



FINANCIAL ACCOUNTABILITY PLAN

ADAMS STATE COLLEGE

OCTOBER, 2010

*AMENDED
MARCH, 2012*

**Adams State College
Financial Accountability Plan
FY12-13 Amendment
Executive Summary**

Based on the Governor’s higher education budget request for FY12-13, Adams State’s allocation of the College Opportunity Funds will be reduced from \$11,190,415 to \$10,551,466. This \$638,949 reduction equates to a 5.7% reduction in state support. Adams State College seeks Commission approval to raise its resident undergraduate tuition rate by *15.0% for FY12-13 and 9% each year thereafter*. Assuming that state, federal, and other revenue sources remain constant across the remaining four year tuition flexibility time horizon provided by SB10-003, Adams anticipates these resident undergraduate tuition increases annually in order to generate adequate revenue to cover mandated cost increases.

TUITION REQUEST

	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
Resident Undergraduate Tuition (Full Time)	\$3,312	\$3,809	\$4,152	\$4,525	\$4,933
Resident Tuition (Per Credit)	\$138	\$159	\$173	\$189	\$206
\$ Increase (/FT)		\$497	\$343	\$374	\$407
\$ Increase (/credit)		\$21	\$14	\$16	\$17
% Increase		15%	9%	9%	9%

As one of Colorado’s most cost effective four-year institutions, Adams State maintains its historical commitment to access for Colorado’s underserved citizens. Our success in this arena is nationally recognized. ASC’s primary service area, the 8,000 square-mile San Luis Valley, is a six-county rural region that includes some of the state’s poorest counties. Providing geographic access for low-income students is core to our mission.

- 91% of ASC undergraduate students receive financial aid.
- 55% of our undergraduate students are considered low-income, with family adjusted gross income averaging \$22,474.
- 68% of ASC undergraduate students qualify for need-based federal Pell Grants.

The fastest growing demographic group in Colorado over the next decade will be Latino youth. ASC has the longest Hispanic Serving history among Colorado four-year institutions, with 32% Hispanic enrollment. What’s more, a total of 43% of Adams State undergraduates are non-white. A 2007 study by the American Association of State Colleges and Universities (AASCU) found Adams State had the third highest Hispanic graduation rate of all 435 AASCU member institutions nationwide.

A substantial increase in institutional need-based aid of the magnitude required by such potentially large reductions in state support is not viable for Adams State. Given that Adams State’s student population is predominately low-income, developing a high cost/high aid model,

wherein a portion of the revenue generated by the students who have the ability to pay full tuition helps subsidize low-income students, is not an option. While 26% of the revenue generated by the proposed tuition increase will be used to fill unmet need for low-income students, Adams State and its students still depend heavily on state support. Effective financial aid packaging combined with creative tuition window assessment structure only goes so far. Aggressive academic and financial aid advising aimed at changing student enrollment behavior will be critical in helping students to degree in the most cost effective and timely manner.

Adams State has been successful in growing enrollment. However, more students are taking fewer credit hours. Several factors contribute to this change. The primary factor can be attributed to an institutional financial aid packaging policy shift in 2004. In 1997 ASC instituted a policy that defined full-time aid eligibility at 15 credit hours per semester. In 2004, the full-time aid eligibility was lowered to 12 credit hours per semester. The table below illustrates the change in student enrollment behavior as a result of this policy shift.

Year	Average Credit Hours per Student Headcount
1997 thru 2004	26.6
2005 thru 2009	23.7
Fall 2010	24.6
Fall 2011	25.2

*Source: Adams State Fall Census Reports

This drives a higher cost of education, increased debt loads, and delayed entry into the work force with a degree. Another factor that must be considered is the cost of room and board, which is roughly equal to tuition and fees at ASC, while in school. Encouraging students to take 15 credit hour semester loads reduces time to degree and educational costs.

Intensive academic and financial aid advising was implemented in 2010. In 2011, Adams opened the backend of the tuition window to 21 hours (the 13th through the 20th credit hour are free) to encourage students to carry more hours. A broader implementation of ASC's STAY program was also geared toward reversing this trend. As the table above illustrates, these policy shifts resulted in a shift in enrollment behavior.

This plan illustrates that a new allocation model must be considered should the appropriation drop below the current mark. The current allocation model drives large rate increases in undergraduate resident tuition rates at Adams. Given our student socioeconomic demographic, a certain level of base funding from the state is imperative for Adams State to fulfill its specific institutional mission, as well as higher education goals of the state.

INTRODUCTION/RATIONALE

Senate Bill 10-003 grants Colorado institutions of higher education greater flexibility in setting tuition, while ensuring that institutions provide protection for low and middle-income students.

The Adams State College of Colorado Board of Trustees is submitting this amendment to its Financial Accountability Plan (FAP) for consideration and approval by the Colorado Commission on Higher Education (CCHE). This FAP identifies maximum projected tuition rate increases for resident students over the next four years based on assumptions in levels of state support for Adams State. The Plan also identifies a level of increase in institutional financial aid and describes how the College will utilize these resources to ensure continued access and affordability for Colorado residents. Should state funding circumstances change, the Trustees reserve the right to revise and re-submit this FAP per the guidelines provided by Department of Higher Education (DHE).

