

STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION

November 8, 2023

TOPIC: Strengthening Our Foundation: Investments for High Impact Initiatives

PRESENTED BY:

Joe Garcia, Chancellor and Mark Superka, Vice Chancellor for Finance and Administration

EXPLANATION:

During the Chancellor's performance review process with the Board, the Chancellor outlined several high impact initiatives, all previously approved by the Board, that were currently being implemented but had anticipated completion dates ranging from one to three years. He also outlined the level of stress and impact to everyday operations that these initiatives are having on staff who are charged with that implementation, along with their pre-existing responsibilities, and the risk associated with the failure of timely completion of those high impact and mission critical initiatives. Given that system office reserves levels are at \$59.9 million and have grown by \$22.2 million over the past five years, the Board Chair, Vice Chair and Past Chair invited the Chancellor to propose some supplemental one-time, shorter duration tranches of funding that would target key areas of implementation need and reduce operational burnout among employees and the risk of underperforming.

At the direction of the Chancellor, system executive staff immediately undertook a quick-shot needs assessment and prioritization process to identify a set of targeted areas that would benefit from the utilization of reserves to make some short-term investments necessary to successfully complete some of our major projects and minimize delays due to the lack of staffing and mitigate the risk of CCCS underperforming. Requested investments had to meet the following criteria:

- Requests could only be for one-time funds from CCCS system office reserves.
- Investments would not extend beyond a maximum duration of 3 years.
- Investments would be limited to the following target areas and cross-cutting associated resources:
 - Rural College Consortium
 - Colorado Skills Institute
 - Deliver on Federal and State Investments and Expectations - Grant Implementation, Management, and Compliance
 - Program and Curriculum Operations and Future IT System Project Planning

Rural College Consortium

Proposed Investment: \$379,461 (funding over 2 ½ years)

The Rural College Consortium (RCC) was fueled by an \$8.6 million investment from the General Assembly to update key technology infrastructure and classroom equipment at our rural colleges to allow them to offer synchronous classes between and among the colleges. The first phase of the project, installing the technology at the college sites, is completed. The next phase is to implement course sharing among our rural colleges, including the back-end automated scheduling as we have done for CO-Online. We started piloting this effort on a small scale over the last two terms. The need for the additional resources is to fill in the key gaps that have been identified during the piloting to position the consortium for growth, scalability, and sustainability.

Dr. Linda Lujan, a retired rural college President, has been serving as RCC Consortia Manager during the pilot. This requested funding (salary and benefits) to extend this position for another two years. Dr. Lujan has identified the need for ongoing strategic leadership to continue to guide program launch as well as to facilitate the necessary culture shift at the colleges as we move from the pilot stage to full implementation.

The need for a RCC Scheduler shared position became apparent during the pilot of RCC courses and the implementation of CO Online. Rural college schedulers are spread thin with other responsibilities, and, for half the rural colleges, the position was either vacant or they were new to their position. Staff struggled with the normal schedule, let alone the special coding requirements of CO Online and RCC for the teaching and pooled sections. As a result, we are requesting funding (salary and benefits) for one year to onboard and train an RCC Scheduler who would work with all the rural colleges. After the year, the rural colleges have agreed to split continued funding for this position out of their regular operating budgets. Over time, rural colleges will collectively cover the operating expenses associated with all aspects of the RCC.

Colorado Skills Institute

Proposed Investment: \$1,390,261 (funding over 2 ½ years)

The Board, in consultation with the Chancellor, Presidents and Executive Team, added workforce development as an additional priority area in 2020-2021 and emphasized the importance of reaching and serving adult learners. In response to this charge, CCCS launched efforts to seek funding and to develop a new portfolio of non-credit offerings – the Colorado Skills Institute - to be delivered online and on demand to provide non-credit, short-term workforce development training and education for in-demand occupations. All CSI courses will be designed with an accompanying Prior Learning Assessment (PLA) process to allow for transfer of credit to college programs. In addition to serving adults and students looking to upskill, reskill or nextskill, CCCS will scale customized training options for corporate partners, especially statewide employers, and expand our Skill Advance Colorado programming across the state via CCCS's 13 colleges.

Phase 1 is completed and involved securing funding to acquire and implement software to support the technology platform (CampusCE was the successful vendor) for all 13 colleges and the centralized Colorado Skills Institute operated out of the System Office. In addition, there is a procurement process underway to put in place a contract with Coursera for course work along with financial literacy courses through a substantial partnership with the National Endowment for Financial Education.

With the completion of the CampusCE procurement as well as additional planning and design, there is an opportunity now to accelerate this project and to bring on dedicated System Office personnel to take on the build out, start-up, and ongoing operations of the Colorado Skills Institute.

The request is to provide this supplemental funding of \$1.4 million for 2.5 years from January 2024 through June 2026. After June 2026, there will be ongoing operating costs; however, modeling demonstrates that with revenue generated by fees, corporate partnerships, and student reimbursements, it is anticipated CSI will be break even and become a potential source of increased net revenue for CCCS into the future.

