified as Clyde's Pride Promise recipients for FY 2023-24 was 2,169, an increase/decrease of 5% and 110 students over the prior years.

CU Anschutz

State financial aid supports graduate students at the CU Anschutz by reducing the amount of loans that students need to take to meet costs. In FY 2023-24, 771 graduate students received a state need-based grant which is critical to helping preserve affordability for degree programs that help graduate students to meet critical statewide healthcare shortages.

Recommendations on a Statewide Initiative

Campus Promise programs combine aid from federal, state, and institutional sources for eligible students. Colorado need-based grants are a critical component of each program. A statewide initiative ideally would be designed to monitor changes in federal Pell grants and the distribution of state funded financial aid to ensure that Promise programs remain viable and continue to allow for institutional flexibility.

Tax Credits

The University of Colorado appreciates the state's effort to target support to students with incomes up to $90,000. Targeting tax credits to students with low to moderate financial need increases access to higher education for an at-risk population that is not covered by many of the available financial aid programs. Often students with low to moderate need, but not the highest level of need, are left without adequate financial resources to fully fund their direct expenses.

CU recommends that the messaging about institution of higher education promise programs ("front-end") be distinct from the messaging about student eligibility for future tax credits ("back-end"). Messaging promise programs and tax credits separately will alleviate confusion about how to access each program and help families better understand what costs need to be budgeted in a current year. Additionally, future messaging should evaluate ways to alleviate confusion about the fact that students who receive resident tuition rates through a residency exception, such as an active-duty military student, are not eligible for the tax credit.

8 [Sen. Bridges]: How are the programs being provided at your institution(s) by the Colorado Opportunity Scholarship Initiative (COSI) different from the supports that your institution is providing? Discuss the effectiveness and impact of COSI funding at your institution.

Response: COSI has a minor but appreciated impact across the University of Colorado. COSI programs provide different support than institutional programs. At CU Denver and UCCS, COSI programs are used to bridge the difference between campus financial aid awards for tuition and fees and the full cost of attendance and may be used for housing, transportation, or other expenses. In the most recent year, CU Denver used $76,230 in COSI funds to match donor support to increase the impact for 73 students. Students who receive COSI funding are more likely to be retained and graduate with reduced loan debt. UCCS used $627,378 in COSI funds in the most recent year to serve 250 students.

At CU Boulder, COSI is offered in partnership with campus support programs. This helps the campus avoid duplicate efforts and promotes resources to address existing equity gaps for underrepresented students. These programs support summer bridge/extended orientation, academic success, financial literacy, individual student support, completion, and career/graduate school transition. The total COSI funding at CU Boulder in the most recent year was $208,250 with an average award per student of $3,000. The CU Boulder COSI Community Partner Program coordinator supported approximately 171 students in the 2023-2024 academic year. The combination of programmatic support and student scholarships improves student retention and graduation.

REQUEST R8 – FOR CU AND CSU SYSTEMS ONLY

9 [Staff]: The request assumes that the investment would earn 4.0% in interest each year, for a total of $20.0 million annually. However, based on the annual reports from Treasury, 2024 and 2025 are the only years since at least 2016 in which the T-pool earned more than 3.0% (with 3.7 % in 2024 and in 2025 year to date). The average return for 2016 through 2024 year was 1.9%. Is 4.0% a reasonable assumption on an ongoing basis? If the portfolio would be more aggressive than the Treasurer's current investments then please discuss the potential risk. These funds would remain a part of the General Fund reserve and must remain available in the case of an economic downturn.

Response: This proposal is intended to be a fund that is invested differently than how the overall State Treasury pool is managed. In general, using an example of $500 million, at the present time if that were invested in 10-year US Treasury bonds, the current rate of interest would be approximately 4.5% with nearly zero risk. Bond prices and interest rates move in opposite directions. So, one type of risk would come if interest rates ROSE during a time when the State re-called the money. The bonds would then be sold for less than they were purchased. If the bonds were held to maturity, there would be no loss of capital. Because interest rates usually drop if there is a recession (thus the time when the State might need the money), it is rather more likely that the value of this portfolio will increase.

For more information on this issue, we include the following narrative (slightly amended here) that was provided to JBC Staff in Fall of 2024:

> The following narrative describes the investment proposal regarding the State's General Fund Reserve. When this was originally presented, there were two options one for using a treasury function within an institution of higher education and one that leverages the State's relationship with PERA. Based on the inclusion of the higher education version in the November 1, 2024 budget request from the Office of the Governor, that will be the focus of this narrative.

Short version:

Create mechanisms outside the State Treasury that allow interest earnings on the General Fund reserve to be used strategically and with greater returns, with minimal impact on their availability in a downturn. This mechanism involves creating a loan or trust account that would generate controlled maintenance dollars for higher education, thereby creating costs avoided in the General Fund and keeping momentum on lagging controlled maintenance items.

Long Version:

The recent rise in interest rates as well as the remarkable achievement of establishing a 15% reserve in the General Fund have created some new opportunities for the State to consider. These opportunities have the potential to free up resources in annual budgets.

At the present time, this money is held by the State Treasurer and invested conservatively per State statutes. The money earned by most of this investment is revenue that counts towards the TABOR revenue cap. While this strategy is generating a return, the returns are less than could be earned with other strategies and in years where there is a TABOR surplus, do not help with State expenses.

Primary Strategy as Proposed in R-08 New Cash Fund for IHE Capital Expenses:

Create a Controlled Maintenance Trust Fund for Higher Education

As originally presented to the JBC earlier in 2024, the State would create within a university treasury a restricted fund that could be called the Higher Education Controlled Maintenance Trust Fund. The monies would come from the General Fund reserve and would be invested conservatively in fixed income products (mostly US treasuries and some corporate bonds). The earnings from this fund would be subject to annual appropriation by the General Assembly and could be directed to fund the costs of Level 1, 2, or 3 controlled maintenance of Higher Education institutions. By generating money that is not otherwise available to the General Assembly, this will reduce the annual cost responsibility for controlled maintenance, and thus free up monies for other statewide priorities.

Impact on the Amount of Reserves Available in a Downturn

A natural reaction to these strategies is: What happens in a recession? How quickly can the State access these funds in an emergency?

A key factor with these questions, aside from their paramount importance, is to understand that the General Fund reserve is not a single pot of money sitting outside of the other funds held by the State. When the State creates its annual budget, it is presented as a complete picture of a fully executed year of revenues and spending on an accrual basis. The actual cash management of the budget is not as direct. For example, at the beginning of a fiscal year, tax collections are not fully realized but expenses start immediately. The State Treasury manages this cash flow with tax revenue anticipation notes and other methods.

To keep the visibility and access to the reserve, this idea would be best paired with a "tiered" approach to the General Fund reserve. In the case of a downturn, these newly invested monies should be categorized as the "last dollars" used in the case of a dramatic downturn. Assuming a $500 million corpus, it would take a downturn equivalent to 2000-2002 or 2008-2009 for these dollars to be needed.

That said, they could be made available very quickly to the State if there is a cash emergency (very unlikely) to ensure that the financial books are closed correctly and the envisioned budget decisions are implemented. Again, the cash availability versus the ability to make budgeting decisions do not have to happen at the exact same time. Still, policy makers should know that if cash availability is a concern, this structure does not create impediments to quick availability of dollars.

As one example of making monies available, if the State needed the reserve dollars in the new controlled maintenance account, the earnings could be directed to operating needs or, the State could direct the sale of the portfolio and those dollars could replace reduced appropriations to higher education. Or more simply, given a serious financial emergency, the monies could be returned to the State without concerns of exceeding the fiscal year spending limit.

Key Steps / Statutory rules for the Proposal

1. Determine size of the corpus and designate tiers in the reserve
2. Determine investment rules and governance (these should mimic existing policies that are already operational and succeeding); this includes identifying the University treasury providing the effort (note: this new activity does create some additional administrative expense that can be captured from the interest earnings) and an investment advisory committee.
3. Determine appropriations rules for interest earnings, which should be done in arrears to avoid any claw back issues.
4. Determine processes and triggers for the State to recapture the funds if the General Assembly is not in session.
5. Determine reporting desired by General Assembly or State Controller's Office.

10 [Staff] Please discuss the additional infrastructure, oversight, and staff that would be necessary to manage the investment account. Would it require a separate investment committee? Would the IHE require more staff? What would that look like and how much would it cost each year? Please discuss all administrative and management costs that would be necessary – and whether they could be paid for from the earnings.

Response: CU and CSU believe most of these issues are captured in the "key steps" presented above. CU and CSU believe the most important decision is to decide if this policy is preferred to proceed. CU and CSU would then suggest a working group to determine the answers to the questions above. In large part, these answers would inform most of the statutory framework. In general, additional workload is approximately 0.5 FTE (~$75,000 plus fringe) and perhaps $100,000 to $200,000 of consulting and advising expenses. These costs could be paid from proceeds.

11 [Staff] The request proposes to have one institution of higher education manage the funds and then to use the interest earnings for controlled maintenance projects at all institutions. What process do you envision for the approval of projects and the distribution of funds among institutions? What infrastructure would need to be in place for one institution to manage the investments and allocate funds to the other institutions?

Response: The process of project approval should be duplicated as it exists now with existing controlled maintenance dollars. CU and CSU believe the IHE managing the fund could transfer funds to an enterprise account from which the legislature makes an appropriation. Unless there are other impediments, this program would look very much like existing controlled maintenance management now.

DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING

Colorado State University System Responses

Friday, January 10, 2025

2:00PM – 3:15PM

QUESTIONS FOR ALL GOVERNING BOARDS/INSTITUTIONS

Please briefly introduce yourself and the institution(s) you represent. (Please keep to 5 minutes per institution/governing body)

Executive Request, Institutions' Funding Request, and Cost Drivers

1. [Sen. Bridges]: The institutions have requested an increase of $80.2 million General Fund, including financial aid, which is over $100 million more than Governor's request. The JBC has asked other state agencies to propose budget cuts. How can higher education assist the JBC in balancing the budget?

Response: Relative to the letter sent by most of the IHEs, the revised Governor's request is now higher. The IHE letter included in its request the rural funding now proposed to be restored for one year and reconciled with the new funding formula (this accelerated process to develop a new one is just underway). The remainder of the higher education request reflected common policies for compensation, health benefits and general inflation that appear to be reflected in most State department budget requests. This increase in State funding would allow tuition rate increases to match current estimates of inflation. This in turn allows us to maintain quality services and operations while compensating employees equitably across all operations and job categories.

Nonetheless, we very much understand the problem the JBC and State are facing. It is for this reason that we worked with the Office of State Planning and Budgeting to agree to a delay of the final phase of the Clark reconstruction project at the Fort Collins campus. While CSU cannot forego this funding, we are able to delay receiving the final appropriation of approximately $25 million until FY 26-27.

Meanwhile, as reflected in the answer regarding the reserve proposal, we remain committed to assisting the JBC members and staff with their deliberations and questions.

Separately, we are aware of a JBC Staff item that contemplates a 5% reduction in state appropriations. For CSU this equates to over $12 million annually. Our strategy to absorb this drop would depend on if it were for one year or a permanent base reduction and if there were any possible backfill options with tuition increases, which we surmise are not likely.

As in prior downturns, the unfortunate impact of this would be to return to a well-known menu of tactics. These include deferring expenses on building maintenance with potentially higher costs later, reviewing reserve levels (being mindful of credit rating and other risks), holding open positions, reviewing non-academic student supports (that perversely would affect credential completion and revenue generation), and eliminating positions or programs as strategically as possible. We are comfortable saying that a permanent loss of $12 million annually would adversely affect our ability to execute our mission and lessen educational affordability for our students.

2. [Sen. Bridges] Discuss your employment trends in an environment of declining student enrollment. In particular, How much has the FTE for faculty/staff involved in your educational mission changed between FY 2018-19 and the present? How much has student FTE enrollment changed over the same period? Are those two trends aligned, i.e., has the faculty/staff to student ratio changed? Why/why not?

Response: In response to the question regarding employment trends amidst steady student enrollment, CSU can provide a clear rationale for the observed increase in faculty and staff full-time equivalents (FTE) between FY 2018-19 and FY 2023-24. Specifically, while student FTE enrollment has remained stable, the FTE for various employee categories has grown strategically to support the university's expanding research mission and operational needs.

The ratio of student FTE to tenured and tenure-track (T+TT) faculty FTE has remained steady at approximately 23:1 over the period in question. This stability indicates that the core educational mission has not been compromised by fluctuations in faculty numbers. The modest increase in T+TT faculty FTE (+12) aligns with maintaining instructional quality and capacity in response to stable enrollment.

The changes in faculty and staff FTE from FY 2018-19 to FY 2023-24 are as follows:

- Tenured and Tenure-Track Faculty (T+TT Faculty):
  - FY 2018-19: 1085
  - FY 2023-24: 1097
  - Difference: +12
- Continuing/Contract/Adjunct (CCA) Faculty):
  - FY 2018-19: 775
  - FY 2023-24: 1016
  - Difference: +241
- Staff (Administrative Professionals, State Classified, and Other):
  - FY 2018-19: 5715
  - FY 2023-24: 6193
  - Difference: +478

The increase in CCA faculty (+241) can largely be attributed to the transition of approximately 165 staff positions in Extension to CCA faculty roles. This structural change reflects an operational realignment rather than a net new addition to headcount, ensuring that Extension services remain robust and well-supported. Moreover, the reliance on CCA faculty has coincided with the university's increased research activity. As research grants and contracts have grown, additional CCA faculty have been hired to absorb instructional duties previously managed by T+TT faculty, who are now dedicating more time to grant-funded research projects.

