

STATE BOARD FOR COMMUNITY COLLEGE AND OCCUPATIONAL EDUCATION

May 28, 2020

TOPIC: FY 2020-21 Tuition Setting

PRESENTED BY: Mark Superka, Vice-Chancellor for Finance and Administration; Patrick Brodhead, Budget Director

RELATIONSHIP TO THE STRATEGIC PLAN:

Redefine our value proposition through accessibility, affordability, quality, accountability, resource development, and operational excellence

EXPLANATION:

The public health emergency driven by COVID-19 has impacted the timing and revenue expectations related to the CCCS FY 2020-21 budget development process. Typically, the Board would set tuition rates and fees in its April meeting—based on Long Bill figure-setting by the Joint Budget Committee (JBC), which uses the March state revenue forecast to set General Fund allocations to various state departments. The Board was able to set fees at the April meeting, but waited to set tuition rates until the JBC acted on May 19th.

The prior December forecast showed a healthy Colorado economy and a significant state revenue uptick in FY 2020-21 compared to the current fiscal year. The March forecast showed a deteriorated economic condition for the state, with FY 2020-21 state revenue flat compared to a lower FY 2019-20 General Fund base. However, the March forecast was on March 17th—before the closures of many businesses, mandated restrictions on the size of social gatherings, and the issuance of various stay at home orders by local governments and the state. The most recent updated May 12th state economic forecast showed a much deteriorated state revenue position for FY 2020-21, with over a \$3 billion shortfall representing a 25% reduction in General Fund revenue.

There are a number of variables the Board typically uses to set tuition rates: JBC tuition rate caps; General Fund revenues, enrollment, and operating and personnel costs—variables we covered in the March Board meeting in more detail. For some of these variables, we have more complete information and others (like enrollment) still have significant uncertainty. As a result, we have put together three broad working scenarios through which to frame the recommendation:

- Scenario 1: Summer Remote/Fall Semi-Normal/Spring Normal – 7.5 percent enrollment decline;
- Scenario 2: Summer Remote/Fall Remote/Spring Normal; -- 14.9 percent enrollment decline and
- Scenario 3: Summer, Fall and Spring Remote – 21.0 percent enrollment decline.

This is a broad lens through which to view the issue (and the one thing we know for sure is that none of these will follow this perfect pattern), but they do capture the uncertainty that the system faces and represent a reasonable spread of outcomes that could occur in FY 2020-21.

Here are the variables that are relatively more stable in the scenario planning:

General Fund – On May 19th, the JBC voted to reduce General Fund to higher education governing boards proportionally by 58% for FY 2021. This represents a \$110.1 million reduction of CCCS General Fund appropriations.

Tuition Rate Cap – On May 19th, the JBC voted to allow CCCS no more than a 3% resident tuition rate increase in FY 2020-21 for governing boards. There is no similar restriction to non-resident tuition.

Amendment 50 Funds – With all casino operations closed down since Mid-March, limited gaming revenue is anticipated to significantly drop in the current fiscal year—which impacts what gets allocated to CCCS for next fiscal year. As a result, we are forecasting a 25% reduction in gaming revenues to CCCS for FY 2020-21.

State-Allocated Federal CARES Act funds – The Governor, via executive order, allocated \$450 million of its \$1.7 billion of federal stimulus funds to higher education—of which CCCS received \$100.5 million in the current fiscal year to be spent on allowable expenses between March and December 2020, outlined in the certification agreement. A condition of accepting these funds is holding resident tuition to no more than a 3% increase in FY 2020-21.

Personnel Costs – The JBC voted to have a zero percent increase to classified salaries for FY 2020-21. Staff with general consensus of the Chancellor and Presidents is recommending the Board do the same for CCCS faculty, instructors and APT personnel. However, there are still mandatory PERA increases that all state employers are required to implement.

Benefits – The Chancellor and College Presidents have made the commitment for the employer to pick up 90% of the ATP and Faculty health benefits increase for FY 2021. For classified employees, we are following the JBC recommendations regarding classified benefit levels, over which the Board or Chancellor have no control.