Deliver on Federal and State Investment and Expectations - Grant Implementation, Management, and Compliance

Proposed Investment: \$503,983 (funding over three years)

Coming out of the pandemic, CCCS and its colleges have seen an historic influx of state, federal, and philanthropic funding coming at breakneck pace, including HB 21-1149¹, HB 21-1264², SB 22-181³, SB 22-226⁴, SB 22-192⁵, HB 23-1246⁶ (among many others including awards from Lumina Foundation, Jobs for the Future, IBM, NEFE, Zoma Foundation, (among many others including awards from Lumina Foundation, Jobs for the Future, IBM, NEFE, Zoma Foundation) in the range of \$100 million, which has stretched our staffing capacity too thin to ensure the organization is fully meeting required state and federal monitoring requirements, subrecipient monitoring, and other compliance requirements, including those outlined in the federal Uniform Guidance. These big and ambitious federal, state, and philanthropic investments occurred over a relatively short period of time and many with minimal or no administrative funding. This funding will help ensure that CCCS is meeting the required grant oversight and management necessary to remain in compliance and remain a low-risk recipient of future funding through the state, federal, and philanthropic grants. In other words, these resources will be used to monitor

¹ [HB21-1149](#), Concerning Supporting An Energy Sector Career Pathway For Colorado

² [HB21-1264](#), Concerning the Allocation of State Money For Workforce Development Activities to Increase The Skills of Colorado Workers

³ [SB22-181](#), Concerning the Behavioral Health Administration's Plan To Address Issues Regarding the Delivery of Behavioral Health-Care Services in the State

⁴ [SB22-226](#), Concerning Measures To Support The Health-Care Workforce

⁵ [SB22-192](#), Concerning the Creation Of Opportunities For Credential Attainment

⁶ [HB23-1246](#), Concerning Measures To Support The In-Demand Career Workforce

and report that we've delivered and met the expectation and position us well to be chosen for future investments.

The request would fund two positions for three years to match the expiration of the SLFRF federal grants the state received and its spending, compliance and reporting tail ending in January 2027. This request would extend the Grant Director position, which currently expires at the end of the current fiscal year until January 2027. This position would manage all the grant deadlines, metrics production, and other required state and federal reporting for the cross section of grants that are flowing through the system office. The request also refines a vacant Grant Accountant position with 100% General Fund (from 33%) until January 2027. The uncertainty of the duration of the position has resulted in several failed searches, a situation which we believe will be rectified if we can extend the timeline for the opportunity.

Program and Curriculum Operations and Future IT System Project Planning

Proposed Investment: \$403,400 (funding over three years)

The current program approval process, especially for career and technical programs, has suffered some key staffing losses over the past year, which has slowed down getting formal approval and system set-up/coding for the colleges as other staff are attempting to process requests, train new staff, and identify process improvements and efficiencies. Like many business processes that require very specific expertise and rely on a few key staff for implementation in a rapidly changing administrative structure, our initial evaluation of the process shows room for significant improvements. The inability to approve programs quickly negatively impacts future growth and slows the response to ever-changing workforce education requirements.

These improvements will likely require investment of time, academic expertise, and technical expertise on both system and college staff—as well as staffing changes to support them. These improvements are important to fully identify, prioritize, resource and plan for in consultation with the colleges, and would require an investment of funding over a 36month timeframe. In the short term, additional personnel are needed to identify and resolve issues and then to address the identified foundational problems. Based on the results of this planning, there may be future phases with additional costs.

Cross Cutting IT/IR Resources

Proposed Investment: \$631,216 (years of funding vary from one year to three years)

To help support the above projects implementation, funding is requested to support some cross-cutting resources bolstering or extending current Information Technology (IT) and Institutional Research (IR) resources. These include the following:

- Retaining three current but temporary IT staff who worked on the CO Online project and who are currently funded through June 2024, and extending funding through June 2025. These staff (a project manager/business analyst, a senior programmer lead, and a senior programmer) know CCCS systems and implemented the back-office IT portion of CO Online. They are uniquely positioned to be able to help get the Colorado Skills Institute software implemented and address the backend IT portion of registration and scheduling for CSI and for the Rural College Consortium.
- Hiring one new IR staff member for three years to assist with the required reporting related to grants compliance, account for the increased IR workload associated with the Colorado Department of Higher Education data breach and provide cross-cutting metrics analysis/evaluation on the statewide budget allocation formula (which will be under review in FY 2024-25 and part of FY 2025-26).

Total Proposed Investment: \$3,308,320

RECOMMENDATION:

Staff recommends the Board approve the strategic use of reserves described above and included in Attachment II.B.a.

ATTACHMENT(S):

Attachment II.B.a: Investments for High Impact Initiatives – Summary of Costs