It is understood by Adams State that CCHE will provide an additional opportunity for adjustments to approved FAPs should there be a significant change in budget projections based on state revenue forecasts and resulting adjustments to the state budget.

SB 10-003 also states that general fund allocations shall take into consideration tuition capacity, tuition rates relative to competitive institutions (competitive interpreted as national peer institutions with similar roles and missions, enrollment size, rural location, and student demographics), student and family incomes, and geographic access. *Adams State College expressly requests* that these statutory parameters are considered by the CCHE when reviewing this plan and in making general fund allocation recommendations to the Colorado Generally Assembly pertaining to institutional and financial aid funding.

ASSUMPTIONS

1. Through this process, governing boards are requesting the authority to raise tuition up to the stated maximum declared in this FAP. It is understood that governing boards will make final tuition setting decisions during their normal budgeting process. Approval of this FAP is not an indication of final tuition rates at Adams State.
2. FY 2007-2011 institutional data are utilized in this plan for the purposes of establishing baseline metrics.
3. Data sources used to establish baseline data include Student Unit Record Data System (SURDS) and Budget Data Book (BDB).
4. Listed below are additional institutional/governing board assumptions utilized in the development of this FAP:
 - 1.) **Model 1** assumes that State of Colorado General Fund support for public higher education as provided for in the Governor's November 2011 budget request to the General Assembly. Adams State College's share of this appropriation is \$10,551,466.
 - 2.) In both models it is assumed that the general fund base funding remains constant over the *remaining four year term* of this FAP.
 - 3.) Cost of living adjustments 2.5% for all Adams State faculty, exempt, and classified staff beginning FY12-13.
 - 4.) Health, life, and dental insurance premiums are projected to increase by 10% annually. The JBC has recommended that the employer is responsible for picking up the full premium increase for classified staff insurance. Adams will

- pick up 100% of classified insurance premium increase and 50% of the increase in premium for faculty and exempt staff
- 5.) Property, liability, and workers' compensation insurance premiums are projected to increase by 10% annually.
 - 6.) All financial aid packaging models presented assumes that Adams State College's state need based financial aid allocation remain relatively close to its current level.
 - 7.) All financial aid packaging models presented assume Pell funding per student projections through FY15-16 based on the US Department of Education.

SECTION I: PROCESS FOR DEVELOPMENT OF THE FAP

Following the presentation of the Governor's FY12-13 budget request, the College's Board of Trustees and staff have discussed the elements of the *FAP Amendment* and have developed budget scenarios that take into consideration the multiple factors that drive tuition rates. These factors include: alternative revenue streams, mandated costs, expenditure reduction strategies, enrollment changes, varying levels of state support, student socioeconomic demographics, student enrollment load patterns, and use of institutional cash reserves. These discussions have included public meetings of the Board of Trustees and presentations to the cabinet. The final draft plan was presented to, and approved by, the Board of Trustees at their February 9, 2012 meeting. Multiple public meetings with students and other College constituents are planned throughout the spring as more definitive information becomes available from State policy makers.

SECTION II: REQUESTED TUITION INCREASE

Adams State is submitting tuition request outlined below based on the level of state support in the Governor's request. Adams State enters into this process with trepidation. Tuition flexibility has limited benefit given our tuition capacity, enrollment size, and student socioeconomic demographics.

FAP Model

The FAP Model assumes a state appropriation of \$10,551,466 for the remaining four years of the plan.

Adams State College requests authority to increase the undergraduate resident tuition rate by 15 percent per year for the next five years.

TABLE 1 – TUITION REQUEST

	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
Resident Undergraduate Tuition (Full Time)	\$3,312	\$3,809	\$4,152	\$4,525	\$4,933
Resident Tuition (Per Credit)	\$138	\$159	\$173	\$189	\$206
\$ Increase (/FT)		\$497	\$343	\$374	\$407
\$ Increase (/credit)		\$21	\$14	\$16	\$17
% Increase		15%	9%	9%	9%

Table 2 details revenue streams available and the factors that drive the College’s operating expense escalations. Adams State has aggressively pursued expense reduction strategies and alternative revenue stream development in anticipation of reductions in state general fund support. Like other private and public institutions, the College also had to address declining programmatic and scholarship support from our foundation due to the collapse in the equities market and reduced giving during the economic recession. In the last two years Adams State has lost \$680,000 in annual support from its foundation. Expenditure reductions include elimination of five administrative positions, freezing eleven vacant positions, freezing salaries for four years, reducing PERA employees’ benefit compensation for two years, and reducing operating and travel expenses. Despite additional revenue contributed by our cash programs, draws from existing cash reserves are required each year to balance. The cumulative effective on cash reserves to fully fund this model is projected to be \$1.2 million across the next four-year span.