The increase in staff FTE (+478) is linked in part to the university's growing research enterprise. Over the period in question, the university has seen a significant increase in external research funding, estimated at approximately $100 million. This growth necessitates additional administrative, technical, and support staff to manage the increased volume and complexity of research activities.

Based on a rough estimate that every $1 million in external funding requires about 7-10 additional staff or CCA faculty, the increase of 719 FTE (CCA faculty + staff) aligns with expectations. Specifically:

- Staff are hired to manage grant and contract administration, compliance, and project-specific tasks.

- CCA faculty are hired to support instructional needs, enabling T+TT faculty to focus on research commitments.

The FTE increases reflect intentional investments in the university's strategic goals:

1. Supporting the Educational Mission: Maintaining a steady student-to-faculty ratio ensures that instructional quality remains high despite shifts in faculty roles.
2. Expanding Research Capacity: Growth in staff and CCA faculty directly supports the university's expanding research enterprise, enhancing its regional and national reputation.
3. Enhancing Operational Efficiency: The realignment of staff to CCA faculty roles, particularly in Extension, demonstrates a commitment to operational efficiency while sustaining critical services.

The observed increase in faculty and staff FTE is a result of deliberate strategic decisions designed to bolster both the educational and research missions of the university. These changes have been implemented in an environment of stable student enrollment, ensuring that the university remains competitive, research-driven, and capable of delivering high-quality education.

CSU Pueblo

CSU Pueblo is a smaller institution with limited faculty turnover so T+TT Faculty numbers tend to be stable over time. A modest decrease in T+TT faculty was seen, balanced in a slight increase of Full-time Contract faculty. Reported staff FTE did decrease significantly over this period.

- T+TT Faculty FTE
  - FA 2018: 128
  - FA 2023: 125
  - Difference = -3 (-2.3%)
- Contract Faculty FTE (FT)
  - FA 2018: 47
  - FA 2023: 50
  - Difference = +3
- Adjunct Faculty Headcount (FTE not available)
  - FA 2018: 178
  - FA 2023: 196
- Staff FTE
  - 2018: 402
  - 2023: 359
  - Difference = -43 (-10.7%)
- Student FTE
  - FA 2018: 3318
  - FA 2023: 2960
  - Difference = -358 (-10.7%)

CSU Pueblo is a smaller institution with limited faculty turnover so T+TT Faculty numbers tend to be stable over time. A modest decrease in T+TT faculty was seen, balanced in slight increase of Full-time Contract faculty. Reported staff FTE did decrease significantly over this time period.

The ratio of student FTE to tenured and tenure-track (T+TT) faculty FTE has remained steady with slight increase (15:1 to 16:1) over the period in question. Other faculty numbers fluctuate with research and grant activity, or other funding sources.

3 [Rep. Bird]: How does the WINS agreement affect your budget, both directly and indirectly? Understanding that classified staff are a small portion of the employees, doesn't the WINS agreement have equity impacts and create pressure for pay?

Response: The COWINs agreement represents a compensation cost increase of $2.76M across the CSU System. The increase represents an across-the-board increase in pay of 2.5% for all state classified employees as well as step increases based on longevity of time in position regardless of performance. CSU's faculty, administrative professionals and graduate assistants are provided with an increase separately from the COWINs process. Employees compare compensation increases across employee groups so there is pressure to provide comparable compensation increases to all employees. In some cases, there are employees that are performing similar work, but some are provided with a guaranteed compensation increase and the others depend on the condition of the budget to fund an increase. In recent years, budget reductions have been necessary to provide employees with access to compensation increases.

4 [Sen. Bridges]: How has pay for your adjunct and non-tenure-track teaching faculty changed in recent years? Have you taken steps to improve pay/pay equity for these types of employees? What do those salaries look like right now?

Response: Over the past several years, CSU has made significant strides in improving compensation for our adjunct and non-tenure-track teaching faculty, particularly for full-time Contract, Continuing, and Adjunct (CCA) faculty. Between 2017 and 2020, we undertook a phased initiative to raise the 'base' 9-month salaries for full-time CCA faculty to $50,000. This initiative was aimed at improving pay equity and enhancing the financial stability of our non-tenure-track faculty. During this period, our focus was primarily on increasing the salaries of full-time CCA faculty, while also working to move eligible adjunct faculty into CCA status whenever feasible.

Since 2020, efforts have continued to maintain and grow the base salary levels while placing more emphasis on building out promotion ladders for CCA faculty. As a result, we have seen steady increases in both the average salary and the total number of CCA faculty.

Here's a snapshot of how salaries have evolved over time:

Snapshot Date	CCA Faculty Count	% Under $50k	Average Salary
9/1/2018	93	26.88%	$63,589
9/1/2019	347	21.90%	$73,509
9/1/2020	382	22.77%	$73,640
9/1/2021	377	1.59%	$76,737
9/1/2022	409	1.47%	$82,370
9/1/2023	620	0.65%	$86,715
9/1/2024	637	1.10%	$87,095

As shown, the average salary has grown significantly, from $63,589 in 2018 to $87,095 in 2024, while the percentage of faculty earning under $50,000 has dropped from 26.88% to just 1.10%. This reflects our commitment to ensuring competitive pay and improving overall pay equity for non-tenure-track faculty.

While adjunct faculty hired for part-time work or single-year contracts were not the primary focus of the initial salary improvement initiative, we remain committed to exploring ways to enhance their compensation and create opportunities for more stable roles within our institution.

5 [Sen. Kirkmeyer/Bridges; Reps. Taggart/Bird]: Provide feedback on the Executive Branch request for a bill to improve transparency. Are there components you would like to have included in such a bill?

Response: We recognize that accessing the large amount of information and data sets is daunting and certainly improvements could be made. So, in addition to other the ideas presented by other IHEs, we believe that the data reporting effort as outlined in the November 1 request could be guided by a facilitated process that minimizes costs and maximizes existing structures and systems. Also, a review of best practices around the country could well uncover an innovation that is missing for better access and understanding of higher education in Colorado. Moreover, while the narrative described standardized formats and markers of fiscal health, we would recommend evaluating whether that while there is a large volume of data available, there could well be not enough information, that is, analysis of annual data sets. Meanwhile, this legislation should acknowledge the lead times required for financial information such as audited financial statements, among others.

Economic Impacts

6 [Sen. Amabile] What can you tell us about the economic impact of your institution(s) on the state?

Response: The Colorado State University (CSU) System generates significant statewide economic impacts, supporting over 22,785 jobs and contributing $237.74 million annually in state income and sales tax revenue. Alumni, who make up nearly 1 in 25 Colorado workers, add $2.9 billion in annual wages beyond what they would earn with only a high school diploma. Additionally, CSU research and innovation drive productivity in local industries, adding $740.7 million in household income and over $60 million in state tax revenue annually. Out-of-state students inject new spending into the economy, and university operations, student expenditures, and start-up activities help bolster regional economies in Fort Collins and Pueblo, creating thousands of local jobs and increasing tax revenues. (Colorado State University System Economic and Fiscal Impact Study, January 2021).

The following are links to the Colorado State University Systems economic impact on Colorado:

https://csusystem.edu/wp-content/uploads/sites/7/2021/02/Economic_Impact_short_v2.pdf

https://csusystem.edu/economic-impact/

2024 (2022-23) System Impact Report (little speaks to true economic impact in this report)
https://csusystem.edu/wp-content/uploads/sites/7/2024/10/2024-CSU-System-Impact-Report-digital-1-ACS.pdf

2021 System Economic Impact

https://csusystem.edu/economic-impact/
https://csusystem.edu/wp-content/uploads/sites/7/2021/02/econ-impact-2021-report-final-21.pdf

2020 System Impact on Talent, Retention and Jobs

https://csusystem.edu/csu-system-economic-study-shows-impact-on-talent-retention-jobs-revenue/

Joint CSU Pueblo and PCC Report (2019-2020)

https://www.csupueblo.edu/office-of-the-president/_doc/one-impact-report.pdf

Financial Aid/ Free Tuition Messaging

7 [Staff] Discuss any "Promise"/Free tuition program you've launched at your institution. What has been the impact so far? Do you have recommendations or feedback on launching a statewide initiative that helps low-to-moderate income students understand a statewide front-end ("promise") for low income students related to tuition and fees, as well as the back-end tax credit for students with AGI up to $90,000?

Response: Colorado State University's Tuition Assistance Grant utilizes federal, state, and institutional grant funds to cover at least 50 to 100 percent of a student's share of base tuition for students who have a qualified family Adjusted Gross Income (AGI) reported on the Free Application for Federal Student Aid (FAFSA) or Colorado Application for State Financial Aid (CASFA).

At Colorado State University, the CSU Tuition Assistance Grant has been instrumental in centering CSU's land-grant mission of providing access to higher education for the people of Colorado for over 15 years. More than 4,000 Colorado-resident students per year receive the CSU Tuition Assistance Grant, with average institutional awards of nearly $5,500 that couple with federal/state financial aid to cover at least 50 to 100 percent of a student's share of base tuition.

One of the key lessons learned at CSU related to our Tuition Assistance Grant Program is that spreading awareness and helping students, their families, and supporters to understand how the program works is key to success. We have found that our students and families respond well when we 1) ensure they know about the availability of the program and 2) are able to clearly illustrate that they have financial aid funding available to cover direct costs (those that will appear on their student bill) to attend CSU.

\------

Beginning in Fall 2024, students who attend Colorado State University and have family incomes of $90,000 or less are eligible for complete reimbursement of any out-of-pocket tuition and fees paid for their education via the Colorado Promise Program (HB 24-1340). The program expands on individual institutional promise programs and extends financial support to middle-income Colorado residents.

CSU is excited about this program and looks forward to how it may support those students who may be just above eligibility for CSU's Tuition Assistance Grant but still demonstrate financial need. If there is a challenge to be mentioned, it is with respect to timing of how 24-1340 works. For example, the program is active for the Fall 2024 semester, forward – but the law is currently written to align with an academic year, not a tax year. Thus, CSU (as well as all Colorado IHE's) will not send 2024-25 academic year data notifying CDHE of student eligibility until Spring 2026 (to be processed as a tax credit on the 2025 Colorado income tax return). This means that a student or family will not see their credit on out-of-pocket tuition expenses paid in Fall 2024 or Spring 2025 until Spring 2026 at the earliest. At CSU, we have found that this has created some confusion with students and families who were expecting funds in-hand Fall 2024.

8 [Sen. Bridges]: How are the programs being provided at your institution(s) by the Colorado Opportunity Scholarship Initiative (COSI) different from the supports that your institution is providing? Discuss the effectiveness and impact of COSI funding at your institution.

Response: COSI in some ways was modeled after CSU and what we do within CSU's Community for Excellence (C4E) Program - (also modeled after TRIO). Therefore, it is similar to what we provide at CSU, but we know we cannot serve all these students with existing C4E resources. COSI has become essential to the scale of student access and success impacts we can have for low-income students in Colorado. Were COSI to go away or be reduced, CSU would not be able to serve these students with existing resources. The reports below show the effectiveness/impact data, the program undoubtedly allows CSU to serve and graduate more low-income students.

CSU's University Advancement colleagues indicate the match provided by the state is attractive with donors and helps CSU secure gifts we might not otherwise get. Overall, CSU is excited about the COSI program re-design process. The effectiveness of COSI (can be, at times) limited by the burden of administration, logistics, and required compliance and assessment reporting. This is true of most external funding/support, and anything that can be done to streamline these elements is desirable.

CO Promise at CSU Pueblo

Colorado State University Pueblo launched its Colorado Promise (now renamed Pack Promise) program in Fall 2022, becoming one of the first institutions in the state to offer such a program to Colorado residents. The program was only available to new students with an income below $50,000 during its first year; however, it now includes all CSU Pueblo students who have an income below $70,000. In the last two full academic years, CSU Pueblo has awarded an average of nearly $90,000 to 45 students annually.

CSU Pueblo has been actively involved in the committee work to propose changes to the current Colorado Promise program and is supportive of changing the income threshold for the front-end funds to $90,000 if additional state funding is allocated to offset the anticipated costs. As noted by others across the state, the back-end tax refund is confusing to students and parents, and CSU Pueblo would support eliminating it and replacing it with the front-end program. CSU Pueblo received Opportunity Next funding for the 2024-2025 academic year and has awarded nearly $500,000 to new students so far this academic year. This additional funding helped decrease the cost of attendance for 339 students who were impacted by the funding in the fall semester.

2023-2024 Summary of COSI Outcomes

COSI Program Goal: Persistence			
Postsecondary Institution	**2023-2024 Program Goal**	**Progress**	**2023-2024 Outcome (include percentage and student count)**
Colorado State University	85% (325 out of 383) of COSI Scholars who enrolled at Colorado State University in fall 2022 will persist to fall 2023 or graduate.	**Met**	89% (362 out of 406) of COSI Scholars who enrolled at Colorado State University in fall 2022 persisted to fall 2023 or graduated.
COSI Program Goal: 100% Completion			
Postsecondary Institution	**2023-2024 Program Goal**	**Progress**	**2023-2024 Outcome (include percentage and student count)**
Colorado State University	50% (36 out of 71) of COSI Scholars who enrolled at Colorado State University in fall 2020 as new students and participated in the COSI program will graduate within 4 years (by Summer 2024)	**On track**	35% (35 out of 101) of COSI Scholars who enrolled at Colorado State University in fall 2020 as new students and participated in the COSI program graduated within 4 years.
COSI Program Goal: 150% Completion			
Postsecondary Institution	**2023-2024 Program Goal**	**Progress**	**2023-2024 Outcome (include percentage and student count)**
Colorado State University	70% (7 out of 10) of COSI Scholars who enrolled at Colorado State University in fall 2018 as new students and participated in the COSI program will graduate within 6 years (by Summer 2024)	**unmet**	42% (5 out of 12) of COSI Scholars who enrolled at Colorado State University in fall 2018 as new students and participated in the COSI program graduated within 6 years (by Summer 2024). Subsequent cohorts should be on track to meet program goal.

