DEPARTMENT OF HIGHER EDUCATION
FY 2023-24 JOINT BUDGET COMMITTEE HEARING AGENDA

Friday January 13, 2022
1:30-3:30 p.m.

1:30-2:45 PANEL 4: ADAMS STATE UNIVERSITY, WESTERN COLORADO UNIVERSITY, FORT LEWIS COLLEGE

Main Presenters:
- Tom Stritikus, President, Fort Lewis College
- Brad Baca, President, Western Colorado University
- Dr. David Tanberg, President, Adams State University

Supporting Presenters:
- Steve Schwartz, Chief Operating Officer, Fort Lewis College

Topics:
- Requests R1, R2, and Cost Drivers: Pages 1-4, Questions 2-4 in the packet
- Enrollment and Financial Health: Pages 4-11, Questions 5-7 in the packet
- Faculty and Staff Compensation: Pages 11-20, Questions 8-11 in the packet
- Financial Aid and Affordability Messages: Pages 21-24, Questions 12-13 in the packet
- One-time Funding: Pages 24-26, Question 14 in the packet
- Open Educational Resources: Pages 26-28, Question 15 in the packet
- Teacher Education: Pages 28-29, Question 16 in the packet
- Fort Lewis Native American Tuition Waiver: Page 30, Question 17 in the packet

2:45-3:00 BREAK

3:00-3:30 HISTORY COLORADO

Main Presenters:
- Tamra Ward, Board President, History Colorado
- Penfield Tate III, Board Vice President, History Colorado
- Dawn DiPrince, Executive Director, History Colorado

Supporting Presenters:
- Luis Colón, Chief Administrative Officer, History Colorado
- Scott Gibbs, President and Colorado Commissioner, Cumbres and Toltec Railroad
- Ed Beaudette, Government Relations Leader, Cumbres and Toltec Railroad

Topics:
- Common Questions: Pages 73-75, Questions 1-4 in the packet
- History Colorado Operations, Finances and Performance: Pages 75-77

- HC-01: Pages 77-79
- Cumbres and Toltec Scenic Railroad Operations and Funding from New Mexico: Pages 80-82
- Cumbres and Toltec Scenic Railroad Self-sufficiency: Pages 83-84

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INTRODUCTIONS

1 Please briefly introduce yourself and the institution(s) you represent.

REQUESTS R1, R2, AND COST DRIVERS

2 [Staff] Is the Executive Request, including General Fund in R1 and projected tuition rate increases in R2, sufficient to cover cost drivers at your institution? Why or why not? Do you have other comments about the request?

Adams State University: The Executive Request assumes that Adams State will increase our resident tuition by 4% and our non-resident tuition by 5.5%. However, we are already pricing ourselves out of the market we serve. To the extent that tuition increases lead to enrollment decreases, the revenue assumptions associated with the rate increases are invalid. Nearly half of our students are Pell eligible. For many of our students, the decision to come to Adams State or not and the decision to go to college or not are one and the same. This population is very price sensitive, and the cost of attending an institution of higher education is almost unfathomable.

If we do not increase tuition (or if an increase in tuition leads to further enrollment declines), then the Executive Request does not cover our cost drivers. Cost of living increases, retirement contribution changes, and inflationary increases are greater than can be covered with the request. Thus, we would be unable to even maintain the status quo.

Furthermore, the amount in step 1 of the funding formula is required to go to specific initiatives. While these initiatives are valued and important, if our mandated costs are not first covered in step 2, then we are not able to tread water.

Western Colorado University: No, funding in R1 and R2 is not sufficient to cover cost drivers at Western. The Executive Request did not include funding for salary increases for faculty and administrative staff in line with the 5% increase for classified staff. Additionally, as Western strives to provide an affordable university education for all students, it is unlikely that we will adopt the maximum tuition increases outlined in R2. Western supports funding to fully cover base core minimum costs in step 2 of the funding model, and funding to advance our work on closing the equity gap in step 1.

Fort Lewis College: The Executive Request, including General Fund in R1 and projected tuition rate increases in R2 are not sufficient to cover core cost drivers at Fort Lewis College. The calculated core minimum cost increases for Fort Lewis College, based on common policy decisions, equates to approximately $3.9 million. The R1 and R2 increases for the institution total $3.37 million, **resulting in a gap/need of approximately $530,000**.

Compounding this shortfall, the core minimum cost calculation does not consider several factors that will significantly impact college costs, including the provision for the IHE to cover employer FAMLI contributions, as well as the new minimum salary levels for all classified positions for 2023-2024 contained in new/renegotiated Colorado WINS agreement. **The current estimate of the impact for those additional provisions is approximately $529,000.**

While tuition increases can play a role in covering core minimum costs, Fort Lewis has strived to keep student costs low as the population that we serve is more price sensitive. Over the last 11 years, Fort Lewis College has only increased non-resident tuition two times (total increase of $1,640), and in that same eleven-year period has only increased annual residential tuition by approximately $2,400.

Fort Lewis College supports the recently distributed Higher Education Budget Request and Agreement Points. This request includes appropriating additional state funding through Step 2 of the model to fully cover base core minimum costs (along with tuition increases) as well as allocating funding through Step 1 of the model per the Governor's November 1st submission to address educational attainment and policy goals.

3 [Sen. Bridges] Student tuition covers a larger share of costs than in the early 2000s, but this appears to be driven largely by increases in tuition revenue, rather than declines in state support. What has been driving the increases in cost per student at your institution?

Adams State University: With regard to our faculty and staff, cost of living increases (including through Common Policies for classified employees), retirement/PERA contribution rate increases, and health, life and dental increases are our primary cost drivers. Overall inflation rates also drive up our costs. Other substantial cost drivers include technology and the increase in the need for wrap around services for our students, such as advising and tutoring.

Western Colorado University: The main factors driving increases in cost per student at Western are increases in compensation and operating costs, including institutional scholarships. Increases in compensation are necessary in a competitive marketplace for faculty and staff. With increases in tuition rates, Western has increased institutional financial aid to support affordability.

Additionally, regulatory and compliance requirements have increased exponentially (e.g., Title IX and ACA) over the past 20 years, as have technological needs, resulting in growth in IT and HR operations.

Finally, the higher education price index tends to run higher than standard consumer price indices, placing inflationary pressures on all costs.

Fort Lewis College: Increased cost per student is driven by several factors, including the need to offer competitive salaries to attract and retain faculty and staff in a high-cost locale, as well as mandated benefit increases (PERA, Health/Life/Dental, FAMLI). Additionally, shifting demographics have resulted in the college serving more at-risk students which leads to increasing costs associated with student support and intervention services for this population (ex., % of first generation, PELL eligible students increase). Tiered intervention, including mental health support, typically increases the cost per student to get them "across the stage" to graduation.

Students today have significantly different needs than those were attending higher education institution in the early 2000s. These needs have taken on greater importance since the onset of COVID. For instance, an internal survey in 2019, found that 30% of Fort Lewis College students had experienced homelessness. Although the institution has not replicated the survey for the current year's study, it is reasonable to assume that the number has increased, and not decreased, since the pandemic. Furthermore, an independent study on our campus found that 44% of FLC's students had experienced food insecurity within the previous 30 days, surpassing national averages for college campuses. Food and housing insecurity negatively impacts both mental health and academic success. In order to address these challenges, the College has invested substantial resources in services such as academic advising, mental health counseling, a Basic Needs Coordinator, and funding for food and shelter strategies. These needs did not exist at Fort Lewis College to the same extent 20, or even 10 years ago.

4 [Sen. Zenzinger] I have heard from applicants to schools of medicine, veterinary medicine, and law (and perhaps others), universities rely heavily on out-of-state students and it crowds out local students. Do the relevant governing boards have any feedback on this topic or plans to address this issue? Is it simply a perception?

Adams State University: *Not applicable.*

Western Colorado University: Western has not experienced any issues of out-of-state students "crowding out" local students in any areas of study that are offered.

Fort Lewis College: Not Applicable for Fort Lewis College. The college admits all qualified in-state students.

Enrollment and Financial Health

5 [Sen. Zenzinger] Discuss your enrollment trends. How did the pandemic affect your institution? How do things look this year? What are your enrollment goals going forward?

Adams State University: Adams State census day enrollment figures for the past five-years are shown below:

Adams State census day enrollment					
Count	Term				
Level	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022
High School	101	232	196	295	278
Undergraduate	1985	1823	1656	1585	1383
Graduate	1083	1148	1251	1302	1266
Total	3169	3203	3103	3182	2927

The lasting effects of the pandemic can be seen primarily by our traditional undergraduate population. This is also driven by the preparedness of students coming in after the pandemic and their readiness to be complete college level work. We have seen a decline in undergraduate enrollment but an increase in graduate enrollment.

While our high school concurrent enrollment has been steadily increasing, we did see a drop for the fall of 2020. However, that population was fairly quick to bounce back.

This year we are seeing an increase in degree-seeking undergraduate applications year to date compared to prior years.

Our overall goal is to have flat enrollment in fall 2023 compared to fall 2022. Our fall 2023 goal for new first time students is to enroll 400 admitted students by census date. Our fall 2023 goal for transfer and returning students is to enroll 150 admitted or readmitted students by census date. We are investing in our team, our community, and all stakeholders in order to make measurable progress towards these goals.

Western Colorado University: While Fall 2022 total enrollment is 1.6% above pre-pandemic levels, we have not fully recovered from the pandemic losses of degree-seeking students.

Fall end-of-term enrollment for degree-seeking students (undergraduate and graduate) dropped 4.2% from 2019 to 2020. In the two years since, we have not regained that loss, ending Fall 2022, now down 4.6% from Fall 2019.

A. For Colorado resident students (degree-seeking undergraduate and graduate), the initial drop was higher, at 4.8% from Fall 2019 to Fall 2020. In the two years since, we have experienced only marginal gains the resident enrollment, ending Fall 2022 at 4.6% down from Fall 2019 .
B. Non-resident enrollment saw an increase in Fall 2021 but a marked decrease this fall.
C. Despite pandemic challenges, our first to second-year retention increased to 76% for the Fall 2021 cohort, an all-time high.

For next year, our undergraduate, degree seeking applications are up 12.7% year-to -date. Western's goals for undergraduate enrollment:

A. Consistently enroll more than 460 new students and 120 transfer students in the fall semester.
B. Increase spring transfer students to more than 40.
C. .Maintain first to second year retention above 75%.
D. Reduce success gaps for limited-income students in all categories, with a focus on second to third-year persistence.
E. Maintain or expand the reach of our concurrent enrollment program for high school students in Colorado.

Western's goals for graduate enrollment:

A. Consistently enroll more than 400 total graduate students across eight different programs.
B. Explore the addition of adding 2 new graduate programs during the next 2-4 years.
C. Where possible, through grants, scholarships, and fellowships, reduce the overall cost of graduate degrees.
D. Continue to explore accelerated degree pathways for undergraduates and graduate level certificates.

Fort Lewis College: For the 5-year period leading up to and including FY 2019-20, enrollment at Fort Lewis College was flat to declining. During FY 2020-21 and FY 2021-22, enrollment increased 4.3% and 3.4%, respectively. These increases were – in part – COVID related, impacted by students staying closer to home and FLC delivering in person instruction during a time when many large campuses were fully remote.

Fall 2022-23 enrollment saw a decrease of approximately 5.1%. This decrease was largely due to a late melt in first year students, resulting from shifting student behaviors and challenges associated with a tight housing market in the Durango area. As it relates to melt, 24% of the first-time freshmen that confirmed at FLC ended up not attending. Related to student behavior, of those students that chose not to attend the college, 65% did not attend any higher education institution. This pattern was unanticipated and goes against historical trends.

Going forward, the college's goals are specifically towards slight increases in enrollment driven by retention gains, not necessarily by increases in first year student population

6 [Rep. Bird] How does your institution look financially compared to similarly situated institutions in other states? How has the pandemic affected that?

Adams State University: SHEEO's 2021 State Higher Education Report shows Colorado as 49th in public higher education appropriations per FTE. With roughly half of Adams State's Education and General revenues coming from state support, we are one of the most reliant institutions on state support. Through very strategic decision making and additional resources available during the pandemic, we have been able to increase our financial health and level of reserves. However, enrollment decreases due to the pandemic have further increased our reliance on state support. For us to continue to secure our position moving forward and make much needed investments in our campus, student services, and student recruitment, additional state funding will be necessary

Western Colorado University: Based on data from the Integrated Postsecondary Education Data System (IPEDS), and using the CCHE/Hanover national peer set established for Western, in FY2021 total revenues at Western were 24% lower than our peer average. Western expenditures were 33% below our peer averages for that same year. Currently data in IPEDS is only provided through fiscal year 2021, so the ability to conduct a comprehensive analysis of how the pandemic has affected our financial status relative to other institutions in not yet possible

Fort Lewis College: From an operational perspective, Fort Lewis tends to fall in the middle of most comparisons of comparable institutions. Other non-Colorado peer institutions which are small in nature but similarly accredited include the following:

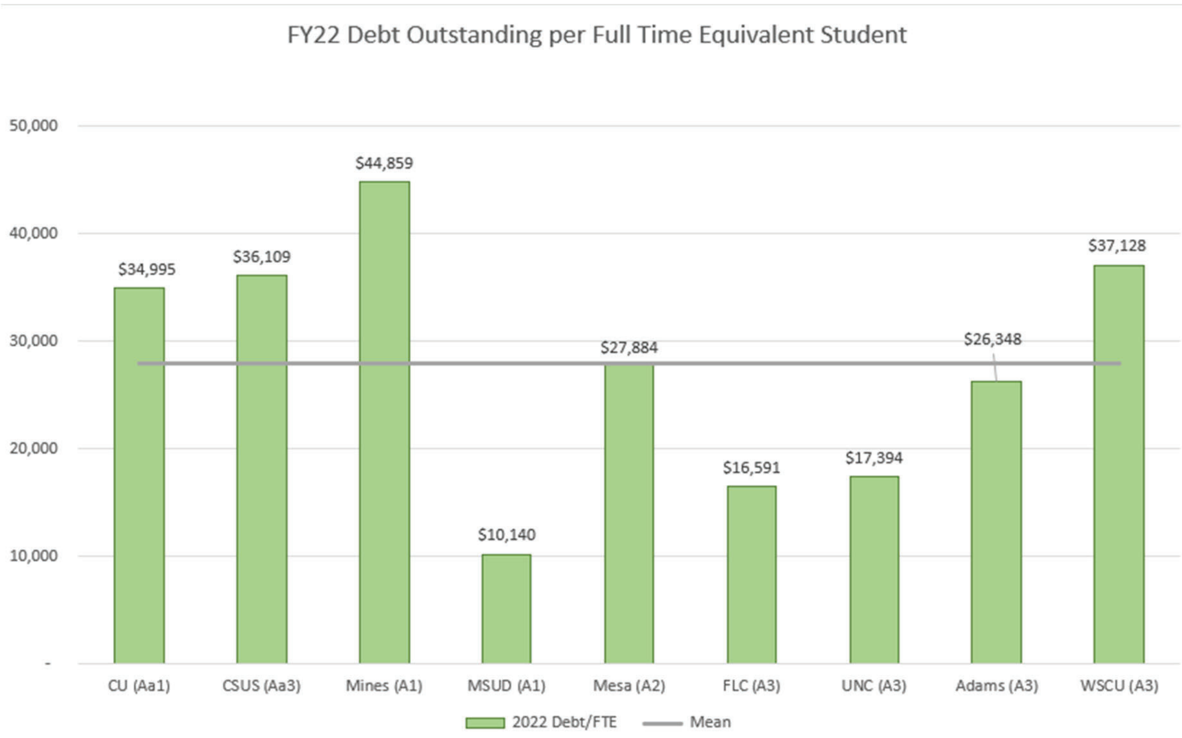
Christopher Newport University,
The University of Tennessee-Martin,
University of South Carolina-Aiken
University of Virginia's College at Wise
University of Minnesota-Morris

Regarding the above peers, the following comparisons can be made:

- Average change in net position from 2020 to 2021
  - Peers = 15%
  - Fort Lewis had an increase of 9%.