TABLE 2 – REVENUE AND EXPENDITURES

Adams State						
Financial Accountability Plan Analysis						
	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16	
1	Beginning Reserve (FY11 Beg less base adjustments plus cuts)	387,899	(470,845)	(671,526)	(118,622)	211,196
2	FY10-11, FY11-12 = 2% Enrollment Growth Adjustment	190,000	193,800	-	-	-
3	Fee Revenue (Transcript, Late Registration, etc)	96,000	-	-	-	-
4	Revised Beginning Reserve	673,899	(277,045)	(671,526)	(118,622)	211,196
5						
6	Base Cost Escalations:					
7	State + ARRA Cut	2,327,394	638,949	-	-	-
8	Cost of Living Adj (0% FY12, 2.5% FY13-16)	-	357,500	366,438	377,431	388,754
9	HLD (10% Classified, 5% Exempt and Faculty)	270,000	197,000	216,700	238,370	262,207
11	Utilities (General Fund Only flat except elec yr 1, 5% after)	22,000	38,500	40,425	44,468	48,914
12	Risk Management Premiums (10% General Fund only)	68,000	30,000	33,000	36,300	39,930
13	CUPA for Business/Biology	82,650	85,850	-	-	-
14	Additional Cuts (4% Vacancy Savings Requirement)	(300,000)	-	-	-	-
15	Auxiliary Fund Transfer (100k for 3 years)	(100,000)	-	-	100,000	-
16	Extended Studies Increase in Indirect Cost Charges	(300,000)	300,000	-	-	-
17	Base Adjustments	-	401,654	-	-	-
18	Total Cost Escalations	2,070,044	2,049,453	656,563	796,568	739,805
19						
20	Shortfall before tuition adjustments	(1,396,145)	(2,326,498)	(1,328,089)	(915,190)	(528,609)
21						
22	Tuition Adjustments					
23	Percent Increase		9%	8%	5%	5%
24	Non Resident UG Tuition Rate Increase	135,200	444,157	430,339	290,479	305,003
25		4,935,082	5,379,239	5,809,579	6,100,057	6,405,060
26						
27	Percent		15%	9%	9%	9%
28	Resident UG Rate Increase	598,400	914,319	630,880	687,659	749,548
29		6,095,457	7,009,776	7,640,655	8,328,314	9,077,863
30						
31	Dollar amount per credit hour	\$ 15.00	\$ 20.00	\$ 10.00	\$ 10.00	\$ 10.00
32	Graduate Rate Increase	191,700	296,496	148,248	148,248	148,248
33						
34	Total Tuition Increases	925,300	1,654,972	1,209,467	1,126,386	1,202,799
35						
36	Base Deficit	(470,845)	(671,526)	(118,622)	211,196	674,191
37						
38	Cash Reserve Requirement	470,845	671,526	118,622	(211,196)	(674,191)
39	Cash Reserve Drawdown (Cumulative)	(470,845)	(1,142,371)	(1,260,993)	(1,049,797)	(375,606)

SECTION III: PROTECTION OF LOW AND MIDDLE INCOME STUDENTS

When the institutional mission is to serve the underserved, protecting a student body that is comprised of primarily very low-income (100% Pell eligible) and low-income (partial Pell eligible) students becomes extremely challenging when faced with reductions in state support of the magnitude presented in this plan. Effective financial aid packaging combined with creative tuition window assessment structure only goes so far. A substantial increase in institutional need-based aid of the magnitude required by such potentially large reductions in state support is not viable for Adams State. Given that Adams State’s student population is predominately low-income, developing a high cost/high aid model, wherein a portion of the revenue generated by the students who have the ability to pay full tuition helps subsidize low-income students, is not an option. While 26% of the revenue generated by the proposed tuition increase will be used to

fill unmet need for low-income students, Adams State and its students still depend heavily on state and federal financial aid support. Section IV details the financial aid packaging models at ASC, which rely heavily on leveraging federal Pell dollars, state need based aid, and institutional aid. Aggressive academic and financial aid advising aimed at changing student enrollment behavior will be critical in helping students to degree in the most cost effective and timely manner.

Table 5 illustrates that Adams State has been successful in growing enrollment. The problem is we are enrolling more students who are taking fewer credit hours. This drives a higher cost of education, increased debt loads, and delayed entry into the work force with a degree. Another factor that must be considered is the cost of room and board, which is roughly equal to tuition and fees at ASC, while in school.

TABLE 3 – MORE STUDENTS TAKING FEWER CREDIT HOURS

Year	Average Credit Hours per Student Headcount
1997 thru 2004	26.6
2005 thru 2009	23.7
Fall 2010	24.6
Fall 2011	25.2

*Source: Adams State Fall Census Reports

Encouraging students to take 15 credit hour semester loads will reduce time to degree and educational costs. Providing a free tuition and fee window from 12 to 15 credit hours, enhancing summer and online course offerings, and intrusive academic and financial aid counseling will be geared toward reversing this trend.

Table 4 below details estimates cost of attendance at ASC for FY11-12. It also illustrates ASC’s efforts to control costs to students by limiting the increases in our housing and board rates by a small percentage to cover projected utility and insurance increases.