Focus Area	Objective	Progress	2023-2024 Outcome (include percentage and student count)
Postsecondary Enrollment/Transition	100% of COSI students who are new to CSU will receive a welcome email, text and/or phone call that builds connection and supports transition needs	**Met**	100% 170/170 100% (170 out of 170) of COSI students who were new to CSU received a welcome email, text and/or phone to support connection and transition needs.
Academic Success	75% of COSI Scholars who are new to CSU will receive support within the first 4 weeks of the Fall 2023 semester.	**Met**	100% 170/170 100% (170 out of 170) of COSI Scholars who were new to CSU received support within the first 4 weeks of the Fall 2023 semester.
Academic Success	75% of COSI Scholars who are continuing students at CSU will receive support from their Scholar Contact within the first 8 weeks of the Fall 2023 semester.	Met	100% - 280/280 100% (280 out of 280) of COSI Scholars who were continuing students at CSU received support from their Scholar Contact within the first 8 weeks of the Fall 2023 semester.
Financial Literacy/Financial Aid Application	90% of COSI Scholars will receive financial wellness support	Met	92% - 349/378 92% (329 out of 378) of COSI Scholars received financial wellness support throughout the year.
Building Connection and Community	70% of COSI Scholars will complete at least one engagement opportunity during the 2023-2024 academic year	Met	92% - 346/378 92% (346 out of 378) of COSI Scholars completed at least one engagement opportunity during the 2023-2024 academic year.
Individual Student Support	90% of COSI Scholars will connect with their Scholar Contact at least once during each semester a student is enrolled	Met	349/378 92% (349 out of 378) of COSI Scholars connected with their Scholar Contact at least once during each semester the student was enrolled.
Seminars	70% of COSI Scholars will complete at least one engagement opportunity during the 2023-2024 academic year	Met	92% - 346/378 92% (346 out of 378) of COSI Scholars completed at least one engagement opportunity during the 2023-2024 academic year.
Postsecondary Success Course	50% First year, full-time students will participate in a first-year seminar or workshops that focuses on college transition and success	Met	51% - 87/170 51% (87 out of 170) of first year, full-time COSI students participated in a first-year seminar or workshops that focused on college transition and success.
Completion/Transfer Course	50% Graduating COSI Scholars in each academic year will participate in engagement opportunities targeted to students preparing to graduate	Met	76% - 59/78 76% (59 out of 78) of graduating COSI Scholars this academic year participated in engagement opportunities targeted to students preparing to graduate. 100% (10 out of 10) of COSI students who transferred to CSU met with their Scholar Contact at least once per semester during the academic year.

Students Served Goals 2024-2025

New Students Number of new students expected to serve in 24-25	**Continuing Students** Number of students continuing from 23/24 to 24/25	**Total Students** Total number of students served in 24/25
97	**282**	**379**

Focus Area #1: Educational Equity Gaps

COSI's mission is to ensure that every Colorado student has affordable access to postsecondary opportunities and can complete a degree or certificate. To meet this goal, COSI programs must intentionally focus on erasing educational equity gaps among historically marginalized populations.

Detail the strategies and programming your organization will provide to support this focus area.

trategy:	etails
Streamlined campus and C4E communication to students with marginalized student identities in mind.	To support marginalized students, several communication strategies will be implemented: a monthly C4E newsletter, weekly emails from Scholar Contacts, text message reminders, and regular updates on C4E social media and website. These efforts aim to provide essential information and resources for postsecondary success, all in English.
Identity Conscious and Individualized Academic Support	Each student will meet with their Scholar Contact at least once in the first 8 weeks for personalized academic support, including time management, academic policy guidance, Canvas assistance, and connections to CSU resources like the Writing Center, TILT, and Libraries. This approach is designed to help marginalized students overcome challenges and achieve academic success.

Focus Area #2: Postsecondary Enrollment & Transition

This focus area prioritizes programming to support students through the enrollment process and transition to the
postsecondary institution. Building early connections with students and providing support with such enrollment tasks as:
application, essay preparation, transcript submission, orientation, and fee waivers.

Detail the strategies and programming your organization will provide to support this focus area.

rategy	etails
Early Outreach	iolar Contacts will reach out to incoming students the summer before matriculation to assist with enrollment and the transition to CSU. This early connection will focus on building relationships, offering guidance, providing resources, and supporting the enrollment process. They will also discuss Ram Orientation and the importance of registering for 12 or more credits during orientation.
Ram Orientation Connection	During Ram Orientation, C4E will offer students the chance to connect with Scholar Contacts in person. Scholar Contacts will share important details about the C4E program, its requirements, resources, and contact information, while also addressing any questions students may have about preparing for fall. Students will sign a Participation Agreement to formally enroll in the program and access ongoing support. This early engagement aims to support the successful transition to CSU, particularly for historically marginalized populations, by providing comprehensive support and addressing educational equity gaps.
Required C4E Orientation Meeting for First Year and Transfer Students	First-year and transfer students must attend the mandatory C4E Orientation during the first week of classes. The session will provide key information about C4E programs and requirements in accessible classrooms. Students will meet their Scholar Contact, who will help schedule their first meeting and assist with workshops and navigating C4E and CSU systems. The orientation will also encourage community-building and interaction with staff and peers, fostering a sense of belonging, particularly for historically marginalized populations, and promoting student success while addressing educational equity gaps.

Focus Area #3: Financial Aid and Paying for College

Programming focused on FAFSA/CASFA completion, support in navigating the institution verification process, financial literacy, and assistance with accessing and understanding the full range of financial aid programs and locating resources for public and private scholarships. Grantees should require FAFSA/CASFA completion (and subsequent verification) for all participants.

Detail the strategies and programming your organization will provide to support this focus area.

Strategy:	**etails:**
First-Year Financial Aid Education Workshop	First-year students must complete a 1-hour Financial Aid Education Workshop to build a strong foundation in financial aid knowledge. The workshop covers understanding financial aid packages, types of loans, and general financial aid information to help students make informed financial decisions. Additional resources, such as handouts and links, will be available on the C4E Website for ongoing reference throughout their time at CSU.
Financial Aid Support through Scholar Contact Meeting	Scholar Contacts will offer individualized financial aid support through one-on-one meetings, helping students understand their financial aid packages, including grants, scholarships, work-study, and loans. They will guide students on maintaining eligibility, such as academic requirements and deadlines, and assist in creating customized financial plans. Additionally, Scholar Contacts will help explore emergency financial support options like grants or short-term loans. This support aims to promote financial wellness, particularly for historically marginalized students, and reduce financial stress to help them achieve their educational goals. All communications will be in English.

Focus Area #4: Academic Success & Student Support

This focus area prioritizes supporting the academic, social & wellness, and personal/family needs to support the student through to completion. Such activities may include, but are not limited to:

- Building a connection with community and campus resources and actively connecting and providing support through the referral and assistance process.
- Individual meetings to support navigating institutional barriers, academic hurdles, and social & wellness/familial & personal concerns.
- Postsecondary Success Course or series of workshops provided in the students' first year. The course focuses on such areas as:
    - postsecondary readiness skills
    - navigating the institution
    - connection to campus resources
    - building community
- Seminar opportunities to gain skills and support in such areas as wellness, career services, networking and other needs as identified by the students and staff.

Detail the strategies and programming your organization will provide to support this focus area.

Strategy:	**etails:**
Individual 1:1 meetings	Each student will meet with their Scholar Contact at least once per semester for personalized support in overcoming academic, social, wellness, familial, and personal challenges. The first meeting will occur by week 8, with additional meetings available starting week 9. Scholar Contacts will offer flexibility and additional support as needed throughout the semester. These meetings are vital for building a supportive relationship and ensuring students receive the guidance and resources necessary for success in both their academic and personal journeys.

Focus Area #5: Completion /Transfer
All graduating/transferring participants for the 24-25 academic year will participate in completion/transfer activities to ensure an understanding of educational/financial next steps. Encouraged to build an active partnership and connection with institutional career services and transfer institutions.

Detail the strategies and programming your organization will provide to support this focus area.

Strategy:	etails:
Transfer Committee	e Community for Excellence will create a Transfer Committee to support transfer students at CSU. This committee will organize events and activities tailored to address the unique needs of transfer students, including orientation sessions, networking opportunities, and information on academic resources and campus life.
Scholar Contact Meeting: Post-grad Focused Meeting with Scholar Contact	Scholar Contacts will provide personalized support to graduating students to help them prepare for life after graduation. Meetings will address unique challenges and offer guidance on career pathways, financial planning, and career readiness, including resume building, interview prep, job search strategies, and networking. Students will also receive resources to assist with their transition, such as connecting with career services and exploring further education options. These sessions aim to empower underrepresented students with the skills, knowledge, and connections needed to succeed in their post-college careers.

COSI at CSU Pueblo
The COSI programs with Back to Work (BTW) and Finish what you Started (FWYS) were quite unique to other financial supports that exist at CSUP. Both programs were/are aimed at supporting primarily adult learners who experienced hardship due to COVID and are receiving an opportunity to finish their education. This program in collaboration with CDHE was unique in that it truly targeted students who stopped out of college, and this population of student is often forgotten about. The funds had flexibility in how they could be spent, which allowed for balance paydowns so students could be re-admitted to the institution, emergency funds, as well as tuition and book scholarships.

The BTW program concluded over the summer. It served 190 students and conferred 140 degrees that would not have been conferred had these students not received these funds. A total of 322 scholarships were distributed among students studying 22 different majors attending the Pueblo main campus, each satellite campus location, and online, with a total of $672,151.16 in aid issued to support these learners complete their degree who wouldn't have otherwise.

The FWYS program is still ongoing with CSU Pueblo being accepted for an extension of the program through summer 2026. Thus far, 97 students have been served and are in the program with 17 degrees already conferred. By summer 2026, our goal is 125 degrees conferred, and we are on track to meet that goal with a new slate of COSI program students being onboarded into the program to meet the goal of 125.

REQUEST R8 – FOR CU AND CSU SYSTEMS ONLY

9 [Staff]: The request assumes that the investment would earn 4.0% in interest each year, for a total of $20.0 million annually. However, based on the annual reports from Treasury, 2024 and 2025 are the only years since at least 2016 in which the T-pool earned more than 3.0% (with 3.7 % in 2024 and in 2025 year to date). The average return for 2016 through 2024 year was 1.9%. Is 4.0% a reasonable assumption on an ongoing basis? If the portfolio would be more aggressive than the Treasurer's current investments then please discuss the potential risk. These funds would remain a part of the General Fund reserve and must remain available in the case of an economic downturn.

Response: This proposal is intended to be a fund that is invested differently than how the overall State Treasury pool is managed. In general, using an example of $500 million, at the present time if that were invested in 10-year US Treasury bonds, the current rate of interest would be approximately 4.5% with nearly zero risk. Bond prices and interest rates move in opposite directions. So, one type of risk would come if interest rates ROSE during a time when the State re-called the money. The bonds would then be sold for less than they were purchased. If the bonds were held to maturity, there would be no loss of capital. Because interest rates usually drop if there is a recession (thus the time when the State might need the money), it is rather more likely that the value of this portfolio would increase.

For more information on this issue, we include the following narrative (slightly amended here) that was provided to JBC Staff in Fall of 2024:

The following narrative describes the investment proposal regarding the State's General Fund Reserve. When this was originally presented, there were two options one for using a treasury function within an institution of higher education and one that leverages the State's relationship with PERA. Based on the inclusion of the higher education version in the November 1, 2024 budget request from the Office of the Governor, that will be the focus of this narrative.

Short version:

Create mechanisms outside the State Treasury that allow interest earnings on the General Fund reserve to be used strategically and with greater returns, with minimal impact on their availability in a downturn. This mechanism involves creating a loan or trust account that would generate controlled maintenance dollars for higher education, thereby creating costs avoided in the General Fund and keeping momentum on lagging controlled maintenance items.

Long Version:

The recent rise in interest rates as well as the remarkable achievement of establishing a 15% reserve in the General Fund have created some new opportunities for the State to consider. These opportunities have the potential to free up resources in annual budgets.

At the present time, this money is held by the State Treasurer and invested conservatively per State statutes. The money earned by most of this investing is revenue that counts towards the TABOR revenue cap. While this strategy is generating a return, the returns are less than could be earned with other strategies and in years where there is a TABOR surplus, do not help with State expenses.

Primary Strategy as Proposed in R-08 New Cash Fund for IHE Capital Expenses:

Create a Controlled Maintenance Trust Fund for Higher Education

As originally presented to the JBC earlier in 2024, the State would create within a University treasury a restricted fund that could be called the Higher Education Controlled Maintenance Trust Fund. The monies would come from the General Fund reserve and would be invested conservatively in fixed income products (mostly US treasuries and some corporate bonds). The earnings from this fund would be subject to annual appropriation by the General Assembly and could be directed to fund the costs of Level 1, 2, or 3 controlled maintenance of Higher Education institutions. By generating money that is not otherwise available to the General Assembly, this will reduce the annual cost responsibility for controlled maintenance, and thus free up monies for other statewide priorities.