Below is a summary of how each of these key variables, coupled with the staff recommendations on tuition, interact across each of the three scenarios:

	Scenario 1	Scenario 2	Scenario 3
Revenue Factors (in millions)			
Tuition Rate Impact on Tuition Revenue	\$5.4	\$5.1	\$4.8
Enrollment Impact on Tuition Revenue	(\$17.6)	(\$37.3)	(47.5)
State General Fund Change	(\$110.1)	(110.1)	(110.1)
Amendment 50 Projection Change	(\$2.9)	(\$2.9)	(2.9)
State-Allocated Federal CARES Act Funds	\$100.5	100.5	100.5
<i>Subtotal Revenue Change</i>	(\$25.1)	(\$45.1)	(\$55.6)
Required Cost Factors (in millions)			
Compensation	\$0	\$0	\$0
PERA Required	\$2.1	\$2.1	\$2.1
Health, Life and Dental Benefits	\$2.7	\$2.7	\$2.7
Operating Increases (CPI of 1.9%)	\$2.1	\$2.1	\$2.1

<i>Subtotal Expense Change</i>	\$6.9	\$6.9	\$6.9
Total Difference	(\$31.6)	(\$51.6)	(\$62.0)

This leaves a net gap between projected revenues and expenses ranging from \$31.6 to 62.0 million system-wide. In order to close this gap, Colleges and the system office will need to implement a combination of reducing operating/personnel expenses and mitigating projected enrollment losses--along with strategic use of reserves. Specific details of balancing measures will be included in the colleges' budget submission at the June 2020 Board meeting.

Staff Recommendations on Tuition

Staff reviewed tuition recommendations with the Chancellor and Presidents on May 21st, and there was general consensus with the following recommendations.

On Table 1, staff is recommending a 3.0% increase in the standard resident tuition rate. For reference, the FY 2019-20 base resident tuition rate is \$148.90 per credit hour or \$4,467 for a full-time, 30 credit hour student. This would represent a \$4.45 per credit hour increase and \$133.50 increase for a full time student. For context, from FY 2019-20 to FY 2020-21, the Pell maximum amount will have increased by a total \$250 for a full-time student, while CCCS's total increase will be \$133.50--since resident tuition was held flat in the current fiscal year. For your reference, Appendix A outlines the summation of base resident tuition and mandatory fee (which the Board approved in its April meeting) recommendations for FY 2020-21. Staff is also recommending a corresponding 3.0% increase in the standard non-resident tuition rate. However, Staff is recommending zero increase in the resident and non-resident on-line tuition rates, and zero increase in the resident and non-resident BAS rates.

This recommendation on resident tuition applies to all resident and non-resident tuition rate categories as specified in Table 1. All resident and non-resident tuition rates in Table 1 will be effective beginning with the Fall 2020 term. On Table 1, there is only one new non-resident tuition rate compared to last year: the USDOL Expanding Apprenticeship in America Pilot Tuition Rate. This rate mirrors the amount of the resident pilot non-resident rate and only applies to non-resident students accepted as an apprentice as part of the USDOL CO-TECH or CO-HELPS federal grant initiative.

Also, staff requests State Board approval to modify the COF stipend rate for FY 2020-21 to match the amount the General Assembly passes in the Long Bill.

ATTACHMENTS:
Table 1 – Tuition Rate Setting
Appendix A – CCCS Fees

Table 1
COLORADO COMMUNITY COLLEGE SYSTEM
RECOMMENDED RESIDENT AND NON-RESIDENT TUITION RATES FOR FY 2020-21
 Beginning Fall 2020