- Average expenses as a percentage of net position in 2021
    - Peers = 57%
    - Fort Lewis was 46%.
- Average plant related debt as a percentage of net position
    - Peers = 35%
    - Fort Lewis was 28%.
- Average plant related debt per student
    - Peers = $26,283
    - Fort Lewis was $16,325

Compared to other Colorado institutions, the average debt per student in 2022 was as follows:



Given that Fort Lewis College has not incurred additional debt in recent years and enrollment has increased in two of the last three years, the institution's financial position is stable. In an effort to strengthen the college's position, a new reserve plan was recently approved by the Board of Trustees which requires FLC to hold 25% in reserves in any given year. This policy will ensure that the college can weather uncertain times and allow investment of funds in strategic areas that will benefit the community and the state. In alignment with statewide goals, college areas of focus include workforce development and the expansion of the health sciences that will help address significant needs across the state.

Despite Fort Lewis College's favorable position, it must be noted that the 2021 SHEEO State Higher Education Finance Report shows Colorado's public higher education appropriations per FTE were the 49th lowest out of the 50 states. Colorado's low funding of higher education means that this position comes at a cost. Approximately 70% of FLC's General Fund budget consists of faculty and staff compensation. Coupled with Colorado's poor funding environment, the high proportion of personnel costs unfortunately results in less than competitive wage rates. This situation is exacerbated by the excessive cost of living in Durango leading to significant challenges in recruiting and retaining faculty and staff.

7 [Staff/Sen. Kirkmeyer] What does your data show about the ability of your institutions to enroll, retain, and graduate students who have historically been underrepresented in postsecondary education (low-income, first-generation, underrepresented minority students)? To what extent are such students simply unprepared for postsecondary education? If the State wants to do a better job serving these students and helping them move successfully into the workforce, how should it prioritize its resources?

Adams State University: In the fall 2022 matriculating class of first time freshman, over 70% had at least one major risk factor (under-represented minority, Pell recipient, or first generation). This indicates that we are doing a good job of providing access to students from less advantaged backgrounds. Our students have an average family income of $25,953. This is in part driven by the region we serve. The San Luis Valley is home to five of the ten lowest income counties in Colorado, two of which are the lowest in the United States. We are two hours away from the next closest four-year university. The ability to provide wrap around services is key to the success of these students. Providing institutions such as Adams a sufficient amount in state support to cover these fixed yet important costs allow us to better serve this population.

Western Colorado University: Western has demonstrated the ability to enroll new resident First Generation resident students at about 28% of the incoming class and maintain an overall student body of just under 30%. First Generation students retain from year one to year two and persist to year three at rates similar to all students but lag in 4 and 6-year graduation rates.

Incoming resident classes are typically around 22% racially and ethnically diverse, and Western maintains an overall student body of about 20%. Racially and ethnically diverse resident students retain from year one to year two and persist to year three at rates similar to all students but lag in 4 and 6-year graduation rates.

Incoming resident classes are typically around 30% Pell-eligible, and Western maintains a Pell-eligible population within the overall student body of about 24%. Resident Pell-eligible students retain from year one to year two at similar rates to all students, but we see a difference in persistence at year three and a lag in 4 and 6-year graduation rates.

When comparing these groups of resident students to the overall incoming class, they are coming to Western with similar academic credentials and retaining from year one to year two at similar rates, indicating that they have the ability, preparation, and potential to succeed.

A. For the 2021 incoming class of Colorado resident students, 56% of all students came to us with a high school GPA of 3.5 or higher. For first-generation students, that number was 55%; for Pell-eligible students, it was 51%; and for students identifying as ethnically or racially minoritized, it was 56%.
B. The 2021 Colorado resident class retained at 79% overall, and 76% for FG, 79% for PE, and 79% for URM. Across all categories, those are the highest-ever retention rates at Western.

In order to better serve these populations, we, as institutions of higher ed, must be student-ready, and it is critical to leave behind any vestiges of the "deficit model" that in the past focused on populations of students as being not college-ready.

A. Critically, persistence to the third year is notably lower for Pell-eligible students at Western, with an average gap of almost 8% over the last three years. This is an indicator that financial capacity is likely the largest barrier to the successful completion of a degree for this population.
    a. Financial support for summer school, especially for limited-income students, reduces time-to -graduation, decreasing overall costs for students, institutions, and the state. It also facilitates students entering the workforce or graduate school in a shorter timeframe.
    b. Establishing completion grants for limited-income students who have completed 2 years of school should be of equal priority. Such grants could provide support for students to pay differential tuition, take summer classes, complete internships, and participate in enrichment programs like study abroad.

B. The response provided to Q 13 is relevant here as well, particularly:

a. Providing institutions with funds to support students, both monetarily and psychosocially, is critical to enhancing student success across the board.

b. Illuminating pathways to higher education for all Coloradoans is a key first step – students and families must see themselves in the higher ed space to be impacted by any messaging we might create.

<u>Fort Lewis College:</u> A core tenant of the mission and purpose of Fort Lewis College is to enroll students that have been historically underrepresented in postsecondary education. This mission has been supported by the State of Colorado through the Native American Tuition Waiver program. First-generation, underrepresented minority students and low-income students typically have less resources to prepare them for postsecondary education and subsequently need more and different types of support than the typical college student. This additional support requires more individualized attention and time, which results in a higher cost structure. Just as in K-12 education, if the goal is not just about granting access to the public resources, but truly ensuring success, additional resources are required for support services.

The following tables highlights the retention data for Fort Lewis College's historically underrepresented students:

The following tables highlights the enrollment, retention, and graduation data for Fort Lewis College's historically underrepresented students:

Fall Semester	Total Enrollment	White	Hispanic	Native American	Pell Eligible	1st Generation
2018	3,270	437	125	1,185	478	473
2019	3,229	399	143	1,263	458	472
2020	3,348	408	162	4,429	544	609
2021	3,442	443	177	1,522	552	619
2022	3,268	401	152	1,363	426	463

Cohort	Total Retention 1st year to 2nd year	White	Hispanic	Native American	Pell Eligible	1st Generation
2018	62%	69%	60%	57%	53%	56%
2019	68%	70%	69%	67%	61%	73%
2020	54%	64%	48%	46%	39%	45%
2021	60%	72%	63%	48%	42%	47%

Cohort	Total Cohort Six-Year Graduation	White	Hispanic	Native American	Pell Eligible	1st Generation
2012	44%	46%	46%	39%	45%	45%
2013	41%	45%	44%	29%	32%	33%
2014	42%	52%	44%	25%	17%	27%
2015	44%	51%	42%	28%	25%	27%
2016	39%	47%	34%	23%	18%	26%

Please note the tables contain duplicate headcounts among Pell Eligible and 1st Generation student counts.

FACULTY AND STAFF COMPENSATION

8 [Sen. Bridges/Sen. Zenzinger/Sen. Kirkmeyer] Legislators are aware that there are often large disparities in pay between full-time faculty and adjunct, graduate student, and other teaching staff who are full-time or nearly full-time instructors. How much do you estimate it would cost at your institutions to bring the pay for those who teach at least two courses per semester up to the minimum paid for tenure track faculty (adjusted for hours worked)? Is there is another calculation you would suggest for estimating the cost to "right size" pay for instructors who are not tenure track? If so, please provide that.

Adams State University: Adams State currently pays $500-$1000 per credit hour for adjunct instruction, depending on qualifications. For a terminally-qualified faculty member this equates to $3000/course. For two courses each of the fall and spring semesters this equates to a salary of $12,000 annually. The lowest starting salary for a tenure track faculty member is approximately $45,000. These faculty teach 4 courses/semester. Thus, to bring adjunct faculty up to the same rate as tenure track faculty they would need to be paid 50% of the tenure track rate, or $24,500. This equates to $6125 per course, assuming a 3 credit course and would more than double the cost of adjunct instruction. For Adams State, the budgeted amount for adjunct instruction is $460,000.00. Bringing all these salaries up to the rate of tenure track faculty would require an additional $480,000 in just salary alone. At Adams State teaching accounts for 80% of the faculty member's load, with the remaining 20% allocated to service. Thus, for adjunct faculty without a service expectation, it may make sense to bring adjunct rates up to 80% of the tenure track rate – $36,000. At two courses per semester this would equate to a salary of $18,000, and would cost Adams State an additional $300,000 (salary only).

Western Colorado University: If only considering pay differential between adjunct/lecturers and tenure-track/tenured faculty (regardless of discipline or years of service by adjuncts/lecturers), the estimated additional funding needed is in the $300k-$400k range for FY20 22 and FY20 23. A more robust calculation to address disparities would be to acknowledge market differences among disciplines and years of service by lecturers/adjuncts. In FY20 22, the estimated cost taking those factors into account would have required an additional ~$1,953,651 funding. Please see below for more detail on the progress Western has made to address inequality for both staff and faculty in FY20 22 and FY20 23 to address compensation fairness.

Fort Lewis College: Fort Lewis College has utilized a strategy of hiring visiting faculty, who are on full year, benefits eligible contracts (like lecturers) when interim needs arise. FLC has had success in then hiring those visiting faculty positions to fill tenure track positions if, and when, they become available. Unlike an adjunct, the pay for a visiting faculty is more commensurate with a lecturer position and provides a living wage. These positions also allow a higher level of connection with students, which has been found to increase engagement and student satisfaction.

Adjunct faculty are more generally utilized to teach individual, one-off courses when internal resources are not available to meet demand. Most recently, FLC employed 70 adjunct faculty members who taught 199 courses for the academic year. For comparison, 2,108 courses were offered. As such, adjunct faculty accounted for 9.4% of all courses taught.

As it relates to compensation, adjunct pay was increased for the 2022-2023 academic year and is now calculated based on the employee's highest level of education completed (Masters versus PhD). Given the variables associated with the hiring of adjunct faculty, it is difficult to estimate with precision the cost to bring the pay for those who teach at least two courses per semester up to the minimum paid for tenure track faculty (adjusted for hours worked). That said, an estimate would result in an additional incremental cost in the range of $900,000 to $1,500,000.

9 [Sen. Bridges] Some institutions have taken steps to make their pay structures more fair, often by providing greater salary increases to those at the low end of the pay scale while providing much smaller increases (or no increases) at the upper end of the pay scale. Please describe the steps you have taken or are considering to address inequities in your salary structure within existing financial resources.

Adams State University: Adams State has taken several recent steps to adjust employee pay structures to address alignment with our peer groups/target markets, as well as to ensure equitable pay practices. The most recent example is within our exempt staffing pay structure in which Adams hired and worked closely with an external expert consultant to update our market targets for compensation levels across the institution, and to also increase salaries based on years of experience with Adams State. This adjustment has affected staff at all levels of the organization, and has enhanced our annual pay review and compensation program to ensure we have ongoing abilities to maintain the pay structure as market data changes over time.

Within the State Classified staff, Adams State is aware and in support of the efforts being made to raise the wages of our lowest paid employees on campus to a "living wage," and appreciate the efforts to reestablish a "steps" pathway that is currently under consideration by the legislature. However, these improvements in wages also come at an expense, which are not funded through Common Policies as other agencies are. Without sufficient state funding increases, this may lead to cuts elsewhere. Adams also recognizes that the result of these potential compensation levels to our Classified Staff will cause compression and inversion within our non-Classified professionals, which we would need to address to maintain salary and compensation equity amongst the groups.

Adams State also has a faculty compensation philosophy in which faculty members receive salary increases along the scale as they progress through the ranks, as well as a minimum "floor" and targeted salary goals as their length of service at Adams increases.

Further, as next steps, we are evaluating a pay equity study as an industry best practice, as well as to ensure adherence to recent compensation legislation.

Western Colorado University: Western has taken initial steps in FY20 22 and FY2023 to address compensation fairness, and in FY20 24 will be embarking on a compensation project to create the institution's first comprehensive compensation plan for non-classified employees (also referred to as "administrators" and "faculty"). During FY20 20 and FY20 21, Western conducted a Strategic Resource Allocation (SRA) Study and the final report included recommendations focused on increasing salaries for some of the lowest paid employees on campus— faculty lecturers and entry-level administrators.

As of July 1, 2021, the University set a newly established minimum salary for administrators as a range between $36,000 and $38,000 depending on educational level and years of relevant experience, either at Western or from past job history, and for faculty lecturers a new minimum salary range between $44,000 and $45,000. Below is an outline of the related implementation criteria. Additionally, due to turnover and market conditions, effective January 16, 2022, Custodian I employees (the lowest paid classification) were increased from $13.77 per hour to $15.00 per hour. This increase was given before the July 1, 2022, effective date of the $15.00 pay rate under the partnership agreement, and proper notification was provided.

During FY20 22 Western convened an ad hoc Salary Assessment Task Force. The Task Force was charged to (a) assess salary data of Western's positions against peer comparisons, identify those salaries/positions that were below comparison group medians, evaluate and prioritize equity concerns and recommend adjustments to certain salaries and to (b) research best practice and timeline for creating a comprehensive campus-wide compensation plan. Due to this work, in FY2-23, a three-part salary adjustment plan is being implemented.

PART 1 - Effective July 1, 2022, Administrative employees that were paid below the market median for their positions received equity adjustments on a graduated scale with the lowest paid administrative employees adjusted to a greater percentage of the market median than higher paid administrative employees. (CUPA refers to the College and University Professional Association for HR compensation survey data; Western's benchmark market data). If an individual's salary was already at the target, an equity adjustment was not applied

CUPA Matrix (CM)	
If Salary > =	CUPA Target =
$ 35,000.00	91.0%
$ 40,000.00	90.0%
$ 50,000.00	89.0%
$ 60,000.00	88.0%
$ 70,000.00	87.0%
$ 80,000.00	86.0%
$ 90,000.00	85.0%

Effective July 1, 2022, the lowest paid faculty lecturers (FTE of half-time and above), tenure-track, and tenured faculty that were paid below 90% of peer medians were brought up to at least 90% of market for their discipline and 27% of faculty received this equity increase.