Impact on the Amount of Reserves Available in a Downturn

A natural reaction to these strategies is: What happens in a recession? How quickly can the State access these funds in an emergency?

A key factor with these questions, aside from their paramount importance, is to understand that the General Fund reserve is not a single pot of money sitting outside of the other funds held by the State. When the State creates its annual budget, it is presented as a complete picture of a fully executed year of revenues and spending on an accrual basis. The actual cash management of the budget is not as direct. For example, at the beginning of a fiscal year, tax collections are not fully realized but expenses start immediately. The State Treasury manages this cash flow with tax revenue anticipation notes and other methods.

To keep the visibility and access to the reserve, this idea would be best paired with a "tiered" approach to the General Fund reserve. In the case of a downturn, these newly invested monies should be categorized as the "last dollars" used in the case of a dramatic downturn. Assuming a $500 million corpus, it would take a downturn equivalent to 2000-2002 or 2008-2009 for these dollars to be needed.

That said, they could be made available very quickly to the State if there is a cash emergency (very unlikely) to ensure that the financial books are closed correctly, and the envisioned budget decisions are implemented. Again, the cash availability versus the ability to make budgeting decisions do not have to happen at the exact same time. Still, policy makers should know that if cash availability is a concern, this structure does not create impediments to quick availability of dollars.

As one example of making monies available, if the State needed the reserve dollars in the new controlled maintenance account, the earnings could be directed to operating needs or, the State could direct the sale of the portfolio, and those dollars could replace reduced appropriations to higher education. Or more simply, given a serious financial emergency, the monies could be returned to the State without concerns of exceeding the fiscal year spending limit.

Key Steps / Statutory rules for the Proposal

1 Determine size of the corpus and designate tiers in the reserve
2 Determine investment rules and governance (these should mimic existing policies that are already operational and succeeding); this includes identifying the University treasury providing the effort (note: this new activity does create some additional administrative expense that can be captured from the interest earnings) and an investment advisory committee.
3 Determine appropriations rules for interest earnings, which should be done in arrears to avoid any claw back issues.
4 Determine processes and triggers for the State to recapture the funds if the General Assembly is not in session.
5 Determine reporting desired by General Assembly or State Controller's Office.

10 [Staff] Please discuss the additional infrastructure, oversight, and staff that would be necessary to manage the investment account. Would it require a separate investment committee? Would the IHE require more staff? What would that look like and how much would it cost each year? Please discuss all administrative and management costs that would be necessary – and whether they could be paid for from the earnings.

Response: CU and CSU believe most of these issues are captured in the "key steps" presented above. CU and CSU believe the most important decision is to decide if this policy is preferred to proceed. CU and CSU would then suggest a working group to determine the answers to the questions above. In large part, these answers would inform most of the statutory framework. In general, additional workload is approximately 0.5 FTE (~$75,000 plus fringe) and perhaps $100,000 to $200,000 of consulting and advising expenses. These costs could be paid from proceeds.

11 [Staff] The request proposes to have one institution of higher education manage the funds and then to use the interest earnings for controlled maintenance projects at all institutions. What process do you envision for the approval of projects and the distribution of funds among institutions? What infrastructure would need to be in place for one institution to manage the investments and allocate funds to the other institutions?

Response: The process of project approval should be duplicated as it exists now with existing controlled maintenance dollars. CU and CSU believe the IHE managing the fund could transfer funds to an enterprise account from which the legislature makes an appropriation. Unless there are other impediments, this program would look very much like existing controlled maintenance management now.

DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING

Colorado School of Mines Responses

Friday, January 10, 2025

3:30PM – 5:00PM

QUESTIONS FOR ALL GOVERNING BOARDS/INSTITUTIONS

Please briefly introduce yourself and the institution(s) you represent. (Please keep to 5 minutes per institution/governing body)

Executive Request, Institutions' Funding Request, and Cost Drivers

1 [Sen. Bridges]: The institutions have requested an increase of $80.2 million General Fund, including financial aid, which is over $100 million more than Governor's request. The JBC has asked other state agencies to propose budget cuts. How can higher education assist the JBC in balancing the budget?

Response: Mines will likely only add budget for mandatory expenses while also looking for budget efficiencies to help support those costs along with any limited strategic additions. Mandatory increases include but are not limited to the Classified employee salary increase mandate, insurance, certain contractual obligations, and healthcare costs. We are currently in our budget development phase and are assessing all scenarios to balance our budget. We have recently made several cost savings measures by outsourcing certain operations, ceasing non-strategic functions, increasing the amount that exempt employees pay for healthcare and other measures. We are in the process of a strategic efficiency initiative with the intent to greatly streamline operations thus alleviating current and future cost burdens.

2 [Sen. Bridges] Discuss your employment trends in an environment of declining student enrollment. In particular, How much has the FTE for faculty/staff involved in your educational mission changed between FY 2018-19 and the present? How much has student FTE enrollment changed over the same period? Are those two trends aligned, i.e., has the faculty/staff to student ratio changed? Why/why not?

Response: Colorado School of Mines has not seen declining student enrollment. Rather, Mines has strategically grown its total enrollment (undergrad + grad) by 30% to 8,000 students over the past 7 years. In addition, total research awards at Mines have increased by over 60% during this time. Mines has added faculty and staff to support growth in both areas.

Since Fall 2018 the Student FTE / Faculty FTE ratio has stayed relatively consistent between 12.1 (in 2018) and 12.9. (in 2024), reaching a low of 12 in 2020 and 2023, and 12.7 in 2021 and 2022. This ratio was also 12.7 in Fall 2017.

In that same time period, Student FTE / Staff FTE has hovered around 10.1 in 2018 and 10.5 in 2024, reaching a low of 9.7 in 2020.

3 [Rep. Bird]: How does the WINS agreement affect your budget, both directly and indirectly? Understanding that classified staff are a small portion of the employees, doesn't the WINS agreement have equity impacts and create pressure for pay?

Response: The WINS agreement affects our budget directly as it dictates the annual increase for all our CL staff. Mines will budget for that increase for our staff. There is also the need going forward, to provide STEP increases for CL employees when their total state service and time in job series reaches a 0 or a 5 year. This step increase will be budgeted by Mines and will include current employees as well as transfers from other agencies who meet the state requirements. The FY2025 impact was $351,023. Another aspect of the WINS agreement was a systems maintenance study, expanding the number position descriptions for IT positions in the state. Each of Mines CL IT staff was reclassified into a new position, and that increased our budget by $24,239. In total, the FY2025 impact was $375,262, which was 10.8% of our total FY2025 state increase of $3.48M.

STEP increases created compression within the classified staff and with administrative faculty at Mines. There were additional increases required to maintain appropriate pay differences for supervisors and advanced technical professionals.

The additional cost, which is unknown, is with benefits. WINS negotiated a freeze for CL employee benefits contributions through June 30, 2028. As the cost of national healthcare continues to increase, this infers that IHEs will absorb the additional cost. Other potential for unfunded operational changes includes how IHE's are required to fund administrative time for critical and essential employees when campus is closed. This adds cost / hour for each employee and will potentially be paid to the employee as a direct cost.

4 [Sen. Bridges]: How has pay for your adjunct and non-tenure-track teaching faculty changed in recent years? Have you taken steps to improve pay/pay equity for these types of employees? What do those salaries look like right now?

Response: Adjunct faculty are paid $8,000 per standard science or engineering course at Mines. This has increased from approximately $5,000 per course over the past 5 years. Teaching non-tenure-track faculty pay is reviewed annually through benchmarking with other R1 institutions of higher education. Surveys are submitted each fall and data is received each February/March for analysis and comparison to current salaries by department. Based on this review, appropriate adjustments are made at the time of the annual review cycle. Mines set a floor for teaching faculty in 2023 so each teaching faculty position has a minimum salary.

Hiring adjunct faculty helps institutions manage fluctuations in enrollment, professional and personal situations within academic faculty, and need for highly specialized courses that benefit from industry experience. Mines evaluates the use of adjunct faculty annually and have converted adjunct faculty to permanent teaching faculty when it makes business and academic sense to do so. Prior to the 2023-2024 academic year, nine adjunct faculty with year-over-year teaching experience with Mines were converted to teaching faculty.

In 2023 a third party pay equity study was conducted for all academic faculty, all administrative staff, and all classified staff. Recommendations from this study were implemented during the annual increase cycle. Equity across departments and similar positions is considered at time of hire, and reviewed each year by compensation, budget, and the executive team to make any needed corrections. Human Resources makes recommendations to hiring managers with hiring and progression to ensure CO Equal Pay for Equal Work compensable factors are taken into consideration.

5 [Sen. Kirkmeyer/Bridges; Reps. Taggart/Bird]: Provide feedback on the Executive Branch request for a bill to improve transparency. Are there components you would like to have included in such a bill?

Response: We would first request clarification on the goals for data transparency legislation and an assessment of the analyses that cannot be obtained through existing reported data. IHEs already report information to the State through SURDS, Budget Data Book, etc. We also provide information to the Federal agencies through IPEDS and Higher Learning Commission. Prior to new legislation being created we recommend that CDHE convene a working group with identified objectives and outcomes that require data. The working group could determine if that information could be obtained through existing reporting, through additional data that could be reported through existing requirements, or through modifications or standardization of existing data definitions.

Economic Impacts

6 [Sen. Amabile] What can you tell us about the economic impact of your institution(s) on the state?

Response: The School of Mines both supports and advances economic activity in Colorado through investments in its own workforce, research, capital projects and vendor purchases. A recent example of Mines significant contribution to the State's economic growth is its investment in Quantum COmmons, a new Tech Hub focusing on quantum technology located in west Arvada. Mines is developing the property to house Elevate Quantum, a consortium expected to add thousands of jobs in Colorado and billions in economic output.

Mines also produces highly qualified STEM-educated graduates which help spur innovation and growth in the State's economy. Moreover, Mines helps attract and retain STEM talent to the State as approximately 43% of Mines undergraduate enrollment are students from out-of-state and 61% of all undergraduate students work in Colorado following graduation.

With respect to overall economic impact estimates, Mines last commissioned an economic study in 2019. At this point, the results are outdated and Mines has not found a compelling reason to pay for this type of study again.

Financial Aid/ Free Tuition Messaging

7 [Staff] Discuss any "Promise"/Free tuition program you've launched at your institution. What has been the impact so far? Do you have recommendations or feedback on launching a statewide initiative that helps low-to-moderate income students understand a statewide front-end ("promise") for low income students related to tuition and fees, as well as the back-end tax credit for students with AGI up to $90,000?

Response: Colorado School of Mines established our version of a promise program we call "Colorado Scholars" about 10 years ago. Mines' current Colorado Scholars program is a last dollar program that provides full tuition and fees to all Pell-eligible students (full and partial) who also qualify for a Mines merit-based scholarship of $2,500 or more. In the most recent freshman class (Fall24) 79% of all Pell students qualified for full tuition and fees through Mines' Colorado Scholars program. We also work with Pell students who don't qualify for Colorado Scholars to fund their education with grants as much as possible, many of whom bring in outside scholarships to fill in parts of the gap as well.

This strategy has been helpful in increasing the number of Colorado-resident Pell-eligible students in our new Freshman class by over 140% in the past 10 years. Of course, the scholarship program is not the sole reason for this increase. In fact, in the early years of the program we did not see a dramatic increase in Colorado Scholars students by simply offering more financial aid. The hard and strategic work by our admissions team to build partnerships with local schools, counselors and community organizations have played a significant role in the recent growth of Pell students in our new Freshman cohorts.

Because Mines current program did not meet Colorado Department of Higher Education's definition of a Promise Program, Mines will be changing our Colorado Scholars program to provide full tuition and fees for all Full Pell-eligible students (SAI between -1500 and 0), enrolled full-time, with new Freshman and transfer students enrolling Fall 2025. Partial Pell students who qualify for merit scholarships of over $2,500 will no longer automatically receive full tuition and fees funding. Instead, we will work to find additional support for partial Pell students but cannot guarantee full tuition and fees.

8 [Sen. Bridges]: How are the programs being provided at your institution(s) by the Colorado Opportunity Scholarship Initiative (COSI) different from the supports that your institution is providing? Discuss the effectiveness and impact of COSI funding at your institution.

Response: Mines currently has two programs supported through COSI and the CSM Foundation. We have used COSI funding to increase grant awards support for students attending through the Denver Scholarship Foundation assistance, and for students who transfer through our partnership with Red Rocks Community College. Both grants have been valuable in helping recruit and retain students in populations that are under-represented at Mines. That said the requirements and restrictions of the grant program do make it hard to operate, and in the past, we've had to return an award because the operational plan was not approved.

DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 JOINT BUDGET COMMITTEE HEARING

University of Northern Colorado Responses

Friday, January 10, 2025

3:30PM – 5:00PM

QUESTIONS FOR ALL GOVERNING BOARDS/INSTITUTIONS

Please briefly introduce yourself and the institution(s) you represent. (Please keep to 5 minutes per institution/governing body)

Executive Request, Institutions' Funding Request, and Cost Drivers

1 [Sen. Bridges]: The institutions have requested an increase of $80.2 million General Fund, including financial aid, which is over $100 million more than Governor's request. The JBC has asked other state agencies to propose budget cuts. How can higher education assist the JBC in balancing the budget?