All figures are displayed as per credit hour unless otherwise noted

	FY20 Student Share of Tuition Base	+ FY20 Differential =	Total FY20 Student Share of Tuition	+ FY21 Student Share of Tuition Base Increase	FY21 Differential Increase	Total FY21 Student Share of Tuition	+ FY21 COF Stipend	=	Total FY21 Resident Tuition
RESIDENT STUDENTS									
Resident Tuition - On Campus	\$148.90	\$0.00	\$148.90	\$4.45	\$0.00	\$153.35	\$38.00	=	\$191.35
CCC Online / Campus Online	\$263.20	\$0.00	\$263.20	\$0.00	\$0.00	\$263.20	\$38.00	=	\$301.20
CCC Online Nursing	\$338.30	\$0.00	\$338.30	\$0.00	\$0.00	\$338.30	\$38.00	=	\$376.30
BSN - Nursing	\$350.00	\$0.00	\$350.00	\$0.00	\$0.00	\$350.00	\$38.00	=	\$388.00
BAS Water Quality Management (RRCC)	\$250.15	\$0.00	\$250.15	\$0.00	\$0.00	\$250.15	\$38.00	=	\$288.15
BAS Secure Software Development (PCC and RRCC)	\$250.15	\$0.00	\$250.15	\$0.00	\$0.00	\$250.15	\$38.00	=	\$288.15
BAS Dental Hygiene (PCC and CCD)	\$315.45	\$0.00	\$315.45	\$0.00	\$0.00	\$315.45	\$38.00	=	\$353.45
BAS Paramedicine Online (ACC, PPCC and PCC)	\$263.20	\$0.00	\$263.20	\$0.00	\$0.00	\$263.20	\$38.00	=	\$301.20
BAS Paramedicine Online (ACC, PPCC and PCC)	\$148.90	\$0.00	\$148.90	\$4.45	\$0.00	\$153.35	\$38.00	=	\$191.35
BAS Emergency Services Administration (PPCC)	\$263.20	\$0.00	\$263.20	\$0.00	\$0.00	\$263.20	\$38.00	=	\$301.20
BAS Emergency Services Admin Online (ACC and PPCC)	\$148.90	\$67.35	\$216.25	\$0.00	\$0.00	\$216.25	\$38.00	=	\$254.25
BAS Geospatial Science (FRCC)	\$315.45	\$0.00	\$315.45	\$0.00	\$0.00	\$315.45	\$38.00	=	\$353.45
BAS Radiologic Technology (PCC)	\$315.45	\$0.00	\$315.45	\$0.00	\$0.00	\$315.45	\$38.00	=	\$353.45
Dental Hygiene	\$147.40	\$0.00	\$147.40	\$4.45	\$4.40	\$151.85	\$38.00	=	\$189.85
Aviation Maintenance	\$148.90	\$136.50	\$285.40	\$4.45	\$6.10	\$291.95	\$38.00	=	\$329.95
Aviation Flight	\$148.90	\$204.80	\$353.70	\$4.45	\$6.10	\$364.25	\$38.00	=	\$402.25
Nursing	\$148.90	\$75.10	\$224.00	\$4.45	\$2.25	\$230.70	\$38.00	=	\$268.70
Master's of Physician Assistant ***	\$560.10	\$0.00	\$560.10	\$0.00	\$0.00	\$560.10	\$0.00	=	\$560.10