PART 2 - To help mitigate compression, a salary adjustment for time in job was applied if an administrative employee was below 100% of the CUPA median according to the following scale:

Time in Position Adjustment	
If under 100% CUPA	
3-5 years	$500
5-10 years	$1,000
10-15 years	$1,500
+15 years	$2,000

Faculty in the same discipline at the same salary when placed at 90% of market, but with different years of experience at rank, received the same "time in position" adjustment as illustrated in the table above provided they were below 100% of market.

PART 3 - The final salary adjustment for all non-classified employees was a 3% cost of living increase (after any adjustments as described above).

Rates paid per credit per term to the lowest paid, part-time, adjunct faculty were increased effective July 1, 2022 by $400 per credit hour across all ranks. This adjustment makes Western's adjunct pay consistent (on a per credit hour basis) with full-time lecturer pay - increased in FY22 as an outcome of the SRA process.

Fort Lewis College: In an effort to make the pay structure more equitable and utilize funds in a manner that would have the greatest impact to those employees on the lower end of the pay scale (as those employees are the most impacted by inflation and housing costs) in FY 2021-22 Fort Lewis College allocated its 3% salary increase pool as an across the board (same dollar amount) annual salary increase to all employees. The allocation of this pool resulted in pay increases ranging from 1% to 7.5%.

The institution further allocated funding for range and position adjustments. Faculty salaries were addressed so that those faculty earlier in their career (and thus on the lower end of the scale) were prioritized for adjustments. Exempt staff below director level were allocated an additional $2,000 base pay adjustment, while directors received a $1,500 base adjustment. Senior administrators (above the director level) did not receive adjustments. Compression adjustments were also prioritized for certain groups of hard to fill positions within the Classified positions on campus. The overall average percentage increase for senior administrators was 1.8% and the average percentage raise for employees making less than $80,000 was 10.5%.

10 [Sen. Bridges] I'm curious about how some of the CCHE capital construction requests and projects that are brought by higher education institutions compete with things like pay raises for adjunct professors and staff. How do you think about those tradeoffs?

Adams State University: Our capital construction requests are completely separate from our annual budget process, which includes things like pay raises for adjunct professors and staff. Thus, they are not competing against each other directly through the budget process.

Western Colorado University: Capital construction requests do not compete with operational expenses such as compensation for adjunct professors and staff as capital construction projects are supported through a different funding stream.

Fort Lewis College: Operational revenues (General Fund), which Fort Lewis College uses for ongoing costs, are accounted for separately from capital appropriations, which are considered one-time in nature. These one-time capital dollars, when appropriated to the college, represent a considerable proportion of any one year's operational budget. Due to the differing sources and uses of General Fund versus Capital Construction funding, these dollars do not directly compete for things like pay raises for adjunct professors and staff. That said, when a new facility funded by Capital Construction dollars comes on-line, there are often additional expenses incurred (ex., utilities, custodial, maintenance). These additional expenses are absorbed within existing revenue sources, so in that sense compete with other institutional priorities.

If the state did not fund a particular General Fund capital request, and the institution was required to cover the cost, the college would need bring forward to students for a mandatory fee increase and subsequently issue tax-exempt financing to cover the cost. In this case, the students would be paying for the debt and associated interest for the capital project, which would increase the cost of attendance.

Capital construction requests brought forward by Fort Lewis College for state funding are for facilities needed to address an identified need or deficiency. This funding mechanism allows the institution to prioritize operational dollars for investment into other costs, including salary and benefit costs increases, students support and intervention services, and new programming. Without the funding from the state for the capital projects, the student experience would look vastly different.

11 *Statewide Common Question:* Please provide a description, calculation, and the assumptions for the fiscal impact of implementing the provisions of the Partnership Agreement, including but not limited to changes in annual leave accrual, holiday pay, and paid family and medical leave on classified employees. For faculty, administration, and other employees who are exempt from the Partnership Agreement, please indicate whether or not you intend to implement similar benefit changes as those required for covered employees. Please provide a breakdown of the fiscal impact of implementing the provisions of the Partnership Agreement for: a) employees who are subject to the Agreement, and b) employees who are exempt from the Agreement if you expect to provide similar benefits.

Adams State University:

Response to a):

The combined hourly rate for all Classified employees at Adams State, as of 7/1/22 was $1,677/hr. This figure will be used as the basis for the below calculations of costs related to the Partnership Agreement.

Annual leave accrual- Due to the increases in accrued annual leave from prior years compared to the new accrual rates, ASU classified staff will accrue approximately 90 additional days per month at a cost of $16,770 per month which equates to $201,250 annually.

Holiday pay- The additional annual Holiday recognizing Juneteenth will cost Adams $13,416 for Classified employees. With regard to those employees who could potentially be required to work on a recognized holiday, Adams State's practice has been to allow the employee to take the Holiday leave on another day. Within the Partnership Agreement, these employees have the option to request hourly pay instead at time-and-a-half. While this could increase our cost, we see this as a negligible impact on our budget.

Paid family and medical leave for Classified employees - The full potential budgetary impact due to the additional 80 hours of leave would be approximately $134,160 per year. (The increase of PFML from up to 80 to up to 160 hours)

Response to b):

Adams does not plan to implement significant benefit changes for Faculty, Administrators, and those exempt from the Partnership Agreement's benefits. One exception would be the additional cost of annual leave for the Juneteenth Holiday, which would have a budgetary impact of approximately $36,616.

In general, the administration of the various components of the Partnership Agreement cause significant overhead costs to the internal departments at Adams. This cost is not directly calculated as part of these estimations.

Western Colorado University: Western anticipates that the fiscal impact of implementing the provisions of the Partnership agreement for employees who are subject to it is $334,612. A detailed breakdown of this cost can be found below.

Article 16.5 On-Call

The on call pay rate increased from $2 per hour to $5 per hour. Western's fiscal impact is based upon the number of on-call hours scheduled per year. Western's on-call schedule is 123 hours per week for 52 weeks per year. One covered on call worker scheduled M-F, 4:30 p.m. – 7:30 p.m. and weekends 24 hours a day.

	Avg hrs./year	Increase $/hr.	Subtotal/year	Total. Incl. tax burden
On-call hours	6,400	3.00	19,200	**26,112**

Article 32 Pay Differentials (Shifts)

When half or more of all hours worked in a shift fall within the differential period, the differential is payable. The partnership agreement increased the differential for third shift from 10% to 14% and created a new weekend shift differential of 20% (applies when more than half of the scheduled shift hours fall on a weekend shift that starts at 4:00 p.m. on Friday and ends 6:00 a.m. on Monday).

The only regularly employed covered workers on shift 3 at Western are Security I employees. Based on schedules for two Security 1 employees, these are the calculations.

Hours /year	rate	Regular rate total	Old 10%	New 14%	Difference	Total Incl. burden
2,600	15.50	40,300	4,030	5,642	1,612	**2,192**

Weekend shift affects Security I employees, Custodians who previously were considered on shift 2 on Friday evenings, and one Library Technician II (who works Saturdays part of the year and previously received regular, shift 1 pay for Saturdays).

The cost for Security employees, based on schedules is as follows:

Hours /year	rate	Regular rate total	Old 10%	New 20%	Difference	Total Incl. burden
1,560	15.50	24,180	2,418	4,836	2,418	3,288
520	18.07	9,396	939	1,879	939	1,277
						4,566

For the cost for Custodians, we ran a report of all weekend shift payments since August 2022 (5 months), calculated the difference between their old shift 2 amount and their new weekend shift amount, then projected out to one year at the same monthly amount. Estimated increase in cost including tax burden is $12,367.73.

For the Library Technician II:

Hours/ week	32wks/ year	rate	Normal rate total	Old%	New 20%	Difference	Total Incl. burden
7	224	21.18	4,744	N/A	948	948	**1,290**

Article 29.3 Paid Family Medical Leave (PFML)

The partnership agreement increased paid family leave from 80 hours to 160 hours per year. We assume that 10% of our covered employees may take the additional weeks of PFML. Based on 10% of our estimated annual covered payroll for two weeks of work, we estimate the additional cost, including burden, to be $12,716.

Article 31.1 Across the Board Increases (reopened agreement)

For FY2024 (effective 7/1/2023) the across the board pay rate increase changed from 3% to 5% for covered employees. Basing our calculations on $2.5 million in covered classified payroll, the extra 2% ATB increases our annual regular rate payroll cost (including burden) by $68,000. This estimate is slightly low because increasing base pay will also increase shift differentials.

Article 31.4 Minimum Wages for State Employees

The renegotiated partnership agreement increases the minimum wage from $15.00 to $15.75 on July 1, 2023. Since this is 5% on $15.00, the impact of this change is accounted for in the cost of Article 31.1.

Article 31.5 Adjustments to Pay Plan

Based on the information that we have been able to obtain about the proposed FY20 24 pay structure, the pay plan range minimums proposed will affect the pay rate of approximately 40% of our covered employees. The cost to Western for covered wages (including burden) is estimated to be $179,867.

Article 31.6 Step Placement in Pay plan Based on Time in Job Series

The calculations for the negotiated step pay increase percentages for time in job series, effective July 1, 2024, are complex. It is difficult for Western to anticipate the estimated additional cost of this increase. Each individual employee's step will need to be calculated. The largest number of our covered employees are in the Custodian classification and turnover in this class is higher than other classes.

Article 29.1 Annual Leave

Upon the termination or death of covered employees, unused annual leave is paid out up to the maximum accrual rate. The added fiscal impact of the increase to accruals to employees with more than 36 months of service is dependent upon how many employees leave employment in a year, and what their individual tenure is. Given that the biggest increase in maximum accrual is for covered employees with greater than 15 years of service and that these employees are generally our highest paid covered employees, and could be nearing retirement, we estimated for 7 individuals that may retire in this group an increase in potential payout, including burden, of $12,500.

Additional direct cost of remaining economic articles

For the following articles of the partnership agreement, Western estimates it will see a minimal cost increase to the wages and benefits of covered employees, either because we already had these forms of compensation and benefits/holidays, or because the covered situations do not generally apply at Western.

Article 16.3: Comp Time

Article 5.2: COWINS Stewards

Article 24.4: Training Pay

Article 24.5: Tuition Benefits

Article 28.4: Benefit Contributions While on Leave

Article 30: Holidays

Article 32: Hazard Pay

Article 32: Report-In Pay

Article 31.7 Critical Staffing Needs Incentives Cost of Administration of the Partnership Agreement

Western's Human Resources department conservatively estimated that the cost of the HR Director's and HR Staff's time in supporting the implementation of the partnership agreement between October 2020 and March 2022 was $20,000. Between March and December 2022, HR staff worked on a COWINS information request response, spent time in labor relations meetings supporting the agreement re-opener, and invested time in configuring Workday to properly support the terms of the agreement. Therefore, we conservatively estimate that the cost of our HR personnel's time to date has been approximately $30,000. On-going support costs could be estimated to be in the region of $15,000per year in added HR costs and, if side agreement negotiations are initiated, and/or grievances, or unfair labor practice charges are initiated the HR costs will increase substantially as will Western's legal fees.

Western does not need to make adjustments for most of the benefits in the Partnership Agreement for non-covered employees either because they are not applicable or are already offered. However, Western is looking into across-the-board increases and paid family medical leave adjustments for non-covered employees. The estimated cost of these two changes is estimated to be $332,772 and $19,881 respectively, for a total of cost of $352,653.

Fort Lewis College: Fort Lewis College employs 104 staff members subject to the Partnership Agreement (classified) and 592 employees exempt from the Agreement (faculty and non-classified staff). The table below indicates the projected fiscal impact of the provision contained in the Partnership Agreement. "Not Applicable" indicates that the college does not expect to provide similar benefits to exempt employees. While not part of the Partnership Agreement, the cost to implement FAMLI is included for context.

	Subject to Agreement (Classified)	Exempt From Agreement (Faculty & Exempt)
5% Pay Increase (Including Benefits)	$299,000	$1,700,000
Base Increase (Including Minimum Wage - $15.75)	$350,000	Not Applicable
Annual Leave Accrual	Variable	Not Applicable
Holiday Pay	$29,300	$160,000
Paid Family and Medical Leave (80 hours of additional timer per employee * average hourly rate * number of employees with benefits)	$293,000	$1,600,000
TOTAL	$971,300 + variable annual leave accrual impact	$3,460,000
FAMLI: 0.9% classified, 0.45% exempt	$46,000	$156,000

FINANCIAL AID AND AFFORDABILITY MESSAGES

12 [Rep. Bockenfeld/Sen. Bridges] Financial aid funding for students with need is not adequate to cover the cost of attendance. What share of your resident students have financial need (cost-of-attendance exceeds expected family contribution)? How are students and families covering the gap between the cost of attendance and available funding? To what extent are your students relying on loans?

Adams State University: Adams State serves a student population that has a high financial need. 46% of our students are Pell eligible. 40% are first generation. 89% of degree-seeking resident undergraduates who completed the FAFSA had financial need, defined as cost of attendance greater than expected family contribution. Of the students with financial need (by this definition), 48% took out loans, followed by payment plans, cash, and credit card payments.

Western Colorado University: Approximately 57% of Western's students have unmet need. For Colorado residents, 67% who file a FASFA demonstrate need.

To cover this unmet need, after grants and scholarships are applied, the gap is covered by a combination of loans and direct payments (cash, check, revolving credit) from parents/students. Loans can be educational in nature, which we are able to account for, and private loans, home equity loans, and revolving credit, which we cannot easily account for.

Approximately 65% of students at Western utilize a loan program. This number includes those who do not demonstrate need as determined by the FAFSA.

Fort Lewis College: In FY 2022-23, Fort Lewis College had 487 (69%) in-state students that completed a FAFSA and show financial need. There is a wide range of ways these students are covering their cost of attendance (COA). The method chosen depends on the student's expected family contribution (EFC) and whether they can afford to pay out of pocket. Students with an EFC between $9,000 and $25,000 appear to be taking on the highest loan burden. However, these same students also rely heavily on private scholarships, 529 plans, and the college's payment plan options.

The average federal loan amount for FLC undergraduates is $19,622 compared to the national average of $28,950. The institution's cohort default rate for federal student loans is less than 3%.