Response: UNC and other Colorado IHEs can assist and have assisted the JBC in balancing the state budget by not requesting funding increases to cover the full impact of mandated and economically imposed cost increases each year. In fact, our unified request for coverage of FY26 base core minimum cost increases, at 3.4% of IHE operating costs with more than half of that increase to be covered by proposed tuition rate increases, is lower than the 3.6% in total funding increase in the Governor's request. We consistently accomplish these budget-saving benefits by passing on some reasonable portion of cost increases to our students and their families through tuition rate increases, and most importantly, we accomplish these below-inflation-rate tuition increases through the implementation of creative and strategic cost reduction initiatives and operational efficiency improvements. Beyond these direct fiscal factors, Colorado IHEs consistently deliver multipliers of economic development for the state economy by filling the demanding talent pipeline for workforce development through highly efficient and effective student outcomes in credential attainment. We have carefully managed resources while providing excellent outcomes for students to meet the state's needs, while persistently being funded through state appropriations that are in the lowest quintile of comparative funding in other states.

2 [Sen. Bridges] Discuss your employment trends in an environment of declining student enrollment. In particular, How much has the FTE for faculty/staff involved in your educational mission changed between FY 2018-19 and the present? How much has student FTE enrollment changed over the same period? Are those two trends aligned, i.e., has the faculty/staff to student ratio changed? Why/why not?

Response:

- Total personnel costs (faculty, staff, students, and benefits) account for 65.3% of our operating costs in FY25, which is a 4% reduction from FY19 and are a foundational element in all our work.
- Since FY19, the overall budgeted FTE has been reduced by 15.4%. Faculty budgeted FTE has been reduced 19.8%, while staff FTE has been reduced 13.0%.
- UNC has implemented various savings strategies for personnel expenses including layoffs, hiring freezes, furloughs, voluntary separation incentive programs, reorganizations, and delaying pay

increases to name a few. Pay increases for Faculty and Staff were not provided in FY19, FY20, and FY21, except as mandated for state classified employees.

Enrollment Changes:

- Undergraduate FTE was 8,536 in FY19 and is forecasted to be 5,480 in FY25, a decline of 3,056 FTE or 35.8%. (this is overall FTE and includes both main and extended campus)
- Graduate FTE was 2,191 in FY19 and is forecasted to be 1,651 in FY25, a decline of 540 FTE or 24.6%. (this is overall FTE and includes both main and extended campus)

The student-to-faculty ratio from FY19 to FY24 has changed from 17:1 to 14:1 respectively. Tenured faculty positions, program requirements, and accreditation compliance limit flexibility. We continue to implement tools for faculty/course demand planning to gain efficiencies and reallocate resources for the most efficient alignments. Staff positions have been reduced and restructured to areas of critical needs. Fixed requirements for compliance, facilities maintenance, and student services/support limit flexibility, and tactical investments in staff have been made to improve enrollment and student outcome metrics, which have been very effective in the last 3 years.

3 [Rep. Bird]: How does the WINS agreement affect your budget, both directly and indirectly? Understanding that classified staff are a small portion of the employees, doesn't the WINS agreement have equity impacts and create pressure for pay?

Response: The WINS Agreement for FY25 had a direct impact of $1.6M (Step Increases $0.8M, 3% ATB $0.5M, Fringe $0.3M). The estimated direct impact for FY26 is $0.7M (2.5% ATB $0.5M, Step Increases $0.1M, Additional Fringe $0.1M).

For our personnel groups, Faculty, Professional Admin, and Classified, the total expense for FY25 (based on current forecast and includes both salary + fringe) is the following:

- Faculty: $51.8M, or 40.4%; Budgeted FTE 431.6, or 32.9%
- Prof. Admin: $54.2M, or 42.3%; Budgeted FTE 585.6, or 44.7%
- Classified: $22.2M, or 17.3%; Budgeted FTE 291.5, or 22.4%

At 22.4% of total FTE and covering 33.2% of administrative roles, UNC does not consider Classified Staff to be a "small" portion of our employee population. They serve critical roles throughout the campus and are peers with many of our Professional Administrative staff. Mandatory pay increases for Classified staff due to the WINS agreement create compression and equity issues compared to non-classified peers. As such, there is significant pressure to match compensation increases across all pay categories, in addition to solving EPEW-type situations. Beyond that, drastic inflation and cost-of-living pressures impact all employees and have exacerbated the pressure for pay. The collective agreement for WINS and the required changes have been an overwhelming impact, and they highlight the needs/requirements all of our employees have without equivalent representation. Consequently, institutions must find alternative sources of funding (e.g., efficiencies, other cost reductions, tuition increases, and lobbied state support) to cover these necessary cost increases for faculty and non-classified staff.

4 [Sen. Bridges]: How has pay for your adjunct and non-tenure-track teaching faculty changed in recent years? Have you taken steps to improve pay/pay equity for these types of employees? What do those salaries look like right now?

Response: Pay for Adjunct faculty has held steady for the past three years. Adjunct faculty pay is calculated on a per credit hour basis and is dependent upon factors such as the level of the course being taught as well as the highest relevant credential held by said faculty. Our ongoing analysis has indicated our adjunct pay rates are appropriately aligned with peers and full-time faculty rates.

Pay for non-tenure-track teaching faculty has been adjusted based on the university's approved compensation plan wherein all faculty salaries are compared to median salaries of a peer group comprised of 51 universities. Median salaries are disaggregated by rank and adjusted further for years in rank. Faculty, including non-tenure-track teaching faculty, are currently at or above 92.5% of parity with the relevant peer medians, representing a significant improvement in parity comparison from pre-pandemic years.

5 [Sen. Kirkmeyer/Bridges; Reps. Taggart/Bird]: Provide feedback on the Executive Branch request for a bill to improve transparency. Are there components you would like to have included in such a bill?

Response: UNC supports the need for improvements in transparency with appropriate governance, collaboration, and mutual transparency requirements that formalize the following:

- Formalize role of public IHE data advisory group with regard to making decisions on data definitions, data collections, data sharing, and data publishing standards
- Provide analysis needed for effective implementation of new legislation
- Verify datasets and models created by DHE derived from sources of institutional data
- Investigate trends in student enrollment, completions, financial aid awards, and demographic changes
- Allow for the secure exchange of data between DHE and participating public IHEs

Fiscal Note Transparency

Data transparency in fiscal note responses is essential to ensure the accurate estimation of the cost of proposed legislation. This bill would require DHE to share the compiled DHE and IHE fiscal note responses including details of data sources and analytical methods used by DHE in calculating IHE fiscal impact with all public IHEs that submitted an estimated fiscal impact.

The legislation is needed to:

- Increase consistency and accuracy in DHE and IHE cost estimates, due to the earlier detection of potential errors and oversights
- Ensure all costs are accurately reported to the legislature
- Make certain the general assembly receives a unified response, without inherent contradiction.

Economic Impacts

6 [Sen. Amabile] What can you tell us about the economic impact of your institution(s) on the state?

Response: UNC's primary role is to serve the talent pipeline, workforce development, and economic development needs of the state and our region of the state.

Based on a 2019 economic impact study, UNC added $544.2 million to the economies of Larimer and Weld counties in FY18. This represented 1.7% of the region's total gross regional product and supported 8,429 jobs, which equated to one out of every 48 jobs in the region. Students' increased lifetime earnings and business output result in $2.6 billion in total benefits to society. Put another way, for every $1 of public money invested in UNC, taxpayers will receive $4.60 of cumulative value over the course of the students' working lives. We are planning to update this study in the next fiscal year.

A 2023 study specifically for UNC's proposed College of Osteopathic Medicine (COM), estimates an addition of $1.4 billion to the state's economy over the next 20 years through COM activities alone. This includes short-run spending and long-run operations, including construction, payroll, out-of-state visitors, relocated/retained students, alumni earnings, increased business profits, and the ripple effects of each. Annually, COM will support income of $43.2 million and 763 jobs in the region.

The results of both studies demonstrate that UNC creates value from multiple perspectives. The university benefits regional businesses by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers to the workforce. UNC enriches the lives of students by raising their lifetime earnings and helping them achieve their individual and civic engagement potential. The university benefits state and local taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, UNC benefits society by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

Financial Aid/ Free Tuition Messaging

7 [Staff] Discuss any "Promise"/Free tuition program you've launched at your institution. What has been the impact so far? Do you have recommendations or feedback on launching a statewide initiative that helps low-to-moderate income students understand a statewide front-end ("promise") for low income students related to tuition and fees, as well as the back-end tax credit for students with AGI up to $90,000?

Response: The University of Northern Colorado (UNC) launched the UNC Tuition Promise Program, designed to enhance access to higher education for Colorado residents with the highest financial need. This program ensures that Colorado residents, eligible military or ASSET undergraduates, working towards their first bachelor's degree with an annual gross income of $65,000 or less will have their standard tuition and mandatory fees for up to 16 credits per academic year covered by granted aid sources. The goal of the UNC Tuition Promise is to significantly reduce barriers to higher education for underserved and income-limited populations.

The UNC Tuition Promise Program has had a substantial impact on enrollment since being launched in the Spring of 2024, particularly among students from low-income households. Nearly 108 additional New, First-Time resident students from families with the greatest financial need enrolled at UNC in the program's first year. This increase helped support overall New, First-Time undergraduate degree-seeking growth of nearly 2% year over year.

The Tuition Promise Program has also positively influenced continuing student success metrics:

- **Fall-to-Fall Persistence Rates for New, First-Time Undergraduate Students:** These rates are the highest on record, showcasing the program's role in fostering a sense of financial security among continuing New, First-Time students.
- **Overall Persistence for Degree-Seeking Undergraduates:** The program has contributed to UNC achieving its highest-ever overall Fall-to-Fall persistence rate. Upon our initial assessment of offering the UNC Tuition Promise, we forecasted that 20% of our continuing undergraduate, degree-seeking population would qualify for the program.

The Tuition Promise Program's outcomes affirm the transformative potential of targeted financial aid initiatives. By eliminating tuition as a barrier for eligible students, UNC is not only increasing access but also ensuring that students from historically underrepresented and economically challenged backgrounds are empowered to succeed and persist through their academic journeys.

UNC would support the development of a statewide, front-end "promise" program. Our recommendations for a statewide promise program would be the following:

First, each institution awards merit, need-based aid, and state funding to students based on different metrics/thresholds. Much of this is determined by student demographics/needs and each institution's ability to provide specific types of support. Any state aid to support a state sponsored "promise program" would NEED to be supplemental to current state, federal and institutional aid. To allow institutions the ability to market their unique value-proposition, each should be allowed to continue to customize awarding programs and policies based on available resources and most importantly, student demographics. Without this flexibility, there could be a direct impact on an institution's ability to stay competitive and enroll students who will be supported academically, socially, AND financially at their institution.

Another recommendation is the ability for the state to provide ongoing support for the program. To make the program work, we would require a commitment from the state to sustainably fund the program in a way that keeps pace with the full cost of attendance unique to each institution and doesn't create future, inordinate burdens on institutional resources. Homogenizing the program could leave individual institutions with gaps that must be filled, which necessarily redirects resources away from other critical areas.

The back-end tax credit structure is well-intended but complicated for the families. Families are still responsible for identifying funds on the front-end to gain access to higher education. Significant delays in reimbursement require identification of alternative funding sources in advance. Universities cannot effectively manage the cash-flow risks to advance such tax credit on the front-end. Furthermore, the two-year limitation increases the risk of withdrawal in subsequent years before degree completion, and the full tuition coverage regardless of institutional tuition rates, eliminates some competitive value-proposition benefits for more affordable institutions.

8 [Sen. Bridges]: How are the programs being provided at your institution(s) by the Colorado Opportunity Scholarship Initiative (COSI) different from the supports that your institution is providing? Discuss the effectiveness and impact of COSI funding at your institution.

Response: Since 2020 the UNC COSI program had held four grants: Matching Student Scholarship (MSS), Community Partner Program (CPP), Finish What You Started (FWYS), and Back To Work (BTW).

Each program has had unique benefits, however all of them are aligned for the purpose of strengthening Colorado's workforce. UNC has also recently been awarded a Career Launch grant, that will provide scholarships to students who are pursuing degrees that align with careers the State has defined as "in demand."

All COSI grants at UNC have received the highest "good health" standing, demonstrating the success of our COSI programs and our fiscal responsibility with them.

What makes programs like COSI different from support services UNC provides is our ability to provide wrap around support and culturally responsive services to students and build community amongst them regardless of what program they are in. Each student who is part of a UNC COSI program is paired up with a success coach which is responsible for providing resources based on the student's need, including:

- Proactive and comprehensive student support services
- Workshops & mentoring with a focus on supporting students in overcoming academic, social, and institutional challenges
- Referrals to on and off campus resources
- Career readiness events & conversations
- Community building across the institution's departments and offices

The one-on-one relationship between staff and students is what many first-generation students value. In addition, the COSI program hosts events throughout the academic year to bring students from all programs together to network and build community. Lastly, since COSI is a state funded program, we can serve DACA/ASSET students at UNC. Below are the programs at UNC and their unique emphasis.

Matching Student Scholarship (MSS)

- Designed to generate availability for scholarship dollars for Pell eligible students to help complete their degree. These scholarship dollars are also paired with the support services and programming mentioned above.
- From FY21 to Fall 2024, we have served 371 students. Dependent upon need, the grant has provided $1,000 to $2,000 in scholarship for the academic year. This number includes a matching allocation from UNC's Foundation. The program particularly impacts first year, first generation, marginalized students by defraying costs and reducing financial anxiety.