TABLE 4 – MODEL 1 COST OF ATTENDANCE OVER 4 YEARS

Cost of Attendance (24 to 30 Cr. Hrs. per year)				
	FY11-12 Cost of Attendance	FY12-13 Cost of Attendance	% Increase over prior year	\$ Increase over prior year
Tuition and Fees*	5,627	\$ 6,441	14.5%	814
Room & Board	7,810	\$ 8,123	4.0%	312
Books & Supplies	<u>682</u>	<u>\$ 710</u>	<u>4.0%</u>	<u>27</u>
Total Cost of Attendance	\$ 14,120	\$ 15,100	6.9%	\$ 981
	FY12-13 Cost of Attendance	FY13-14 Cost of Attendance	% Increase over prior year	\$ Increase over prior year
Tuition and Fees*	\$ 6,441	\$ 7,123	10.6%	682
Room & Board	\$ 8,123	\$ 8,448	4.0%	325
Books & Supplies	<u>\$ 710</u>	<u>\$ 738</u>	<u>4.0%</u>	<u>28</u>
Total Cost of Attendance	\$ 15,273	\$ 16,309	6.8%	\$ 1,035
	FY13-14 Cost of Attendance	FY14-15 Cost of Attendance	% Increase over prior year	\$ Increase over prior year
Tuition and Fees*	\$ 7,123	\$ 7,859	10.3%	736
Room & Board	\$ 8,448	\$ 8,786	4.0%	338
Books & Supplies	<u>\$ 738</u>	<u>\$ 767</u>	<u>4.0%</u>	<u>30</u>
Total Cost of Attendance	\$ 16,309	\$ 17,412	6.8%	\$ 1,103
	FY14-15 Cost of Attendance	FY15-16 Cost of Attendance	% Increase over prior year	\$ Increase over prior year
Tuition and Fees*	\$ 7,859	\$ 8,655	10.1%	796
Room & Board	\$ 8,786	\$ 9,137	4.0%	351
Books & Supplies	<u>\$ 767</u>	<u>\$ 798</u>	<u>4.0%</u>	<u>31</u>
Total Cost of Attendance	\$ 17,412	\$ 18,590	6.8%	\$ 1,178

*Resident Undergraduate tuition escalates @15% in FY12-13 and 9% per year thereafter, Student Capital Construction Fee escalates per student referendum vote and bond official statements, remaining fees flat over 4 years

TABLE 5 – 24 ANNUAL CREDIT HOUR LOAD COSTS VS. 30 CREDIT HOUR LOAD

Cost of Attendance to 120 Cr hr Degree @24 cr hr load per year						
Cumulative Credit Hours Earned	24	\$ 48	\$ 72	\$ 96	\$ 120	Total Cost to Degree
	FY11-12 Cost of Attendance	FY12-13 Cost of Attendance	FY13-14 Cost of Attendance	FY14-15 Cost of Attendance	FY15-16 Cost of Attendance	
Tuition and Fees*	5,627	\$ 6,441	\$ 7,123	\$ 7,859	\$ 8,655	\$ 35,705
Room & Board	7,810	\$ 8,123	\$ 8,448	\$ 8,786	\$ 9,137	\$ 42,304
Books & Supplies	682	\$ 710	\$ 738	\$ 767	\$ 798	\$ 3,695
Total Cost of Attendance	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 18,590	\$ 81,704

Cost of Attendance to 120 Cr hr Degree @30 cr hr load per year						
Cumulative Credit Hours Earned	30	\$ 60	\$ 90	\$ 120	Total Cost to Degree	
	FY11-12 Cost of Attendance	FY12-13 Cost of Attendance	FY13-14 Cost of Attendance	FY14-15 Cost of Attendance		
Tuition and Fees*	5,627	\$ 6,441	\$ 7,123	\$ 7,859	\$ 27,050	
Room & Board	7,810	\$ 8,123	\$ 8,448	\$ 8,786	\$ 33,167	
Books & Supplies	682	\$ 710	\$ 738	\$ 767	\$ 2,897	
Total Cost of Attendance	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 63,114	
Net Savings 30 cr hr load vs. 24:					\$ 18,590	

Conclusion(Model 1): Changing student enrollment behavior to encourage 30 credit hour annual credit load will reduce their time to degree by one year, reduce educational expenses by \$18,590, and get students into the workforce with degree in hand one year earlier.

SECTION IV: STUDENT DEBT LOAD

Migrating students to a 30 credit hour annual credit load enrollment pattern will help them manage educational debt. The tables below illustrate the cost savings and debt reduction for low and middle income students.

