

Department of Higher Education
COLORADO COMMISSION ON HIGHER EDUCATION



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State Raises Performance Bar on Colorado's Colleges and Universities

CCHE Contracts Make Higher Education More Accountable to Students, Taxpayers

DENVER – The Colorado Department of Higher Education released draft contracts today that spell out new performance and accountability standards for every public college and university in the state. The contracts mark a new era for reform of higher education in Colorado.

Earlier this year, Colorado became the first state in the nation to establish a stipend plan for higher education. The new law requires colleges and universities to sign performance contracts with the state in order to continue to receive state funding. As part of the new agreements, colleges and universities will be freed from much of the current state regulatory oversight.

“These contracts demand more from schools, a stronger core curriculum and require, for the first time in the nation, that tuition increases not outpace the rate of inflation,” said Rick O’Donnell, Executive Director of the Colorado Commission on Higher Education.

“Once a contract is signed and an institution is focused on clear statewide priorities, they will be freed to achieve results,” O’Donnell said. The new law allows CCHE to waive many regulatory requirements when a school is operating under a performance contract. “We are raising standards while reducing bureaucratic regulations,” he said. “This makes it a win-win for students and colleges.”

O’Donnell highlighted the following as among the major reforms in the performance contracts:

- **Tuition Increases Limited to Inflation.** This section of the contracts creates a presumption in Colorado – the first in the nation – that tuition rates should not outpace the rate of inflation but should be kept reasonable and affordable. Colleges and

universities will be required to identify mandatory costs and to limit tuition and fee increases to no more than the inflationary amount by which those costs increase. The state will only consider tuition hikes above this amount if a school specifically identifies how the increased tuition will be used to improve quality and access for students.

- **Rigorous, Streamlined Core Curriculum.** The contracts will require that schools implement the Colorado core curriculum, which is designed to ensure that students can graduate in four years having completed a rigorous core curriculum of math, science, history, writing and critical thinking. The contracts will require schools to undertake a review of all core course requirements and remove those that do not satisfy Colorado core curriculum requirements. The elimination of non-core courses will help institutions reduce costs. In addition, the implementation of the Colorado core curriculum will improve access and retention by helping the nearly 15,000 students who transfer among Colorado's public colleges each year.
- **Faculty Pay-for-Performance.** Colleges and universities will be required to establish a pay plan for faculty that emphasizes teaching and research performance and to report publicly to the state how performance is measured and the type of differential pay faculty are awarded based on performance.
- **Combating Grade Inflation.** The contracts require each school to put in place measures to address grade inflation and to publicly report data on the distribution of grades in each department.
- **Increased Student Access & Success.** Colleges and universities will be required to focus available resources to expand programs to increase recruitment, retention and graduation rates for students, especially under-represented low-income, male and minority students. Each institution's contract will include specific numerical targets to improve retention and graduation rates.
- **Better-Prepared Teachers for K-12 Schools.** The contracts require that all teacher candidates be taught how to understand and use CSAP assessment data, undertake student teaching in lower achieving schools to ensure new teachers understand the issues that affect children in poverty, and to study the differences in how boys and girls learn and behave. In addition, to improve the quality of teaching in schools of education, the contracts require that all faculty who teach courses in content areas, such as math and science, be fully qualified professors in the school or department offering the courses.

Among the current state regulations that will be waived once a college is operating under a performance contract:

- **TABOR restrictions.** Once a contract is signed a school is allowed to accept stipends. By participating in the stipend program, institutions will qualify for enterprise status, thereby freeing the institutions from many of the requirements of TABOR.

- **Academic programs.** Currently CCHE regulates every step in the creation, modification, or elimination of academic programs. Once the contracts have been signed, institutions are freed from the regulatory approval process. This allows colleges to respond more quickly to workforce and other needs. CCHE's only review will be after the fact to ensure a program does not exceed an institutions role and mission.
- **Quality Indicator System.** Once a performance contract is signed, schools will be freed from the state's current uniform, one-size-fits all Quality Indicator System of accountability. Each performance contract will be tailored to the unique needs of each institution.

Contracts are negotiated between the Department of Higher Education and the governing board of each college and university system in the state. The performance contracts will become effective upon review and approval by the Commission on Higher Education. Department staff will meet with the governing boards of each individual institution of higher education during the fall to finalize performance contracts. Each institution will have a performance contract that emphasizes statewide goals while acknowledging each institutions unique role and mission.

A sample copy of a contract may be found at:

<http://www.state.co.us/cche/cof/contract/contract.pdf>

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The Colorado Department of Higher Education is comprised of six divisions, including: Colorado Commission on Higher Education (<http://www.state.co.us/cche/>), which oversees and coordinates the state's 28 public colleges and universities and sets policies for the new College Opportunity Fund stipends; College Access Network (formerly the Colorado Student Loan Program; <http://www.cslp.org/>), which administers the payments for the stipends and assists students in obtaining loans to finance their college education; and, CollegeInvest (<http://www.collegeinvest.org>), which offers the only 529 college savings plans that provide the combination of federal tax advantages and a Colorado income tax deduction for all contributions and low-cost student loans.