Community Partner Program (CPP)

- Aims to support students through post-secondary education into degree completion. The support provided in this program involves collaboration with various UNC departments and offices.
- This grant has allowed us to host multiple events throughout the year that aim to support the immediate and ongoing needs of our students. For example:
    - The annual school supply event for COSI students. The increasing cost of tuition and textbooks often leads our students without enough resources to purchase other materials.
    - The First Year Success Seminar, which is an eight-week program which provides first year students with some key skills to succeed in their first year. Some of the skills learned include are but not limited to time management, resource finding, financial planning, boundary setting, mental health, and college student etiquette.
    - The Senior Graduation Seminar which helps graduating students learn about exit loan counseling, graduate school processes, and job search strategies.
    - Every spring we connect with high school seniors and admit them into our program via an "Orientation" style event in which they learn about us, our services, and have time to connect with current students.
    - The Mentoring program helps students navigate their first year as college students. They are paired up with a current student who will serve as a resource for them throughout the year. Student mentors are trained on topics such as resource identification, developing SMART goals, answering general financial aid questions and general college navigation support.

Finish What You Started (FWYS)

- This program, which was successfully concluded in July 2024, allowed us to provide scholarships and wrap around support services to students with unfinished degree programs. This program's target population included working adults, nontraditional students, or students who had stopped out of college due to personal circumstances.

- The impact and effectiveness of the FWYS program can be measured in scholarship dollars and the graduates of the program. 87 students have graduated from UNC and entered the workforce because of the FWYS program. Each received between $4,000 and $8,000 in need-based scholarships for a total of $1.2 million awarded since 2021.

Back To Work (BTW)

- This program, which successfully concluded in July 2024, focused on the development of future educators in an apprenticeship model.
- The BTW program was hosted by UNC's Center for Urban Education and provided future educators with "real world" experience while earning their bachelor's degree, with or without licensure, in early childhood education, elementary education, or special education. The unique focus of this program prepared our educators to provide culturally responsive education in our growing communities.
- Students in this program taught in the classroom during the day as paraprofessionals and learned theory in the afternoon. Students who graduate from this program receive 3,000 – 4,000 hours towards their teaching licensure.
- Since fall of 2024 the BTW program has helped 76 students towards completion and has provided about $498,000 in scholarships.

2025-26 Funding Request

Joint Budget Committee

January 10, 2024

2024-25 Key Stats

16,600

Undergraduate students

96%
15,865
Colorado residents

24
Average age

1,182

Graduate students

FIRST Generation-Serving INSTITUTION

58% First generation

87%
Working full or part time

Our Student Impact

$2,572

Average annual out-of-pocket cost of tuition and fees for full-time, degree-seeking Colorado residents

112,315

Total graduates

75%

CO residents

55%
Students receiving scholarships or grants, totaling >$83 million

4,095
Students had **tuition fully covered** by Roadrunner Promise and other federal or state programs

95%
of surveyed 2022-23 graduates are **employed one year postgraduation**

>73% more
earned by MSU Denver graduates on average annually compared with Colorado high school graduates

Our Colorado Impact

$953.8 million
Generated in economic impact annually

$11.52
Generated for every $1 invested by the State

7,233 jobs
Supported and sustained

$54.3 million
In state and local taxes generated

$8.4 million
Given back to the community in donations and volunteer hours

$9.9 billion
Economic impact from Alumni spending


Dagmar
Metropolitan State University of Denver
Aviation and Aerospace Science

Thank you

Reference Slides

THANK YOU JBC!

For the **targeted increase of ongoing funding through Step 1** - *which has been invested in our ongoing efforts to provide critical services to our students.*

➔ **Adams State University has invested** in intensive wrap-around support, advising, and coaching programs for our students; implementing High-Impact Practices for student retention and learning; and, increased faculty and staff salaries to increase our competitive standing. It has also filled critical faculty and staff vacancies, among other strategic initiatives.

➔ **Fort Lewis College has invested** in additional student and academic support services for our most vulnerable students, including advising and programmatic enhancements; faculty and staff compensation to bring us closer to peer averages and increase competitiveness; and, expansion of summer academic programming to serve at-risk students.

➔ **Western Colorado University has invested** in student-facing support with targeted scholarships to enhance recruitment and retention; improved career connectiveness and workforce preparation; improved student wellness access; comprehensive academic advising; increased support for students with disabilities; innovative technology advancements in classroom learning and student success platforms.

STUDENT SUCCESS at COLORADO's SMALL RURAL FOUR-YEAR GOVERNING BOARDS

60%

of Colorado post-secondary students choose colleges located **within an hour's drive** from their homes.

ECONOMIC MOBILITY

It is critical we **ensure students who chose to pursue a 4-year degree in more remote areas of the state have the same opportunities** for economic mobility and success as do those students in more urban areas of Colorado.

RURAL RETURN ON INVESTMENT

Every $1 investment in these institutions generates a **$4 return** to the community and the region - ***a 400% ROI!***

This underscores the **vital role rural institutions play** in supporting local students and bolstering their communities.

WHO ARE COLORADO's SMALL RURAL FOUR-YEAR GOVERNING BOARDS

- **Adams State University, Fort Lewis College, and Western Colorado University** *(know as "the small rurals")*
  - These are the three baccalaureate granting governing boards in counties *designated* ***"rural" by the Office of Management & Budget*** AND the Alliance for **Research on Regional Colleges** has also designated them as ***rural serving institutions.***
- **Serve nearly 9,000 students combined**, more than half of which are Colorado residents.
  - Graduates make **significant contributions to Colorado's** economic, health, and safety sectors, spanning diverse fields such as healthcare, counseling, education, engineering, and business
- **Drivers of economic development in the regions**
  - These rural communities would be **significantly negatively impacted without their presence**, having a profound effect on local businesses, schools, hospitals, and various aspects of life.
  - he **long-term viability of these governing boards is being challenged** by the shifts in demographics in rural communities.
- **Higher Education in Rural Communities - major mitigating factor in the transitioning workforce, new start-up businesses and rural equity.**
  - These rural communities, and their local workforce, **are going through dramatic local economic transitions** including coal impacted, ranching, agriculture, energy, and tourism.
  - **Primary or secondary employers of their regions,** also act as pivotal cultural and economic catalysts.
- **They play a crucial role in fulfilling the state's attainment goals**
  - Provide **access** to higher education for **populations that might otherwise lack this opportunity**.

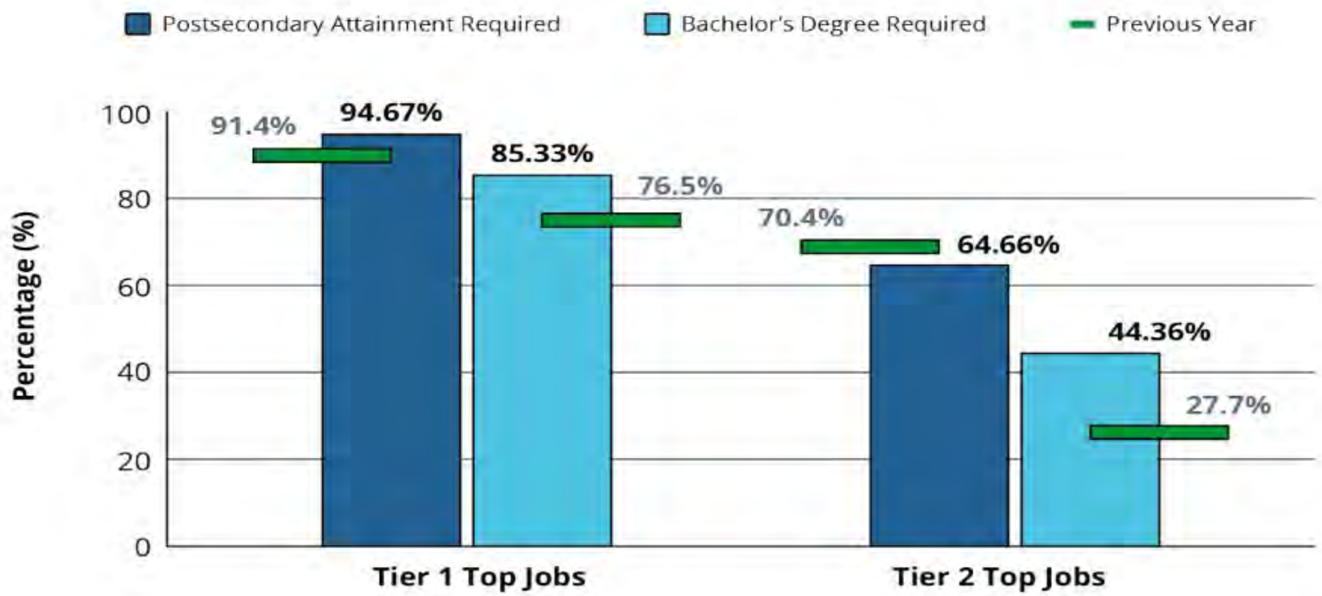
ADAMS STATE UNIVERSITY COLORADO Great Stories Begin Here | WESTERN COLORADO UNIVERSITY | FORT LEWIS COLLEGE

RURAL FOUR-YEAR GOVERNING BOARD COLLABORATION & PARTNERSHIP

➔ **Innovate jointly and work collaboratively towards common goals.**
- Showcased by our successful implementation of a collaborative enterprise-wide information management system
- This has elevated their efficiency and ability to serve students effectively.

➔ **Partner with other governing boards across the state to broaden opportunities** for Colorado's rural students
- Engineering, computer science, nursing, healthcare, and agriculture, and more.
- Provide access to high quality degrees in high demand fields and do so in ways that are cost effective to the student and efficient

2023 TALENT PIPELINE REPORT – TOP JOBS



The 2023 Talent Pipeline Report identifies an **INCREASED need for four-year degrees or greater -** for both **Tier 1 and Tier 2 Jobs** *(almost double digit percent increases for both categories).*

- ➔ **85.3% of Tier 1 Top Jobs** *require a four-year degree or greater*, and **44.36% of Tier 2 Top Jobs**.
- ➔ **Recommendation #4:** *"Invest in High Impact Opportunities"* identifies *"Rural Workforce" as one of three key areas* where investment should be focused.

OUR SIDE OF THE MOUNTAINS

Joint Budget Committee Hearing
January 10, 2025
Brad Baca, President

WESTERN
COLORADO UNIVERSITY

A PLACE OF IMPACT FOR STUDENTS AND COMMUNITY

WESTERN COLORADO UNIVERSITY

Commitment to Access and Affordability

- Mountaineer Promise
- Geiman Scholars
- Gunnison Valley Promise

Western / CU Partnership Program

Kaiya Firor – Hotchkiss, CO

BS Mechanical Engineering ‘23
Summa Cum Laude
Outdoor Industry MBA Program '24

Pursuing M.S. in Mechanical Engineering, Biomechanics emphasis
Colorado School of Mines

Accomplishments
- First 4+1 ME + OIMBA student
- NCAA athlete - All American
- Broke 3 Western records for track
- Competed at Nationals all 4 years
- SAE Mini Baja Team
- SWE Member

Career
- Internship: SGJ Engineering, Gunnison, CO

Adult Degree Completion

Jolene Phillips

May 2024 Graduate, B.A. General Studies & Licensure

Special Education Teacher Canon Middle School

"It was important for me to become a special education teacher in public schools because, after 18 years as a paraprofessional, I knew I had the talent and dedication to take on the full responsibilities of a teacher. I recognized the high need for special education teachers in our area, and I had the passion to pursue this path—even at 50 years old.

The ADC program at Western Colorado University made this dream possible for me and my family*."*

Local Leaders-Community

Marisela Ballestros

B.A. Business Admin & Spanish '20

City of Gunnison Mayor Pro Tem

Director of Operations – Project Hope

"Western has been an integral part in helping me strategize, execute, and vocalize the goals I feel passionate about."

Local Leaders- Business

Samuel Degenhard

B.A. Business Administration '13

Outdoor Industry MBA Program '20 (1st Cohort)

Founder, Chairman & CEO, Campfire Ranch, INC

Co-Founder, ICElab @ Western, idea & concept developed in Borick School of Business in 2013

Co-Founder, Western Mountain Sports Team (ongoing), established 2012

Wellness Elevated

- Over 200 Wellness Elevated students served ~500 Gunnison residents. Over 20,000 hours of health-related care.

- Aids students in entering the workforce and graduate programs as well as supports local workforce needs.

- Removes a significant health care cost barrier for individuals in our rural valley.