	FY20 Non- Resident Tuition Rate	+ FY20 Differential =	Total FY20 Non- Resident Tuition	+ FY21 Non- Resident Tuition Base Increase	FY21 Differential Increase	Total FY21 Non- Resident Tuition	+ FY21 COF Stipend	=	Total FY21 Resident Tuition
NON-RESIDENT STUDENTS									
Non-Resident Tuition - With Dorms	\$488.65	\$0.00	\$488.65	\$14.65	\$0.00	\$503.30	\$38.00	=	\$541.30
Non-Resident Tuition - Without Dorms	\$610.90	\$0.00	\$610.90	\$18.35	\$0.00	\$629.25	\$38.00	=	\$667.25
Non-Resident Dental Hygiene **	\$619.70	\$0.00	\$619.70	\$18.60	\$0.00	\$638.30	\$38.00	=	\$676.30
Non-Resident Aviation Maintenance **	\$610.90	\$0.00	\$610.90	\$18.35	\$0.00	\$629.25	\$38.00	=	\$667.25
Non-Resident Aviation Flight **	\$610.90	\$0.00	\$610.90	\$18.35	\$0.00	\$629.25	\$38.00	=	\$667.25
Non-Resident Flight **	\$624.90	\$0.00	\$624.90	\$18.75	\$0.00	\$643.65	\$38.00	=	\$681.65
Non-Resident Nursing **	\$616.15	\$0.00	\$616.15	\$30.80	\$0.00	\$646.95	\$38.00	=	\$684.95
Non-Resident Master's of Physician Assistant ***	\$610.90	\$0.00	\$610.90	\$0.00	\$0.00	\$610.90	\$0.00	=	\$610.90
BAS Water Quality Management (RRCC)	\$610.90	\$0.00	\$610.90	\$0.00	\$0.00	\$610.90	\$0.00	=	\$610.90
BAS Secure Software Development (PCC and RRCC)	\$409.45	\$0.00	\$409.45	\$0.00	\$0.00	\$409.45	\$0.00	=	\$409.45
BAS Dental Hygiene (PCC and CCD)	\$401.25	\$0.00	\$401.25	\$0.00	\$0.00	\$401.25	\$0.00	=	\$401.25
BAS Paramedicine Online (ACC, PPCC and PCC)	\$610.90	\$0.00	\$610.90	\$0.00	\$0.00	\$610.90	\$0.00	=	\$610.90
BAS Emergency Services Admin (PPCC)	\$401.25	\$0.00	\$401.25	\$0.00	\$0.00	\$401.25	\$0.00	=	\$401.25
BAS Emergency Services Admin Online (ACC and PPCC)	\$610.90	\$67.35	\$678.25	\$0.00	\$0.00	\$678.25	\$0.00	=	\$678.25
BAS Geospatial Science (FRCC)	\$409.45	\$0.00	\$409.45	\$0.00	\$0.00	\$409.45	\$0.00	=	\$409.45
BAS Radiologic Technology (PCC)	\$409.45	\$0.00	\$409.45	\$0.00	\$0.00	\$409.45	\$0.00	=	\$409.45
BAS Respiratory Therapy (PCC)	\$409.45	\$0.00	\$409.45	\$0.00	\$0.00	\$409.45	\$0.00	=	\$409.45
CCC Online / Campus Online	\$401.25	\$0.00	\$401.25	\$0.00	\$0.00	\$401.25	\$0.00	=	\$401.25
CCC Online Nursing	\$477.40	\$0.00	\$477.40	\$0.00	\$0.00	\$477.40	\$0.00	=	\$477.40
BSN - Nursing	\$444.00	\$0.00	\$444.00	\$0.00	\$0.00	\$444.00	\$0.00	=	\$444.00
Western Undergraduate Exchange (WUE) Tuition	\$223.35	\$0.00	\$223.35	\$6.70	\$0.00	\$230.05	\$0.00	=	\$230.05
WUE CCC Online / Campus Online	\$401.25	\$0.00	\$401.25	\$0.00	\$0.00	\$401.25	\$0.00	=	\$401.25
WUE CCC Online Nursing	\$477.40	\$0.00	\$477.40	\$0.00	\$0.00	\$477.40	\$0.00	=	\$477.40
WUE BSN Nursing	\$444.00	\$0.00	\$444.00	\$0.00	\$0.00	\$444.00	\$0.00	=	\$444.00
WUE BAS Water Quality Management (RRCC)	\$610.90	\$0.00	\$610.90	\$0.00	\$0.00	\$610.90	\$0.00	=	\$610.90
WUE BAS Secure Software Development (PCC and RRCC)	\$610.90	\$0.00	\$610.90	\$0.00	\$0.00	\$610.90	\$0.00	=	\$610.90
WUE BAS Dental Hygiene (PCC and CCD)	\$409.45	\$0.00	\$409.45	\$0.00	\$0.00	\$409.45	\$0.00	=	\$409.45
WUE BAS Paramedicine Online (ACC, PPCC and PCC)	\$401.25	\$0.00	\$401.25	\$0.00	\$0.00	\$401.25	\$0.00	=	\$401.25
WUE BAS Emergency Services Admin (PPCC)	\$223.35	\$0.00	\$223.35	\$6.70	\$0.00	\$230.05	\$0.00	=	\$230.05
WUE BAS Emer Serv Admin Online (ACC and PPCC)	\$401.25	\$0.00	\$401.25	\$0.00	\$0.00	\$401.25	\$0.00	=	\$401.25
WUE BAS Geospatial Science (FRCC)	\$223.35	\$67.35	\$290.70	\$0.00	\$0.00	\$290.70	\$0.00	=	\$290.70
WUE BAS Radiologic Technology (PCC)	\$409.45	\$0.00	\$409.45	\$0.00	\$0.00	\$409.45	\$0.00	=	\$409.45
WUE BAS Respiratory Therapy (PCC)	\$409.45	\$0.00	\$409.45	\$0.00	\$0.00	\$409.45	\$0.00	=	\$409.45
WUE Dental Hygiene	\$223.35	\$147.40	\$370.75	\$6.70	\$4.40	\$377.85	\$0.00	=	\$377.85
WUE Aviation Maintenance	\$223.35	\$136.50	\$359.85	\$6.70	\$6.10	\$366.65	\$0.00	=	\$366.65
WUE Aviation Flight	\$223.35	\$204.80	\$428.15	\$6.70	\$6.10	\$434.95	\$0.00	=	\$434.95
WUE Nursing	\$223.35	\$75.10	\$298.45	\$6.70	\$2.25	\$305.20	\$0.00	=	\$305.20
Pilot (CNCC/NJC, LCC, OJC, TSJC) *	\$248.20	\$0.00	\$248.20	\$7.45	\$0.00	\$255.65	\$0.00	=	\$255.65
Pilot Dental Hygiene *	\$248.20	\$147.40	\$395.60	\$7.45	\$4.40	\$403.45	\$0.00	=	\$403.45
Pilot Aviation Maintenance *	\$248.20	\$136.50	\$384.70	\$7.45	\$4.10	\$392.65	\$0.00	=	\$392.65
Pilot Aviation Flight *	\$248.20	\$204.80	\$453.00	\$7.45	\$6.10	\$460.55	\$0.00	=	\$460.55
Pilot Nursing *	\$248.20	\$75.10	\$323.30	\$7.45	\$2.25	\$330.80	\$0.00	=	\$330.80
USDOL Expanding Apprenticeship in America Pilot ****	\$248.20	\$0.00	\$248.20	\$7.45	\$0.00	\$255.65	\$0.00	=	\$255.65
USDOL Expanding Apprenticeship in America Pilot Online ****	\$401.25	\$0.00	\$401.25	\$0.00	\$0.00	\$401.25	\$0.00	=	\$401.25
Reciprocity Students (New Mexico)	\$148.90	\$0.00	\$148.90	\$4.45	\$0.00	\$153.35	\$0.00	=	\$153.35