13 [Staff/Sen. Bridges] Last year institutions indicated that they supported development of a coordinated statewide affordability message about postsecondary education, but there was little progress on this. (1) Do you support this concept?; (2) If so, do you have a recommendation for how to move forward to identify a common statewide message? (3) At your institution, which students do not pay tuition or mandatory fees because these are covered by financial aid? What share of your resident student population does this represent? [DHE will collect additional detail in written-only questions]

Adams State University: 44% of Adams State students do not pay tuition or mandatory fees because a combination of Pell and Colorado Student Grant is enough to cover these direct costs. Colorado resident students with an Expected Family Contribution (EFC) above $2,000 do not have enough financial aid to cover tuition and fees because of the Colorado Student Grant and institutional budgetary constraints. Adams State supports a coordinated statewide affordability message, but in order for us to cover tuition and fees for Pell eligible students, we would need additional Colorado Student Grant dollars. Preliminary analysis shows Adams State dependent students with a household income of under $60,000 a year are Pell eligible. However, the EFC range for this population can exceed the $2,000, at which point a combination of state and federal funds no longer covers the cost of tuition and fees.

Western Colorado University: Western supports the concept of a statewide affordability message.

To be successful, we believe that a focus on the support that in-state institutions can provide students with limited income, both monetarily and psychosocially, would be a critical component of the messaging, as well as the following:

A. Illuminating pathways to higher education for all Coloradoans is key – students and families must see themselves in the higher ed space to be impacted by any messaging we might create.
B. We, as institutions of higher ed, must be student-ready, and it is critical to leave behind any vestiges of the "deficit model" that in past focused on why limited-income students are not college-ready.
C. Reframing the focus of messaging to the cultural capital that students bring to our campuses while funding the support mechanisms that facilitate their success is crucial to increasing the retention and persistence of limited-income students.

Finally, messaging should be inclusive and not assume that our in-state costs are "affordable" for many Colorado families, even with tuition and fees covered. As things like home mortgage debt increase, while average weekly wages and savings rates remain stagnate or decrease, less family funding will be available for higher ed costs.

At Western, other than students awarded top academic scholarships, Pell-eligible students are most likely to have tuition and fees fully covered.

A. Students eligible for a full Pell Grant generally have 100% of tuition and fees covered by a combination of the PELL award and state and institutional grants.
B. 98% of all Pell eligible students with AGI's below $50K receive grants/scholarships that cover tuition (not including fees) at Western

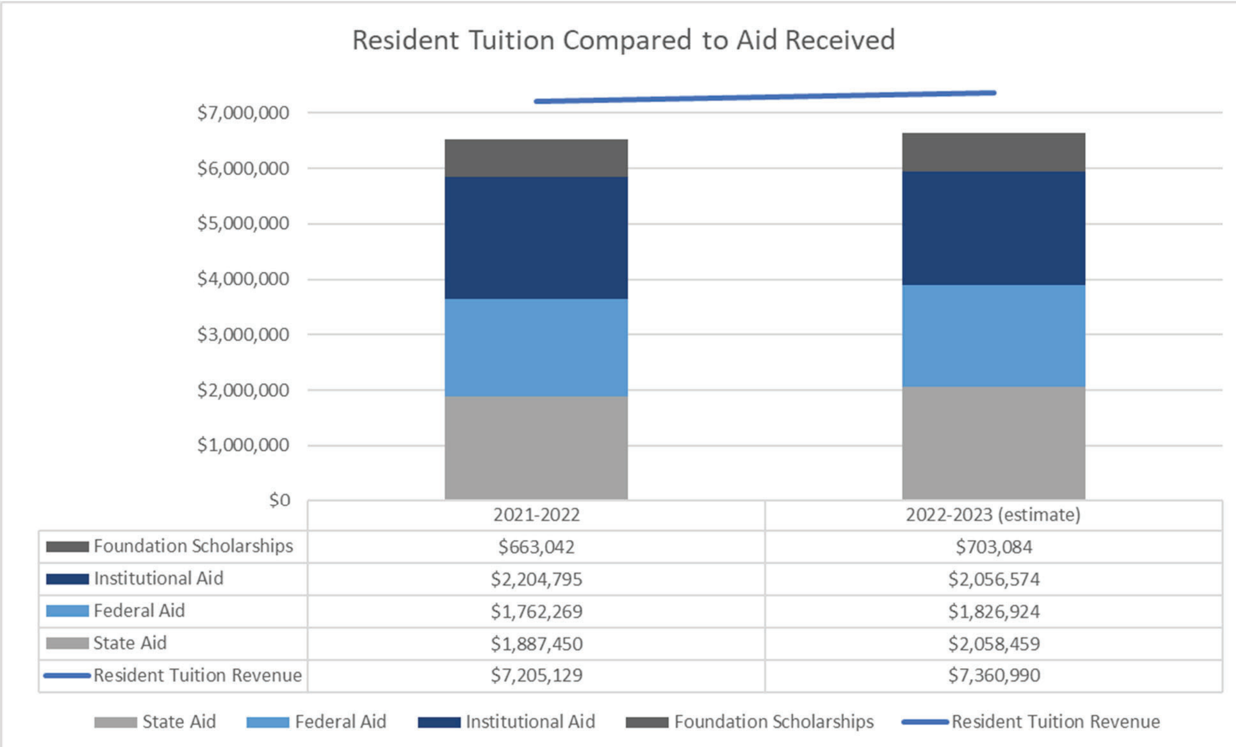
When all federal, state, and institutional funding is considered, tuition and fees are covered for approximately 27% of undergraduate students (23% of all degree seeking students).

Fort Lewis College: Fort Lewis College acknowledges the cost of higher education can be out of reach for many low-income students and the perception of affordability is problematic and supports the development of a coordinated statewide message. As an institution, Fort Lewis College has taken proactive steps to increase awareness about 1) what the actual cost of attendance is (most low-income students overestimate how much the total cost may be) and 2) the programs that can assist students in funding their education. Developing a coordinated statewide message would most appropriately lie within the Colorado Department of Higher Education working with the individual institutions.

At Fort Lewis College, the tuition costs for 244 non-Native American Colorado resident students are fully covered. Additionally, 165 Native American Colorado residents and another 1,232 non-resident Native American students have tuition covered by the Native American Tuition Waiver (does not cover mandatory fees). As such, 28.4% of our resident student population has tuition covered.

Fort Lewis College uses institutional funding in a variety of ways to mitigate the cost of attendance, including merit scholarships, departmental scholarships, and athletic scholarships. The Fort Lewis College Foundation also provides philanthropic support in the form of scholarships to students. The FLC Tuition Promise grant program fully covers tuition for any Colorado resident student whose family income is $65,000 or less. The FLC Tuition Promise has been in place since the 2020-2021 academic year.

The chart below shows the total resident tuition revenue received in the last two fiscal years compared to the aid sources allocated to cover that tuition.



ONE-TIME FUNDING

14 *Statewide Common Question/Hearing Discussion:* [Sen Bridges] Please describe the implementation plan for new programs added to the institutions from one-time stimulus funds (such as the CARES Act, ARPA, and one-time General Fund), as well as any challenges or delays to program implementation. Please specifically address S.B. 21-232 and H.B. 22-1330 (displaced workers and back-to-work grants), educator workforce initiatives, forest service initiatives at CSU, and behavioral health initiatives, as applicable.

Adams State University: Adams State has implemented COSI "back to work" and "finish what you started" grants. We have identified eligible students, and are working to recruit them into the programs. We have not seen any delays with program implementation.

Western Colorado University: Western has received one-time stimulus funds from various sources, the details of which can be found below.

A. Funding provided by SB21-232 (Back to Work Grant) and HB 21-1330 (Finish What You Started Grant) initially began in FY22, and there were no major delays to implementation outside of standard timeframes to set up new programs. Funding from both bills is being used to provide scholarships for students in the Adult Degree Completion program. Additionally, this funding is being used for success advisors who proactively advise, monitor, coach and interact with the students as needed to ensure a successful and efficient experience upon returning to college level work.

B. .Funding provided by HB22-1220 is used to provide stipends in fiscal years 2022 and 2023 for approximately 1,380 students who participate in a 16-week or 32-week residency program. Western has implemented this funding through its Educator Preparation Program to provide funding for testing vouchers and test preparation materials, and through its Student Financial Services Office to provide Educator Stipends. Initial implementation of this bill was delayed as it was difficult coordinating with the various stakeholders throughout the state, and due to the large administrative burden of the program.

C. Funding provided by SB22-172 has not had any issues with implementation. The funding is being used to provide academic scholarships to five Masters of Behavior Science in Rural Community Heath students, as well as covering a portion of a faculty member's salary who is operating the program.

Fort Lewis College: One-time funds allow the college to continue providing alternative resources for learning beyond just in the classroom. Fort Lewis College is utilizing one-time funding to invest in students at the center through several initiatives including:

- Welcome Teams - providing support to new first year students,
- Academic Hub - a new model of integrated academic retention programming with tiered levels of support for students
- Sophomore Summer Bridge Program - targets both high-achieving students and students with academic developmental needs.

The college is also re-investing funding into classroom and lab support, classroom updates, increasing student experiential learning opportunities through undergraduate research funds, and has created a professional development and training position to assist all employees of the college.

Through funding from SB 21-232 Fort Lewis has instituted a Circle Back Program. This program engages students who seek to take time off or leave the college for a few years, creating sustained connections and providing alternatives to stopping out. The Circle Back program has continued and expanded the institution's holistic approach to student retention and degree completion during the Fall Semester. Program staff worked as Admission Counselors for all returning students. Twenty-three returning Colorado resident students enrolled in the Finish What You Started (FWYS) program and received a total of $34,500 in additional financial aid. FWYS students engaged in regular Success Coaching, connected to other academic support systems, and worked with the Career & Life Design Center. The program also referred seven students to the TRIO or STEM3 programs and provided FWYS funding to six TRIO/STEM3 students.

Circle Back expanded its support to current and returning students by offering two sections of the "GS 190: Steps to Success" course, which enrolled 34 students. The course helps students build skills and develop behaviors related to academic success while creating connections to the campus community and engaging in regular Success Coaching. The course provides financial aid, scholarships, and career exploration and readiness assistance. Circle Back will offer four sections of the course this Spring and aims to enroll 60 students.

15 Fort Lewis College has also been recognized for its work with the Southwest Collaborative, funded through the RISE (Response, Innovation, and Student Equity) Grant. This grant brings together five area school districts, Pueblo Community College and Fort Lewis College and provides high school students opportunities via postsecondary pathways. To date the Collaborative has designed regional high school pathways in health, environmental and educational studies

OTHER

16 [Rep. Bockenfeld] To what extent are faculty at your institution using Open Educational Resources (freely available on-line materials)? What is the return on investment for students when faculty adopt OER? When a state grant for OER runs out, is the student or the institution negatively impacted?

Adams State University: Faculty use of OER resources has increased modestly over the past year. In both online and correspondence courses at least 3-4 faculty have developed courses using OER. However, some faculty teaching face to face courses have not been open to adopting OER options. These faculty are skeptical about the quality of OER resources, do not want to contribute to a negative relationship with publishers upon whom they rely to publish their own research, and/or do not have the time required for the intensive effort to convert existing courses from a known and established textbook to a new OER resource. Additionally, Adams State does not have adequate staff/librarians/expertise to provide assistance to faculty exploring OER.

An Adams State student enrolled in 5 common general education courses, including English and Mathematics, in their first semester could expect to spend approximately $465 buying new books, or $356 buying used or renting books. If all 5 classes were to offer OER as opposed to traditional text, the student would save that amount every semester.

When state grants for OER run out it negatively impacts new adoptions of OER, since we incentivize faculty to adopt OER with a course redevelopment stipend. It doesn't have a significant impact on OER adoptions that are already in place.

Western Colorado University: Western's students have benefited from Open Educational Resource (OER) grants received in 2019, 2020, and 2021. Grant funds focused on training faculty participating in essential skills courses required by all students, general education, and in the Business department. Overall student textbook savings to date are estimated to be $144,500. This grant cycle Western has requested funds to develop an OER ecosystem that supports existing OER adopters and educates and encourages non-users such as new faculty to incorporate OER on a broader scale. Without funding support, the program may be slow to expand given the turnover of faculty and the need for training in how to locate and utilize OER resources.

Fort Lewis College: Studies show that college textbook costs are rising faster than other costs of living. A recent survey of FLC students about textbook usage revealed that:

- 65% of students reported that they had not bought some required textbooks due to the expense
- 42% of students received a lower grade or failed a course because they could not afford to purchase the required textbooks
- Over 20% of students based their course registration on the anticipated expense of textbooks

In alignment with Governor Polis' Zero Textbook Cost Challenge, FLC is working to lower textbook costs. The Affordable Educational Resources initiative continues to decrease textbook cost burden through open educational resources, online resources that fall under fair use consideration, and library resources.

Fort Lewis College seeks to decrease the textbook cost burden for students through open educational resources (OER), online resources that fall under fair use consideration, and library resources. To that end, a task force has been convened that focuses on three components of a sustainability framework: Infrastructure, Resources, and Culture. The goals for each of these areas are: 1) Infrastructure – In accordance with existing state and campus policies, building the campus guidelines, processes, and capabilities necessary to support affordable educational resources 2) Resources – Identifying the dollars or faculty/staff time required to support the work, as well as opportunities to conserve resources through efficiency improvements, and 3) Culture – Using affordable educational resources to support broad institutional visions and goals, including measuring and communicating successes.

Over the last four years Fort Lewis College has completed the following Open Educational Resource projects:

Academic Year	Number of Completed Projects	Number of Faculty	CDHE Grants Received for OER
2019-2020	12	20	$42,000
2020-2021	10	19	$31,000
2021-2022	9	10	$30,000
2022-2023 (in progress)	10	15	$37,500

Through the summer of 2022, Fort Lewis College students saved an estimated $500,000 in classroom materials through the Open Educational Resource program. It should be noted that a key component of OER is making sure that students have technology access—they need the laptops to access the OER materials. Many first-gen, Pell-eligible students do not have the technology needed. Fort Lewis College has worked on this issue via our TechPack program, which provides the necessary hardware, plus training. While state OER grants are valuable to the institution, FLC is committed to OER and the benefits it provides to students, and plans to continue investing in projects.

TEACHER EDUCATION

17 [Sen. Bridges] How are you ensuring that your teacher education program(s) teach the science of reading?

Adams State University: There are several mechanisms we have in place to ensure compliance with the science of reading requirements in statute.

1. State Authorization - when we went through our last 5-year authorization with the Colorado Department of Education. all of our elementary courses were vetted by department personnel and literacy experts to ensure alignment to this requirement.

2. For faculty who teach our early reading courses, we screen for training and experience in science of reading techniques. Our current faculty have received state-approved training in science of reading curriculum and teaching within the past 3 years.

3. Ongoing Faculty Training: We have scheduled additional training for all our remaining faculty in science of reading which will be completed during spring/summer 2021.

4. Review/Screening of Curriculum/Resources - W work to ensure that any curriculum/materials used by students when learning and practicing teaching of early reading in local schools has been approved by the state for meeting READ Act/Science of Reading Requirements. This involves ongoing work with district partners to adopt and implement early reading curriculum that is consistent with these standards.