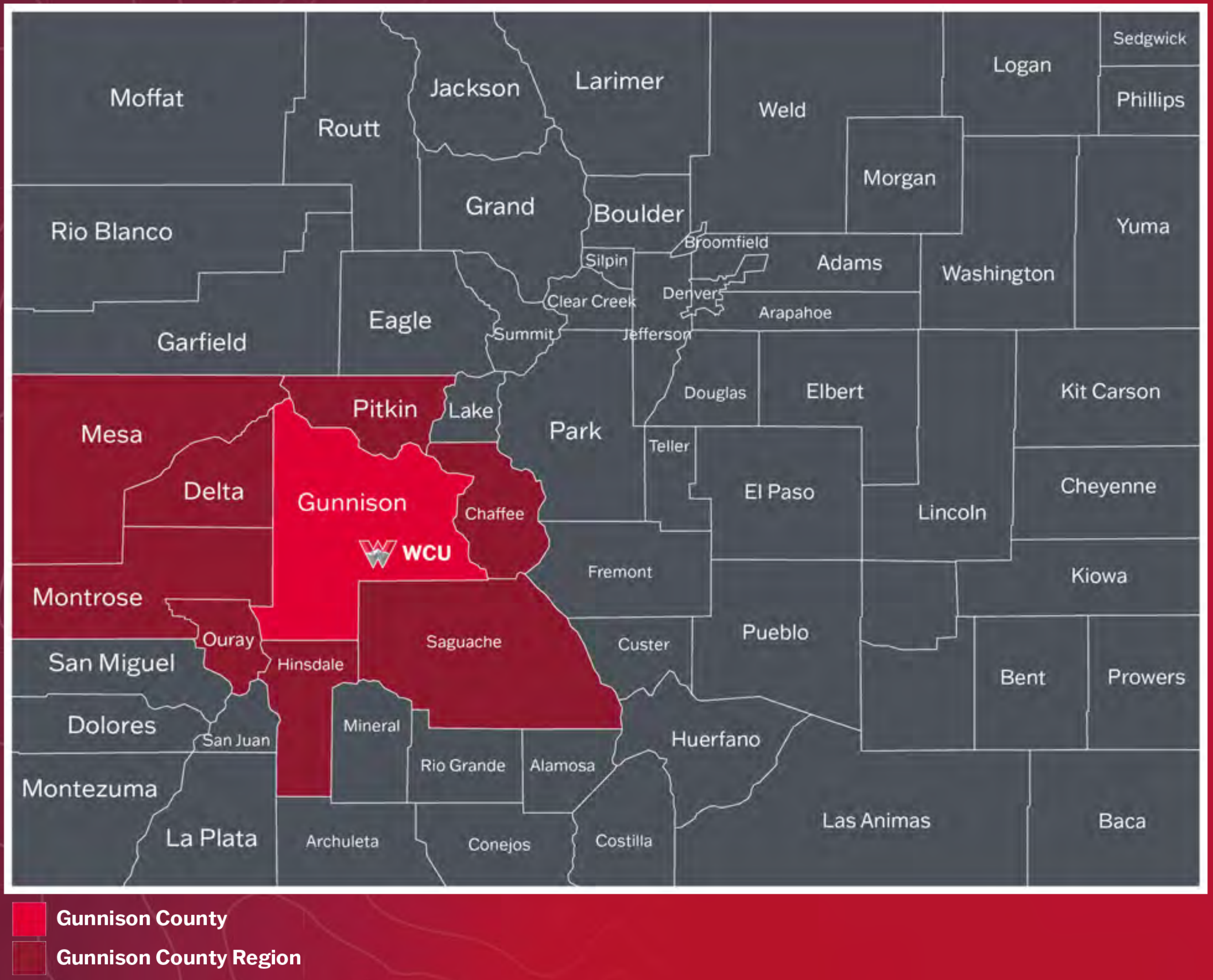
Gunnison Valley Health

Community Partners, Strategically Aligned

- Partnered to a launch a new Nursing Program to meet workforce needs in Gunnison Valley
- GVH supports sports medicine, athletic training, and strength and condition needs
- WCU provides students for assistantships that enhances their skillset while simultaneously filling critical staffing needs
- GVH staffs medical clinic, behavior health, and EMS services on campus
- Working together to address employee housing needs in the valley

Western Colorado University • Three-Year Average

Economic Impact



Impact on Gunnison County

$140.7M

Employees

674 staff & faculty with
$30.3M in wages

Labor Income

$55.5M statewide

Visitor Spending

$4.4M in the Gunnison Region

Total Economic Activity

$170.5M includes direct, indirect,
and induced impacts statewide

Thank you!

FORT LEWIS COLLEGE
DURANGO, COLORADO

3.47%

3,544 Fall 2024 Enrollment

15%

Emerging Hispanic Serving Institution

37%

Native American Serving Non-Tribal Institution

43%

2024 First-Generation Serving institution

42%

Pell Eligible

47%

Students living on campus

TOP 20

Regional Colleges in the West*

MOST AFFORDABLE

Tuition & fees in Colorado for residents

TOP 5

Public Schools*

#3

Most diverse college in Colorado**

*US News and World Report. **CO Department of Higher Education

Our role in the region

$200 M

Economic Impact

=

3.3%

Gross Regional Product (GRP)

FLC's GRP surpasses the entire manufacturing industry's contribution to the region's economy and this impact supported 2,540 jobs.

We are doing the work

$20.6m

Donations in 2024

3rd year in a row

of record breaking philanthropy

KATZ SCHOOL OF BUSINESS FORT LEWIS COLLEGE

$10.6m

CommonSpirit Sports Performance Center

$6.2m

College of Nursing UNIVERSITY OF COLORADO ANSCHUTZ MEDICAL CAMPUS

FORT LEWIS COLLEGE

$4.5m+

Fort Lewis College

FLC Tuition Promise

2019
Year of implementation

100%
Tuition coverage

$70k
Annual family income to qualify

391
Students impacted to date

$550k
Value to students

2025-2030 Strategic Directives

COMMUNITY CONNECTIONS

Advance economic mobility in our region through workforce development and community and Tribal Nation partnerships.

BASIC NEEDS

Ensure all students have access to nutritious food and safe, affordable housing.

ACADEMICS

To be a regional and national academic leader and the school of choice for diverse, rural, and Colorado students.

RECONCILIATION

To be a national model for Reconciliation in Higher Education.

STUDENT READY

To be a student-ready institution that supports a diverse student population, especially as a NASNTI, first generation-serving, and aspirational Hispanic-serving institution.

Reconciliation through truth & healing

CORE PRINCIPLES

- Centering Indigenous knowledge
- Honoring Tribal Nations
- Bolster thriving Indigenous communities

PRIORITY AREAS

- Tribal Nation building
- Language reclaimation
- Health and wellness
- Indigenous culture and knowledge

Building a better future

Summer Bridge Program

Circle Back Program

Workforce Development

Four Corners Water Center

Basic Needs Programs

High-Touch Interventions

Campbell Child & Family Center

Capital Funding Request
Southwest Campus Renewal

2nd floor has 1,297 ft^2 non-weight bearing flooring, currently unusable space. Entire 2nd floor has ADA accessibility concerns.

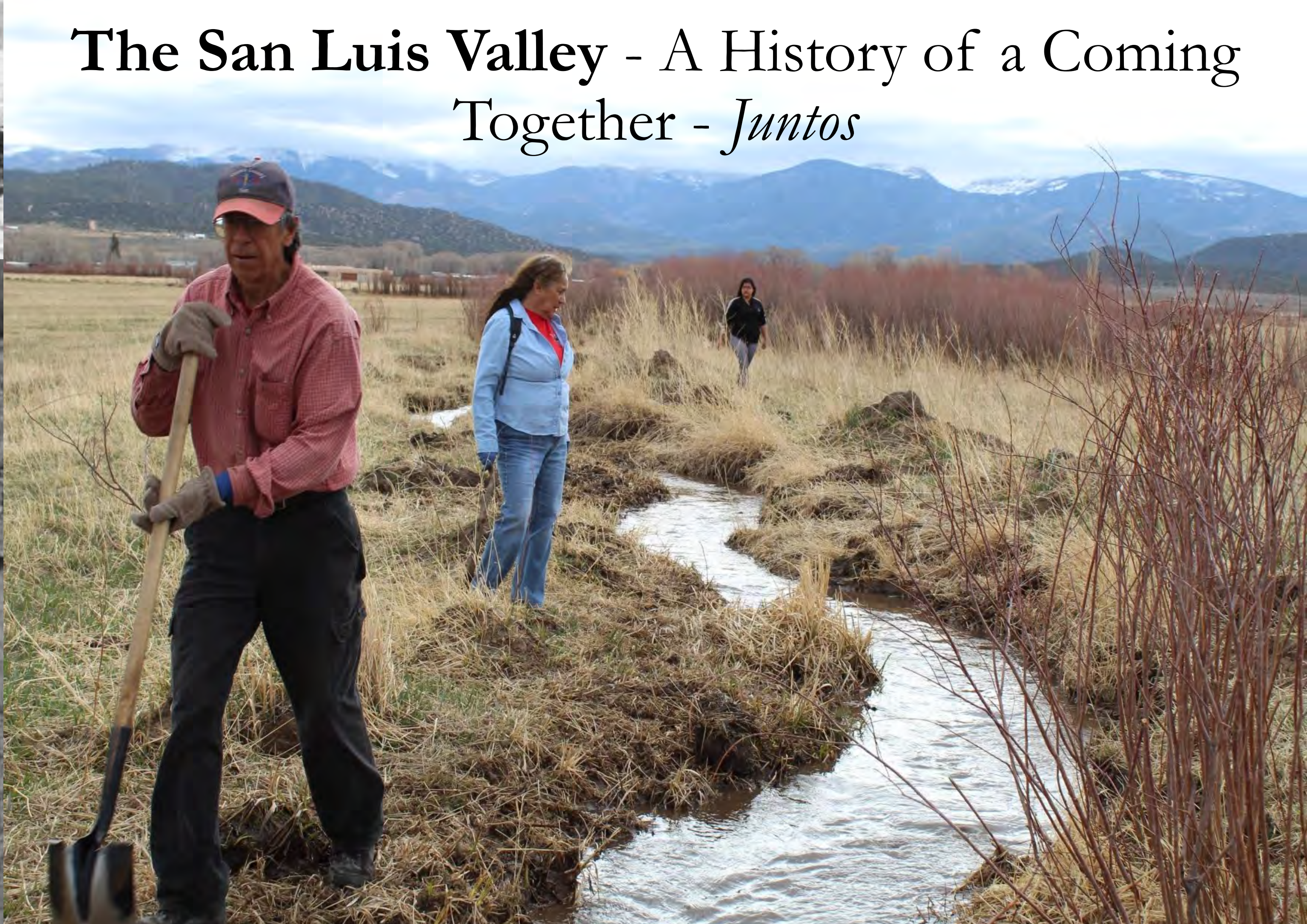
Thank you!


Adams State University
Grandes Historias Comienzan Aquí
Great Stories
Begin Here
ADAMS STATE UNIVERSITY
COLORADO
Great Stories Begin Here

Where Colorado Meets the Southwest

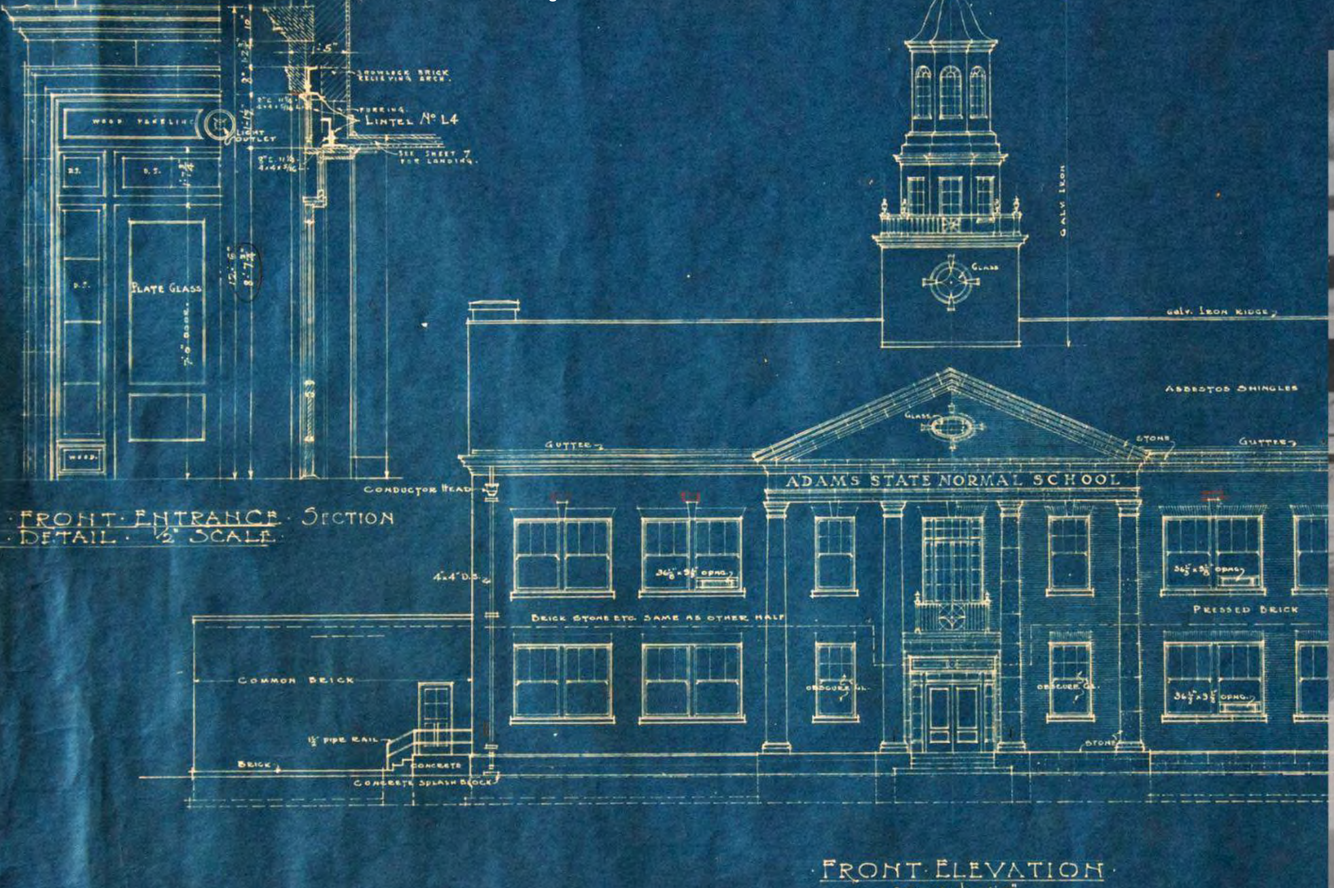
- 8000 square miles
- Surrounded by the Sangre de Cristo and San Juan Mountain Ranges
- Headwaters of the Rio Grande
- First European settlements in Colorado