* Colleges are permitted to scholarship the tuition of Pilot students down to 1.5x the resident rate.
 ** Posted rate is for non-residential colleges. Differential rate for residential colleges is the regular non-resident with dorm rate.
 *** Guaranteed tuition rate for cohort entering Fall 2020 Master's of Physician Assistant Studies program (MPAS).

Appendix A

CCCS Base Resident Tuition and Fees (30 Credit hours)

	FY 2019-20			FY 2020-21 Projected			% Change		
College	Tuition	Fees	Tuition and Fees	Tuition	Projected Fees	Tuition and Fees	Tuition	% Change	Tuition and Fees
ACC	\$4,467	\$347	\$4,814	\$4,601	\$349	\$4,949	3.0%	0.6%	2.8%
ACC - Parker	\$4,467	\$347	\$4,814	\$4,601	\$349	\$4,949	3.0%	0.6%	2.8%
ACC - Castle Rock	\$4,467	\$347	\$4,814	\$4,601	\$349	\$4,949	3.0%	0.6%	2.8%
CCA	\$4,467	\$273	\$4,740	\$4,601	\$277	\$4,878	3.0%	1.7%	2.9%
CCD ¹	\$4,467	\$1,148	\$5,615	\$4,601	\$1,195	\$5,795	3.0%	4.1%	3.2%
CNCC	\$4,467	\$451	\$4,918	\$4,601	\$459	\$5,060	3.0%	1.8%	2.9%
CNCC - Craig	\$4,467	\$287	\$4,754	\$4,601	\$293	\$4,893	3.0%	1.8%	2.9%
FRCC	\$4,467	\$379	\$4,846	\$4,601	\$386	\$4,987	3.0%	1.9%	2.9%
FRCC - LC	\$4,467	\$527	\$4,994	\$4,601	\$537	\$5,137	3.0%	1.9%	2.9%
FRCC - BC	\$4,467	\$369	\$4,836	\$4,601	\$376	\$4,976	3.0%	1.9%	2.9%
LCC	\$4,467	\$526	\$4,993	\$4,601	\$526	\$5,127	3.0%	0.1%	2.7%
MCC	\$4,467	\$145	\$4,612	\$4,601	\$147	\$4,747	3.0%	1.5%	2.9%
NJC	\$4,467	\$605	\$5,072	\$4,601	\$606	\$5,206	3.0%	0.1%	2.6%
OJC	\$4,467	\$426	\$4,893	\$4,601	\$434	\$5,035	3.0%	1.8%	2.9%
PCC	\$4,467	\$824	\$5,291	\$4,601	\$839	\$5,440	3.0%	1.9%	2.8%
PCC - SCCC West	\$4,467	\$394	\$4,861	\$4,601	\$402	\$5,002	3.0%	1.9%	2.9%
PCC - Fremont	\$4,467	\$394	\$4,861	\$4,601	\$402	\$5,002	3.0%	1.9%	2.9%
PCC - Durango	\$4,467	\$394	\$4,861	\$4,601	\$402	\$5,002	3.0%	1.9%	2.9%
PCC - Bayfield	\$4,467	\$394	\$4,861	\$4,601	\$402	\$5,002	3.0%	1.9%	2.9%
PPCC	\$4,467	\$353	\$4,820	\$4,601	\$359	\$4,959	3.0%	1.5%	2.9%
RRCC	\$4,467	\$557	\$5,024	\$4,601	\$564	\$5,165	3.0%	1.3%	2.8%
TSJC	\$4,467	\$519	\$4,986	\$4,601	\$528	\$5,128	3.0%	1.7%	2.9%
TSJC - Alamosa	\$4,467	\$293	\$4,760	\$4,601	\$297	\$4,898	3.0%	1.5%	2.9%

¹ In April, the Board approved Auraria's proposal to increase the RTD transportation pass fee from \$125.00 per term to \$131.00 per term, and to increase the clean energy/student sustainability fee from \$5.51 to \$8.58 per term.