5. Review by the National Council for Teacher Quality. - National reviewers also review our work in educator preparation when it comes to meeting science of reading standards. Each year, the NCTQ, a non-governmental, non-profit organization, reviews ed prep programs across the country on several criteria, including alignment of educator preparation curriculum to science of reading standards. For 2020, Adams State was one of only 6 educator preparation programs in Colorado (out of a total of 19) to receive an "A" Rating for Early Reading by the NCTQ.

Western Colorado University: Western's elementary education program has been at the forefront of reading literacy and has recently been highlighted by the state board as a model for others. For example, the 2020 READ Act requires that all licensure candidates in k-3 and special education are trained in the science of reading. Western was the first IHE to apply and receive approval to have our relevant courses designated as meeting the READ act science of reading requirement. In 2021, the state added a science of reading testing requirement for all elementary and special education initial licensure candidates which also ensures that teacher education programs successfully teach the science of reading.

Fort Lewis College: The Teacher Education Department at Fort Lewis College works closely and constantly with CDE and CDHE as part of its Ed Prep Program (EPP). Teaching the science of reading is a strength in the FLC Teacher Ed program, and was scored at a proficient level (which is the highest level) in the most recent reauthorization of FLC Ed Prep (2020) by the CDE and CDHE evaluators. The site team stated, “Evidence from stakeholders’ visits and course information submitted by FLC showed a solid alignment to the reading preparation standards around the science of teaching reading.”

The Dean of Education and several faculty members attended multiple webinars on the READ act prior to its passage, as well as several training courses that followed its passage. FLC’s literacy specialist (Reading and Culturally and Linguistically Diverse Education specialist) took the PEPPER course offered by CDE to in-service teachers to ensure coursework meets the most up-to-date research and practice in the science of reading.

Subsequently, FLC developed and implemented a new course to augment current instruction. The course, entitled, "Teaching Reading in Primary Grades: K-3," adheres to the science of reading and is pedagogically aligned to research-driven areas shown to be effective. In the course, teaching candidates learn how to teach: phonemic awareness, phonics, vocabulary development, and reading fluency including oral skills and reading comprehension. This course was mapped into the matrices of alignment to standards and is built into literacy scope and sequence within FLC’s full elementary curriculum (which includes other coursework containing a focus on teaching reading).

Importantly, teaching candidates are required to implement and apply knowledge of the science of reading in field-based settings that include focused assignments so that course content is applied in the field experience. Syllabi provide evidence, and assessments are based on both field and content and methods. Syllabi and/or assignments are provided to mentor teachers by students so that their mentorship is aligned to the course goals and objectives. Teaching candidates must take and pass PRAXIS exam 5205 beginning Spring 2023. However, the department has had a few students take the exam early who have passed with high scores.

Future plans include proposing this course be approved by CDE for professional development to area K-3 educators. The needs of K-3 students in literacy in a rural area include different variables than what is sometimes shared when PD offerings from vendors or the state send someone to local and surrounding counties. For example, in meeting the needs of English Learners in the area, FLC sees not only immigrant or Spanish-speaking ELs, but also Native American students who have distinct linguistic needs. Professors who would teach the course have wide experience in working with diverse learners, including students in the Southwest.

18 [Sen. Kirkmeyer] Explain the Native American Tuition Waiver. Why is Colorado paying tuition for nonresident students at a nonresident tuition rate? What share of your nonresident student population is funded by the Native American Tuition Waiver?

Fort Lewis College: The Colorado Native American Tuition Waiver (NATW) has been in place since 1911 as the result of a contract enacted between the federal government and the State of Colorado to provide post-secondary education to displaced tribal citizens and descendants.

The history of the NATW is based on agreements between various sovereigns – federal government, state government, and Tribal Nations. The land on which Fort Lewis (the Old Fort) was built is land that was ceded by the Ute people to the federal government by treaty (sovereign-to-sovereign), that land was later transferred by the federal government to the state of Colorado (government-to-government) by act of congress.

CRS 23-52-105 requires all academically qualified Native American students, regardless of residency, be admitted to Fort Lewis College *"free of charge for tuition and on terms of equality with other students."* Further, the statute *requires the General Assembly to appropriate 100% of the cost of tuition* for such qualified Native American student.

Current statute reads:

> *Section 23-52-105: On and after September 1, 2002, the board of trustees shall fix tuition in accordance with the level of cash fund appropriations set by the general assembly for Fort Lewis college pursuant to section 23-1-104 (1)(b)(I), subject to the restriction that all qualified Native American students must at all times be admitted to such college free of charge for tuition and on terms of equality with other students. The general assembly shall appropriate from the state general fund one hundred percent of the money required for tuition for such qualified Native American students.*

The Native American Tuition Waiver is a shining example of how Colorado has honored its commitment and treaty obligations to Tribal Nations. In fact, at the signing of HB 22-1327, Governor Polis said that *the waiver is one of the most important programs in Colorado higher education.* It is also a critical tool for Indigenous students to gain access to postsecondary education.

Today, approximately 45% of FLC's student population is Native American or Alaska Native, representing over 185 tribal nations and villages and receive the tuition waiver. Of FLC's nonresident students, approximately 69.8% are tribal citizens funded by the NATW. Fort Lewis College awards more degrees to Native American students than any baccalaureate institution in the United States.

Western Colorado University

Joint Budget Committee Hearing
January 13, 2023

Brad Baca, President

Where's Western?

located in Gunnison, Colorado

About Western

Location: **Gunnison, CO**

Student body: **3,300**

Average class size: **17**

Academic programs: **100+**

Student-created clubs: **50+**

Students who receive financial aid: **80%**

Meeting Student Needs

Accelerated Degree Pathways

Reducing the time and cost of completion through a portfolio of five-year master's programs, or 3+2s

School of Graduate Studies

Professional enhancement in Education, Environmental Management, and Rural Health, among other fields

Concurrent Enrollment

Partnerships with schools throughout the Western Slope and DPS, serving rural communities and underrepresented populations

Adult Degree Completion

Applying Western's personalized approach to ensure persistence and completion

---

Each undergraduate program has a professional pathway

Pre-health in Biology, pre-law in Politics & Government, Criminal Justice in Sociology

Partnerships

Rady School of Computer Science and Engineering (CU), FLC and ASU, BLM and USFS

Our Regional Impact

13%
Student & employee share of County population

2,000+
Western alums living in Gunnison County

$70+ M
Annual economic impact of Western on the Gunnison Valley

200%
Average Western wage as % of Average County wage

Competitive cost. High value.

$10,663
Western Colorado University
In-State Tuition & Fees

VS

$11,439
Colorado Average
In-State Tuition & Fees

76%
Retention Rate

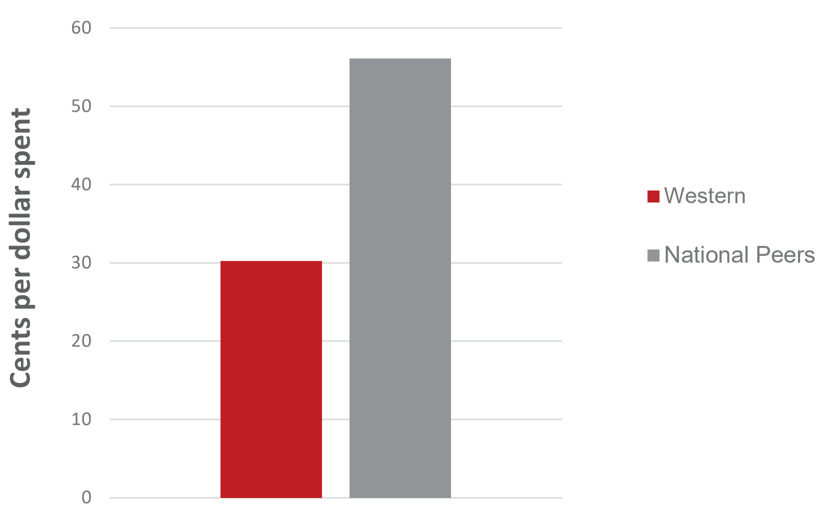
48%
Graduation Rate
(both significantly higher than peers)

Pre-pandemic default rate for Western was
5.8% vs. 7.3%
for the national average.

Career Success
Energy Management
Education
Pre-Health
Environmental Management

Prioritized Spending

Administrative Cost per Dollar Spent on Instruction



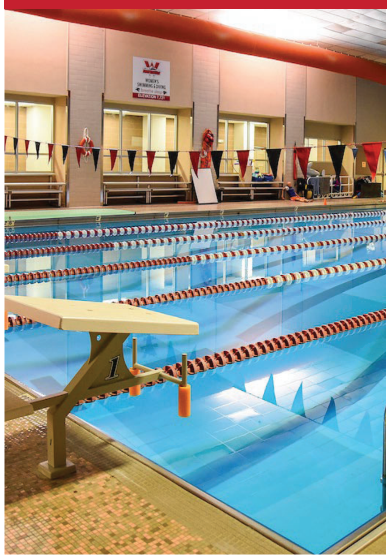
- Consistent with our mission, we've prioritized the spending of limited dollars in the classroom
- Western spends $0.30 on administrative costs per every dollar spent on instruction. Our national peer set (Hanover) spends $0.56 per dollar
- 12% of core expenditures at Western are covered by state appropriations; for our peer set it is 36%

Core Minimum Cost Increases

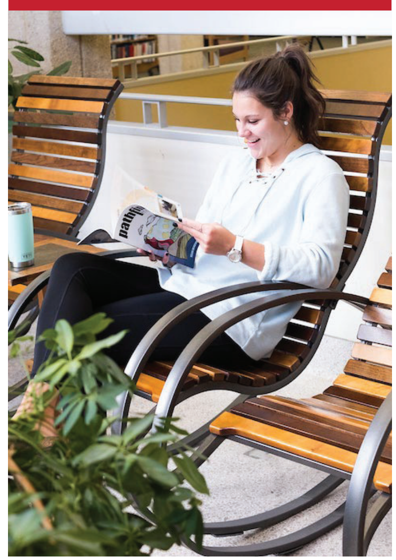
Capital and IT Priorities

Hurst Hall Lab Renovation
$4.0M, CC

Paul Wright Gym Pool Rehab
$2.0M, CM



Savage Library Renewal
$3.0M, CR



Next Gen Wi-Fi
$1.8M, IT
(FLC Partner)

Fundraising Success

Rady School of Computer Science and Engineering

Mountaineer Bowl Events Complex

Clark School of Environment and Sustainability

WESTERN
COLORADO UNIVERSITY

Thank you for your time and consideration!

FORT LEWIS COLLEGE

Fort Lewis College
Joint Budget Committee
January 13, 2023

npr

EDUCATION

Once a boarding school, a college now aims to reclaim education for Native people

LOCAL NEWS

After years of calls to correct whitewashed history, Fort Lewis College owning up to its past as an Indian boarding school

Colorado begins review of former Indian boarding school at Fort Lewis College

By Rachel Estabrook · Sep. 8, 2022, 4:56 pm

The New York Times

Lost Lives, Lost Culture: The Forgotten History of Indigenous Boarding Schools

ROCKY MOUNTAIN PBS

Fort Lewis College removes inaccurate panels about the school's history as an Indian Boarding School