The San Luis Valley - A History of a Coming Together - *Juntos*



Adams State University

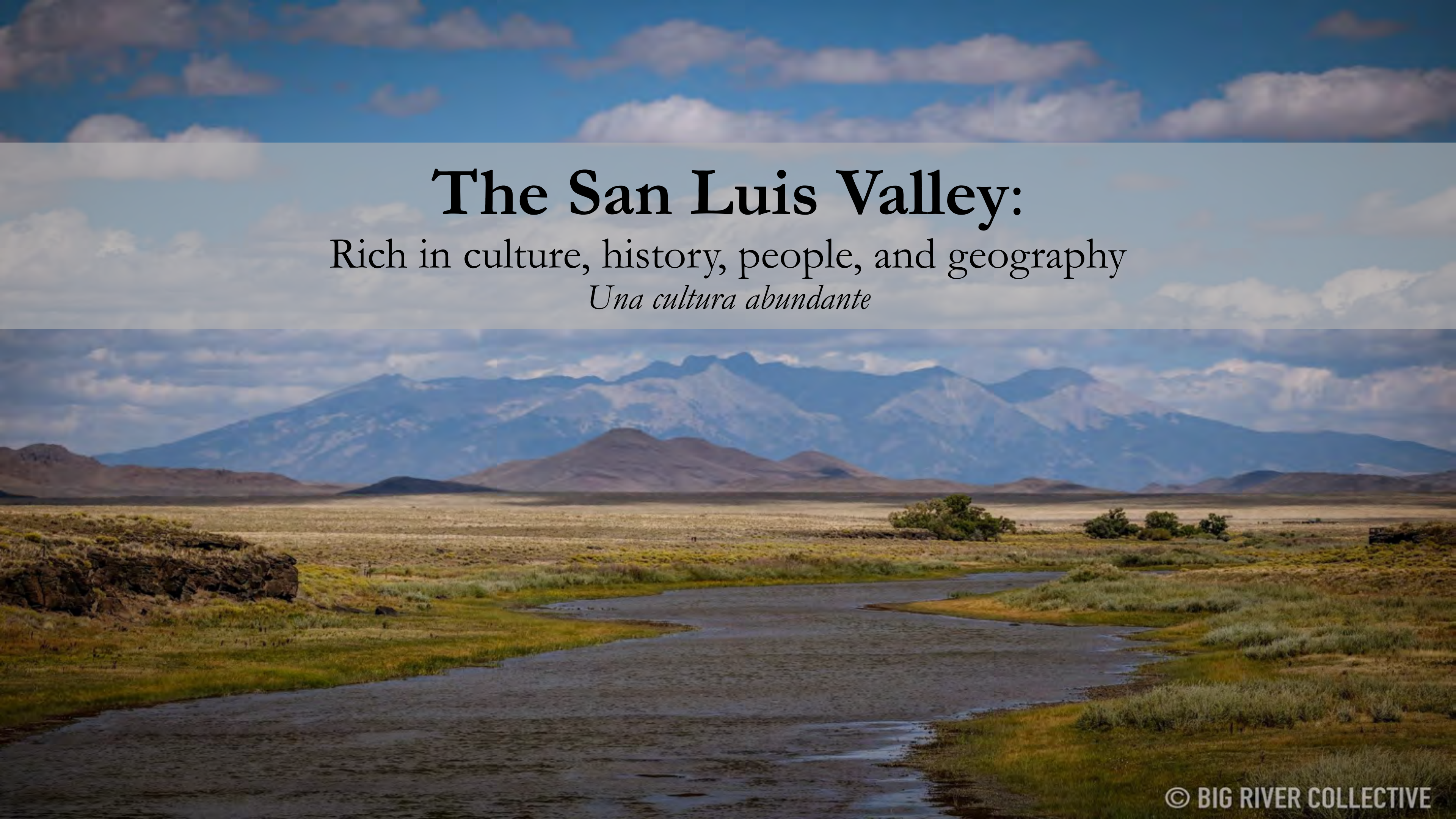
A History of Collective Action in the Face of Scarcity



The San Luis Valley:

Rich in culture, history, people, and geography

Una cultura abundante



Median Household Income

San Luis Valley $49,901

Colorado $87,598

SLV income is 56.9% of Colorado's

Poverty Rate

San Luis Valley 15.5%

Colorado 9.6%

SLV poverty rate is *1.6x greater* than Colorado's

Educational Attainment

San Luis Valley 21.6%

Colorado 35.9%

A 14.3 percentage point difference

*% of population 25-plus with a bachelor's degree or higher

Hispanic Population

San Luis Valley 46.1%

Colorado 21.9%

SLV percent Hispanic is more than double that of Colorado's

Persons per Square Mile

San Luis Valley 5.6

Colorado 48.5

Colorado's population density is *9x greater* that of the SLV

Our Students

Nuestra Mayor Prioridad

Colorado's Premier
Hispanic Serving Institution

Valoramos Nuestra Diversidad

Adams State:

The most diverse Colorado university

52% identify as Students of Color

38% as Hispanic/Latino

Advancing Promising Students is Our Mission

Avanzando Nuestra Misión

Our Students:

- **Largest** share of Pell Grant students
  - **45%** are Pell Grant eligible
    - **54%** of Full-time First-time
- **Largest** share of students from the lowest income quintile of Colorado universities (mean income $16,345)
- **Smallest** share of students from the highest income quintile of Colorado universities

Steward of Place

Sirviendo Nuestra Comunidad Responsablemente

Formally Designated **Rural Anchor Institution**

Rural Anchor Institutions are place-bound and essential to the health and well-being of their regions

https://www.regionalcolleges.org/project/ruralanchor

Impact on a Large Scale

Adams State's Economic Impact on the San Luis Valley: **Over $100 million Annually**

Return on Investment: Every **$1** invested in Adams State generates **$4** in regional economic activity

Adams State is an Engine of Opportunity and Economic Mobility

Research by Raj Chetty *et al* (2020) shows Adams State:

- Is the ***best*** university in Colorado at moving low-income students up two or more income quintiles (~$50,000 increase)

Source
https://www.nytimes.com/interactive/projects/college-mobility/

Adams State Makes the American Dream a Reality

Haciendo Sueños Realidad

Serving the San Luis Valley

Promoviendo Acceso y Oportunidad

Since 2022 Adams State has seen:

- **+73%** in SLV undergraduate enrollments
- **+98%** in SLV graduate enrollments

Achieving Record Valley Student Enrollments

Continuing our Legacy in Education

73% of teachers and school administrators in the San Luis Valley were educated at Adams State

Since 2022, we have seen:

- **+17%** undergraduate School of Education enrollments
- **+18%** graduate School of Education enrollments

Increasing the Health Workforce

Our nursing students achieved 100% pass rate on the NCLEX exam for 2 consecutive years

Nationally recognized Counselor Education graduate program (+10.5% FTE since 2022)

Increasing Enrollments

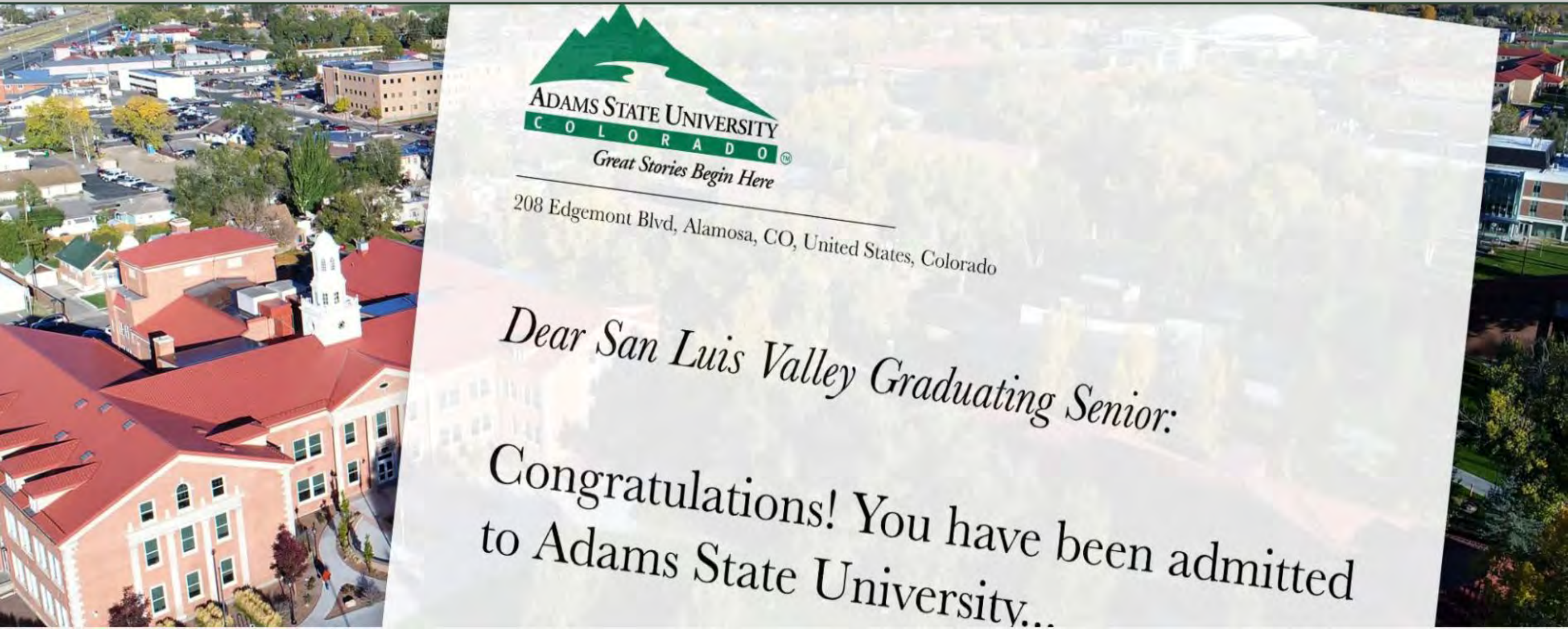
From Fall 2023 to Fall 2024 we increased our undergraduate headcount enrollment by **4.7%**

Adams State University - Designing our Future

Diseñamos Nuestro Futuro

Adams State Direct Admissions

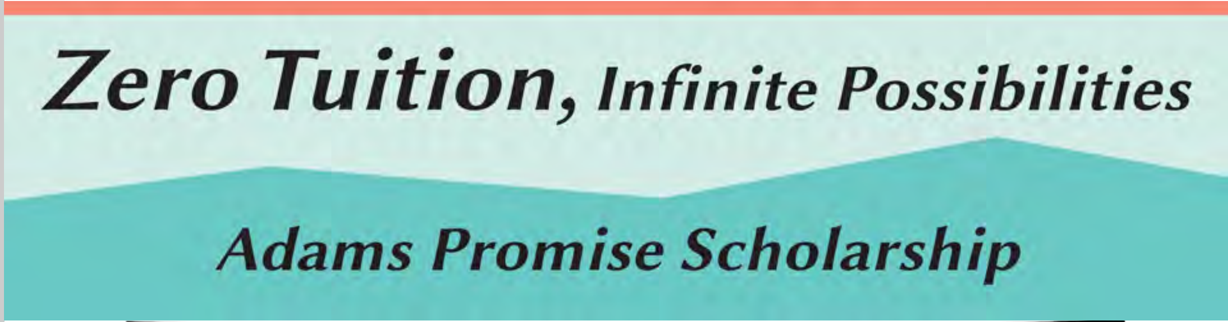
Directly admitting every high school senior in the Valley



The Adams Promise - Radical Affordability

Zero tuition and fees for:

- Dependent student whose family AGI is $70k or less
- Enrolled full-time on campus
- First-time first year or transfer student
- Resident of Colorado counties south of Denver



Student Coaching

Research-validated intensive wrap around student support and advising

First cohort of 100 students:

- 62% Hispanic; 83% Minority
- 97% Pell eligible
- 42% below 2.5 HS GPA
- 89% First-generation

*Must meet at least one of above criteria to participate

The Adams Experience

Una Experiencia Valiosa

An intentional and distinct collegiate opportunity connecting students' academic and lived experiences

Including:

- High Impact Practices
- Experiential Learning
- Internships
- Undergraduate Research Experiences

Energy Performance Contracting and Facility Master Planning

Designing modern campus infrastructure for sustainability, environmental responsibility, and efficiency

Includes:

- Energy savings
- Conservation projects
- Sustainability
- Facility master planning


Adams State University
Connecting people and cultures, land and history, to the future.
Come, write great stories with us!
¡Sé parte de nuestra historia!


ADAMS STATE NORMAL SCHOOL

Our Students
are
Our Outcomes

Nuestros Estudiantes
son
El Resultado