**TABLE 6 – 24 CR HR VS. 30 CR HR LOAD STUDENT DEBT COMPARISON
VERY LOW-INCOME STUDENTS (55% OF ASC STUDENTS)
MODEL 1**

100% Pell Eligible Financial Aid to 120 Cr hr Degree @24 cr hr load per year						
Cumulative Credit Hours Earned	24	\$ 48	\$ 72	\$ 96	\$ 120	Total to Degree
Average Family Adj. Gross Income \$17,818 Approximately 55% of ASC Resident Undergrads	FY11-12 Cost of Attendance	FY12-13 Cost of Attendance	FY13-14 Cost of Attendance	FY14-15 Cost of Attendance	FY15-16 Cost of Attendance	
Total Cost of Attendance	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 18,590	\$ 81,704
Pell	\$ 5,550	\$ 5,744	\$ 5,945	\$ 6,153	\$ 6,369	\$ 29,761
Colorado State Need Based Aid	\$ 1,000	\$ 1,850	\$ 2,700	\$ 3,700	\$ 4,357	\$ 13,607
Colorado Need Based Workstudy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Workstudy	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 5,500
ASC Institutional Aid	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000
Federal Subsidized Student Loan	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 17,500
Federal Unsubsidized Student Loan	\$ 1,274	\$ 1,295	\$ 1,363	\$ 1,357	\$ 1,779	\$ 7,068
Out of Pocket/Private Loans	\$ 696	\$ 784	\$ 701	\$ 602	\$ 485	\$ 3,268
Total Financial Aid Package	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 18,590	\$ 81,704
Total Debt Load to Degree						\$ 24,568
Total Out of Pocket/Private Loans						\$ 3,268
Total Student/Parent Obligation						\$ 27,836

100% Pell Eligible Financial Aid to 120 Cr hr Degree @30 cr hr load per year						
Cumulative Credit Hours Earned	30	\$ 60	\$ 90	\$ 120	Total to Degree	
Average Family Adj. Gross Income \$17,818 Approximately 55% of ASC Resident Undergrads	FY11-12 Cost of Attendance	FY12-13 Cost of Attendance	FY13-14 Cost of Attendance	FY14-15 Cost of Attendance		
Total Cost of Attendance	\$ 14,120	\$ 15,273	\$ 16,309	\$ 18,590	\$ 64,292	
Pell	\$ 5,550	\$ 5,744	\$ 5,945	\$ 6,153	\$ 23,392	
Colorado State Need Based Aid	\$ 1,000	\$ 1,850	\$ 2,700	\$ 3,700	\$ 9,250	
Colorado Need Based Workstudy	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal Workstudy	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 4,400	
ASC Institutional Aid	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000	
Federal Subsidized Student Loan	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 14,000	
Federal Unsubsidized Student Loan	\$ 1,274	\$ 1,295	\$ 1,363	\$ 1,357	\$ 5,289	
Out of Pocket/Private Loans	\$ 696	\$ 784	\$ 701	\$ 1,780	\$ 3,961	
Total Financial Aid Package	\$ 14,120	\$ 15,273	\$ 16,309	\$ 18,590	\$ 64,292	
Total Debt Load to Degree					\$ 19,289	
Total Out of Pocket/Private Loans					\$ 3,961	
Total Student/Parent Obligation					\$ 23,250	
Reduced Debt Load vs. 24 cr hrs/yr to Degree					\$ 5,279	
Reduced Total Obligation vs. 24 cr hrs/yr to Degree					\$ 4,586	

Conclusion (Model 1): Changing student enrollment behavior to encourage 30 credit hour annual credit load will reduce student debt load by \$5,279.

**TABLE 7 – 24 CR HR VS. 30 CR HR LOAD STUDENT DEBT COMPARISON
LOW-INCOME STUDENTS (13% OF ASC STUDENTS)
MODEL 1**

50% Pell Eligible Financial Aid to 120 Cr hr Degree @24 cr hr load per year						
Cumulative Credit Hours Earned	24	\$ 48	\$ 72	\$ 96	\$ 120	Total to Degree
Average Family Adj. Gross Income \$43,625 Approximately 36% of ASC Resident Undergrads	FY11-12 Cost of Attendance	FY12-13 Cost of Attendance	FY13-14 Cost of Attendance	FY14-15 Cost of Attendance	FY15-16 Cost of Attendance	
Total Cost of Attendance	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 18,590	\$ 81,704
Pell	\$ 2,775	\$ 2,872	\$ 2,973	\$ 3,077	\$ 84	\$ 11,781
Colorado State Need Based Aid	\$ 2,000	\$ 2,590	\$ 3,683	\$ 4,857	\$ 5,000	\$ 18,130
Colorado Need Based Workstudy	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,500
Federal Workstudy	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 5,500
ASC Institutional Aid	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000
Federal Subsidized Student Loan	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 17,500
Federal Unsubsidized Student Loan	\$ 2,200	\$ 2,127	\$ 2,040	\$ 1,950	\$ 2,979	\$ 11,296
Out of Pocket/Private Loans	\$ 1,045	\$ 1,584	\$ 1,513	\$ 1,428	\$ 4,427	\$ 9,997
Total Financial Aid Package	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 18,590	\$ 81,704
Total Debt Load to Degree						\$ 28,796
Total Out of Pocket/Private Loans						\$ 9,997
Total Student/Parent Obligation						\$ 38,793