FORT LEWIS COLLEGE
EMPLOYEES ONLY RECEIVED RAISES IN

5 of the last 8 years

THE AVERAGE ANNUAL RAISE OVER THAT PERIOD WAS

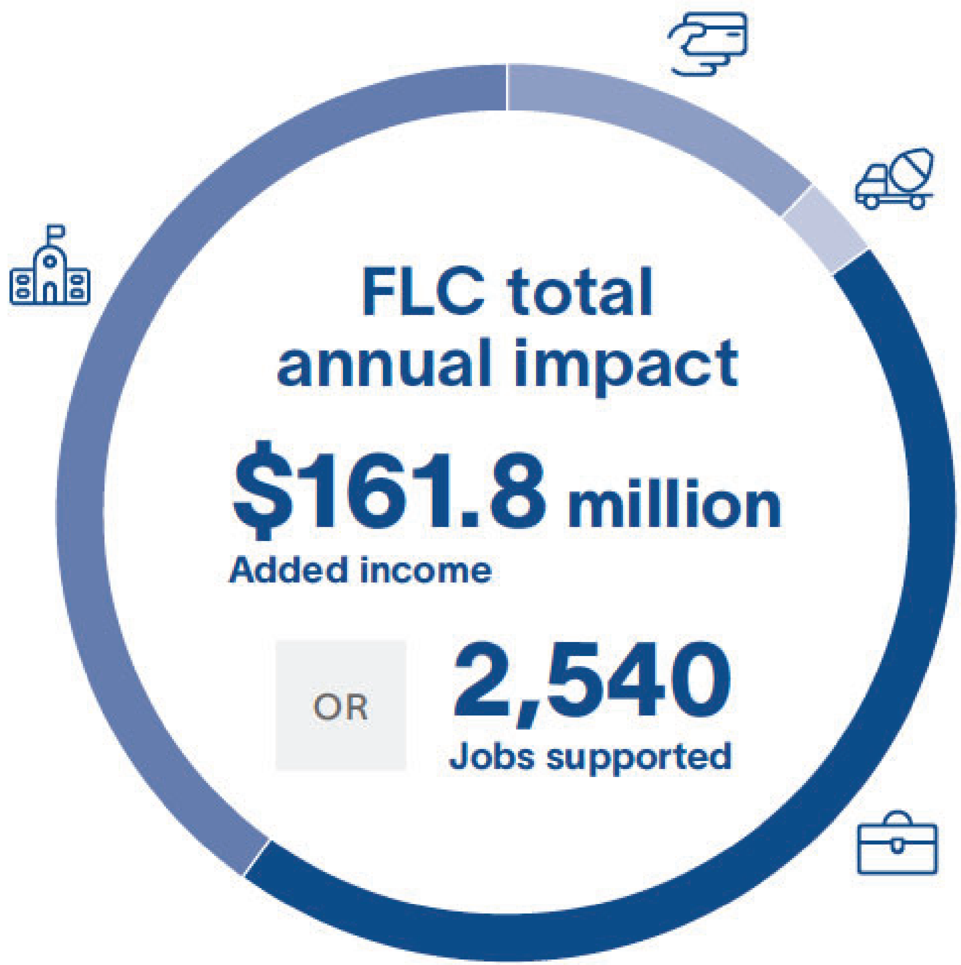
2.1%

SIGNIFICANTLY BELOW THE RATE OF INFLATION

$530,000

REQUESTED BEYOND THE
GOVERNOR'S BUDGET


CHECK ELECTRODES
BED-001
ADULT
TREND TABLE
LARGE NUMERICS
ALARM HISTORY
76
113/68
(76)
100
14:29

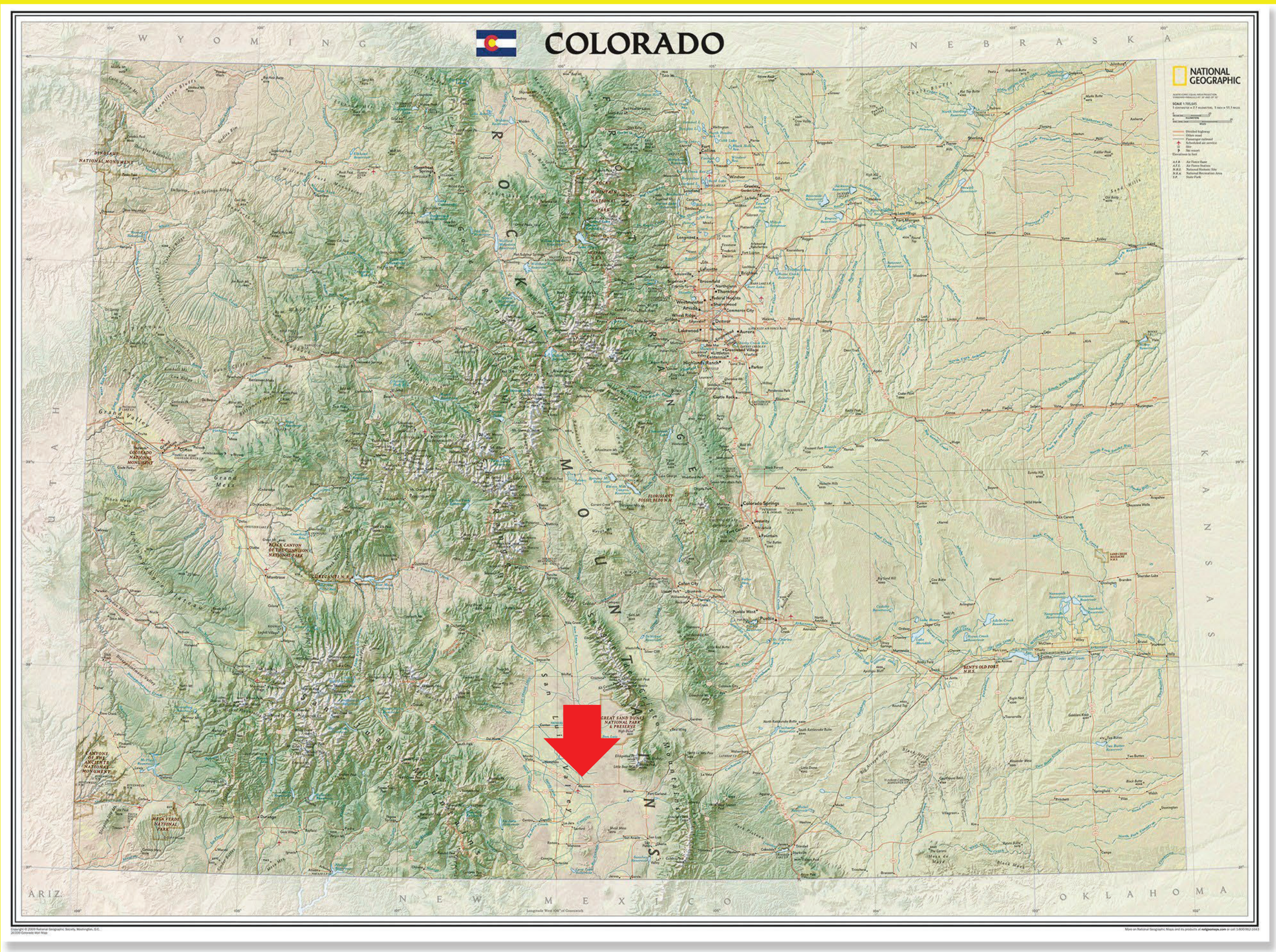


1 out of every **25** jobs in Region 9 is supported by the activities of FLC and its students.

Investing in the Future of the San Luis Valley

Adams State University
COLORADO™
Great Stories Begin Here

The San Luis Valley and Adams State



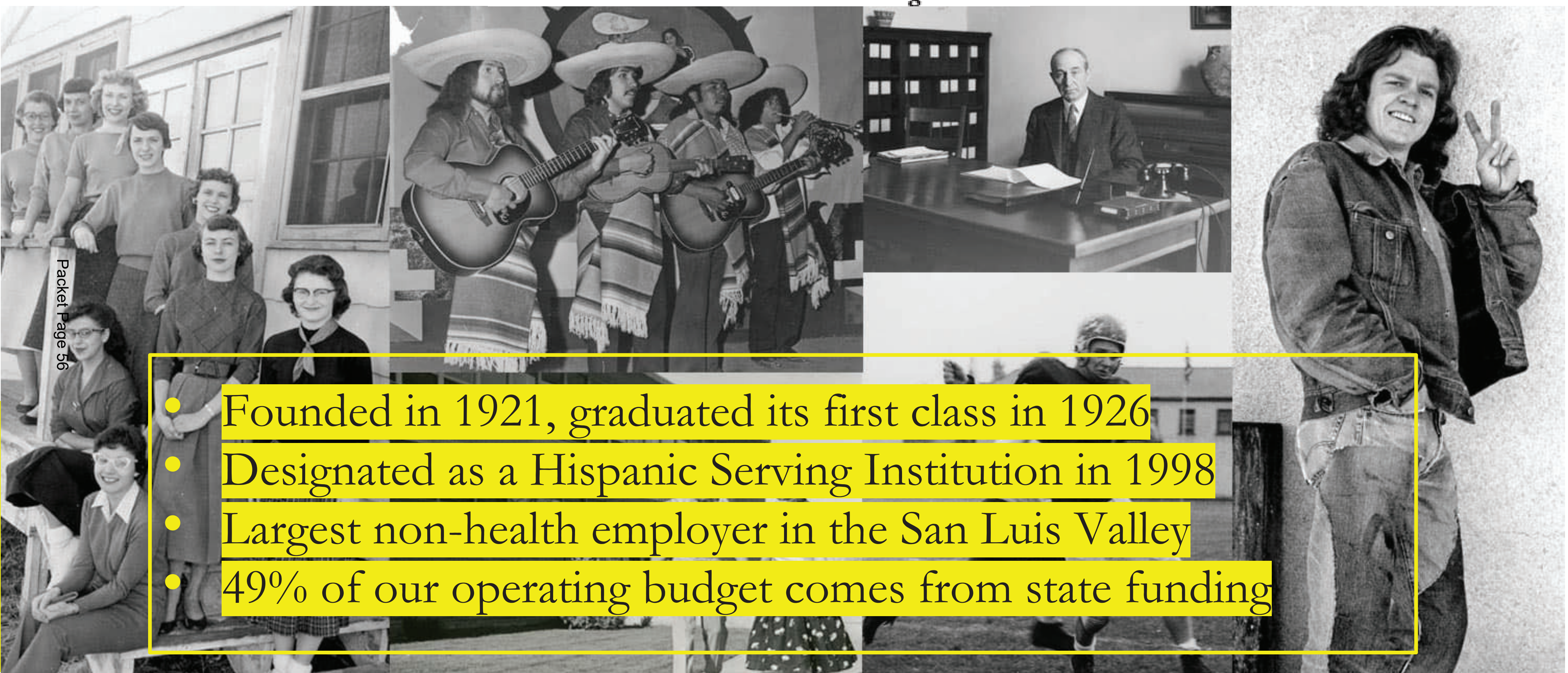
Economic Investment and the San Luis Valley

Adams State University is the primary engine of:

- Opportunity
- Economic and social mobility
- Economic development
- Cultural and social programing and entertainment

Investing in Adams State is investing in the San Luis Valley

ADAMS STATE UNIVERSITY
COLORADO™
Great Stories Begin Here



- Founded in 1921, graduated its first class in 1926
- Designated as a Hispanic Serving Institution in 1998
- Largest non-health employer in the San Luis Valley
- 49% of our operating budget comes from state funding

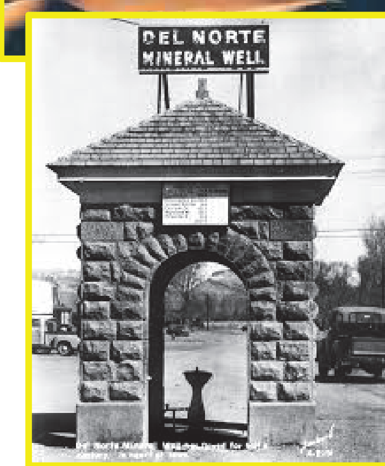
Undergraduate Enrollment Data

Overall:

- 1,600 undergraduates enrolled
- 35% first generation
- 37% Hispanic students
- 46% Pell Grant eligible
- Average family income: $25,953

San Luis Valley at a Glance

- Six counties
- Total population 46,108
- Two of the lowest income counties in the US
- Five of the ten lowest income counties in Colorado
- 8,000 square miles
- Location of the first permanent European settlements in Colorado
- 2 hours to next closest four-year institution



San Luis Valley Data

Hispanic population

Alamosa 47.5%

San Luis Valley 45.8%

Colorado 22.0%

Median household income

Alamosa $41,121

San Luis Valley $40,368

Colorado $75,231

Persons per square mile

Alamosa 21.4

San Luis Valley 5.6

Colorado 48.5

Top industries

Agribusiness

Education and health services

Government

Impact on a Large Scale

Some examples of Adams State's impact on The San Luis Valley…

Impact on a Large Scale

$83.5m

Economic impact of Adams State on the San Luis Valley

$1 = $2

An investment of $1 in Adams State results in a $2 return to the San Luis Valley

Impact on a Large Scale

73%

…of teachers and school administrators in the San Luis Valley are graduates of Adams State

Impact on a Large Scale

10%

…of jobs in the San Luis Valley are located at or are directly dependent on Adams State

Impact on a Large Scale

40%

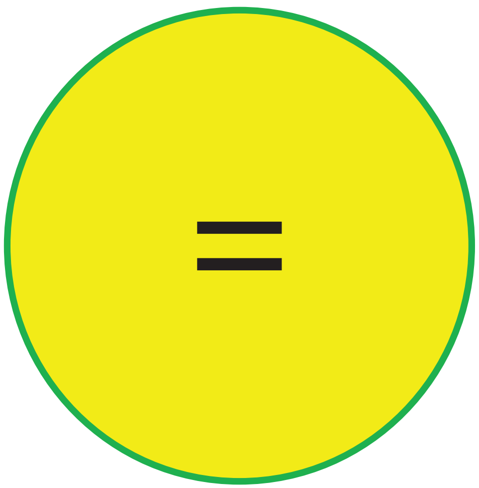
…of Nursing graduates remain in
The Valley following graduation

Impact on a Large Scale

37%

Overall Hispanic undergraduate student enrollment

Impact on a Large Scale



Hispanic graduation rate is equal to our White graduation rate

Impact on a Large Scale

X

Multiplying our impact through large scale partnerships with CSU, Fort Lewis, Western Colorado University, and others

Benefits to The Valley and Adams State

More funding to Adams State will impact The San Luis Valley with:

- More students and more graduates
- More jobs in the community and at Adams State
- Greater opportunity and economic mobility
- Increased spending in the community
- Greater social and cultural vitality

Expand the built-in workforce for The Valley & Adams State

…and there is so much more!

Learn more about Adams State here:

https://www.youtube.com/watch?v=gQdAOL0MhjI&t

And here:

https://www.youtube.com/watch?v=uLc9W0eOMro&t

Grow The Valley by Growing Adams State

Thank you!

ADAMS STATE UNIVERSITY
COLORADO
Great Stories Begin Here

FORT LEWIS COLLEGE:
WHERE TOMORROW'S DECISION-MAKERS THRIVE

At FLC, students are at the center of our inclusive and experiential learning opportunities, fostering innovation, growth, and community engagement that impact the future of Colorado.

INCLUSIVE UNDERGRADUATE SCIENCE EDUCATION

Two major funders partnered with FLC to support undergraduate students who are underrepresented in STEM.

U-RISE GRANT

The Undergraduate Research Training Initiative for Student Enhancement is a five-year research training grant from the National Institute of General and Medical Sciences, one of the National Institutes of Health. The grant helps rising juniors at FLC who are underrepresented in the biomedical sciences prepare for graduate training in a research-based doctorate program. U-RISE is centered around creating an inclusive research environment for students. Faculty focus on students' skills development, research rigor and reproducibility, and safe conduct of research. Students participate in peer recruitment and cohort-building activities, as well as networking with professional scientists.

HHMI GRANT

The Howard Hughes Medical Institute awarded FLC a six-year grant to design and fund projects and programs that will interest, engage, and support first-year STEM majors. FLC's work spans three areas: institutionalize professional development practices and resources to create safe, equitable, and supportive teaching and learning communities; establish collaborative processes for evaluating and redesigning introductory STEM courses; and create peer-to-peer cultures of support through student connections.

LANGUAGE REVITALIZATION

FLC has partnered with local Tribal Nations and national foundations to develop innovative approaches to language revitalization. Indigenous languages are being lost because of the cultural genocide of the boarding school era; FLC is engaging in this work to disrupt this loss and help heal historical traumas.

ALL OUR NATIONS LANGUAGE REVITALIZATION HUB

The Mellon Foundation awarded FLC $1.5 million for the "All Our Nations Language Revitalization Hub," an initiative centering on Native concepts of animacy in language, empowering language learners and teachers, and teaching language revitalization program design. The Hub houses courses and certificates that explore teaching language pedagogies and Indigenous language studies to enable graduates of FLC to develop language revitalization programs in their home communities.

SOUTHWEST INDIGENOUS LANGUAGE DEVELOPMENT INSTITUTE

An innovative Ute language certificate program, the Southwest Indigenous Language Development Institute (SILDI) launched in collaboration with the three Ute tribes: Southern Ute Indian Tribe, Ute Mountain Ute Tribe, and Ute Indian Tribe from northeastern Utah. In regenerating the Ute language, students are preserving Ute culture and taking a step toward healing. Students range in age from 20 to 80 years old.

FORT LEWIS COLLEGE®
DURANGO, COLORADO

FORT LEWIS COLLEGE:
BUILDING THE FUTURE THROUGH PARTNERSHIPS

FLC is creating dynamic partnerships that connect students to industry leaders and impact regional growth.

ECONOMIC IMPACT STUDY

A recent economic impact study shows that in fiscal year (FY) 2021-22, FLC generated a total economic impact of $161.8 million in total added income for the Region 9 economy. Operations, construction, and student spending, together with the enhanced productivity of alumni, generated this added income. The total impact of $161.8 million is equal to approximately 3.3% of the total gross regional product (GRP) of Region 9 and is equivalent to supporting 2,540 jobs. For further perspective, this means that one out of every 25 jobs in Region 9 is supported by the activities of FLC and its students.

NURSING COLLABORATIVE

In February 2022, FLC and the University of Colorado College of Nursing at Anschutz Medical Campus partnered to launch a four-year undergraduate degree in nursing. The CU Nursing Fort Lewis College Collaborative blends FLC's inclusive, Indigenous-serving teaching practices with CU Anschutz's high-caliber nursing curriculum. In August 2022, FLC was awarded $1.7M from the Colorado Health Foundation, and in December 2022, FLC was awarded $1.3M in congressionally directed spending to support the collaborative. These funds will be utilized to renovate campus spaces into culturally inclusive simulation labs, purchase equipment, develop a unique curriculum that emphasizes community and Indigenous approaches to healthcare, and establish scholarships.

SPRINGBOARD FELLOWSHIP

The Springboard Fellowship is a partnership between FLC and Colorado Mesa University that stemmed from both institutions' shared commitment to expanding opportunities for their diverse, hardworking, and career-driven student populations. Each student is paired with a local business leader, C-suite executive, or nonprofit director who will serve as their mentor throughout the Fellowship. Programming focuses on building social capital, financial literacy, networking, career development, and professionalism. The Fellowship culminates with career-building experiences in Denver and Washington, D.C., and a $5,000 award upon completion.

FLC SOLAR INNOVATION PARK

The FLC Solar Innovation Park is a collaboration between the College, the FLC Center for Innovation, and several renewable energy partners. The Park fills a supply-chain gap, provides workforce development, and increases capacity for growth for three advanced industries: Renewable Energy, Aerospace, and Infrastructure. The Park is supported by the Colorado Office of Economic Development and International Trade through a $4.5M matching grant. In addition to a large solar installation, the grant will fund the creation of a solar laboratory for student field studies. Ultimately, The Park will provide a model for other rural colleges seeking an innovative way to increase their sustainability activities, while also fostering local economic growth.

FORT LEWIS COLLEGE®
DURANGO, COLORADO

HISTORY COLORADO

HISTORY COLORADO

COMMON QUESTIONS FOR DISCUSSION AT DEPARTMENT HEARINGS

19 Please describe the implementation plan for new programs added to History Colorado from one-time stimulus funds (such as the CARES Act, ARPA, and one-time General Fund), as well as any challenges or delays to program implementation.

History Colorado: History Colorado did not establish any new programs under the CARES Act or ARPA, but is currently implementing strategic initiatives funded under SB22-216. As part of this bill, $3.0M was transferred to the strategic initiatives fund with $1.5M appropriated beginning in FY23 and the remaining $1.5M requested under HC-01. Given that funding for these initiatives was provided beginning in FY23 much of this work is in the initial stages. Thus far the majority of History Colorado's strategic initiatives work has involved the expansion of our Hands-on History Program. History Colorado has hired a dedicated Hands-on History Director and recently completed work with a consultant to review our Hands-on History program and develop a business plan and strategy to grow Hands-on History. A stakeholder group has been created that meets at least monthly and is in the process of implementing this business plan based on a roadmap that has been developed to optimize our existing programing, grow our business model, and to expand our offerings and partnerships.

Using the strategic initiatives funding provided in FY23, under SB22-216 and requested as part of HC-01 (see more information below under other questions), History Colorado is also in the process of expanding our museum of memory work, piloting Colorado History curriculum, exploring options to establish a History Colorado Affiliate program to support communities across the state, examining options for selling licensing to other states for our What's Your Story program that helps middle school students connect with Colorado leaders and changemakers with a planned launch in spring of 2023, and seeking to install marquee exhibits at our museums. History Colorado has until FY27 to utilize the funding transferred to the strategic initiatives fund and may be challenged to keep funding the development of these initiatives until additional earned revenue is materialized that can support them.

20 Please identify how many rules you have promulgated in the past year (FY 2021-22). With respect to these rules, have you done any cost-benefit analyses pursuant to Section 24-4-103 (2.5), C.R.S., regulatory analyses pursuant to Section 24-4-103 (4.5), C.R.S., or any other similar analysis? Have you conducted a cost-benefit analysis of History Colorado's rules as a whole? If so, please provide an overview of each analysis.

History Colorado: History Colorado did not promulgate any rules in the last year.

21 How many temporary FTE has the History Colorado been appropriated funding in each of the following fiscal years: FY 2019-20, FY 2020-21, FY 2021-22, and FY 2022-23? For how many of the temporary FTE was the appropriation made in the Long Bill? In other legislation? Please indicate the amount of funding that was appropriated. What is the department's strategy related to ensuring the short term nature of these positions? Does the department intend to make the positions permanent in the future?

History Colorado: From FY20 until year-to-date FY23 History Colorado has had the following amounts of temporary employees. None of these positions were appropriated through the long bill or other legislation and were instead funded through existing spending authority. The use of temporary FTE fluctuates year-to-year depending on a number of factors including grant funding, gaming revenue, volunteer hours, exhibit planning needs, special events, and staff turnover and History Colorado manages its appropriation to ensure personnel costs including the use of temporary FTE do not exceed personnel allocations (as instructed by OSPB and affirmed by two Supreme Court cases- Colorado GA vs Owens and Anderson v Lamm). Temporary employees only become permanent if they apply for and are hired to fill a vacant permanent position.

Fiscal Year	HC Temp Employees
FY22-23	28.0
FY21-22	30.0
FY20-21	0.0
FY19-20	12.9

22 Please provide a description, calculation, and the assumptions for the fiscal impact of implementing the provisions of the Partnership Agreement, including but not limited to changes in annual leave accrual, holiday pay, and paid family and medical leave. If your department includes employees who are exempt from the Partnership Agreement, please indicate whether or not you intend to implement similar benefit changes as those required for covered employees. Please provide a breakdown of the fiscal impact of implementing the provisions of the Partnership Agreement for: a) employees who are subject to the Agreement, and b) employees who are exempt from the Agreement.

History Colorado: OSPB will provide the JBC with a breakdown of the fiscal impact of implementing the Partnership Agreement by Department. History Colorado has followed DPA's lead and implements all aspects of the partnership agreement and other total compensation benefits across the entire organization. The cost to departments for employees using the paid family medical leave was requested and approved last year (DPA FY 2022-23 R-02). For FY 2023-24 the cost is part of the POTS appropriation called Temporary Employees Related to Authorized Leave. The adjustment to annual leave and the additional holiday, as noted in the fiscal note for the bill (S.B. 22-

139) were expected to be minimal and if necessary will be addressed through the annual budget process. The Governor's November 1, 2022 budget included funding for the economic articles of the Partnership Agreement, including funding for paid family medical leave. History Colorado worked with OSPB and DPA to submit January budget amendments related to the Partnership Agreement, most notably HLD, FTE adjustments, and factoring partnership agreement requirements in the calculation of requested IT Accessibility staff.

OTHER QUESTIONS

- [Staff] Discuss current operations, finances, and performance

History Colorado: Established in 1879, the Colorado State Historical Society, (History Colorado), is an agency under the Colorado Department of Higher Education, an "institution of higher education" in the State of Colorado, and also a 501(c)(3) nonprofit entity committed to making a statewide impact.

History Colorado offers access to Colorado's history through cultural and heritage resources like our 7 museums and 4 historic sites statewide, programs for families and adults, stewardship of Colorado's historic treasures, and resources for students and teachers making a positive impact on preschoolers, students in grades K-12, and those in higher education. We provide programs and services related to our state's history, historic preservation, and archaeology as well as access to a vast collection of archives, artifacts, and historical photography that includes over 15 million items dating back 13,000 years. History Colorado also administers the state historic preservation grants program which has awarded $6.8 million in grants in FY22. Since 1981 preservation efforts in Colorado have created more than 27,000 jobs, issued grants in all 64 Colorado counties, and generated a total of nearly $3.9 billion in direct and indirect economic impacts, adding $2.2 billion to Colorado's GDP.

For FY23, funding for History Colorado comes from gaming taxes (60% of budget), General Fund for the History Colorado Center COP payment and community museum funding (12%), earned revenue from museum admissions, venue rentals, gift shop sales, and programs (10%), with the remaining funding from strategic initiative funds, donations, interest, POTS and indirects. In previous years gaming revenue has made up 80% of the History Colorado funding, with this amount decreasing due to increased grant funding, strategic initiative funding, and COP relief. Of the gaming revenue 50.1% is for preservation grants and 49.9% is for operations including the History Colorado Center in Denver, 6 Community Museums and 4 historic sites, historic preservation, and statewide education and programming.

Currently, earned revenues are still rebounding from the pandemic with attendance numbers, History Colorado Center rentals, and education and programming coming in below expectations in FY22 and so far in FY23. Community museum admission and rental revenue exceeded expectations in FY22, but is down so far in FY23, however rental revenue particularly at the Grant Humphreys

Mansion has been strong. For the first part of FY23 earned revenue was down, but History Colorado is starting to see positive trends in attendance from the Sand Creek Massacre exhibit, rentals from our new vendor, and Education and Programming as school field trips and other programming activities have picked up.

Other revenue is down in FY23 due to less gaming revenue being received than initially anticipated, however this has been offset by grants and additional OAHP program income. During the pandemic History Colorado staff increased efforts to obtain grant funding and this effort continues.

On the expense side, recent efforts of our Board and support from the General Assembly in the way of COP relief, strategic initiative funding from SB22-216, sustainability funding, and limited gaming reallocation has stabilized provided History Colorado finances and provided the opportunity to address overdue staffing and facilities maintenance and deferred maintenance while devoting resources to revenue generating activities such as expanded Hands-on History programming. Prior to COP relief and receipt of strategic initiative funding, History Colorado struggled financially due to inadequate growth of limited gaming revenues, the COP financial burden, and earned revenue impacts. In FY22, high turnover rates (27% vacancy rate which is usually 15%) led to vacancy and operating savings as staff did not have the capacity to complete some projects, however History Colorado has ramped up efforts to fill key positions and is in the process of initiating revenue generating programs, completing needed facility maintenance activities, and implementing recent Native American Boarding School (HB22-1327) and America 250 Colorado 150 Commission (SB22-011) legislation.

In addition to requesting spending authority for the remaining $1.5M of the SB22-216 strategic initiative funding (HC-01), History Colorado has requested $2.3M as a FY24 budget amendment in cash funding to implement IT Accessibility requirements under HB21-1110. With over 15 million artifacts in our online database this is a significant undertaking to begin this process. History Colorado also requested capital funding for several projects including:

- Capital funding for a Collections Care and Storage facility ($52M) with History Colorado using at least $10M in cash funding for this project.
    - This project is critical to the preservation of the state artifacts that History Colorado is statutorily required to maintain
    - The current north storage facility is too small, needs significant repairs such as a new roof, and is not properly equipped to store historic artifacts.
    - The recent severe cold has highlighted this issue with the State Archives experiencing a multi-million dollar flood and original documents and photos that History Colorado is required to store are currently in a History Colorado Center conference room and not at our History Colorado North Storage Facility due to a leaking roof.
- Capital funding for exterior rehabilitation at Grant Humphreys that is needed for health, life, and safety reasons and to ensure that the facility remains a significant rental income generator for the organization ($4.6M, $1.6M for phase 1). Funding for this project has been requested for several years in a row and was requested as a FY24 budget amendment.
- Cash funding for regional preservation projects to address regional museum facility and infrastructure needs (budget amendment-$700K).

- Cash funding for two controlled maintenance requests for roof, window, and door restoration at the Fort Garland museum ($278K) and Georgetown Loop Fire Mitigation ($411K).

- [Sen. Zenzinger] Discuss Request HC1

History Colorado: HC-01 was submitted requesting spending authority for the $1.5M of the $3.0M that was transferred into the History Colorado Strategic Initiatives Fund (HSSI Fund) under SB22-216 for revenue generating projects. The investment from SB22-216 is critical to enabling History Colorado to generate greater future earned revenue and increase the statewide impact of History Colorado programs. Prior to the receipt of this funding, History Colorado was unable to invest in revenue generating programs and didn't have the capacity to devote existing resources to this effort. From FY15-21, the History Colorado operating budget covered basic needs and programing without any investment in compensation to retain employees and attract experienced professionals, perform facilities upgrades and address deferred maintenance needs, and to invest in or devote existing resources to revenue generating activities. The table below provides an overview of how History Colorado plans to use the FY23 $1.5M strategic initiative investment which is underway and the FY24 requested $1.5M. Additional information on each project is also provided below.

Strategic Initiatives Fund			
Total Investment	**Program**	**FY23**	**FY24**
$ 500,000	Hands-On History Expansion	$ 160,000	$ 340,000
$ 250,000	Museum of Memory	$ 160,000	$ 90,000
$ 70,000	Kids Free Admission at statewide museums	$ 70,000	$ -
$ 250,000	Colorado History Comprehensive Curriculum	$ 100,000	$ 150,000
$ 300,000	Preservation access, traditionally marginalized communities	$ 200,000	$ 100,000
$ 368,000	Affiliates Program	$ 100,000	$ 268,000
$ 300,000	A/V Upgrades for Accessible, Hybrid Events	$ 300,000	$ -
$ 230,000	Licensing *What's Your Story?*	$ 155,000	$ 75,000
$ 500,000	Marquee Exhibition	$ 100,000	$ 400,000
$ 232,000	Section 106 Compliance to support Infrastructure Bill	$ 155,000	$ 77,000
$ 3,000,000		$ 1,500,000	$ 1,500,000

Expansion of Hands-On History:

Hands-On History is a K-8 program that offers fifth-school-day programs in communities with a four-day school week and where History Colorado has a museum. These funds would allow us to scale this program beyond our current footprint to communities (more than 60% of Colorado school districts) with a four-day school week and childcare deserts – especially prevalent in rural Colorado communities.

Museum of Memory:

Museum of Memory is a public history initiative that works together with Colorado residents to co-author a shared history. We collaboratively work to reanimate, center and amplify the histories that have long existed only in the margins and create the opportunity for the community to decide how to remember its collective past. We currently are working with 12 communities. There is notable demand from other Colorado communities and requests for licensing by other states.

"Free for Kids" admission to all History Colorado museums

With this funding, History Colorado has started permanently offering free admission to all kids, ages 18 and under, at all History Colorado museums across Colorado. In several pilot iterations, we experienced higher museum attendance and revenue. Funds would build capacity to grow this into a permanent model.

Colorado History classroom curriculum

History Colorado is piloting an innovative Colorado history learning program at Centennial School District in the San Luis Valley that aligns with state mandates and provides a deep educational experience that is culturally relevant and directly related to the history of the local community. This program has been extremely successful so far, and HC aims to replicate the model throughout the state. Revenues will be derived from subscription fees.

Preservation Access

An internal audit of Colorado sites listed on the State and National Register illustrated a significant exclusion of BIPOC communities and/or women's history. Only 3.6% of sites listed on the State Register related to BIPOC and/or women's history. These stunning statistics have material consequences as these Register and Landmark status are required to receive federal and state preservation tax credits and State Historical Fund grants. These funds will support the labor, consultation and research necessary to intentionally repair these past discriminatory exclusions.