50% Pell Eligible Financial Aid to 120 Cr hr Degree @30 cr hr load per year						
Cumulative Credit Hours Earned	30	\$ 60	\$ 90	\$ 120	Total to Degree	
Average Family Adj. Gross Income \$43,625 Approximately 36% of ASC Resident Undergrads	FY11-12 Cost of Attendance	FY12-13 Cost of Attendance	FY13-14 Cost of Attendance	FY14-15 Cost of Attendance		
Total Cost of Attendance	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 63,114	
Pell	\$ 2,775	\$ 2,872	\$ 2,973	\$ 3,077	\$ 11,697	
Colorado State Need Based Aid	\$ 2,000	\$ 2,590	\$ 3,683	\$ 4,857	\$ 13,130	
Colorado Need Based Workstudy	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,000	
Federal Workstudy	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 4,400	
ASC Institutional Aid	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000	
Federal Subsidized Student Loan	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 14,000	
Federal Unsubsidized Student Loan	\$ 2,200	\$ 2,127	\$ 2,040	\$ 1,950	\$ 8,317	
Out of Pocket/Private Loans	\$ 1,045	\$ 1,584	\$ 1,513	\$ 1,428	\$ 5,570	
Total Financial Aid Package	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 63,114	
Total Debt Load to Degree					\$ 22,317	
Total Out of Pocket/Private Loans					\$ 5,570	
Total Student/Parent Obligation					\$ 27,887	
Reduced Debt Load vs. 24 cr hrs/yr to Degree					\$ 6,479	
Reduced Total Obligation vs. 24 cr hrs/yr to Degree					\$ 10,906	

Conclusion (Model 1): Changing student enrollment behavior to encourage 30 credit hour annual credit load will reduce student debt load by \$6,479.

**TABLE 8 – 24 CR HR VS. 30 CR HR LOAD STUDENT DEBT COMPARISON
MIDDLE INCOME STUDENTS (32% OF ASC STUDENTS)
MODEL 1**

0% Pell Eligible Financial Aid to 120 Cr hr Degree @24 cr hr load per year						
Cumulative Credit Hours Earned	24	\$ 48	\$ 72	\$ 96	\$ 120	
Average Family Adj. Gross Income \$66,483 Approximately 9% of ASC Resident Undergrads	FY11-12 Cost of Attendance	FY12-13 Cost of Attendance	FY13-14 Cost of Attendance	FY14-15 Cost of Attendance	FY15-16 Cost of Attendance	Total to Degree
Total Cost of Attendance	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 18,590	\$ 81,704
Pell	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Colorado State Need Based Aid	\$ 1,574	\$ 1,574	\$ 1,574	\$ 1,574	\$ 1,574	\$ 7,870
Colorado Need Based Workstudy	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 6,000
Federal Workstudy	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 5,500
ASC Institutional Aid	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000
Federal Subsidized Student Loan	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 17,500
Federal Unsubsidized Student Loan	\$ 2,000	\$ 3,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 17,000
Out of Pocket/Private Loans	\$ 3,746	\$ 3,899	\$ 3,935	\$ 5,038	\$ 6,216	\$ 22,834
Total Financial Aid Package	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$ 18,590	\$ 81,704
Total Debt Load to Degree						\$ 34,500
Total Out of Pocket/Private Loans						\$ 22,834
Total Student/Parent Obligation						\$ 57,334

0% Pell Eligible Financial Aid to 120 Cr hr Degree @30 cr hr load per year						
Cumulative Credit Hours Earned	30	\$ 60	\$ 90	\$ 120		
Average Family Adj. Gross Income \$66,483 Approximately 9% of ASC Resident Undergrads	FY11-12 Cost of Attendance	FY12-13 Cost of Attendance	FY13-14 Cost of Attendance	FY14-15 Cost of Attendance		Total to Degree
Total Cost of Attendance	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$	\$ 63,114
Pell	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Colorado State Need Based Aid	\$ 1,574	\$ 1,574	\$ 1,574	\$ 1,574	\$	\$ 6,296
Colorado Need Based Workstudy	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$	\$ 4,800
Federal Workstudy	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$	\$ 4,400
ASC Institutional Aid	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$	\$ 4,000
Federal Subsidized Student Loan	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$	\$ 14,000
Federal Unsubsidized Student Loan	\$ 2,000	\$ 3,000	\$ 4,000	\$ 4,000	\$	\$ 13,000
Out of Pocket/Private Loans	\$ 3,746	\$ 3,899	\$ 3,935	\$ 5,038	\$	\$ 16,618
Total Financial Aid Package	\$ 14,120	\$ 15,273	\$ 16,309	\$ 17,412	\$	\$ 63,114
Total Debt Load to Degree						\$ 27,000
Total Out of Pocket/Private Loans						\$ 16,618
Total Student/Parent Obligation						\$ 43,618
Reduced Debt Load vs. 24 cr hrs/yr to Degree						\$ 7,500
Reduced Total Obligation vs. 24 cr hrs/yr to Degree						\$ 13,716

Conclusion (Model 1): Changing student enrollment behavior to encourage 30 credit hour annual credit load will reduce student debt load by \$7,500.

SECTION V: ADDRESS THE NEEDS OF UNDERSERVED & UNDERREPRESENTED STUDENTS

As one of Colorado’s most cost effective four-year institutions, Adams State maintains its historical commitment to access for Colorado’s underserved citizens. ASC’s primary service region, the 8,000 square mile San Luis Valley, is a six county rural region comprised of some of the State’s poorest counties. Providing geographic access for low-income students is core to our mission. 91% of ASC students receive financial aid. 55% of our students are considered low-income, with family adjusted gross income averaging \$22,474. 68% of ASC students qualify for need-based federal Pell Grants, the highest percentage of any public higher education institution

in the state. Roughly one-third of San Luis Valley students at Adams State would be unable to attend college elsewhere. More than one-third of the spring 2010 Adams State graduating class was from the San Luis Valley.

Adams State's smaller, more personal environment is less intimidating and more welcoming for first-generation students. ASC is able to provide them with the attention and services they need for success. 37.5% of all Adams State undergraduate students are first-generation; among Hispanic students, that rate is more than 47%.

The fastest growing demographic group in Colorado over the next decade will be Latino youth. ASC has the longest Hispanic Serving history among Colorado 4 year institutions, with 32% Hispanic enrollment. A total of 43% of Adams State undergraduates are non-white. A 2007 study by the American Association of State Colleges and Universities (AASCU) found Adams State had the third highest Hispanic graduation rate of all 435 AASCU member institutions nationwide.

On September 29, 2010 Adams State was notified that we have been selected to receive \$3.2 million in federal grant funding under the US Department of Education's Strengthening Institutions – Hispanic Serving Institutions Program.

The purpose of this program is to expand educational opportunities for, and improve the academic attainment of, Hispanic students; and expand and enhance the academic offering, program quality, and institutional stability of colleges and universities that are educating the majority of Hispanic college students and helping large numbers of Hispanic students and other low-income individuals complete postsecondary degrees.

Improving Student Engagement and Success is this project's single activity. It is designed to effectively address three of the significant problems now facing ASC, including the need to consolidate and expand our student services; a need for a comprehensive faculty and staff development program, and the need to keep up with rapidly-evolving instructional technology. These problems have been identified through an institutional strategic planning process and will be addressed through activities and facilities that will increase the success of ASC students—especially Hispanic and low-income students. This will be done, in part, by the hiring of several key staff members. The project will produce measurable outcomes, resulting from the implementation of three components:

- Component One: Developing a new Student Success Center to provide enhanced tutoring, advising, and career services, as well as an expanded summer bridge program, to ASC students.
- Component Two: Improving the number and quality of professional development activities for ASC faculty and staff; and
- Component Three: Improving access to instructional and assistive technology for faculty and students.

SECTION VI: OPERATIONAL FLEXIBILITY

Prior to the passage of Senate Bill10-003, the College, along with all state higher education institutions, had the choice to opt-out of certain state services and requirements. These services and requirements included the state procurement code, the state risk management program, and the state fleet management program. The College joined a consortium with other Colorado public higher education institutions to conduct an analysis of the operational benefits and savings associated with opting out of the state risk management program. Based on this analysis, the College has given State Risk Management notice of our intention to opt-out of the state risk management program beginning FY2011-12. The operational flexibility opportunities provided by passage of Senate Bill10-003 will be analyzed in a like manner.

The College has notified the Department of Personnel and Administration of our intent to discontinue participation in the contract monitoring systems. Our prior participation in these programs did not provide a benefit to the College and required a significant amount of staff time to comply. By relieving our procurement staff of this required reporting, more focus can be made on improving internal processes that will save the College money and provide better service to College departments.

Beyond this provision, the College plans to assess other elements of flexibility such as the development of our own fiscal rules and processes for debt collection. Should the College opt to adopt these measures of flexibility, a report on the projected operational efficiencies and cost savings will be provided through another FAP submission.

The tuition flexibility provided in SB 10-003 has limited benefit given our tuition capacity, enrollment size, and student socioeconomic demographic.

SECTION VII: ALIGNMENT WITH STATEWIDE STRATEGIC PLANNING

Describe how the implementation of the elements of this FAP provides either opportunities for or barriers to alignment with the ongoing statewide strategic planning process.

SB 10-03 directs CCHE to develop a statewide strategic plan (The Degree Dividend). Adams State has strategic action plans that link directly to this plan.

Degree Dividend Goal: The state's system of higher education should guarantee flexible, accessible and affordable entry points and paths to completion for students by identifying, investing in and expanding efficient ways of delivering remediation and developmental education to move students effectively and successfully into and through certificate and degree programs.

Adams State College linked strategic action:

- In 2009 Adams State developed the STAY program(Structured Transitional Academic Year). The STAY program was designed for students who need two or more developmental courses, as determined by their ACT/SAT or placement test scores. We assign this group of students to one of ten course schedules that helps them successfully complete their remedial education requirements. If students successfully complete their basic skills courses in their first year, they are more likely to do well with their general education courses and required coursework for degree completion.