Affiliates Program

Many museums and history organizations throughout the state, and their supporters, often inquire about how we could support history-related programming in their communities. Establishing a History Colorado Affiliate program, modeled on the Smithsonian Affiliates program, will allow HC to provide tools, services, programs and exhibits to these organizations throughout the entire state. Revenues will be derived from membership fees, program registration fees, and exhibit rentals.

Upgrade of A/V in Meeting/Event Rental Spaces

COVID introduced the need for our programs and rentals business to build the capacity for hybrid meetings and programs. History Colorado does not currently have the equipment needed to deliver hybrid programs or host productive hybrid meetings in most of our conference rooms and meeting spaces. Funds will be utilized to equip these spaces with the appropriate equipment, which will grow our capacity for both educational programs and our rentals business.

Licensing What's Your Story?

What's Your Story? exhibition helps middle school students connect with the lives of over 100 significant Colorado leaders and changemakers. Other state history museums have expressed interest in licensing the exhibit and customizing it to reflect their local communities. History Colorado will create a version of our signature exhibition, including the custom-built interactive technological components, that can be licensed to those interested in engaging and inspiring their young visitors to serve their communities.

Marquee Exhibitions

Many cultural organizations rely on marquee, or blockbuster, exhibitions to enhance their profile in the community and attract new patrons that may otherwise not visit the institution. These marquee exhibitions are generally costly, and because they also require a significant investment in marketing and advertising, History Colorado has not been able to pursue these opportunities in the past. New revenue will be generated from special exhibit ticket sales as well as increased overall attendance and memberships.

Section 106 Compliance

The passage of the Infrastructure Investment and Jobs Act promises significant and necessary investment in Colorado. Federally funded projects are required to undergo a series of environmental and historic preservation reviews, with the latter known as "Section 106," which requires that the State Historic Preservation Officer be consulted when a federal agency funds, licenses or permits an activity that may affect cultural resources. History Colorado manages this process on behalf of the State of Colorado by assisting federal and state agencies in carrying out these responsibilities.

To fulfill our obligations to Section 106 in protecting Colorado's cultural resources and streamline our process to facilitate the fast implementation of this investment, History Colorado needs additional staff (two FTEs over three years) to meet the increased demand, which we anticipate could triple the usual volume. The office has already seen an increased volume of compliance-related work throughout COVID due to the American Rescue Plan Act, as well as other legislation that supports public lands such as the Land and Water Conservation Funds and the Great American Outdoors Act, all of which are subject to Section 106 compliance review.

CUMBRES AND TOLTEC SCENIC RAILROAD

- [Staff] Discuss current operations and funding expected from New Mexico

Cumbres and Toltec Scenic Railroad: The Cumbres and Toltec Scenic Railroad was created by the States of Colorado and New Mexico in 1970 when the property was purchased from the Denver and Rio Grande Railroad. The railroad is overseen by the C&TS Commission comprised of two gubernatorial appointees from each State. The 2022 operating season began with advance ticket sales opening on November 14, 2021. This was the one of the earliest the railroad had offered advance sales since the formation of Cumbres Toltec Operating LLC in 2012. Initial ticket sales were very strong.

September 23, 2021 the Osier Colorado dining facility had a fire in the bakery. During the remainder of 2021 and through the spring of 2022 work was done to recover the damaged building. Opening Day July 1 we were able to have the guests of the railroad eat lunch inside the renovated dining hall. During the remainder of the summer work continued to recover all the space and make the kitchen and bakery functional. The cost to recover the building has been $1.7M. Most of the cost has been covered by insurance. We anticipate being able to resume use of the kitchen in the dining hall for the 2023 season.

Due to the extreme fire danger and the very large wildfires burning in New Mexico the C&TS RR Commission held a special meeting on June 1, 2022 and decided to delay opening day from June 11 until July 1. The Forest Service had advised the fires in New Mexico had used all the fire fighting resources. The Carson National Forest was closed but they were not going to exclude operation of the railroad on our right of way, however they would not allow vehicle access while the National Forest was closed. The delayed opening impacted estimated revenue for FY21-22 by $729,000.

The Village of Chama New Mexico made the National News with major water supply problems. With all the publicity surrounding the lack of water and the drinking water boil order put into place by the Village, many guests decided to either cancel reservations in July or reschedule until later in the year. July is historically one of the busier months for the railroad. The loss of ridership early in July had a very significant impact on ridership and revenue. Below is a table of revenue and ridership numbers by fiscal year for the current fiscal year that ends June 30 and the previous 4 years for comparison.

Fiscal Year Revenue

- FY 22-23 - $4.556 million fiscal year to date
- FY 21-22 - $4.505 million
- FY 20-21 - $2.569 million
- FY19-20 - $4.533 million
- FY18-19 - $5.147 million

Ridership recovered well in late August and through the end of the operating season. Below is a comparison of ridership by fiscal year. Impacts from the COVID shutdown in FY19-20 and the slow reopening through early FY20-21 set back our plans to achieve self-sufficiency. The impact of the workplace closures in 2020 are still being felt as we try to recover the lost time in the locomotive and track capital programs.

Fiscal Year Ridership

- FY 22-23 - 26,620 fiscal-year to date
- FY 21-22 - 31,218 June 2022 schedule canceled due to extreme fire conditions
- FY 20-21 - 16,687
- FY 19-20 – 35,094
- FY 18-19 – 41,896

If ridership in June of 2023 approaches the 2019 ridership levels we should finish the fiscal year with about 32,000 guests and $5.2 million in revenue. Advance ticket sales for the 2023 season are currently 31% ahead of 2022.

The staffing of the railroad is diverse and reflects the demographics of the Conjeos, Archuleta and Rio Arriba Counites. In the attachment is a summary of the workforce demographics for the railroad.

The appropriations from the two states are used for capital improvements to the property and equipment owned by the two States. The railroad's operations are regulated by the Federal Railroad Administration. Over the past 16 years a substantial investment in the track structure has been made by the two States through the capital upgrade program. The deferred track maintenance had become critical and the FRA had directed the railroad to suspend operation in 2002 due to the track conditions. Today after installing over 69,000 ties and close to 130,000 tons of rock ballast the track is in very good condition. The railroad had been able to install second hand ties for much of this work. These typically cost less than $30 each and had an expected life of at least 50 years. The COVID pandemic impacted the small business suppliers of used ties cut down for narrow gauge use. This past year, we had to purchase new ties at a cost of $90 per tie. This is just one example of the inflationary impacts on our capital programs. Inflationary pressure on labor costs is another continuing challenge for our capital program.

The railroad maintains a fleet of steam locomotives to pull our trains. The locomotive fleet consists of one small locomotive built in 1883, one larger locomotive built in 1903 and four of our largest locomotives built in 1925. In order to improve overall locomotive utilization, we have begun a program to return one additional large engine to service over the next two years. In 2020 we converted one of the big 1925 steam locomotives to burn oil, greatly reducing the risk of setting a wildland fire. This winter we will convert a second of the big locomotives to burn oil. This second conversion should help us avoid a complete shutdown of the railroad as happened in 2022 due to the extreme wildland fire danger.

The following table summarizes appropriations from the two States for the past 5 years. For the current fiscal year New Mexico appropriated $3M of ARPA funds to help with the economic impacts of the COVID pandemic. The ARPA funds did come with significant restrictions on how we may spend the funds.

State Appropriations for the past 5 years

Fiscal Year	*Colorado Capital*	*Colorado Commission Operations*	*New Mexico Capital*	*New Mexico Commission Operations*
FY 22-23	$1,125k	$240k	$4,100k[2]	$362.8k[1]
FY 21-22	$1,090k	$218k	$1,100k	$362.8k[1]
FY 20-21		$218.5k	$1,000k	$261.8k
FY 19-20	$1,365k	$240k	$1,000k	$261.8k
FY 18-19	$1,295k	$224k	$750k	$261.8k
5-year total	$4,875K	$1,140k	$7,950k	$1,511k

Requested FY 23-24 Appropriations

Fiscal Year	*Colorado Capital*	*Colorado Commission Operations*	*New Mexico Capital*	*New Mexico Commission Operations*
FY 23-24	$1,125k	$240k	$1,100k $750k[3] $74k[4]	$362.8k[1]
Total	$1,125k	$240k	$1,924k	$362.8k

1) New Mexico provided an additional $101,000 for marketing efforts in New Mexico
2) New Mexico appropriated $566,000 General fund and $2,434,000 in ARPA recovery funding in addition to the $1,100,000 in capital funding.
3) This request to New Mexico for a one-time request for funds to restore the 1899 Roundhouse in Chama NM.
4) New Mexico request for inflationary cost adjustment

During 2021 the C&TS Commission engaged BBC Research and Consulting of Denver to update the economic impact study they performed in 2017. The updated study estimated the impact of the railroad on the five-county region was $17.8M per year. Here is a link to the study. http://commission.ctsrr.com/wp-content/uploads/2022/01/CTS-RR-Economic-Impact-Update-2022-2.pdf. The railroad is able to leverage the support from the two States into a significant impact on the five-county region.

- [Staff] Review plans for self-sufficiency

Cumbres and Toltec Scenic Railroad: The impact of COVID on FY19-20 and 20-21 was more than the loss of ridership. The Antonito shop and the Chama shop workers were sent home during the peak of the pandemic closures. The loss of work time adversely impacted the quantity of work performed during the winter work season of 2020. The railroad is still working its way out of the backlog that resulted from these shutdowns. We are also having the same issue as most businesses throughout the region, we are having difficulty hiring staff. This year, in conjunction with Trinidad Community College in Alamosa, we are establishing an internship/scholarship program for students interested in using the skills they are acquiring in helping to maintain and restore the equipment that our guests enjoy each summer.

The railroad operating season runs from the end of May through Mid-October. The COVID shutdown in 2020 caused a very significant loss of revenue. We had a robust recovery during the 2021 season even though we were still dealing with significant COVID restrictions through the end of June. The 2022 operating season presented major challenges including (1) the Osier Lunch Station Fire Recovery, (2) extreme fire danger delayed opening, and (3) the drinking water failures in the Village of Chama NM. The following table illustrates the financial impact of COVID in 2020 and the unusual challenges of the 2022 season.

Calendar Year Total Revenue

- 2022 - $5,167k
- 2021 - $5,983k
- 2020 - $1,788k
- 2019 - $5,352k
- 2018 - $5,315k

Total Revenue includes ticket sales, retail sales, charter sales, schools.

Even with all the challenges presented in 2022, the railroad was able to close the year on a positive financial note. The impact of the COVID pandemic and the challenges of 2022 are pushing the point of self-sustainability to 2028. The railroad has been able to make investments in capital acquisitions and revised operating procedures to improve employee productivity and to reduce operating costs. One example of investments to improve productivity, we recently purchased tools to allow one backhoe operator to mechanically compact ballast under sections of track rather than have multiple employees tamping the ballast with hand tools. Finding people willing to do the hard manual labor required to hand tamp ballast has been a real challenge. We will continue to address operating costs while building ridership and revenue as we work toward self-sustainability of the railroad.

The plan for self-sufficiency combines business growth with concurrent upgrades of the facilities and equipment. It envisions achieving sufficient revenue from operations to cover the cost of operations as well as the capital required to upgrade and maintain it. The COVID pandemic and unusual challenges of 2022 will delay completion of the plan. It is, however, still very much achievable.

History Colorado
We Are Colorado. Somos Colorado.

History Colorado, Stewards of the State's Collection

Colorado's historic collection of 15 million artifacts, photographs, and archival materials spanning 13,000 years of history belongs to the people of Colorado. History Colorado is the statutory steward of this robust collection, which enables access to the rich history of Colorado in ways that ignite the imagination, stimulate curiosity, help us to understand what it means to be a Coloradan and to facilitate a deeper understanding of the present.

Current Storage Facilities

The combination of size, location, deferred maintenance, and most critically safety and security concerns make the current facilities insufficient to support the State Archives and History Colorado's responsibility to preserve, protect and provide public access to the historical items entrusted to the State of Colorado.

- **North Storage**, located in north Denver and owned by History Colorado. Houses 85,000 sq. ft of collections in a crowded 50,000 sq ft. space. Currently plays a crucial role for storage of the collection in History Colorado's care, but suffers from a leaky roof, inadequate fire suppression, and deteriorating HVAC and lighting systems, among other challenges.
- **Pueblo Support Center**, located near the State Fair Grounds and owned by History Colorado, housed a number of large artifacts, which were all relocated to Denver. The 15,000 square foot building currently sits empty. The State Fair is interested in this property as a maintenance facility.
- **State Archives** currently leases multiple buildings that are insufficient and inadequate to manage their collection.

The Risk

- The state's collection, which includes irreplaceable items, is at risk of damage or complete loss
- The basic needs to store artifacts are not being met including: nonexistent environmental controls; inherent risks of fire, flood and other water damage; inadequate security; and insufficient space to safely access materials.
- Limited space and inefficient storage does not allow the collections to grow or be stored properly.
- Conditions threaten History Colorado's accreditation with the American Alliance of Museums

The failing roof often leaks, requiring emergency mitigation to prevent damage to the collections, including tarping and other measures.

Collections Care Master Plan

In FY2022 History Colorado convened a team to analyze the current storage situation and evaluate solutions. Participants included members of History Colorado's board, the Office of the State Architect, real estate experts, and a design firm. The process explored numerous options, determining that the best long-term financial strategy is to acquire a new facility to include 168,000 sq. ft. to accommodate History Colorado, the State Archives, and possibly the State Library.

The resulting Master Plan will address the severe and imminent risk posed by the current storage conditions in the most efficient and cost-effective way possible. The project ensures Colorado's historic collection lasts for generations, leverages partnership to address shared needs among state agencies, and enables the strategic growth of the collection, especially to ensure the collection is inclusive of the rich diversity of all people in the state.

The total cost of the new facility, including any necessary retrofits, is $52 million. History Colorado will contribute at least $10 million from real estate sales for the new facility, including proceeds from the sale of a storage facility in Lowry, sold in FY 2022.

A roof leak in December 2022 put important archives at risk, and the boxes were moved to a conference room at the History Colorado Center indefinitely.

Crowded conditions make accessing collections, including large-items, difficult. Insufficient seals at bay doors introduce water and pest-related risks.

History Colorado remains responsive in collecting materials important to our recent past, and inclusive of all voices in our state, so new artifacts require proper housing.

Current Capital Requests:

1. Acquisition and renovation of a new Collections Care Facility
2. Rehabilitation at the historic Grant Humphreys property
3. Annual Regional Museum Preservation cash fund spending authority for various community museum property and maintenance needs
4. Controlled maintenance requests for roof, window, and door replacement/restoration at Fort Garland and Georgetown Loop Fire Mitigation