Degree Dividend Goal: Establish performance targets by institution for the admission and completion of low-income students, students of color, and according to the economic development needs of the state by providing supportive services targeted to low-income or first generation students statewide, with emphasis on mentoring and advising. Adams State is focused on achieving measured results in this area.

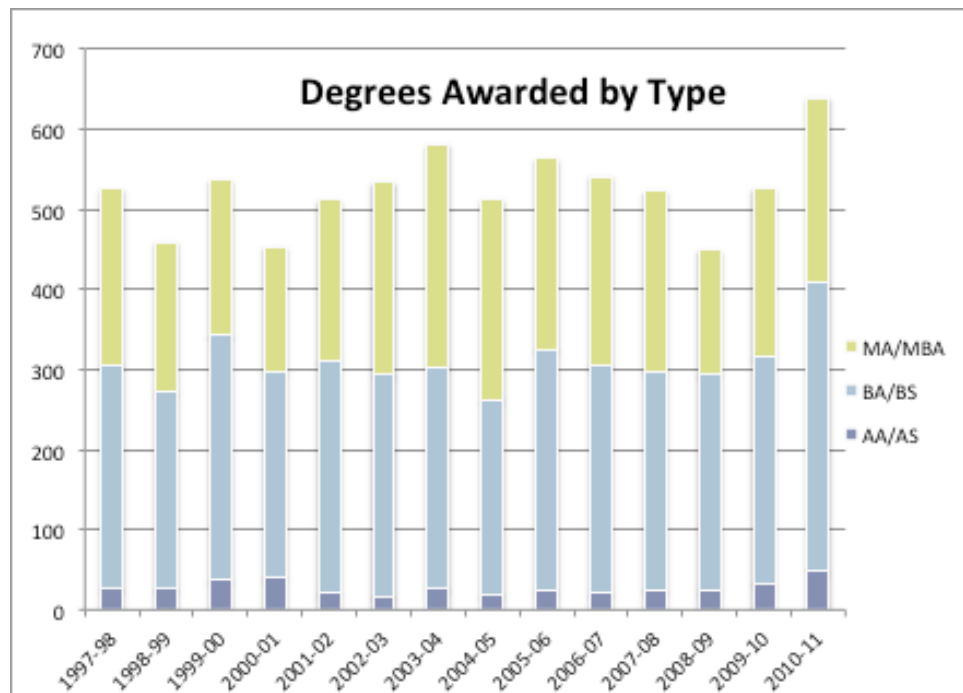
Adams State College linked strategic action:

- On September 29, 2010 Adams State was notified that we have been selected to receive \$3.2 million in federal grant funding under the US Department of Education's Strengthening Institutions – Hispanic Serving Institutions Program. This grant will enable the College to:
 - Open a new Student Success Center to provide enhanced tutoring, advising, and career services, as well as an expanded summer bridge program, to ASC students.
 - Improve the number and quality of professional development activities for ASC faculty and staff; and
 - Improve access to instructional and assistive technology for faculty and students.

Degree Dividend Goal: Better student retention; course, certificate, and degree completion; and better opportunities for Colorado’s low and middle income students.

Adams State College linked strategic action:

- Adams State has experienced eleven consecutive record semesters of enrollment growth. Adams State is not only aggressively pursuing enrollment, we strive to produce more degrees. In 2010-11, ASC produced the highest number of degrees in its history.



- Historical enrollment data demonstrates that Adams State has experienced increased student enrollment growth in the last five years. However, Full Time Equivalent (FTE = 30 cr hr per year) has not grown proportionally. Adams State has more students taking fewer credit hours per semester. To reverse this trend, Adams State is developing a rigorous academic and financial aid advising model to encourage students to carry full semester credit hour loads (15 credit hours per semester) in order to earn a degree in a more cost effective and timely manner. This strategy will also address the SB 10-03 stated goal of implementing measures to reduce student debt by making effective use of financial assistance.

Degree Dividend Goal: Expand and replicate successful college preparation programs such as GEAR UP and TRiO programs while measuring their return on investment and success as benchmarked against traditional pathways

Adams State College linked strategic action:

- Adams State's Upward Bound Program is a federally funded program designed and funded to work with high school students who have the potential for success in college.
 - This program strives to unlock each student's potential through academic skills development and extensive career and personal counseling.
 - The program consists of an academic year program and a summer residential program.
- Adams State's Student Support Services Program is a federally funded program that provides opportunities for academic development, assist students with basic college requirements, and to motivate students toward the successful completion of their postsecondary education.
 - 1-on-1 Counseling Services (Academic, Career, Financial and Personal)
 - Individual & Group Tutoring
 - Faculty & Staff Mentoring
 - Summer Scholars Program
 - Educational/Cultural Trips
 - Supplemental Grant Aid and Scholarships
 - Kitchen Facilities
 - Printing, copy machine and fax services
 - Computer Lab
 - Textbook Library
 - Graduate School Preparation
 - College Success & Career Workshops